



Message from the **Board Chair**

40 Years and Counting...

Congratulations to all who have served on this Commission and to the many staff who have worked on behalf of the Commission over this time. In 1973, some visionary, regional individuals organized and developed the Upper Minnesota Valley Regional Development Commission. The Commission members, as well as the staff, have obviously changed over the past 40 years but the commitment "to build, strengthen, and energize our region" has always been and continues to be the focus. I believe this commitment to our region is as strong as ever and is a reflection of our current staff and commission members.

Forty years is a long time...but when our next generation looks back, they will declare that the first 40 years were just the beginning chapters to a huge success story.

It has been a real pleasure to serve and be a part of this ongoing story and to work with such a committed group of individuals.

Sincerely,

Sany Hedrickx
Gary Hendrickx





Message from the **Executive Director**

Our region has seen a variety of great plans, projects and grants this year. The staff at the UMVRDC has connected with communities, listened to their ideas, and helped with their needs. As you read through this report you will find examples of our work and perhaps inspiration for your community. I encourage you to reach out to our talented team of employees for help with your to-do list. We survey annually, review local newspapers weekly, and visit and email regularly the communities about what they are working on, and when we know priority issues we can better connect the many new and ongoing programs and funding to these local needs. All of our team is passionate about helping our region succeed.

There are some great projects this year that deserve highlighting. Kristi has been actively facilitating the 10th Annual Meander Art Crawl for this coming October 4-6. We are proud to continue our role as event organizer, fiscal agent, and marketing department. This project has seen successful growth EVERY. SINGLE. YEAR. It is due to the great collaboration between artists, local business and government sponsors, and the creative, dedicated Meander steering committee. KUDOS!

Our Prairie Waters Tourism program has completed two great new publications for the region highlighting the many things to see and do and has been actively growing their social media presence. The new Antiques, Shops, Dining and Lodging guide highlights MANY of my local favorites and the brand new visitors guide showcases the diversity in things to do in our wonderful region. I challenge you to find somewhere new to explore in the area!

Safe Routes to School has been a wonderful new project. We have been able to work with several schools, local parents, and teachers to address a variety of transportation and health related opportunities. The Safe Routes project also has been successful in accessing some implementation funding and funding to develop plans for several other school districts in the next year.

Finally, we are proud to have several U.S. Department of Commerce Economic Development Administration projects funded in the region. We have a longstanding partnership with EDA but have not seen additional investment in our region for almost 10 years. In the last 18 months or so we have seen major investment in infrastructure for the Dawson Industrial Park that will allow for existing and future business expansion, and investment in the Granite Falls lift station as a continuation of our long term involvement with disaster mitigation in that community. In addition we were able to access additional EDA funding for our revolving loan fund due to the great success and demand for gap financing for local businesses throughout the region.

It has been a fast, fun and fantastic year serving the needs of the region. As we look into the next fiscal year, our team stands ready to help with any new need that might arise. Please don't hesitate to contact us — it is our honor to be of service.

Enable the region to thrive through assisting local governments

Dam Edlegand

Commission Board Members

Big Stone County



Brent Olson County Board



Scott Rixe Municipalities Graceville City Council



Harold R. Dimberg Townships Ortonville Township



Chippewa County

Debra Lee Fader Municipalities Montevideo Mayor

Swift County



Jim Schmaedeka Townships Louriston Township

Lac qui Parle County



Graylen Carlson County Board



Jeff Olson Municipalities Dawson City Council



Mark Bourne Townships Hamlin Township



Jim Dahlvang

County Board

Gary Hendrickx County Board



Heather Giese Municipalities Appleton City Council



Warren Rau Townships Hegbert Township

Yellow Medicine County



Gary L. Johnson County Board



Scott Peterson Municipalities Granite Falls City Council



(Vacancy) Townships

School Board



Brett Buer Dawson-Boyd



Ortonville

Public Interest & Tribal Council



Juanita Lauritsen Work Force Council



Vicki Oakes Ortonville EDA



Bruce Swigerd Prairie Five CAC, Inc.

