



REGION NINE
DEVELOPMENT COMMISSION

2015
Annual Performance Report

**Comprehensive
Economic
Development
Strategy**

*January
2016*



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Preface

The most recent full Comprehensive Economic Development Strategy (CEDS) for south central Minnesota was conducted by Region Nine Development Commission in 2012.

This current 2015 CEDS Annual Performance Report (APR) is the third APR drafted since the full 2012 CEDS. Region Nine will conduct the next full CEDS in 2016.

Acknowledgment

Region Nine Development Commission wishes to thank the members of the Region Nine Economic Development Committee and the South Central Work Force Council Development Committee who served as the Region Nine CEDS Strategy Committee for their input, collaboration, and oversight during the creation of this document.

Executive Summary

Each of the nine counties in the service area of Region Nine Development Commission (Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca, and Watonwan) has unique attributes that make the region diverse. With that diversity are unique economic development challenges. How the region responds to, mitigates, and plans for those challenges is part of the strategy for the region. While not the only comprehensive economic development plan and strategy in the region, the Region Nine Comprehensive Economic Development Strategy (CEDS) and the Annual Performance Reports (APR) help lay the framework for building a robust economy in south central Minnesota.

As per the Economic Development Administration (EDA) guidelines, annual updates to the CEDS are outlined in the APR. Updates to the CEDS strategies are outlined in this document. The process for updating the document involves continuous feedback from our stakeholders. Some of this information is gathered from an annual CEDS survey, meetings, projects, and collaborative programs both continuous and piecemeal. The results of this feedback indicate key benchmarks attained by the following work-plan and accomplishments of Region Nine and its partners in 2015:

- Coordination of disaster resiliency planning
- Building public and private partnerships
- Bridging renewable energy initiatives
- Analyzing the region through extensive research
- Networking with community leaders, organizations, and partners
- Tapping into national goals and strategies
- Inventorying economic development projects
- Evaluation and updating of the CEDS

By coordinating disaster resiliency planning, Region Nine has taken the first steps towards implementing a Disaster Resiliency Plan (DRP) for the region. Part of that plan involves surveying stakeholders for their expert opinions on what sort of disasters are likely to impact the regional economy and their opinions of strategies to mitigate those disasters. This information in conjunction with Region Nine's coordination activities, including hiring of a Regional Emergency Management Planner, updating of county hazard mitigation plans, and conducting Federal Emergency Management Agency (FEMA) training and workshops, have



positioned Region Nine to respond to key potential disasters. According to stakeholders, disasters most likely to impact the regional economy are primarily weather related. Severe winter and summer storms, extreme climate shifts, tornadoes, flooding, and drought were all identified as likely.

The region has many public-private initiatives and Region Nine has had a role in coordinating and participating in many of them. These meetings, such as quarterly economic development committee meetings, provide economic developers within the region an opportunity to share knowledge, and build critical networks that aid in their day-to-day work. They also allow Region Nine an opportunity to stay connected with the private partners and learn about the tools and resources that are useful to their businesses. Additionally,

Region Nine continues to co-host, with the Minnesota Department of Employment and Economic Development (DEED), monthly South Central Business Development Network (SCBDN) meetings. These meetings are well attended and provide another public-private connection.

Renewable energy projects and initiatives are critical to the region. Region Nine continues to further the development of renewable energy programs in the region through the Renewable Energy Task Force (RETF). The RETF holds legislative listening sessions in which it outlines renewable energy challenges and issues to local representatives, hosts professionals in the field, sponsors energy savings workshops, applies for grants for clean energy projects, and collaborates with agriculture producers to reduce combustion-based energy production. The economic impact of the work of the RETF is measured in dollars invested towards innovation and green products, processes, places, and buildings.

All good planning projects, policies, and initiatives are based on having the most **accurate, up to date, credible, and available information**. Being informed leads to practical solutions and Region Nine's community development team continues to provide reputable research and data analysis to the region so that it can put its best foot forward in obtaining community and economic development policy grants and loans, and produce strong plans and sound strategies.

In addition to research, **networking with professional organizations, training programs, and partner initiatives** allows Region Nine to be a key resource for the region. Through partnerships with the Minnesota Association of Development Organizations, the National Association of Development Organizations (NADO), and state and local partners, Region Nine is providing a critical link between economic development projects in its service area and key programs and skills needed to implement them. Staying connected also involves maintaining and updating skills through professional conferences, seminars, and workshops (such as the National Telecommunications and Information Administration [NTIA] Community Broadband Planning Conferences and FEMA planning workshops).

