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Region Five

DEVELOPMENT COMMISSION

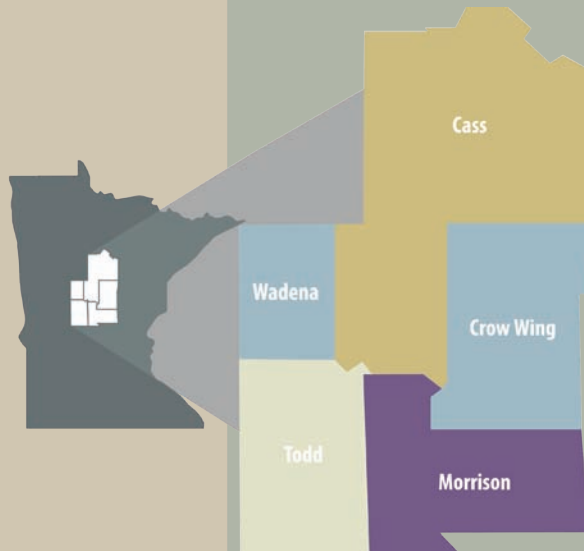


The Spirit of Hard Work

Five-Year Report
2012 - 2016

About Our Region

Region Five Development Commission (R5DC) is comprised of an area that covers five counties in North Central Minnesota. These counties include Cass, Crow Wing, Morrison, Todd and Wadena.



Our region is a rural and small town area with a population of over 162,000 in 69,194 households spread over an area of 3,996,051 acres.

The five-county area is blessed with an abundance of business, industry, cultural and natural resources. It includes plains, prairies, forests, and the Mississippi River weaving throughout.

Tourism is one of the major economic engines and our region is referred to as the Central Lakes Region due to the abundance of lakes. Other important industries include technology services, advanced manufacturing, healthcare and energy resources.

Extensive trail systems, including the 120-mile Paul Bunyan Trail, and the world reknown Cuyuna Recreational Area, provide unique outdoor experiences for young and old alike.

Five Counties. One Vision. One Source.



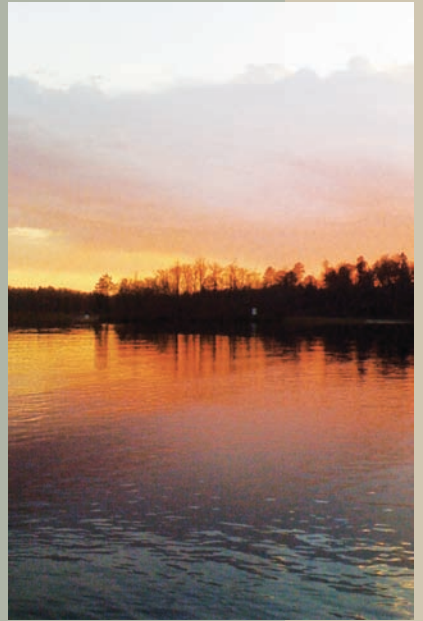
Our Purpose

The purpose of Region Five Development Commission is “to insure the orderly and **harmonious** coordination of state, federal and local **comprehensive planning** and development programs for the solution of economic, social, physical and governmental problems of the state and its citizens”.

R5DC provides a variety of **technical assistance** services to the local units of government based on the individual needs of their region, **partnering** with numerous state and federal agencies, obtaining and administering grants for programs and projects at the local level, and are recognized for our **fiscal responsibility** and capabilities in **professional program management**.

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Special thanks to Tad Erickson and Julie Ingleman Designs for helping to create this report. Their time and talent are genuinely appreciated.

A Message from Our Region 5 Leaders



Chuck Parins
Chairperson



Cheryal Hills
Executive Director

Greetings to All -

This publication shares the vast breadth and depth of R5DC's body of work over the last five years, however, it is the strength of the relationships that were necessary to accomplish our shared successes.

Authentic relationships that achieve mutually shared goals have evolved and matured with local municipalities, state, federal agencies, philanthropic, non-profit and social advocacy agencies. Our 501c3 arm of R5DC called the North Central Economic Development Association (NCEDA) allows for expansive private sector engagement and relationships. R5DC nurtures a culture of leadership development within the Commission and staff, yet fully appreciate our unique role in the region whereas sometimes we collectively address regional critical issues as a subservient leader or partner, and others as the lead organization.

One of the most significant initiatives launched by R5DC began in 2011 supported by HUD/DOT/EPA Sustainable Community Regional Planning grant program. In 2013, over 600 diverse regional residents completed the [Resilient Region Plan](#). The R5DC staff coordinate quarterly meetings of 50+ regional community leaders, known as [Champions](#), who are implementing the Resilient Region plan. This effort has ignited state and national acclaim as to how RDC's can add value in addressing local policy, measuring success and working together to meet shared goals. Perhaps most importantly to R5DC, this work offered relevance and direction to our organizational strategic direction and annual work-plans.

Through partnership implementation of a plan that comes from the people of this region, we interrupted silos and are better prepared for economic, environmental, social and political shifts that impact our quality of life. This approach fulfills the R5DC mission and embodies the MN State Statute intent that created the Regional Development Commissions.

