Region Five Development Commission  
2018-2020 EDA Partnership Planning Grant- Annual CREDS Performance Report

This annual performance report summarizes the economic development activities undertaken by Region Five Development Commission (R5DC) for the period of January 1, 2018-September 30, 2018. These activities made possible by an Economic Development Administration (EDA) grant through the Partnership Planning Assistance Program. The grant provides for a regional economic development planning program, supporting 65 cities, 151 townships, 1 army camp and 1 tribe in the counties of Cass, Crow Wing, Morrison, Todd and Wadena in Central Minnesota. This report contains two sections: 1) annual accomplishments and progress, and 2) next steps.

R5DC has been making progress towards achieving the goals and objectives outlined in the 2016-2020 CREDS. This update is a snapshot of what we have accomplished and what is being developed in the four defined cornerstones: Human Capital, Economic Competitiveness, Community Resources and Foundational Assets.
Annual Accomplishments and Progress - current projects and programs as they relate to economic development goals and strategies.

**HUMAN CAPITAL**

Regional SMART Goal - Increase labor force participation by 2% by 2025.

*Align education and workforce development to meet current and future needs of employers. Embrace emerging diverse populations through targeted workforce programs:* Co-hosting, in conjunction with MNCEP, Central Lakes College, Initiative Foundation and 12 other organizations, a Talent Advantage Series aimed at assisting employers with hiring needs through strategies and resource sharing. The first workshop in the series was held on April 11th with over 100 regional employers and stakeholders attending the event. Additional workshops have occurred in the communities of Little Falls and Long Prairie, in partnership with their chambers of commerce.

*Increase child care options to assist parents in joining the workforce:* in conversation in many communities and with a variety of partners in combating this issue. Although no solutions have yet been discovered, this is a legislative priority for greater Minnesota.

**ECONOMIC COMPETITIVENESS**

Regional SMART Goal - Working with other MN regions, improve Greater MN ranking on Stats America Innovation Index from 91.8% to the National Average 100 by 2025.

*Broaden access to capital to encourage innovation and entrepreneurship.* R5DC’s nonprofit arm, NCEDA, continues to offer an RLP to small businesses, as well as an emerging entrepreneur lending program with funding from the Minnesota Department of Economic and Employment Development (DEED).

*Invest in value added opportunities from agriculture and forest products.* R5DC continues its work on the local foods value chain, working to expand and grow our region’s small farms. The Sprout Food Hub in Little Falls also offers growers the opportunity to expand their business through use of their commercial kitchen and indoor winter marketplace events.

Regional SMART Goal - Develop 2-3 new capital investment programs over the next 10 years.
Utilize public/private partnerships to facilitate increased SME business lending. Establish new business programs to fill gaps in the capital market. R5DC’s nonprofit arm, NCEDA, continues to offer an RLP to small businesses, as well as an emerging entrepreneur lending program with funding from the Minnesota Department of Economic and Employment Development (DEED). R5DC worked with three organizations to kick off three social crowdfunding campaigns in June- funds raised to: 1) assist downtown Brainerd with attracting shoppers during road construction, 2) purchase a trailer as part of a mobile market to bring fresh produce to food deserts and 3) purchase a truck to allow a food packing organization to do more off site packs and get more food to those in need. R5DC partnered with MNstarter to create a crowdfunding portal to host these campaigns.

Regional SMART Goal- Increase deployment of renewable energy by 10% by 2025.

Add programs/policies that reduce carbon footprint through renewable energy and energy efficiency initiatives. Pursue solutions to build local renewable energy infrastructure. Working with local school districts, local solar energy company and Xcel Energy to deploy solar on public schools and local college in the region. This program will also add electric car stations at locations throughout the region.

Ensure access to solar energy for all housing. Recently completed a solar lending feasibility study to determine if home owners are interested in adding solar energy to their existing infrastructure. Currently reviewing the data and determining the viability of this type of lending program.

COMMUNITY RESOURCES

Regional SMART Goal- The stock of trust, relationships, and networks that support the regional collaboration improves annually.

Actively recruit and nurture emerging community leaders through community leadership learning and development opportunities and network groups, with intentional focus on underserved communities. Through work being done at the Sprout Growers and Makers Marketplace in Little Falls, R5DC and Sprout staff are celebrating the unique cultures of the region, highlighting the strengths and contributions they make to our quality of life. R5DC is also a part of a MN Learning Communities Network aimed at improving the skills of and share best practices for community developers.