(Vacancy) Upper Sioux Community





Front Jackie Sigdahl Administrative Assistant

Back Katie Kellner

Accounting

Community Development

Jenifer Fadness Communications & Tourism Planner Kristi Fernholz Community Development Senior Planner

Director

Arlene Tilbury Financial Director

Jacki Anderson Community Development Senior Planner

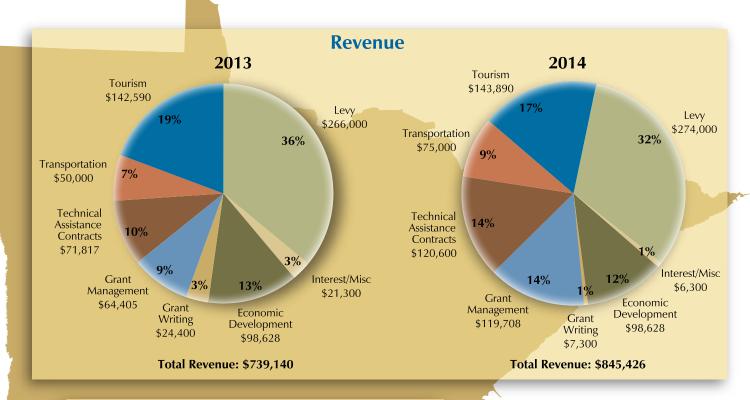
Executive





Financial Report

Revenue and Expenditure Comparison Current FY 2013 and Proposed FY 2014



Expenses FY14 FY13 Salaries/Fringe \$ 533,829 \$ 602,810 Commissioner's Expense 32,000 35,500 11,500 13,000 Computer Technical Assistance 8,000 10,000 2,500 Contract for Services/Comm. Dev 9,000 Copy Charge/Xerox Lease 7,500 8,500 Depreciation 11,000 11,000 Dues 3,500 3,500 1,050 Insurance 1,000 3,750 12,000 Intern 2,000 Legal Fees 1,000 Miscellaneous/Employee Morale 4,000 4,000 Office Rent 12,210 12,210 6,000 6,000 Printing/Advertising 5,000 5,000 **RDC** Marketing Items 2,000 2,000 Registration/Training 10,000 10,000 2,000 2,000 Repairs/Maintenance Software/GMS Maintenance 5,000 8,000 Sub./Publications 2,000 2,000 Supplies 6,000 6,000 Telephone/Internet 3,700 4,000 Web Hosting/Maintenance 1,500 3,500 Travel/Staff 20,000 25,000 Meander Art Crawl 28,500 32,000 Tourism Trade Shows/Ads 15,000 15,000 738,539 **TOTAL** 845,020

601

406

 FY 2013 Ending Account Balances

 General Checking
 \$107,170

 Money Market
 \$415,561

 CD
 \$150,000

 Auto
 \$30,342

 Equipment
 \$22,713

\$600,086

RLF Available for Lending

The amount of money invested in our region as a result of the UMVRDC's work in FY 2013:

in the Upper Minnesota River Valley

94 townships, and

10 school districts

\$5,601,124

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Excess Revenue



Helping Communities Prosper

CEDS Goals & Objectives

- Employee Development:

Objective: Create, attract and maintain Maximize knowledge talent in the region. Maximize knowledge, skills and a globally competitive workforce to meet the demands of today's employers.

Marketing:

Attract and Retain Residents Attract and Retain Resider through building healthy sustainable communities.

Objective: Launch a proactive economic development initiative to showcase the region's high quality of life and many opportunities.

Business Development: Support the formation, retention and expansion of businesses and the development of vibrant

downtowns and main streets.

Objective: Keep and attract quality businesses and jobs in the region by improving, coordinating and streamlining services to businesses and entrepreneurs.