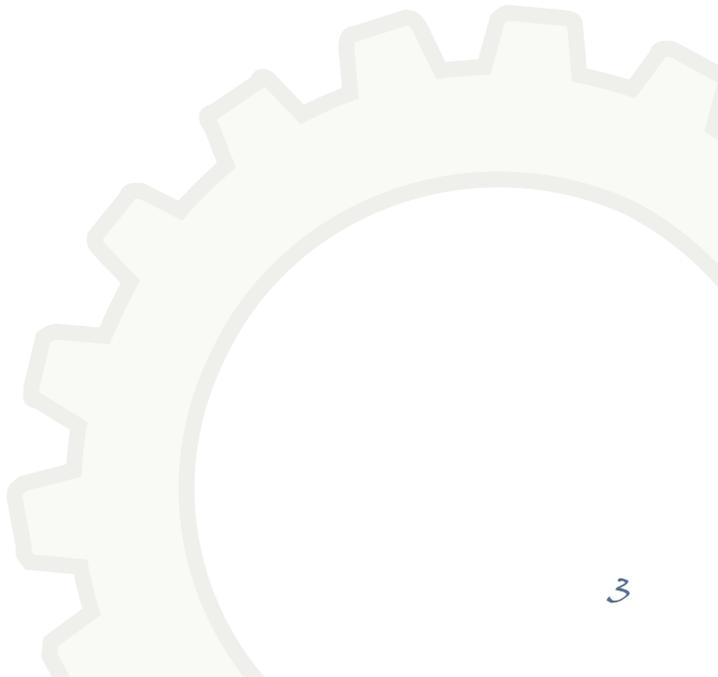
For this networking process to achieve maximum effectiveness, **Region Nine must look outside the region to align with federal goals and strategies**. For instance, the Investing in Manufacturing Communities Partnerships (IMCP) concept is not just confined to south central Minnesota, but nationally and globally as well. By building upon these networks, Region Nine communities are better poised to prosper in the global climate.

In 2015, Region Nine Development Commission was awarded a local technical assistance grant through the federal EDA's IMCP program to further business development of medical device manufacturing businesses in south central Minnesota. Through this effort, Region Nine will work closely with Greater MSP in the Minneapolis-St. Paul metropolitan area to make connections and develop policy initiatives that support IMCP in our region. The primary goal of this effort is to establish, or expand, businesses that involve medical device manufacturing or are a supply chain link to the industry. Region Nine is the only Economic Development District (EDD) in Minnesota to be working directly on this federal initiative.

Lastly, the **CEDS APR is continuously updated with current economic development projects** for potential EDA funding. The annual CEDS APR survey identifies the progress and additions to the projects priority list outlined in

the 2012 CEDS and allows Region Nine to continue evaluating and updating the strategies and report out on those activities in the APR.

While the region is diverse, and the strategies outlined in the CEDS are detailed, the benchmarks that guide the daily economic development work performed by Region Nine and its partners and stakeholders are adaptable enough to meet the needs of the region. This work involves the coordination of disaster resiliency planning; building public and private partnerships, bridging renewable energy initiatives; analyzing the region through extensive research; networking; tapping into national goals and strategies; taking periodic inventory of economic development projects; and evaluation and updating of the CEDS. These building blocks combine to form the strategies for economic development in 2016 and create a foundation for economic growth and prosperity in the nine-county region of south central Minnesota.



Overview of the Region

Region Nine Development Commission serves the nine counties in south central Minnesota, including: Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca, and Watonwan. As of the 2013 American Community Survey (ACS) estimates, there were an estimated 231,622 people in the region, more than 102,000 jobs, more than 6,500 employers, and a geographic footprint of 5,064 square miles. This represents approximately 6.3 percent of the total surface area of the State of Minnesota, 4.3 percent of the estimated statewide population, 3.8 percent of all jobs in the state, and 4.0 percent of all employers.

While there is one major metropolitan area located in the region (Mankato-North Mankato Metropolitan Statistical Area [MSA]) the region also has a large rural base. Of the 231,622 people, nearly 54,000 reside in the Mankato-North Mankato MSA, and there are only four other cities in the region with estimated populations over 5,000: New Ulm (13,452), St. Peter (11,445), Fairmont (10,494), and Waseca (9,365). In all, Region Nine represents 9.4 percent of the population outside of the seven-county Minneapolis-St. Paul region.