Regional SMART Goal- Increase employment in the arts industry by 5% by 2025.
Develop artistic programs that value cultural differences. Continue to fund and value arts and cultural preservation efforts for all arts, including culinary, visual and others. Through work being done at the Sprout Growers and Makers Marketplace in Little Falls, R5DC and Sprout staff are celebrating the unique cultures of the region, highlighting the strengths and contributions they make to our quality of life through art and food. A social crowdfunding campaign in Downtown Brainerd will also involve local artists and creative thinkers in an effort to drive shoppers and visitors into the stores during road construction this summer by utilizing placemaking concepts. R5DC involves creative thinkers at the beginning of projects and programs as we see the value in including arts and culture in all we do.

Develop collaborations that use and enhance local cultures, such as collaboration between mental health professionals, artists and local food producers. Working with local hospital, artists and farmers to develop RX-prescribed community sustainable agriculture share to get fresh fruits and vegetables to those who are struggling with opioids addiction. Art will be used to educate on healthy eating and assist with some of the mental health issues that come with addiction.

Regional SMART Goal- Increase visitor spending in Region 5 by 5% by 2025.

Utilize arts based placemaking to improve downtowns and public spaces. A social crowdfunding campaign in Downtown Brainerd will also involve local artists and creative thinkers in an effort to drive shoppers and visitors into the stores during road construction this summer by utilizing placemaking concepts. Downtown Little Falls has also formed a committee of community members, public officials, and artists to work on a marketing campaign to promote downtown Little Falls during bridge reconstruction.

Keep MN travel experiences fresh and current by marketing existing and new outdoor recreation, arts and cultural heritage experiences and amenities. The Good Life regional branding project has served as a tool for promoting activities and events happening in Region 5.

Regional SMART Goal- Improve availability and access to a multitude of health and wellness program and services from private/public and non-profit entities for 100% of population by 2025.

Offering new preventative care programs in partnership or led by private sector that keep residents and workforce healthy. Working with local hospital, artists and farmers to develop RX-prescribed community sustainable agriculture share to get fresh fruits and vegetables to those who are struggling with opioids addiction. Continued
expansion of the Choose Health program in the region also provides access to fresh foods to low income or health challenged families.

FOUNDATIONAL ASSETS

Regional SMART Goal- 100% of businesses and households in Region 5 will have access to broadband based on current state goals.

*Promote, support private/public partnerships that fund improved high-speed internet access throughout region for telecommuting and business activities.* R5DC continues to receive $100,000.00 annually from Sourcewell to coordinate broadband efforts between two local phone cooperatives. Decisions are made based on where the highest need and highest impact can be met. To date, $400,000 over the last 4 years has leveraged nearly $10,000,000.00 in state funding to expand broadband in Todd and Wadena counties. Long Prairie worked in partnership with CTC to expand fiber to residents and business owners within the city limits. WCTA has two broadband expansion projects they are currently working on in northern Todd and southern Wadena counties, impacting small towns such as Browerville and Bertha. R5DC is also exploring ways of using creative placemaking to demonstrate the need for broadband in rural areas.

Regional SMART Goal- Transit providers improve coordination of services, offering 15% improved ridership and new ride options by 2025.

*Establish a connected region-wide public transportation network. Increase either the number of vehicles and/or the geographic area of service for rural transit in Region 5.* R5DC is serving at the MNDOT Regional Transit Coordination Council, which allows for further coordination between transit providers, service agents and private sector to fill transportation gaps, streamline access to transportation and provide individuals more options of where and when to travel.

Regional SMART Goal- 10% decrease of communities out of MPCA compliance by 2025.

*Facilitate dialog around right-sized wastewater infrastructure projects. Encourage cities to develop capital improvement plans to account for needed improvements that align with comprehensive plan and zoning ordinances.* Sharing information with local units of government on available EDA Public Works dollars for improvement of wastewater infrastructure, working closely with those cities on a grant application if they decide to move forward.