The region is committed to a future that balances economic prosperity, environmental stewardship and quality of life for all people that is planned and implemented in ways that do not jeopardize local control. The Commission is honored to further serve the region in ways that meet this expectation.

With appreciation,

Chuck Parins, Chairperson

Cheryal Lee Hills, Executive Director

About Us

Our Mission is to enhance the vitality and quality of life in Cass, Crow Wing, Morrison, Todd and Wadena counties.

The Establishment of Regional Development Commissions (RDCs) were organized by local elected officials as authorized by the Minnesota Regional Development Act of 1969. The Act defines the boundaries, membership, operating principals and the specific duties and powers of an RDC. There are nine Regional Development Commissions in Minnesota covering 63 counties. Region Five Development Commission (R5DC) was established in 1973.

Our Funding comes from a variety of sources. The seed funding that sustains R5DC's activities is a tax levy, which is set by the State of Minnesota. Levy dollars comprise only about one third of the Commission's entire budget. Those levy dollars are used by the Commission to leverage the remaining two thirds of their budget, which comes from grants and contracts.



Our Staff at Region Five includes Sharon Gottwalt, Nichole Larson, Cheryal Hills, Staci Headley, Dawn Espe, Lee Seipp and Sandy Voigt.

Region 5 Commission Members



The Commission's work is guided by a governing body that consists of 25 members representing a cross-section of constituents from around the region. Members of the Commission include representatives from county government, small and large cities, townships, school boards, the Council of Government Representatives, the Leech Lake Tribal Council, and Soil and Water Conservation Districts.

CASS COUNTY

John Benson
Township Board
Bob Kangas
County Commissioner
John Poston
County Municipalities

CROW WING COUNTY

Mark Platta
Township Board
Rosemary Franzen
County Commissioner
Tom Lillehei
County Municipalities

MORRISON COUNTY

Paul Neiman, Jr.
Township Board
Duane Johnson, Treasurer
County Commissioner
Andrea Lauer
County Municipalities

ADDITIONAL UNITS OF GOVERNMENT

Nancy Stevens
Leech Lake Band of Ojibwe
Chuck Parins, Board Chair
Area Council of Government
Diane Jacobson, SWCD
Dave Pritschet, City of Brainerd

*Five Counties.
One Vision.
One Source.*

ALLIED INTERESTS

Mike Worden
Camp Ripley
Craig Nathan
MN Workforce
Development
Erich Heppner
Emerging Leaders

TODD COUNTY

Alan Perish
Township Board
Barb Becker
County Commissioner
Alex Weego
County Municipalities

WADENA COUNTY

Bill Kern
Township Board
Sheldon Monson
Cnty Commissioner
David Anderson,
Vice Chair, County
Municipalities

SCHOOLS

Jill Abbott
Higher Education
Sharon Ballou
Secretary
School Board Rep
Katy Botz
School Board Rep

Our Accomplishments

Our four broad departmental divisions -- Transportation, Community Development, Economic Development, and Finance -- have each had numerous program successes within the communities we serve. Each of the departmental sections that follow begin with a description of the department, its roles and types of projects and function, before moving into a review of significant accomplishments, plans and reports over the past five years.

Requirements

Regional Development Commissions (RDCs) operate under Minnesota Statute 462.393 of the Regional Development Act of 1969. Minnesota State statute 463.393 lays out specific requirements regarding RDC's annual reports and five year assessments.

Finance

R5DC's Finance Department is responsible for producing an annual budget, commissioning an annual [audit](#) from a third party, processing monthly and quarterly billing and processing payroll, as well as fiscal management of grants and contracts. The Finance Department is also responsible for the secure maintenance of financial records and also acts as the fiscal agent for the [North Central Economic Development Association \(NCEDA\)](#).

In addition to the review of significant accomplishments, plans and reports, and target measures, which provide tangible metrics by which success may be measured, the following sections also employ the use of storytelling which can be a powerful tool in telling how the work of the Commission impacts individuals throughout the region.





TARGET MEASURES 2016

TRANSPORTATION

STP/TAP Enhanced Infrastructure Projects =
\$3,053,080 Brought In
\$763,270 Dollars Leveraged
24.1 Miles Enhanced Roadways



SAFE ROUTES TO SCHOOL =
• 11 Schools Served
• 2 Projects • 3 Plans
(ride share, walk audits,
scenic byways, etc.)



LOCAL FOODS

Partnered with SPROUT to create an 8000 sq ft Facility for Local Food Production
Worked with Local School Districts and Farmers on Direct Distribution Channels



27 Jobs Created ECONOMIC DEVELOPMENT

Technical Assistance to Borrowers:
• Webinars • Workshops
• High Touch Contacts (emails & site visits)
• NCEDA Site Hits



COMMUNITY DEVELOPMENT

7 Plans Created (Comp, CAPS, CEDS, EDA, Local Foods, DevelopMN, Energy, Broadband, etc.)

4 Projects (CrowdFunding, RLF, Placemaking)

\$98,000 Leveraged for R5DC

\$ LENDING \$

1 - GapBusiness Loan = \$7,000.

3 - Micro Business Loans = \$45,400.

11 - Well Water Program Loans = \$33,516.

32 - Septic Treatment Loans = \$145,178.