In 2013, the 102,000 covered jobs (based on unemployment insurance records) also represent nearly ten percent of all jobs outside the Minneapolis-St. Paul region and nearly eight percent of all employers outside of the Minneapolis-St. Paul region. Essentially, the region is a strong driver of workforce development in outstate Minnesota.

Growth and Recovery

According to the 2013 ACS estimates, the population of Region Nine grew at a much smaller rate than the state as a whole (4.0 percent compared to 10.2 percent) from 2000 to 2013. This growth was concentrated primarily in three of the nine counties: Blue Earth was one of the fastest growing counties in the state (+17.1 percent growth), followed by Nicollet (+11.0 percent), and Le Sueur County (+9.4 percent). In contrast, the other six counties fell between -2.0 percent and -12.0 percent, with the largest loss occurring in Faribault County. (See Table 1.)

The Economic Structure

The *Workforce Highlights* component of this report highlights the growth of the workforce and the various employment sectors contributing to that growth. Table 2 indicates the economic structure of the workforce, with focus on growth during the past two years. To avoid seasonal shifts, only annual average data was compiled from the Quarterly Census of Employment and Wage (QCEW) produced by the State of Minnesota's Labor Market Information Office. The QCEW uses unemployment insurance data as its base, ensuring that the data captured is a veritable census of employment and wages, representing between 97 and 98 percent of the total workforce. Since there is a six month delay in reporting the

Table 1: Population, 2000-2014

	2000 Population	2014 Estimate	2000-2014 Change	
Blue Earth Co.	55,941	64,720	8,779	15.7%
<i>City of Mankato</i>	32,427	39,871	7,444	23.0%
Brown Co.	26,911	25,513	-1,398	-5.2%
Faribault Co.	16,181	14,337	-1,844	-11.4%
Le Sueur Co.	25,426	27,717	2,291	9.0%
Martin Co.	21,802	20,515	-1,287	-5.9%
Nicollet Co.	29,771	32,923	3,152	10.6%
<i>City of North Mankato</i>	11,798	13,403	1,605	13.6%
Sibley Co.	15,356	15,096	-260	-1.7%
Waseca Co.	19,526	19,127	-399	-2.0%
Watonwan Co.	11,876	11,151	-725	-6.1%
South Central Region	222,790	231,686	8,896	4.0%
State of Minnesota	4,919,479	5,383,661	464,182	9.4%

Source: U.S. Census Bureau, compiled by Labor Market Information Office, State of Minnesota

QCEW data, so that it can be properly maintained, 2013 was the last annual update. For these reasons, 2012 – 2013 comparisons were used.

Despite the job count dropping by 2.9 percent from 2012 to 2013, manufacturing continued to be a key employment sector in Region Nine. With nearly 19,000 jobs in manufacturing, Region Nine has the third-highest outstate manufacturing employment base. Region Nine also has a high concentration of health care, social assistance, retail, and educational services.