Regional SMART Goal- Move toward balance in local housing markets to address local housing need.
Create planning and zoning neighborhood strategies that account for the location of infrastructure. Use zoning to encourage efficient and functional development and locate public housing near amenities. R5DC has supported numerous workforce housing projects, most recently the Central Minnesota Housing Project (CMHP) in Staples, MN, as lack of housing is affecting employer’s ability to attract a qualified workforce.

Regional SMART Goal- Existing stock of regional airport and landing strips and freight and passenger rail will be maintained and all operational by 2025.

Continue to work with MNDOT to maintain rail crossing alert systems and replace as needed. MNDOT’s office of Rail Safety recently gave a presentation to Region Five Development Commission’s Transportation Advisory Council (TAC) about at grade rail safety, crude oil by rail, and information on current solicitation for rail safety projects.

Regional SMART Goal- 10% of the sixty-five cities in Region 5 will have completed Safe Routes to School (SR2S) plans by 2025. All cities with plans will have implemented at least two SR2S strategies.

Long Prairie was the recipient of a Safe Routes to School (SR2S) Technical Assistance grant which enabled R5DC to assist the community in developing a SR2S plan. This plan was completed in June of 2018. Cass Lake/Bena School’s SR2S trail connecting the school to the Heartland Trail was constructed in second half of 2017, after going through a 12-month SR2S planning process in 2014. Cass Lake/Bena School District set about implementing their SR2S plan by applying for Transportation Alternatives (TA) funds for trail construction and were subsequently awarded. The off-street trail, complete with lighting, is now fully operational and being used by students regularly as they walk/bike to/from school, to the heartland trail which connects the schools to the city of Cass Lake.

Regional SMART Goal- Regional trail systems are interconnected throughout all five counties and to external statewide trail systems by 2025.

Create linkage between trail systems. New city trail systems connect to other walkable community options. Groundbreaking for the Camp Ripley Veterans State Trail (CRVST) took place in July 2018. This multi-use trail will create 500 miles of continuous paved trail.

Increase number of communities that achieve “bike-friendly” community status. A Regional Technical Advisory Committee (RTAC) has been established to help inventory existing trail facilities, identify potential future connections and develop a prioritized list
of trail corridors in the region. The RTAC provides their information and recommendation to the District Technical Advisory Committee (DTAC), which has been tasked with developing the District 3 Bicycle System Plan after MNDOT developed its Statewide Bicycle System Plan in 2015.

**Vital Project**

The R5DC CREDS Strategy Committee, comprised of a group of diverse regional leaders from the private, public & non-profit sectors, selected ten projects to include as Vital Projects in the Comprehensive Regional Economic Development Strategy (CREDS).

The 2018 Vital Projects are:

- **Integrating Site-based Solar Energy Systems into STEAM Curriculum – RREAL** RREAL’s mission is to make solar energy accessible to everyone. As part of our mission, we will be installing 1.493 Megawatts of DC solar capacity for several schools in our region. Funding is secured for the solar arrays. This project will take the solar arrays even further through educational opportunities for students to experience renewable energy in their communities and gain valuable knowledge about solar energy. Today’s youth are making tomorrow’s energy choices, and students exposed to responsible clean energy possibilities now will lead the way to a clean energy future. These programs will also help continue to create a more inclusive clean energy workforce. Clean energy employment provides high quality, well-paying jobs, which have increased by 191% in Central Minnesota since 2000 and continue to rise (Minnesota Clean Energy Economy Profile). Since solar is opening the doors for new jobs in our region, having K-12 solar education will make it possible for our students to develop the knowledge needed to succeed in the burgeoning green future. The first project of its kind in Region 5 Minnesota, our Solar for Schools curriculum development project will bring age-appropriate STEAM-integrated clean energy curricular opportunities to all grades.

- **Talent Advantage Series – Rural MN CEP** The Talent Advantage Forum series is a collaboration of organizations which seeks to elevate the demographic and economic causes of Central Minnesota’s workforce shortages, highlight effective strategies to attract, develop, and retain skilled workforce, and otherwise elevate the option of “hidden talent” (veterans, disabled, minorities, New Americans, retired workers) which can also alleviate the constriction this has created for our regional economy. Benefits of implementation of these strategies accrue to employers (that achieve higher productivity and outputs), workers (opportunities to re-enter the workforce or “upskill” for higher pay), and local units of government which value the healthy tax base.