Partnered with Blandin Foundation and Resilient Region Champions to provide access

BROADBAND

MN Intelligent Rural Community (MIRC) Member



RESILIENT REGION

Led a community-wide partnership of over 600 participants leveraging \$44 Million for implementation of a strategic plan for the entire region

Transportation

The Transportation Department acts as a liaison between local governments and the Minnesota Department of Transportation. Assistance is available to help local governments address transportation issues related to all transportation modes and thereby helps identify and solve regional transportation planning challenges.

Transportation Advisory Council (TAC)

R5DC has a planning assistance contract with the Minnesota Department of Transportation (Mn/DOT) to provide assistance, information and technical support for transportation issues affecting the region. In order to fulfill this role, R5DC has a [Transportation Advisory Committee \(TAC\)](#) that meets four times a year to address these transportation issues. The TAC has funded an estimated \$12 million in road projects over the past five years.

Area Transportation Partnership (ATP)

R5DC is part of [Mn/DOT District 3 Area Transportation Partnerships \(ATP\)](#). The ATP is a committee of elected officials, city and county engineers, Mn/DOT staff, tribal leaders, and public transit leaders representing areas contiguous with Mn/DOT District boundaries. Their role is to develop policy and program projects utilizing federal funding from the Federal Highway Administration (FHWA).

Scenic Byways

R5DC was asked to partner with the Paul Bunyan Scenic Byway Association and the Great River Road Scenic Byway by the Minnesota Department of Transportation (MnDOT) to assist in planning activities including updating a Corridor Management Plan. After meeting with members of the Byway Associations, a Paul Bunyan Scenic Byway Corridor Management Plan Update (2015) was drafted by R5DC. In addition to Paul Bunyan Scenic Byway Association's Sustainability Plan (2008 - 2010), R5DC assisted in developing an Investment Priorities Addendum for both byways. These documents are meant to assist the Byway Associations in planning, prioritizing, programming and implementing its future projects.



Ride Share Study

One of the recommendations of The Resilient Region Plan was increasing alternative transportation, and multi-modal transportation options. Fulfilling this recommendation, R5DC commissioned a ride share study that focused on identifying the various successful models.

Walkability Policy Study

R5DC also commissioned a review of walkability policies in the county seats of each of the five counties. The review focused on identifying what policies exist that support, encourage, promote, and implement active transportations.

Brainerd Community Wide Walkability Audit

A walk audit is an unbiased examination/evaluation of the walking and biking environment. The City of Brainerd reached out to the R5DC to conduct a community wide walk audit in conjunction with the Cities Walkable Communities Committee and Engineering department. R5DC staff led the group through a process of auditing several key routes with input from the engineering department. After walking the routes, staff developed the Brainerd Community Wide Walk Audit Report regarding issues and barriers, as well as recommendations.

Safe Routes to School (SRTS)

R5DC is also very active in [Safe Routes to School\(SRTS\)](#) planning and infrastructure development. R5DC assists communities in all aspects of SRTS including developing a planning team, assisting in the development of their applications, meeting facilitation, conducting parent and student surveys, conducting walk audits, analysis of issues and barriers, providing recommendations and drafting and adoption of the final plan. Since 2012, R5DC has completed eight Safe Routes to School plans for communities and schools throughout the region.



One of our stories . . .

Connecting the Trip to School with Safety, Health, Community and Choice

When Karolyn Roebuck became the Grants, Testing and Compliance Coordinator for the Cass Lake-Bena School District (CLBS), she quickly saw a need that the school district had been trying to address for many years – a safer route for students to be able to walk and bike to school. The district serves a high poverty (84%, 2010) student population, with most students busing to school, and others walking or riding bikes on a narrow trail with little or no shoulder paralleling a busy highway.

“Let’s apply for a planning grant to make sure all connections and needs assessments are done to be able to move forward,” was Karolyn’s recommendation to school administrators after contacting R5DC to apply for a SRTS Planning Grant. She knew that her goal to sustain a project through this planning process would build capacity through partnerships and working together, resulting in more success. “Everyone made a commitment to see things through, from the school district, to the city, to the Leech Lake Tribe, to the county, and others.”



“It was very critical that Region Five Development Commission guided us through the process to have a really good plan, giving us the opportunity to get a grant to fund the bike and walking trail,” stated Karolyn, noting that the trail is on schedule for completion by Fall, 2017.

“This has led us to work together on other projects because Safe Routes to Schools connects with goals of increasing physical activity in a safe way,” said Karolyn. Chosen as one of four schools in Minnesota for a MN BCBS Health Learning Connection Pilot, now in its third year with a focus on health, physical exercise and learning, administrators already had increased awareness from the SRTS process, and quickly approved extra P.E. and Health classes.

Going through R5DC to develop a sound SRTS plan catalyzed the community. According to Karolyn, “If we can have better opportunities for students, community members, and families, it’s exciting. A lot of great people are vested.”

Community Development

Community Development refers to practices and academic disciplines of civic leaders, involved citizens and professionals to develop aspects of local communities and ultimately improve their quality of life. R5DC accomplishes this by providing technical assistance, resources, and planning services. Some of these services include mitigation, comprehensive planning, increasing broadband availability, sustainability of assets, local foods and energy.