Economic Development: Increase economic development capacity.

Objective: Increase the competitiveness of the region by maintaining and improving infrastructure that supports economic development and fosters public-private partnerships.

Community Development: Ensure commus appealing and live and work. Ensure communities are appealing and healthy places to

Objective: Provide coordination, technical assistance and guidance towards potential funding sources for projects and initiatives in the region.

Strategies for each goal and objective can be viewed in the CEDS plan at umvrdc.org.

Comprehensive Economic Development Strategy: CEDS

The UMVRDC adopted an updated Comprehensive Economic Development Strategy (CEDS) in June 2013!

Jacki Anderson, with the help and guidance of the CEDS Strategy Committee, completely updated the region's economic development strategy highlighting updated census information, new goals, objectives, and strategies for the region. The goals and activities identified within the CEDS are anticipated to be implemented regionally or locally over the next five years.

The CEDS fulfills EDA's requirement in order to maintain our Economic Development District (EDD) designation enabling the region and it's communities to apply for project assistance and programming funds.

The updated CEDS can be found on the UMVRDC's website at umvrdc.org.



Special Regional Project: Demographic Summaries

As a result of a 2012 regional survey, over 70% of local units of government indicated that changing demographics were a top priority issue. As a result, Lindsey coordinated the development of community Demographic Summaries for the region, each of the five counties and all 37 cities within the region.

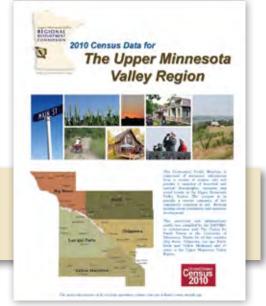
The Demographic Summaries are 4-page summaries full of statistical information on historical & current demographic, economic and social trends.

These profiles were compiled by the UMVRDC in collaboration with interns from The Center for Small Towns at the University of Minnesota, Morris.

Facts included are:

- Population 1960-2010
- 2010 male & female population totals
- Population projections
- Median household income, city & county
- Employment by industry 2011
- Unemployment 2000-2011
- Housing statistics
- School enrollment

View or download a PDF of all county, city and regional Demographic Summaries on our website at umvrdc.org.





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Grant Writing

EDA Applications

The UMVRDC is designated an Economic Development District (EDD) through the U.S. Department of Commerce's Economic Development Administration (EDA). This designation makes the region eligible to apply for project funding. This has been an active year for EDA applications. In the last year, we successfully submitted a total of three EDA applications for the following projects:

- Dawson EDA provided \$1,189,000 to help with infrastructure development in the Dawson Industrial Park. The UMVRDC helped put together a comprehensive package for the City totaling nearly \$1.7 million in grants to finish the existing Dawson Industrial Park as well as develop additional land for new industrial park development.
- Granite Falls A new lift station will lessen disaster impacts from flood events on the City's economic base and make the community
- as a whole more disaster-resilient. EDA is providing \$1,512,000 and the Minnesota Department of Natural Resources (DNR) an additional \$378,000 to cover the project.
- RDC RLF Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine counties, along with the federal Economic Development Administration (EDA), pooled resources to increase RLF funds by \$500,000. New funds bring the RLF's total portfolio to \$1.7 million. Read more about the RLF on page 11 of this report.

Small Cities Development Program (SCDP) **Grant Writing**

UMVRDC staff submitted pre-applications to the Small Cities Development Program (SCDP) for three of our communities: Benson, Ortonville and Granite Falls. The Department of Employment and Economic Development (DEED) reviewed the pre-applications and determined that Ortonville and Benson had competitive applications and were invited to submit full applications.

Both full applications were successful:

- Ortonville \$552,000 to rehabilitate 20 owner occupied homes and five commercial units.
- Benson \$597,940 to rehabilitate 24 owner occupied homes and five rental units.



EDA and the UMVRDC - working together to bring federal funding opportunities to Region 6W!