- **Ag Vet Program – R5DC** The R5DC AgVets program is designed to better meet the needs of our Minnesota Veterans and to ensure that Minnesota’s agricultural economy thrives in the years to come. This will be achieved by 1. Increase the number of military
veterans gaining knowledge and skills through comprehensive, hands-on and immersive model farm/ranch programs offered in Central MN 5-county region that lead to successful careers in the food and agricultural sector. 2. Deliver extensive training program, including cutting edge technologies and innovations that producers can adopt to effectively manage business operations. Assist with job placement or career advancement activities post training. 3. Via effective coordination, connect veterans with resources that assist throughout program. 4. Evaluate and fiscally administer program with high degree of accountability and transparency to meet continued “high performing grantee” status. Attraction efforts initially concentrate on veterans from within the five-county region with intentional focus on reaching veterans from minority and unrepresented groups.

- **Regional Broadband Expansion Projects – CTC and WCTA**  CTC's project mission is to expand broadband access and critical redundant fiber connections into all R5 communities and critical facilities within R5. Through this project all R5 communities will have access to new ways to help grow economic, education, health innovation with new fiber optic connectivity. A regional R5 fiber optic network will enhance collaborative efforts of our local governments, school districts and citizens to connect with each other and the world. WCTA’s Wadena Rural Phase III Project, currently in the construction phase, will bring 1 Gbps broadband through FTTH technology to these unserved neighbors so that government, businesses, consumers and students in the area can bridge the “digital divide” and enjoy the same opportunities as WCTA members, enabling this impoverished area of the state to find new ways to thrive.

- **Innovations Academy – Bertha-Hewitt School District**  The purpose of this project is to provide students in our region a hands-on experience in the fields of medical, manufacturing, agriculture, and the trades. The mission is to motivate students in our poverty ridden communities by giving them applicable experiences. The goal with this is that more students in our area will then move on to a trade school and/or 4 year college in the areas where our region needs the most jobs.

- **Expanding the Legacy Trail – City of Staples**  By connecting our communities, trail users would have the ability to travel all the way from Bemidji to Staples or Staples to Royalton or a variety of other routes. This feasibility study will be the start of making connections with the region’s western communities that lack access to state trails within Region Five.

- **The Good Life…for ALL! – R5DC**  The Good Life….for ALL! project will provide a platform for equity and inclusion through learning and knowledge-sharing with regional stakeholders or subject matter experts, and capacity-building of trained coaches that assist with deployment of strategies. The project will provide a framework for rural communities to learn inclusive community practices, tools for navigating a changing rural identity, and foster inclusive efforts across the region in ways that improve livelihoods and ownership of the process and the outcomes. Our strategy and reach
have both breadth and depth. We seek inclusion of all diversity which includes the protected classes of age, race, color, religion, gender, disabilities and familial status but we seek inclusion of the less protected classes such as previously incarcerated, residents and new comers who have recovered from substance abuse or have a recovered from or are recovering from mental health issues, we seek inclusion of Veterans and those that have a physically handicap.

- **Region 5+ Comprehensive Re-entry Project – Crow Wing County**  When a person with mental illness is picked up by law enforcement, officers have few options, basically the emergency room, detox or jail. By offering this innovative model the social worker or mobile crisis team member will work with law enforcement to offer additional options. The Comprehensive Re-Entry Project is designed to provide a full continuum of care to individuals with acute or chronic mental or chemical health problems who become involved with law enforcement. This project enhances the resources and tools available to law enforcement so that individuals in our region get the right services and right time and have strong incentives to participate in those services. This project is new to our region yet the multi-county and integration with law enforcement, mobile crisis services and jails to address this increasing criminalization of serious mental illness will produce better results not only for these stakeholders yet more importantly the individual themselves.

- **River to Rail – City of Brainerd**  Property owners and businesses, Brainerd Restoration - a 501C3 nonprofit, the Brainerd Lakes Area Economic Development Corporation (BLAEDC) and the City of Brainerd are partnering in a quality of place initiative entitled River to Rail. This initiative has community and regional characteristics that will make it a distinctive and attractive quality of place unlike any other place in the region and the upper Midwest.