Comprehensive Planning

Comprehensive planning determines community goals with regard to community development. The outcome of this process is the Comprehensive Plan, which is a collection of principles based on a community defined vision, as well as goals and objectives, which support the principles and vision of the community. R5DC assists in all aspects of comprehensive planning by working with elected officials, city staff and commissions to understand goals and outcomes, conducting public workshops and planning meetings, compiling and updating most current demographic data, launching public input to ensure an equitable process, and assisting with the adoption and recording the final approved plan.

Community Asset Profiles

R5DC developed [a community asset profiles \(CAPs\) program](#) in 2012 as an effort to assist communities in identifying their assets. Workshops were conducted in 22 communities, yielding productive outcomes not only for each individual community but for the region as well. In 2015, R5DC was awarded a \$50,000 grant from the Bush Foundation to fund a deeper dive of the 22 completed CAPs. This included a review of each community profile and development of individualized work plans to help move their goals into implementation. Building the capacity of community members in all of the region's 67 communities to empower them to continue being strong leaders is the ultimate goal of this program.



Grant Writing

As a regional entity, R5DC has a wide ranging scope of knowledge and awareness in regards to federal, state and philanthropic grant opportunities. Since 2011, R5DC has been awarded numerous grants, which have benefited the region. Examples of these grant awards are:

- **HUD/DOT/EPA**
 - Sustainable Communities Regional Planning Grant
- **Economic Development Administration**
 - 3-year Planning Grant
- **Xcel Energy**
 - Renewable Development Fund
- **Minnesota Dept. of Transportation (MNDOT)**
 - Transportation Alternatives Program (TAP)
 - Safe Routes to School (SRTS)
- **United States Dept. of Agriculture (USDA)**
 - Rural Business Development Grant (RBDG)
 - Rural Communities Development Initiatives (RCDI)

Broadband Adoption and Connectivity Initiatives

In 2011, R5DC was invited to participate as a Minnesota Intelligent Rural Community (MIRC) and to partner with the Blandin Foundation to provide public engagement and outreach for the Foundation's \$4.7 million Broadband grant, intended to increase levels of adoption and connectivity in rural Minnesota. As a MIRC member, R5DC launched broadband initiatives such as:

PC's for People is a 501C3 that recycles and refurbishes used computers and donates them to low income individuals and families throughout Minnesota. These services are located in both Crow Wing and Cass counties.

Lightspeed Grant - As a result of a Blandin Lightspeed grant, R5DC was able to equip 11 rural fire departments with the technology to live stream training events resulting in increased efficiency and cost savings for rural fire departments in administering training.



One of our stories . . .

Expanding Broadband Access to the Last Rural Mile

The Resilient Region Plan prioritized the need for increased connectivity to adequate, affordable broadband as crucial for retaining and attracting both businesses and residents, improving efficiencies and quality in education and health care, and alleviating problems of workforce shortage.

“People are interested in staying and/or moving to the rural communities in the region. This includes millennials staying in their hometowns or moving in for the small-town way of life for themselves and their children, and baby boomers making their lake homes permanent residences. A crucial factor is that they need to have broadband,” echoed Brainerd hometown millennial, Staci Headley, R5DC Transportation Planner.



Many R5DC's residents live in “last rural mile” communities and farming communities that are “underserved” and “unserved” due to factors that go into making broadband both technically and economically feasible for those who provide it and those who buy it. Multiple organizations have supported broadband expansion. The Blandin Foundation supported the Resilient Region's Virtual Highway Task Force as a Blandin Broadband Community. National Joint Powers Alliance (NJPA) regional purchasing alliance cooperative invested over \$200,000 in the past years in engineering needed for grant applications and coordination of other activities by the Virtual Highway Task Force, a subgroup within the Resilient Region Connectivity theme area.

With the initial \$4.2 million investments (2014 – 2015) from grants R5DC co-wrote with CTC and West Central Telephone Association (WCTA), along with the Minnesota Office of Broadband Development Investment of \$3 million, a total of \$7.72 million has been invested in the region to expand broadband infrastructure.

Connectivity to the last rural mile initiatives (January, 2016) have expanded broadband high speed access to 891 households, giving residents the ability to connect for telework, telehealth, and online learning, and strengthening broadband infrastructure for future growth. One hundred twenty-two low income families also have improved computer and internet skills.

Sustainability - Resilient Region Plan

The [Resilient Region Plan](#) was the result of a [community-driven, university-assisted, partnership](#) that leveraged a \$1.8 Million Dollar (\$800,000 HUD/DOT/EPA Sustainable Planning grant and an \$800,000 in-kind local match) to develop a five-county strategic plan and an additional \$44 million to support implementation through highly involved civic engagement intended to [Build a Resilient Region](#).

During 2011-2013, R5DC successfully engaged more than 600 residents developing a [multi-discipline, region-wide vision](#) for Cass, Crow Wing, Morrison, Todd and Wadena counties. Although originally focused on Economic Development, Housing, Land Use, and Transportation, more theme areas emerged and the interdependence of these theme areas was always taken into consideration. This consanguinity is an especially critical factor in rural areas.