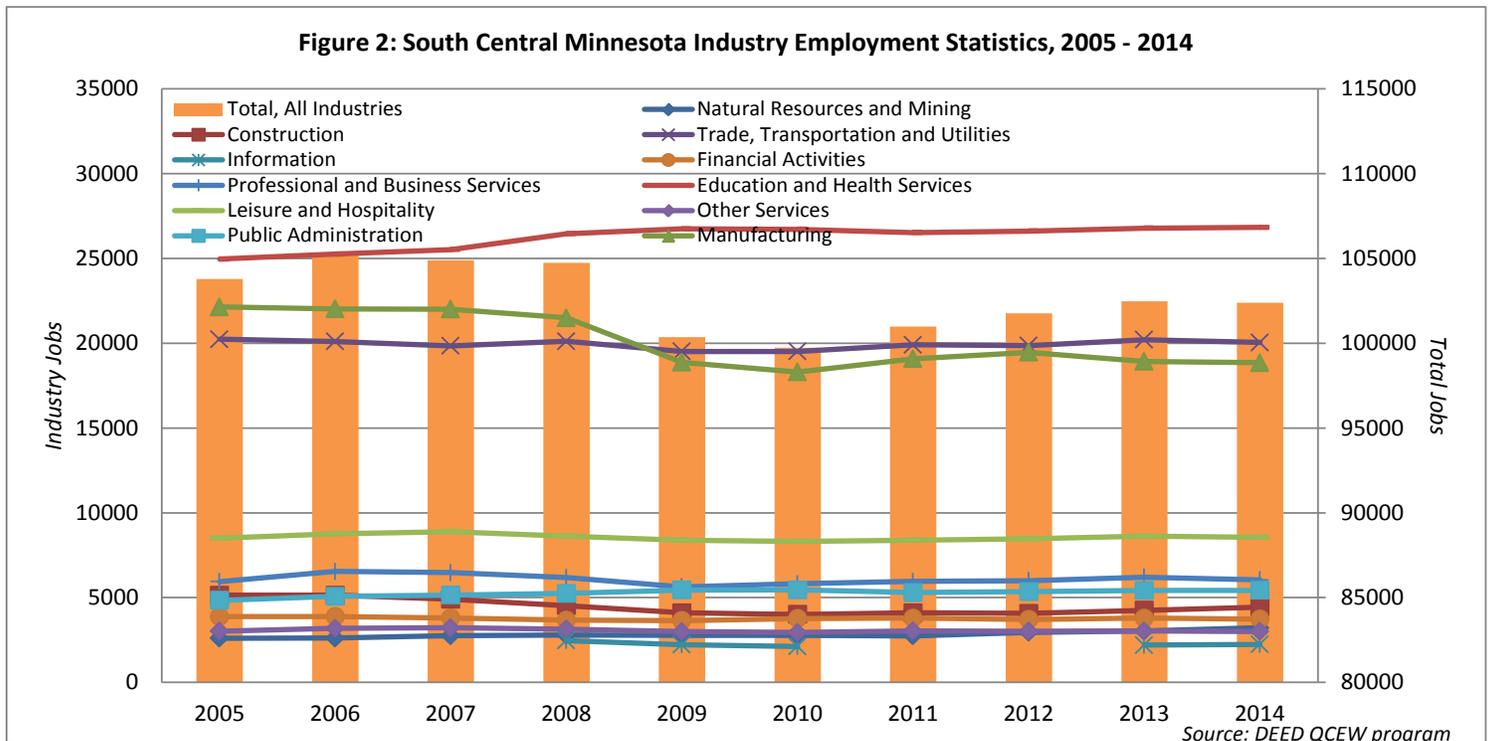
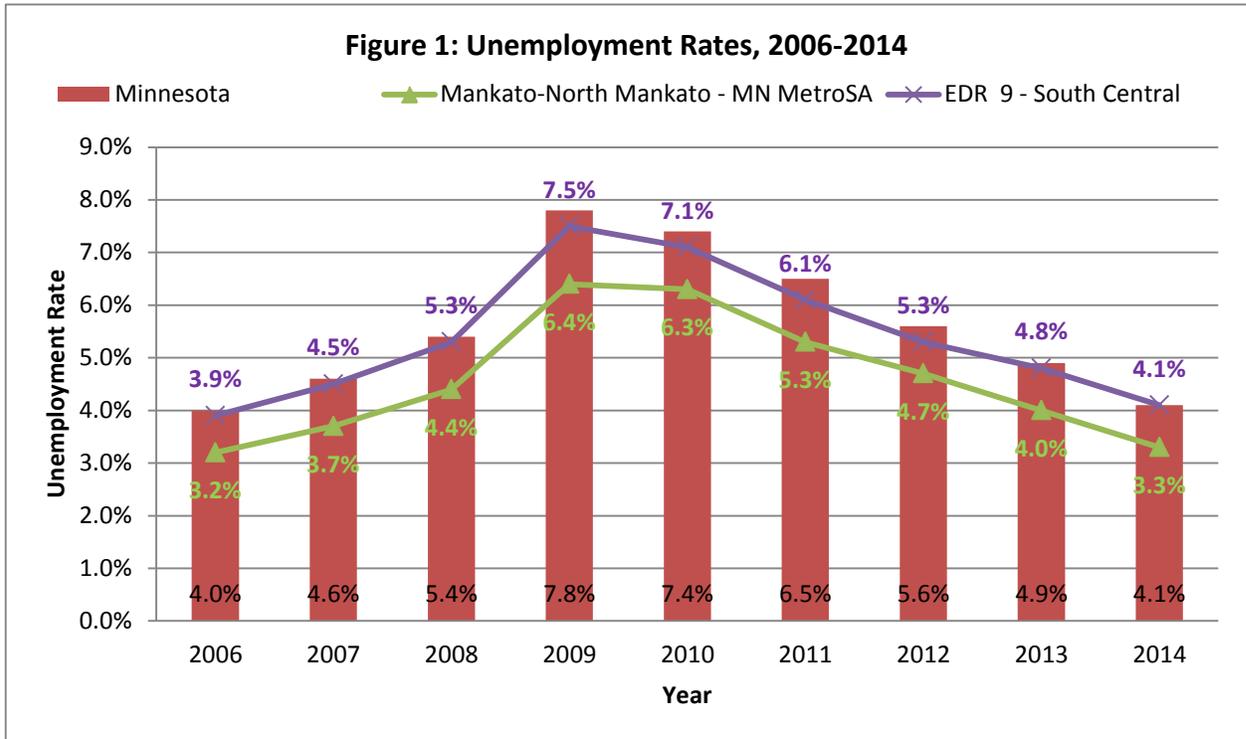
Table 2. South Central Minnesota EDD 9 Sector Employment Breakdown