- **Toward Zero Deaths – Toward Zero Deaths**  Safety is something that truly effects the whole community. Additionally, it is a priority for health for both the prevention of the crash and for the risk to those that respond. There are many risks that are imposed following a crash, some of which are health concerns from hazards at the scene that can be communicable or as a result from the contents of vehicles in the crash.

**2017 Project Updates:**

**Mobile Market** – To date, funds have been secured to purchase a vehicle to serve as the mobile market. Sprout held a social crowdfunding campaign in conjunction with R5DC in June 2018 to raise funds for a trailer, which would have a refrigerator and a freezer so people can buy meat, dairy products and frozen vegetables, in addition to the fresh produce. Over $7000.00 was raised during the campaign. Sprout is planning the routes and has a goal of launching the mobile market later this fall.

**Agriculturally Resilient Communities-** on hold- no funding
Beyond the Yellow Ribbon- County Veterans Service Officers, Yellow Ribbon members from existing organizations in the region and other interested parties have convened multiple times to begin the establishment of the Regional Beyond the Yellow Ribbon organization. Work is being done to create the structure, by-laws, operating guidelines and budget. The regional organization exists to create efficiencies in care, resources and networking opportunities for all of our service members and their families in the region. This opportunity demonstrates the willingness and ability to work across city and county lines for improved communication to ensure no service member or their family falls between the cracks.

Passive Deep Winter Greenhouse- Grampa G’s deep winter greenhouse has been constructed in an effort to advance DWG research and outreach. The ribbon cutting was held July 28, 2018. DWGs use passive solar heat collected from the sun in the day which is stored in an underground rock bed. At night that heat dissipates into the ambient space above to allow cold tolerant crops to grow. This technology will help small- and mid-sized farms increase their revenue potential helping to keep small farmers on the land and increase access to fresh locally grown food.

GoNorthMN- www.gonorthmn.org and https://www.facebook.com/GoNorthMN/ This group focuses on quality of life, marketing and economic development for five area communities. Much of their outcomes are dependent on donations.

Self-Healing Community Model- To date, 82 participants have become trained ambassadors who present around the community about the mental health stigma through a program called MAKE IT OKAY. Resiliency tools are also being created, though funding for this is limited at this time.

2016 Project Updates:
Sprout Growers and Makers Marketplace – This is central Minnesota’s food hub, formally established in 2012, and coordinates a farm to school program, as well as a regional food distribution and processing facility. This report demonstrates Sprout MN’s regional impact and staying power as an important and impactful economic engine.

Virtual Highway Infrastructure Project, Phase II- Todd Wadena Electric Cooperative developed a feasibility study for the unserved areas of their membership territory. Phase II of the Fort Ripley, MN project was completed. CTC expanded fiber into the City of Long Prairie, which was completed this summer. CRC and WCTA are exploring other projects in Todd and Wadena counties based on the feasibility study results. Discussions are also being had about WiFi on school and transit buses.
**Brainerd Riverfront** - Brainerd Riverfront is a multi-phased effort to transform the riverfront by creating recreational, economic and cultural opportunities for our residents and our visitors. This project has created a committee, who meets on a monthly basis. A $100,000.00 grant from the Brainerd Lakes Community Foundation allowed the committee to create a Mississippi River Partnership Plan, outlining the four year project goals and funding options. [http://www.brainerddispatch.com/news/4381455-mississippi-riverfront-project-starts-take-shape](http://www.brainerddispatch.com/news/4381455-mississippi-riverfront-project-starts-take-shape)

**Hwy 27 Memorial Bridge Feasibility Study** - During the comprehensive plan survey, the public highlighted the Trunk Highway 27 bridge [5907] as a concern due to the congestion it creates, stopping traffic on Trunk Highway 27. This rail crossing is listed as number four high priority crude by rail grade crossing list. This project is scheduled to begin in 2019.

**Community Well-Being Building Project** - This project has made great strides in reaching the funding goals and the official ground breaking for the new Regional Community Well-Being Center was held on August 28, 2018. The facility is expected to be completed by June 2019. This center will help meet the wellness needs of over 35,000 residents within a 20-mile radius of Long Prairie. The center will include: community and physical therapy gym and pool, locker and shower rooms, demonstration kitchen, rehabilitation department and a fitness studio. The total project cost is $4.5 million.