Theme areas include:

- 1) [housing and affordable housing](#)
- 2) [connectivity/broadband](#)
- 3) [energy](#)
- 4) [natural resources & development patterns](#)
- 5) [education & workforce development](#)
- 6) [transportation](#)
- 7) [economic engines](#)
- 8) [health care](#)
- 9) [changing population](#)
- 10) [government efficiency and effectiveness](#)

Since the completion of the plan in 2014, over thirty individuals from public and private sectors, the [Resilient Region Champions](#), are now actively leading the implementation of the plans developed during this process. The list of Champions is impressive. All of these individuals have stepped up to the plate to work on a region-wide basis to improve the economic and environmental conditions of our five-county region. The implementation structure is based on a distributed leadership model, meant to be flexible and organic, able to expand and contract its level of activity as opportunities appear and are addressed. R5DC has a unique, working model in place to improve the economic and environmental vitality and health of the region.



One of our stories

Resilient Voices Guide Implementation through Distributed Leadership and Placemaking

Successful implementation of the Resilient Region Plan was due to the deployment of the Distributed Leadership Model (DLM). This model is an advanced version of the traditional “collective impact” community development practice. DLM engages regional Champions with intentional focus on engagement of the community benefactors.

The use of DLM also allowed R5DC to fulfill the regional values of honoring diversity and commitment to inclusion of “all voices to the table”. We learned that conversation and ideas are richer when artists are brought in during the planning phases versus after all decisions are made. The artist offers creative and innovative perspectives which advance impacts. Because the region is committed to quality of life for all people, R5DC sees value in expanding placemaking efforts.



“Through this unique model – we want to maximize a collaborative cohort to improve the economic and environmental vitality and quality of life for all in this region.” -Tim Houle, Administrator, Crow Wing County, Chair Resilient Region Champions.

A new placemaking initiative currently underway is a regional branding project. Thanks to a grant from the National Joint Powers Alliance, R5DC, as well as county economic development practitioners, a consortium of creative thinkers and artists are crafting a regional brand that showcases the five-county area’s assets. The goal of this “virtual placemaking” project is to retain and attract a workforce to the region. Maintaining our rural culture can be done in ways that add to our economic prosperity, thus, maintaining resilience through the DLM in the context of placemaking is a natural progression.

Resilient Region Deeper Dive

R5DC received a grant from the Northwest Area Foundation to conduct a [deeper dive](#) into the Resilient Region Plan that was developed in 2012. The deeper dive accomplished two goals: the first was evaluating the Resilient Region planning process, measuring impacts and making recommendations for adjustments going forward. Secondly, the deeper dive accomplished an in depth evaluation of impacts of the social enterprise, Sprout Marketplace. This information was used to accelerate and influence the development of a local food hub.

Local Foods

Across the nation, in remote farm fields and on the edge of cities, a sea of change is underway. Farmers and ranchers selling their products nationally or internationally are finding a reason and a means to keep some sales closer to home.

Source: <http://www.usda.gov/documents/1-Whatandwhy.pdf>

In 2011, R5DC created a plan and sought research and supportive sources designed to bolster this local foods movement in central Minnesota. That same year, R5DC, with assistance from USDA Rural Development, discussed the development of potential programs that aligned with the local foods effort. In 2013, R5DC strengthened relationships with supportive partners in order to ensure a self-sustaining model. This value-added agricultural project represented a priority area and was selected by the community through the Resilient Region planning process.

Since that time, R5DC has cultivated the local foods movement into an industry that growers, residents and institutions are noticing and utilizing as a viable, economical and healthy option. R5DC's most remarkable achievements in local foods have been the Sprout Growers and Makers Marketplace and the Choose Health initiative.



Sprout Growers and Makers Marketplace

Sprout Growers and Makers Marketplace is a newly created 20,000 square foot local food processing facility, cooking demonstration kitchen and indoor winter marketplace for growers and makers. R5DC hosted the grand opening April 1, 2016. R5DC's development of the Sprout Growers and Makers Marketplace has led to increased economic impact through culturally diverse commissioned visual and performing art, scaled booth space fees at open marketplace days, improved utilization of processing facility, and using Culinary Art as economic intervention.

Seasonal foods are used in cooking demonstrations and tastings of culturally diverse heritage recipes are prepared by local chefs alongside diverse family residents. It has also stimulated learning opportunities for growers/artists by engaging artists in learning opportunities that build capacity for future leadership and business profitability. Lastly, it has addressed barriers of inclusion by directly engaging low income growers and artists and also by changing the narrative by introducing rural differential equations and shared innovative roles into the conversation.

Choose Health

Choose Health is a program that R5DC developed, initially with Lakewood Health, to provide 50 low income families access to healthy food. In addition, the program also provides 30 head of households with resources for improved health behaviors. The project was replicated in three locations and has provided 175 low income families access to healthy foods.



One of our stories . . .

Cross Pollinating Agricultural and Health Sectors - Sprout and Choose Health

“It’s about creating local jobs. It’s a 22nd Century Evolution where farms can be brought back!” exclaimed local farmer Barry Thoele, at a Farmer’s Market in Staples. Barry is one of an increasing number of farmers who is getting his locally grown, healthy foods out to more of the region’s residents through Sprout’s Growers and Makers Marketplace. Sprout has grown from a seed of thought in 2009 with only a few growers and institutional buyers to now more than 70 local growers supplying locally grown commodities and new markets to sell their goods.