Sector	2013*			2014			Percent Change '13 - '14		
	Average Annual Jobs	Average Annual Employers	Average Weekly Wage	Average Annual Jobs	Average Annual Employers	Average Weekly Wage	Average Annual Jobs	Average Annual Employers	Average Weekly Wage
Total, All Industries	10,2478	6,549	706	10,2391	6,478	739	-0.08%	-1.08%	4.67%
Agriculture, Forestry, Fishing and Hunting	2,789	278	697	2,964	288	751	6.27%	3.60%	7.75%
Mining	240	9	1,386	259	10	1,511	7.92%	11.11%	9.02%
Construction	4,248	796	834	4,440	804	864	4.52%	1.01%	3.60%
Manufacturing	18,934	362	864	18,849	364	905	-0.45%	0.55%	4.75%
Utilities	505	40	1,484	501	38	1,517	-0.79%	-5.00%	2.22%
Wholesale Trade	3,877	324	1,402	3,793	320	1,026	-2.17%	-1.23%	-26.82%
Retail Trade	12,461	873	403	12,398	865	418	-0.51%	-0.92%	3.72%
Transportation & Warehousing	3,364	387	671	3,352	382	703	-0.36%	-1.29%	4.77%
Information	2,195	109	827	2,242	103	901	2.14%	-5.50%	8.95%
Finance & Insurance	2,982	426	985	2,931	413	1,004	-1.71%	-3.05%	1.93%
Real Estate & Rental & Leasing	812	180	442	797	180	479	-1.85%	0.00%	8.37%
Professional, Scientific, Tech Services	2,336	355	885	2,422	356	941	3.68%	0.28%	6.33%
Management of Companies and Enterprises	1,077	40	1,336	1,003	38	3,279	-6.87%	-5.00%	145.43%
Admin, Support, Waste Mgmt. Remed. Services	2,796	211	457	2,613	209	465	-6.55%	-0.95%	1.75%
Educational Services	9,199	131	745	9,225	118	769	0.28%	-9.92%	3.22%
Health Care & Social Assist.	17,590	561	723	17,603	559	747	0.07%	-0.36%	3.32%
Arts, Entertain. & Recreation	1,030	127	213	1,030	128	222	0.00%	0.79%	4.23%
Accommodation & Food Services	7592	463	212	7,531	465	221	-0.80%	0.43%	4.25%
Other Services (except Public Administration)	3,029	554	455	3,007	559	474	-0.73%	0.90%	4.18%
Public Administration	5,418	325	748	5,426	280	783	0.15%	-13.85%	4.68%

Source: DEED QCEW Program

Workforce Highlights

The unemployment rate of Region Nine has consistently aligned with the state rate, hovering within a half percent below the state rate during the last ten years. Region Nine's unemployment rate peaked as high as 7.8 percent in 2009 (which was just below the state rate 8.0 percent) before falling to 4.9 percent in 2013. Through June of 2014, Region Nine's rate was 4.5 percent (which was right below Minnesota's rate of 4.6 percent) (See Figure 1). In October of 2014, the unemployment rate in Region Nine fell to 3.0 percent, the lowest since October of 2000.