Pictured left to right: Pat Lydic, EDA Area Director; Dennis Foldenauer, EDA Representative, Minnesota Point of Contact (POC); Jacki Anderson, UMVRDC Senior Planner; Dawn Hegland, UMVRDC Executive Director; and Matt Erskine, U.S. Department of Commerce Acting Assistant Deputy Secretary.

Grant Management

Granite Falls Flood Recovery

This fiscal year the City of Granite Falls received an additional \$500,000 from the Department of Natural Resources for their comprehensive flood control project. The UMVRDC provides fiscal and advisory services to the City of Granite Falls for ongoing flood mitigation management and planning.

The City of Granite Falls also received an award for \$1,512,000 from the U.S. Department of Commerce Economic Development Administration for the construction of a lift station. The RDC will also manage the expenditure of these funds.

Since the floods of 1997 and 2001, UMVRDC staff have worked with the City of Granite Falls in their flood recovery efforts utilizing approximately \$20 million from state and federal funding sources.

In 2013 the UMVRDC fiscally managed in grants for counties and cities

Small Cities Development Program (SCDP) Grant Management

UMVRDC staff are experts in the fiscal administration and technical reporting obligations of grants like the Small Cities Development Program.

The Benson SCDP grant was awarded in the spring of 2013 and will be completed on December 31, 2015. The grant is for \$597,940 and consists of the rehabilitation of 24 owner-occupied homes and five rental units. Arlene and Katieareworkingwith the Swift County Housing and Redevelopment Authority

for the administration of this grant.

The City of Ortonville received an SCDP grant in the spring of 2013 that also will be completed on December 31, 2015. The grant is for \$552,000 and consists of the rehabilitation of 20 owneroccupied homes and five commercial properties.



Main Street in Ortonville

Arlene and Katie are working with Prairie Five Community Action Council for the administration of this grant.



FY 2013 Revolving Loan Fund

Total Funds	\$1,757,240
Loans Current	39
Loans Delinquent	0
Loans Deferred	0
Total Receivables	\$1,266,123
Total Available for Lending	\$600,086

The owners of SEWearable Designs at their open house in Appleton

UMVRDC Revolving Loan Fund (RDC RLF)

It was a steady year for the revolving loan fund with 6 new requests approved totaling \$400,500 for new and expanding businesses in the region. Loans for the businesses listed below were approved for equipment, fixed assets, inventory, working capital and real estate.

- Kay's Processing, Clara City \$100,000 Working Capital/ Inventory - Business Expansion
- Northern Grain Construction & Design, Clara City - \$100,000 Working Capital/Equipment/Inventory - Business Expansion
- Goldleaf Financial, Montevideo \$100,000 Business Purchase - Business Retention
- SEWearable Designs, Appleton \$33,000 Equipment/Inventory/Working Capital - New Business
- Merritt Construction, Canby \$10,000 Equipment/Working Capital - New Business
- C&L Powder Coat, Echo \$57,500 Equipment / Working Capital - Business Expansion

A combination 76 full and part-time jobs were created or retained as a result of these business expansion and retention projects. A total of \$1,681,000 was leveraged in additional public and private funds.

Lelping Communities Prosper



Financial partners in projects included local banks, The Appleton Project, Canby Economic Development Authority, City of Echo, Minnesota Valley Rural Electric Cooperative, and the Southwest Initiative Foundation.

The UMVRDC's Hedgehog Grant: Helping Communities Prosper

The UMVRDC mission statement directs us to "enable the region to thrive by assisting units of government". We know through our recent survey that local governments have lots of needs but are having a hard time paying for them. Those needs prompted the creation of the Hedgehog Grant to help subsidize the cost of our grant writing and planning services.