Sprout is the outgrowth of the citizen-led Resilient Region Plan, focusing on stimulating growth of local foods, farming and arts to address regional critical issues such as out-migration, poverty, diet related disease and quality of life. The Resilient Region team evolved the local foods value chain through the WealthWorks framework to build upon regional assets. R5DC Executive Director Cheryal Hills explained that employing a wealth creation framework “took us from intuition to intention.”

Sprout’s founding farmer and manager, Arlene Jones, said recently that Sprout serves seven school districts (15,000 students), four hospital systems, and restaurants, retail and food service accounts in the region. Its 2016 revenue is on target to exceed 2015 by 48%. Most of that goes to the growers, she said, ‘Seventy percent of our total revenue is cost of goods sold, which equates to direct funds back to our growers and their family incomes.’

One of the flagship programs created by R5DC and Sprout is “Choose Health”. This program broke down the silos of economic development by bringing our Agriculture community and our healthcare institutions and public health professionals together. A unique doctor-prescribed “CSA food prescription” in its first year addressed the needs of 50 low-income food insecure families. The program provides healthy foods, recipes, food demonstrations, education and ongoing community referral and support from Todd County Public Health to local families who have been identified by physicians at Lakewood Health System as food insecure to receive locally grown commodities bi-weekly from Sprout’s Community Supported Agriculture (CSA). Today, the Choose Health model is being replicated in other regional hospitals such as St. Gabriel’s Hospital in Little Falls and CentraCare in Long Prairie. In 2014, NADO awarded Choose Health with their annual “Innovation Award.” In 2015, Choose Health was awarded The Minnesota Hospital Association and a Health Partners Innovation Award (Small Hospital Category). The Bush Foundation Innovation Award, \$500,000, was received to expand the Choose Health Program and other initiatives directly related to local food production.

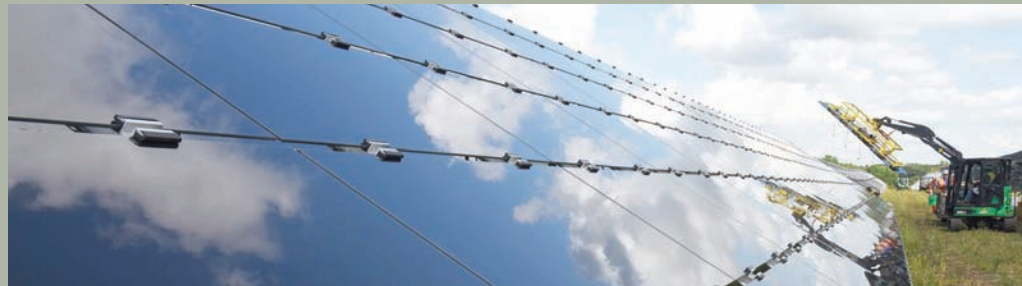


Energy

R5DC has been offered a grant of \$1,993,660 from Xcel Energy through the Renewable Development Fund (RDF) for a “Regional Schools Solar PV Demonstration”. The grant will fund about 47% of the projected \$4,258,000 project budget to construct solar arrays on multiple school buildings in three school districts and at the Leech Lake Tribal College.

R5DC is seeking a financing commitment by December 2016 for a project that will begin construction in the spring of 2017 and be completed by fall. In addition to building this initial round of solar projects, R5DC’s goals are to:

- demonstrate the cost-effectiveness of a coordinated regional strategy for solar development
- build expertise, experience and skills among local firms and providers for further solar development in Region Five
- save schools money on their energy costs over time
- integrate the solar arrays with STEM-based curriculum for students.



Hazard Mitigation

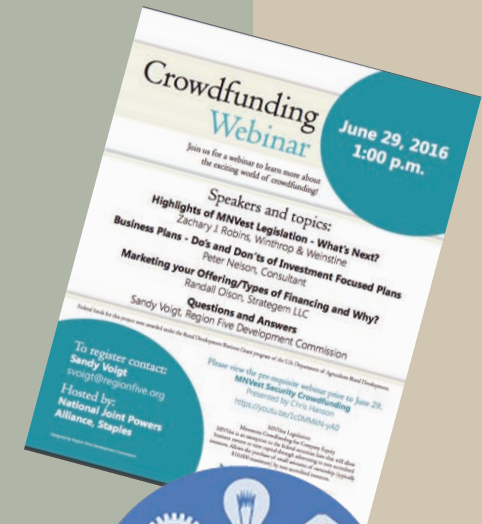
Hazard mitigation is “any action taken to reduce or eliminate the long-term risk to human life and property from natural hazards”.

R5DC has successfully completed hazard mitigation plans for all counties in the region and has also assisted communities in developing applications for specific mitigation projects. R5DC assists local units of governments in all areas of hazard mitigation planning, including drafting and submitting a competitive application, establishing a local planning team, facilitating planning meetings, drafting the final document and facilitating the submission and approval/adoption process.

Crowdfunding

In 2015, North Central Economic Development Association (NCEDA), R5DC's non-profit arm, received a \$98,000 grant from USDA to acquire knowledge and develop training modules aimed at informing Economic Development professionals and small and medium enterprises throughout the region and state. The focus of this grant was to facilitate and assist these enterprises understand and navigate MNVest, the 2015 legislation allowing investment crowdfunding in Minnesota.