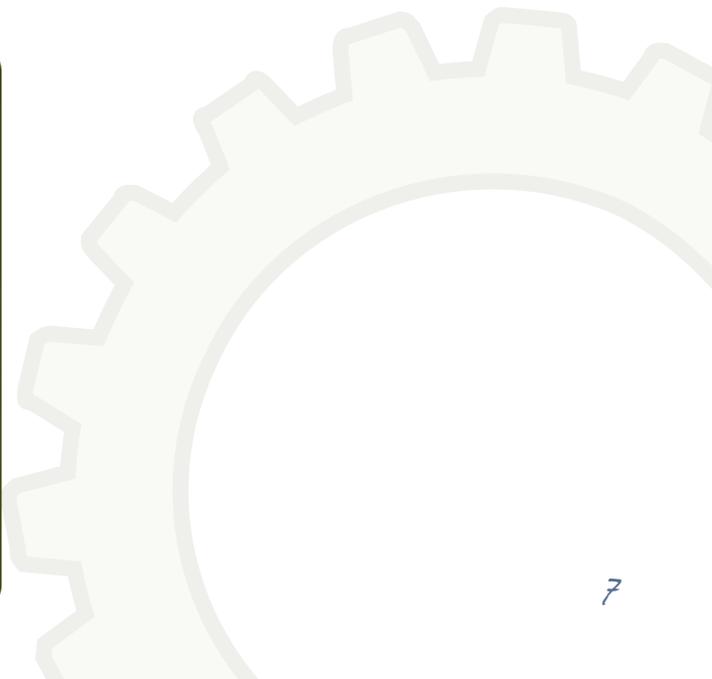
Despite the recovery, a ten year assessment of the number of covered jobs in the region indicates that Region Nine still had slightly fewer jobs in 2013 than it did in 2004 (from approximately 103,000 jobs in 2004 to over 102,000 jobs in 2013). The region, however, had regained nearly 3,000 of the jobs it lost during the *Great Recession* (2008-09) and peaked with 105,277 jobs in 2006 before dropping as low as 99,766 jobs in 2009. The manufacturing industry was hit hard during the recession, but has since started to recover (despite slight losses from 2012 to 2013). The region's large health care and social assistance industry helped provide economic stability during the recession. (See Figure 2.)

The median hourly wage across Region Nine increased from \$14.63 in 2012 to \$15.49 during the first quarter of 2014 (See Table 3). A recovering economy led to a boost in the labor market as the region's unemployment rate fell from 6.4 percent in January of 2012 to 3.0 percent in October of 2014. The increase in the number of wages above the median for all jobs was fueled by an increase in employment in five of the seven sectors that had a median hourly wage above the baseline established by all jobs across the region. Natural resources and mining employment led the way with a 10.5 percent increase (286 total jobs) of wages estimated at \$20.01 per hour; Construction rebounded heavily (+10%, 322, \$18.71); followed by slight increases in public administration (+2.2%, 107, \$20.58); and professional and business services (+1.1%, 65, \$16.33). The key driver, however, that brought the median hourly wage up was education and health services, particularly higher paying health care technical and practitioner occupations. The industry as a whole jumped 1.1 percent, resulting in 292 jobs earning a median wage of \$16.75 per hour. General medical and surgical hospitals house higher paid surgeons and practitioners with earnings in excess of \$80.00 hourly wage and added 95 jobs from first quarter 2012 to first quarter 2014.

Table 3: Average Hourly Wage Increase

Industry	Estimated Employment	Estimated Median Wage	Percent Increase Employment 2012 to 2014 (QCEW)
Other Services	2,080	\$11.98	-2.00%
Trade, Transportation and Utilities	20,090	\$12.40	0.90%
Professional and Business Services	5,620	\$16.77	1.10%
Education and Health Services	33,060	\$17.27	1.10%
Financial Activities	5,420	\$17.51	-0.10%
Manufacturing	20,870	\$18.15	-4.20%
Construction	3,360	\$19.29	10.00%
Natural Resources and Mining	450	\$21.27	10.50%
Public Administration	9,380	\$21.66	2.20%
Leisure and Hospitality	4,920	\$9.14	2.20%
Total, All Jobs	105,260	\$15.99	8.5%

Source: DEED, Occupational Employment Statistics (OES) and QCEW databases





Report on Economic Development Activities

Coordinate Disaster Resiliency Planning

Since the 2012 CEDS was published, the EDA has initiated a new requirement that each Regional Development Commission (RDC) includes a regional disaster and economic recovery resiliency plan in their CEDS and APR documents. Region Nine has begun building this plan for inclusion in the 2016 update to the statewide CEDS (DevelopMN). In 2015, Region Nine completed the following tasks to coordinate disaster resiliency planning:

- Hired a Regional Emergency Management Planner in 2014. Having this position with Region Nine has greatly increased the organization's capacity to coordinate disaster resiliency efforts between the jurisdictions Region Nine serves, the state office of Homeland Security and Emergency Management (HSEM), and the federal EDA
- Worked with Watonwan and Fillmore counties to update their Hazard Mitigation Plans
- Attended countywide emergency management training workshops sponsored by FEMA and HSEM to obtain the necessary skills and credentialing to coordinate disaster recovery efforts and began building certifications of achievement along the way
- Surveyed the Region Nine Economic Development Committee, the South Central Workforce Council Development Committee (which also serves as the Region Nine CEDS Strategy Committee), and regional economic development partners and stakeholders to identify the likelihood of different types of disasters having an impact on their service areas

The cumulative results of these efforts will inform the DRP that will be formulated through the full CEDS process in 2016.