In FY 2013, the UMVRDC set aside \$20,000 of our local levy dollars to cost-share the following projects:

- \$3,000 for Ortonville Grant Writing
- \$650 for Dawson Strategic Planning
- \$5,000 for Big Stone County Hazard Mitigation Plans
- \$5,000 for Chippewa County Hazard Mitigation Plans
- \$5,000 for Yellow Medicine County Hazard Mitigation Plans

This year we used \$18,650 to leverage an additional \$109,301 in new revenue for the UMVRDC.

Applications and more program details are available on our website. To talk about potential projects that might be eligible for the Hedgehog Grant, please contact Dawn Hegland, Executive Director at 320-289-1981 extention 1.



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Technical Assistance

Dawson Strategic Planning

In March and April, Dawn, Kristi and Lindsey met with a group of leaders from organizations in Dawson to identify issues and opportunities in the community. An online survey was developed to get feedback from various boards and then the RDC staff facilitated a discussion that resulted in a work plan for the community. This work plan contains eight action steps, champions for each step, and gives resources to help each action step become a reality.



Milan Comprehensive Plan Update

Kristi has been working with Milan to update their 2002 Comprehensive Plan this past year. The City of Milan is interested in keeping their Comprehensive Plan up-to-date to help them address issues and needs in their community including changing demographics, housing, community facilities, and other community based projects. The process includes updating the plan with current 2010 Census data, holding a public meeting to identify issues, and research to gather information about Milan. The Milan City Council will review the draft plan in the summer of 2013, with plans to adopt in the fall.



Computer hard drives await their lelivery to families in several of the region's school districts.

PCs for Kids

In August and December of 2012, Dawn worked closely with the Ortonville, Benson, Lac qui Parle Valley, MACCRAY, and Clara City school districts to distribute 200 computers to families in their school district who did not have computers or internet access. These families were also provided with sign-up incentives to local internet providers to get connected to the internet. This project was the final element of the Minnesota Intelligent Rural Community (MIRC) grant through the Blandin Foundation. More about the MIRC project can be found on the umvrdc.org website.

Public Art Plan for Region 6W

Kristi convened a group of interested people to discuss issues and questions around creating more public art in Region 6W. From these meetings and research with Forecast Public Art, a short document was completed in August of 2012 for artists. community members, government entities or arts organizations to utilize to when starting a public art project. The plan is available on the umurdc.org website

Rural Arts and Culture Summit

On June 5 and 6, over 300 community organizers, economic development professionals, artists and art organizations met in Morris where the Center for Small Towns hosted the second annual Rural Arts and Culture Summit. Kristi joined the steering committee to help plan the event that was coordinated in collaboration with the Center for Small Towns and Springboard for the Arts.

The theme this year was "Leveraging Arts and Culture to Build Thriving Communities." The two-day event created a buzz in Western Minnesota about the possibilities for incorporating art and culture in our rural communities.





Attendees of a break-out session at the Rural Arts and Culture Summit get some hands on institution from Michael Strand. noted potter and Department Head and Professor of Art at North

Swift County Solid Waste Plan

Kristi has been working with the Swift County Environmental Officer for the past 12 months to update their Solid Waste Plan. The Solid Waste Plan looks at the how the County will manage garbage over the next ten years. The plan includes goals for education and outreach programs, composting/recycling and proper disposal of special waste materials. The Plan also documents garbage and recycling services for residents and outlines how the Swift County Compost/Recycling Facility manages the waste that is generated throughout the County. This plan is mandated to comply with The Minnesota Pollution Control Agency (MPCA) regulations. The update will be completed in the summer of 2013.





Transportation

Transportation Planning

The UMVRDC continues to do local transportation planning through a contract with the Minnesota Department of Transportation (MnDOT).

Lindsey participated in the West Central and Southwest Minnesota Area Transportation Partnerships (ATPs) in MnDOT Districts 4 and 8, which review and rank applications for 2017 federal funds for roads, bridges, trails, public transit, and railroad crossings.