Since that time, R5DC launched a [web portal](#), created train-the-trainer materials and developed curriculum that offers information around investment crowdfunding to help businesses, investors and economic development practitioners understand the pros and cons of investment crowdfunding.



WealthWorks

R5DC was the recipient of a NADO mini grant, which was used to build the capacity of the “Coach and Coordinator”, working on the local foods value chain through peer-to-peer learning with other WealthWorks coaches and coordinators nationwide. R5DC and partners, like Sprout MN, utilized regional workshops to expand this knowledge to value chains and deepened our impacts in all forms of wealth in the regional local food value chain.

TEDx Gull Lake

In 2014 and 2015, R5DC and the Resilient Region Champions developed The ART of Resilience, which was the result of a submittal to TEDx and became TEDxGullLake, a major regional event. TEDxGullLake helps members of our community believe in their own capacity for greatness. TEDxGullLake gives them a platform and connects them to the people, tools, ideas, and inspiration for them to create large- scale change quickly.



Economic Development

The U.S. Department of Commerce and the Economic Development Association identifies R5DC and the five counties served as an Economic Development District (EDD). As a designated EDD, R5DC is charged with the maintenance and implementation of the [Comprehensive Economic Development Strategy \(CEDS\)](#) plan. The CEDS outlines the region's priority economic development activities in light of issues and opportunities identified by the five county region. The CEDS incorporates resiliency, inclusion and best management practices throughout the goals and strategies.

Revolving Loan Fund (RLF)

A key piece in the economic development puzzle is business financing. North Central Economic Development Association (NCEDA) offers gap financing for fixed assets and working capital for new and expanding businesses through the [Revolving Loan Fund \(RLF\)](#).

Through the RLF, NCEDA has lent nearly \$1,000,000.00 to small business startups, and/or expansion in the region over the past five years. Additionally, this fund has leveraged close to \$100,000.00 in equity for a combined investment in small business startups of over a million dollars.



Front row: L to R-Dean Uselman, Steve Gertken, Brenda Thomes, Alex Weego
Back row: L to R-Bruce Heilman, Steven Hansen, Dan Frank, Lisa Graba-Meech,
Jason Sellnow, Greg Zylka, Sandy Voigt

Microlending

NCEDA's Microlending program is backed by funding from USDA and includes business assistance for start-up and expansion businesses in counties served by R5DC and East Central Regional Development Commission (ECRDC). Through its Microlending program, NCEDA has invested just under a half million dollars towards acquisition and refinancing for small businesses since 2011.

Water Well Loan Program

NCEDA has consistently administered the [Household Well Water System \(HWWS\)](#) loan program for all five counties within the region. The HWWS Program provides long term, low interest loans to property owners for repair, replacement or relocation of existing wells. NCEDA's investment into the region through the Household Well Water System (HWWS) program has reached \$84,963.00 over the past five years.

Individual Septic Treatment System (ISTS)

In addition to the HWWS program, NCEDA also continues to administer the [Individual Sewage Treatment System \(ISTS\)](#) program which makes low interest loans available to property owners in all five counties throughout the region. Over the past five years NCEDA, through its Individual Septic Treatment System (ISTS) program, has pumped \$537,673 back into the region.



One of our stories . . .

Providing Financing Solutions - Mi Pueblito Market and Café

When Jose Hernandez and Maria Chavez De Garcia planned to open a Hispanic market in downtown Long Prairie, they turned to NCEDA in partnership with R5DC to help make their dream a reality.

R5DC Regional Development Planner and Long Prairie community member, Dawn Espe, shares, “Long Prairie has one less vacant store front since the market opened its doors, giving residents culturally diverse downtown dining and shopping options and making it easier for other industries to attract employees, and drawing people to our small town.”



Jose Hernandez’s brothers also work in the business. Euogio (Geo) does the butchering and will also be involved with cooking in the café that they plan to open soon. Javier works in the market, and also has close ties with the Agua Gorda Cooperative.

The brothers are among Long Prairie’s Hispanic immigrant population that has grown from 1% of the city’s population in 1990 to one-third of the town’s population today. A two-fold boost to the local economy that comes with both population and economic growth with new Americans, Long Prairie’s Hispanic population is a micro-chasm consistent with national Hispanic growth trends in rural communities.

A local meat processing plant first attracted many people from the community of Agua Gorda in the Mexican state of Michoacan. Many are building businesses alongside their Anglo neighbors, investing in the community. The Agua Gorda Cooperative, a set of Hispanic farmers who started with garden plots at a local church, now owns a 54 - acre parcel of land on the edge of town, in addition to farming 5 certified acres leased from the city.

NCEDA, in partnership with R5DC, continues to provide industry expertise from its private sector, non-governmental members for community development and lending programs to enhance the quality and vitality of life in Todd, Wadena, Morrison, Crow Wing and Cass counties.