Public and Private Partnership Initiatives

Region Nine has taken the following steps towards providing education and skill development opportunities for public and private sector development professionals:

- Region Nine facilitates and coordinates quarterly meetings of its Economic Development Committee. At these meetings, Region Nine staff integrates the CEDS with local planning discussions, brainstorming sessions, networking, and sharing of best practices. At each meeting, a guest speaker is invited to present to the group on economic development tools, topics, projects, and resources relevant to and suggested by the committee.

Region Nine's Economic Development Committee met four times in 2015, including: 1) January 17th, 2) April 18th, 3) July 18th and 4) October 16th. Guest speakers at these meetings included:

- Staff from the Minnesota Department of Transportation (MnDOT) and DEED
- Updates from the South Central Work Force Council
- Presentation by the new Agriculture Business Enterprise Director
- Updates from the South Central Work Force Center
- Successful, local private business entrepreneurs
- University of Minnesota New Agriculture Bioeconomy Project Coordinator

Other special topics of discussion included:

- CEDS surveys and CEDS development process
 - *Round Robin – What’s new in your community*
 - Grant Opportunity Forums
 - SCBDN meetings
 - Business expansions and closures
 - Economic Resiliency
- The following meetings also provide frequent updates on economic development activities from Region Nine partners and stakeholders. Some of these partners:
 - South Central Work Force Council provides updates on workforce development activities, including major employer shutdowns, expansions, and workforce center activity.
 - The Mankato Work Force Center is a local office for DEED. As the statewide authority on economic and workforce development, DEED provides critical insight into state programs and initiatives centered on boosting the state’s economy and workforce. As the Mankato office for DEED, and the local office for job-seekers, the Mankato Workforce Center also provides input on job-seeker activities.
 - Successful, local private business entrepreneurs provide updates on which programs are critical to their business. They often share best practices on how to maintain, and manage a business in fluctuating economies and what sorts of challenges innovators and entrepreneurs face in changing economic conditions.
 - The University of Minnesota Extension provides resources and tools available to economic developers, including Economic Impact Analysis and the EDA University Center.
 - Counties and local jurisdictions provide input and report on regional economic development activities.
 - Region Nine hosts semi-annual Grant Opportunities Forums in which grantees, foundations, and state and federal departments that provide grants to community development projects present their programs to attendees.
 - Region Nine, in conjunction with DEED plan and host SCBDN meetings in which economic developers across the region gather to discuss critical economic development activities, challenges, and barriers.
 - Additionally, Region Nine provides support and collaboration with other state, regional and local economic development groups:
 - DEED
 - Southern Minnesota Initiative Foundation (SMIF)
 - Greater Mankato Growth (GMG)
 - Waseca County Chamber of Commerce
 - Faribault County Economic Development Corporation

- 
- In 2015, Region Nine participated in the annual Tour of Manufacturing in south central Minnesota. The tour included private manufacturing firms as well as South Central College and the Minnesota State University, Mankato College of Science, Engineering and Technology. Other groups included:
 - Greater Mankato Diversity Council
 - GMG
 - DEED
 - Minnesota State University, Mankato
 - South Central College
 - South Central Service Cooperative
 - South Central Workforce Council and
 - V-Tek, Inc.

Renewable Energy Initiatives

Utilizing the RETF, Region Nine continued to enhance the region's environmental quality and develop or implement green products, processes, places and buildings in 2015. In doing this, Region Nine continues to provide staffing and in-kind support for the RETF, which in turn continues to play an important role in supporting implementation of renewable energy initiatives in the region.