- The total ATP transportation investment in the region for 2017 is \$20,533,800.
- For the Statewide Transportation Improvement Program's (STIP) four year period of 2014-2017 the total investment in the region is \$69,209,435.

Additionally, Lindsey participated in the regional Toward Zero Deaths and Southwest Safe Communities Coalition committees, both aimed at reducing fatalities and serious injuries on our roadways.



Regional Trails Plan

Lindsey updated the Upper Minnesota Valley Regional Trails plan completed by the RDC in 2002. She worked with a regional committee to update the inventory of existing trails and sets priorities for future trail investment in the region.

The plan is useful for local units of government, local elected officials, trail enthusiasts as it provides data on trail benefits. technical information and resources for where to begin when developing a trail. The plan defines regional priorities and gives specific trail examples for each trail priority type.

> The Regional Trails Plan can be found on our website at umvrdc.org.

One of our region's trails being used by cyclists.

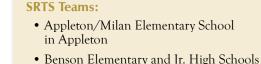
Safe Routes to School

With the Safe Routes to School (SRTS) funding awarded to six communities in the region last year, Lindsey began work with the SRTS Teams from the following communities (listed at right) to develop Safe Routes to School Plans that identify problem areas and solutions the community can implement to encourage more students to walk and bike to school safely.

Lindsey also helped two new school districts, Clarkfield Area Charter School and the Montevideo School District to successfully apply for SRTS planning assistance funding for the 2013-2014 school year. The funding amounts to approximately \$15,000 per community.

This year, Lindsey also wrote a \$31,000 SRTS non-infrastructure implementation grant that will be used by the UMVRDC to provide technical assistance to all schools in the region regarding Safe Routes to School and to serve as a Safe Routes

to School Coordinator for schools completing Safe Routes to School Plans. This grant also provides \$2,000 to each school completing a plan to use for implementation projects.



The following Region 6W schools have

- Stevens Elementary School in Dawson
- Madison, Marrietta, Nassau Elementary School in Madison
- Yellow Medicine East Elementary and Middle Schools in Granite Falls



Students board buses after school at Bert Raney Elementary in





Best at... Helping Communities Prosper



Minnesota River Valley National Scenic Byway

'The purpose of the Alliance is to encourage economic development through the promotion,

preservation and protection of the intrinsic qualities of the Minnesota River Valley."

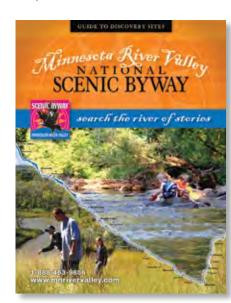
The Minnesota River Valley National Scenic Byway Alliance (MRVSBA) is a group of committed individuals from the 287-mile Byway Corridor representing a variety of interests including Chambers of Commerce, various attractions and historic sites, State Parks, local and state governmental bodies, private businesses, and concerned individuals. Kristi continues to provide staffing and fiscal services to the Byway as the RDC has since 1996.

This is the second year of the Federal Highway Administration Grant to update the Byways existing Corridor Management Plan, create an interpretive plan, and develop 10 new interpretive signs.

Upon receiving an additional Legacy Grant from the Minnesota Historical Society, the byway developed a request for proposal to hire an Interpretive Consultant and chose Nancy O'Brian Wagner from Bluestem Consulting to prepare an interpretive plan over the next 12 months.

Other projects from this past year include:

- Distribution of Byway Guides to Byway businesses and attractions, the Mall of America, Travel Information Centers on the state's southern borders, as well as fulfilling visitor requests by phone and from our website.
- Development of a NEW Visitors Guide due to be published the summer of 2013 (pictured at right).
- Organizing the first annual Byway-Long Garage Sale.



Visit our website or call our toll-free number to request one of our FREE Visitors Guides!