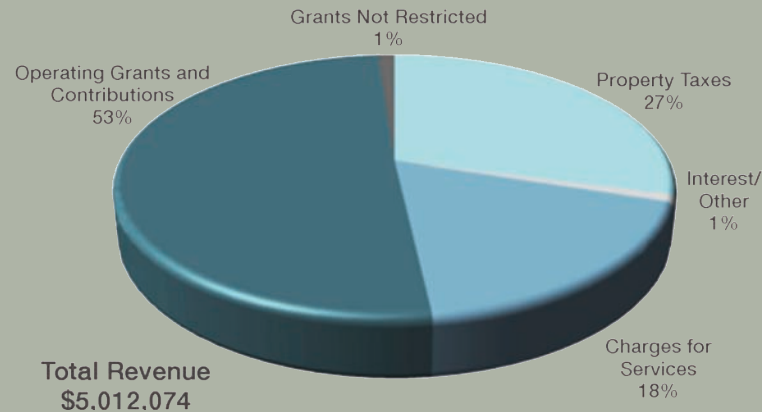
R5DC Financials

Fiscal Year 2012	%	\$
Property Taxes	23%	245,674
Interest/Other	1%	10,681
Charges for Services	14%	149,540
Operating Grants/ Contributions	60%	640,888
Grants Not Restricted	2%	21,363
	<hr/>	<hr/>
	100%	1,068,146

Fiscal Year 2013	%	\$
Property Taxes	23%	260,171
Interest/Other	1%	11,312
Charges for Services	20%	226,236
Operating Grants/ Contributions	56%	633,460
Grants Not Restricted	0%	----
	<hr/>	<hr/>
	100%	1,131,179

Fiscal Year 2014	%	\$
Property Taxes	29%	273,937
Interest/Other	1%	9,446
Charges for Services	11%	103,907
Operating Grants/ Contributions	59%	557,320
Grants Not Restricted	0%	----
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	100%	944,610

REVENUE SOURCES - FY2012-FY2016



R5DC's Finance Department is responsible for producing annual budgets, commissioning an annual audit, processing monthly and quarterly billing, and processing payroll, as well as fiscal management of grants and contracts. The Finance Department is also responsible for the secure maintenance of financial records and acting as the fiscal agent for the North Central Economic Development Association (NCEDA).

Five Counties.

One Vision.

One Source.

Fiscal Year 2015	%	\$
Property Taxes	32%	290,360
Interest/Other	0%	----
Charges for Services	27%	244,992
Operating Grants/ Contributions	40%	362,950
Grants Not Restricted	1%	9,074
	<hr/>	<hr/>
	100%	907,376

Fiscal Year 2016	%	\$
Property Taxes	30%	288,229
Interest/Other	0%	----
Charges for Services	20%	192,153
Operating Grants/ Contributions	49%	470,774
Grants Not Restricted	1%	9,608
	<hr/>	<hr/>
	100%	960,763

Five Year Summary	%	\$
Property Taxes	27%	1,358,371
Interest/Other	1%	31,439
Charges for Services	18%	916,827
Operating Grants/ Contributions	53%	2,665,392
Grants Not Restricted	1%	40,044
	<hr/>	<hr/>
	100%	5,012,074

A Look Forward

2017-2021 Strategic Plan

The intent of the Strategic Plan is to provide a mechanism that can be used to continuously check in with, and align R5DC activities with, its mission while adapting to the changes and opportunities of a dynamic region. In order to accomplish this goal, the Commission understood that it had to address these “critical regional issues” effectively; it required a strategic plan to guide the work.

The Goals of the 2017-2021 Strategic Plan are:

Goal 1: To foster Value to the Region by nurturing innovation, boosting philanthropic engagement, owning responsibility and allocating investments toward growth initiatives that will build upon assets and drive long-term resilience.

Goal 2: To achieve Maximum Partner Satisfaction by providing a vehicle for facilitation and implementation of regional programs that cross over traditional jurisdiction boundaries and varied disciplines by partnering with local, state and federal partners, private, public and nonprofit organizations.

Goal 3: Agency Excellence – To provide superior agency capabilities that support the delivery of exceptional services that address regional critical issues.



The Spirit of Hard Work

*The Spirit of Hard Work -- Innovation, Engagement, Responsibility, and Investment --
have guided us over the past five years and will continue to guide us into the future.*

Words for Our Future

The past five years have been the most prolific period in the R5DCs history. Since the Commission's inception, no other period has yielded a higher level of grant dollars brought into the region. Collaborating, engaging and innovating led to trust, performance and growth, resulting in a high degree of sustainability and local control.

The amount of local dollars leveraged from state, federal, and other granting organizations has truly been staggering. The significant accomplishments of R5DC has positively impacted the region and caused it not only be resilient, but to grow and thrive in a time of slow economic recovery nationwide.

The return on investment experienced by residents within the region has been one focused on improving health, safety, wellbeing and quality of life. The activities of R5DC are experienced daily by residents, seasonal residences and visitors alike, and is evidenced by the vibrant communities, economies, industries, agriculture and environment found throughout the region.

As we take a moment to reflect on the accomplishments of the past five years, we understand that no matter the challenges that lay ahead for our region, it is the strong, rural spirit of hard work, stewardship, and community mindedness that will enable us to continue to build the types of sustainable communities that R5DC is known for.





Region Five
DEVELOPMENT COMMISSION



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