**Whole Health Pine River Backus** - Weekly Community Supported Agriculture (CSA) shares are provided weekly from the gardens at Happy Dancing Turtle to families identified by the Pine River Backus Family Center. The participants attend SNAP-ed cooking classes, receive a newsletter and recipes to help them better utilize the foods in the CSAs. The program is expanding to the winter months as well- providing one CSA per month from November to April. Funding for this program comes from donations.

**Solar for Schools-STEM Education** - Solar is currently being constructed at three school districts in Region 5. Once the construction is completed, curriculum will be implemented at these schools. Curriculum is being developed by Climate Generation and Clean Energy Resource Teams, and will align with state educational standards. Capital is still needed to implement the curriculum at the schools. A kiosk will also reside in each school, showing the energy savings, energy levels, etc. The Leech Lake Tribal College now has a clean energy technician program, creating internships and pathways to well-paying careers for its graduates.

**Next Steps- where we are going in 2019**

*The Good Life...for ALL!*
Our communities are grappling with changing community demographics from aging residents and increasing numbers of immigrants and refugees calling rural Minnesota home. Rural communities are reflecting on what it means to be a newcomer, how diversity is viewed from the lens of preserving the local identity, and reflecting on what it means to be white/non-white in their communities. While at the same time, our businesses are struggling to attract employees and the workforce crisis is not at peak demand.

The organization Growth & Justice published a comprehensive report in 2015 revealing the growing inequality on a county-by-county basis in Minnesota. The report shows what we have known in Central Minnesota for several decades, that 3 of our counties are the poorest in MN and 3 have the lowest Gini ratio. The Gini coefficient (also known as the Gini index or Gini ratio) is a measure of statistical dispersion intended to represent the income distribution of a nation's residents, and is the most commonly used measure of inequality.

Simultaneously, increasing racial diversity and an aging white population is exacerbating these inequality and disparity trends. The undeveloped human potential in Region Five will have an impact on Minnesota’s overall economy, thus we must deploy strategies build our social capital and fully realized our diverse assets and change the narrative of this regions quality of life in ways that drive sustainable economic growth for our region and the rest of the state.

The Good Life...for ALL! project will provide a platform for equity and inclusion through learning and knowledge-sharing with regional stakeholders or subject matter experts, and capacity-building of trained coaches that assist with deployment of strategies. The project will provide a framework for rural communities to learn inclusive community practices, tools for navigating a changing rural identity, and foster inclusive efforts across the region in ways that improve livelihoods and ownership of the process and the outcomes.

**Bush Creative Community Cohort**
R5DC is one of 40 organizations from North Dakota, South Dakota, Minnesota and the 23 Native nations that share the geography selected by the Foundation for its commitment to making art and culture central to problem solving. All participating organizations are either led by and serving people of color or Indigenous people, and/or are led by and serving people from rural communities or non-metropolitan cities or towns with populations of less than 50,000 people. Each member of the cohort will receive a general operating support grant of $100,000 over a three-year period and access to other funds to help them improve their work and strengthen their organizations.

**RTCC Implementation**
R5DC will serve as the coordinator of the five-county Regional Transportation Coordinating Council (RTCC) for the counties of Crow Wing, Cass, Morrison, Todd and Wadena. The goal of this council is to fill transportation gaps, streamline access to transportation and provide
individuals with more options of where and when to travel. This improves mobility for the "transportation disadvantaged"—older adults, individuals with disabilities, individuals with low income and/or military veterans. R5DC will coordinate between transportation providers, service agents and the private sector.

WealthWorks Hubs
The Rural Community Assistance Partnership is receiving $477,208 to support the National WealthWorks Technical Assistance Program. WealthWorks will help rural communities, specifically those in economically distressed areas, implement economic development plans. WealthWorks is a network of organizations that includes the Central Appalachia Network, Communities Unlimited, Community Roots, Region Five Development Commission, Rural Community Assistance Corp., Rural Development Initiatives, and Midwest Assistance Program. This will be done by delivering technical assistance on economic development planning and implementation. WealthWorks offers a proven community-centered, systems approach that results in transformative impact in rural communities and improved livelihoods through increasing local ownership and connecting local assets to real market demand. Institutionalizing WealthWorks through economic development plans and implementation strategies will improve—and sustain over time—economic resilience and quality of life in rural places.