- Writing a successful grant to the Minnesota Historical Society Historical and Cultural Grant Funds made possible through the Clean Water, Land and Legacy Amendment to the Minnesota constitution in November 2008. The grant is \$7000 for the Interpretive Plan Consultant.
- Maintaining a Byway Facebook page is a dynamic resource for the happenings along the byway. Find us on Facebook and LIKE our page!

www.mnrivervalley.com 888.463.9856





Western Minnesota Prairie Waters Regional Tourism

The mission of Western Minnesota Prairie Waters is to promote our area as

a great place to visit, live and work. Jenifer and Kristi continue to seek out projects that accomplish that mission while taking advantage of a mix of old and new mediums: printed and online.

Following are some of the highlights of what Prairie Waters has been working on the past year:

Updated Antiques, Local Shops, Dining and Lodging Guide. This full-color guide is a comprehensive listing of shops, restaurants and accommodations available in the Prairie Waters region. It is a collaborative effort between Prairie Waters and participating Chambers of Commerce.

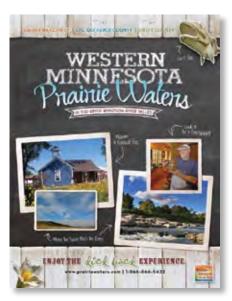


- Hosted our Annual Gathering at the Appleton Area OHV (Off-Highway Vehicle) Park. Guests were treated to a 4x4 truck ride through the park which was a great opportunity for the Prairie Waters Board and Staff to get first-hand knowledge of the Park.
- Responded to over 2,000 requests for information in 2012.
 - Wrote a successful grant to Explore Minnesota Tourism procuring \$4,000 for advertising in our region.
 - Maintained and updated the Prairie Waters website.

- Promoted the area and highlighted events on our Facebook Fan page. We currently have over 1,255 fans that we market to with weekly updates, photos, and links to stories about the region.
- Created and placed numerous ads in our region's newspapers, statewide, and in out-of-state publications such as Midwest Living, AAA Home & Away, & Outdoor News.
- Collaborated with Have Fun Biking Guide to promote biking in the Prairie Waters region. The guide contains maps showing bike trails, routes for road biking, and low-traffic roads that are suitable for biking.
- Re-designed the Prairie Waters Regional Visitors Guide. This full color, glossy publication is the premier visitors guide for our region with 25,000 copies printed and distributed.

www.prairiewaters.com 866.866.5432





Visit our website or call our toll-free number to request one of our FREE Visitors Guides.

Meander Art Crawl

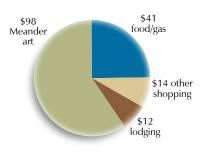
Kristi and Jenifer helped coordinate planning, manage finances, and develop and implement marketing for the 9th annual Meander in October 2012. Forty-five local artists participated. The event continues to grow and documents the economic impact in the region.

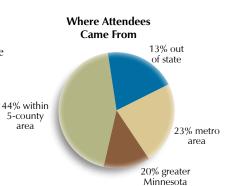
Kristi wrote a successful grant to the Southwest Minnesota Arts and Humanities Council for Meander 2013. This grant helps pay for advertising and organization of the event.

2012 Meander Economic Impacts

- \$94,076 in Meander art sales was reported by artists during the Meander weekend, an increase of 9% from 2011!
- The average art sales per artist was \$2,240.
- 91% of the money raised to organize the Meander through sponsors and artists was spent on products or services (printing, paper, advertising, graphic design, staffing) in the five county area.
- Customers visited an average of 12 studios over the weekend.
- @ 71% of customers said the quality of the art was excellent.
- 78% of customers said their overall experience was excellent.
- 81% of customers said they plan to attend the next Meander.











Andy Kahmann of A to Z Letterpress in Montevideo demonstrates his letterpress during Meander 2012.

Meander 2013 is October 4, 5 & 6!

~ 10 years of Meander ~

artsmeander.com 866.866.5432



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Helping Communities Prosper

323 W. Schlieman Ave. Appleton, MN 56208 320-289-1981

www.umvrdc.org

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