This past year the RETF was extremely active: RETF regularly held monthly committee meetings. Guest speakers at these meetings included:

- Deepinder Singh, 75 F
- Sheri Allen, ISD 77 and Bryan Paulsen, I & S Group (new LEED-certified middle school)
- Dwight Jelle, Best Power International, LLC
- Trisha Rosenfeld, Xcel Energy and Tony Pehrson, Centerpoint Energy
- Alan Wernke and Eric Pasi, Innovative Power Systems
- Joe Sullivan Center for Energy and Environment and Mike Franklin, Minnesota Clean Energy Economy
- John Farrell, Institute of Local Self Reliance
- Tena Rytel, Geronimo Energy
- Nick Jordan and Marcus Grubbs, University of Minnesota Soil Science Department and the 7 Mile Creek Watershed New Ag Bioeconomy project
- Jim Connelly, BasePoint Group, LLC

Additionally, the RETF completed these activities in 2015:

- Hosted a Community Solar Energy Workshop in Mankato, MN. In collaboration with First Congregational UCC Church and the Center for Earth Spirituality and Rural Ministry, the workshop focused on developing solar projects and community solar gardens.
- Participated in a site audit at the New Creation Church in North Mankato, MN. The focus of the meeting was to discuss project goals and initiation, financing mechanisms, and next steps for creating an energy efficient space using LED lighting and solar power.
- Hosted a Community Solar Power Workshop in Lake Crystal, MN. The solar energy workshop covered an introduction to solar power, status of the industry and product types, project process, and economic feasibility assessments.

- Participation in the Climate Generation Convening held at South Central College in North Mankato, MN. The concentration of the meeting was to connect communities through local science, stories, and solutions that encompass the broad range of impacts that Minnesotans are seeing now.
- Participated in the 3M Energy Fair in New Ulm, MN to provide an overview of the RETF and to discuss products and practices that promote energy savings and renewable energy.

Research and Data Analysis

The foundation of good planning is good information. As such, Region Nine planners continue to provide research and data gathering capabilities to organizations and local governments in order for them to obtain community and economic development policy grants and loans, among other practical uses. Region Nine staff continue to field requests for information or data on a weekly basis from partner communities or organizations. A sampling of the type of requests for information or services provided in 2015 includes:

- Labor Market Information requests using data compiled by the Bureau of Labor Statistics (BLS), and DEED. Many state administered community development block grants use the local area unemployment statistics to determine eligibility for communities and regional partners.
- Business lists compiled using ReferenceUSA and Dun & Bradstreet databases. This information is often used by economic developers and planners to determine strategies for business expansion, recruitment, and location.
- Economic analysis using QCEW and gross domestic product (GDP) from the Bureau of Economic Analysis (BEA), ACS, Local Employment Household Dynamics (LEHD), and Minnesota State Demographic data. More specifically:
 - QCEW is used to determine regional industry composition for local economic development programs, business recruitment, and requests for information for various planning projects.
 - The BEA offers regional GDP as well as personal income data that is used in conjunction with the Council for Community and Economic Research Cost of Living Index to determine consumer spending habits and personal earning. This information is often requested by local EDAs and chambers of commerce working with employers on business retention and recruiting plans or in conjunction with a site selecting agency that has targeted one of the communities that we serve.
 - Similarly, ReferenceUSA data provides employer specifics on individual businesses within the region. Staff compile this data secondhand through regional library databases and disseminate as requested. Requests for this information have come from local chamber of commerce's and EDAs to use for business recruitment or to determine available resources for cluster industries and business startups, the MnDOT has requested this information from Region Nine, in conjunction with regional Labor Market Information and the Census' LEHD OnTheMap Commuter and Labor Sheds for regional freight plans, and the State of Minnesota's Workforce Centers have utilized this information to supplement the DEED and BLS Salary Survey (Occupational Employment Statistics) wage details for businesses looking to determine available workers and assess wages to meet hiring needs.
 - The Census' OnTheMap LEHD Program requests have been primarily commuter and labor sheds as well as inflow-outflow reports and has been requested by several of our rural communities, to determine availability of workers to expand the regional workforce.



- o Low-to-moderate income data has been requested by several communities to determine eligibility for U.S. Department of Housing and Urban Development’s (HUD) Community Development Block Grants administered through the State’s Small Cities Development Program.
- o Region Nine has been asked to compile Connect Minnesota connectivity maps for a regional broadband project for Sibley County to use in developing a broadband network based on grant funding from NTIA, USDA Rural Development, the Blandin Foundation and the Minnesota Office of Broadband Development.
- o Minnesota State Demographic Center Population Estimates and maps for 60+ populations have been compiled for the Minnesota River Area Agency on Aging, local chambers and EDAs. Age cohort projections and ethnicity projections have been compiled for Region Nine’s regional partners for comprehensive plans, community profiles, and community planning projects.



Not all data collection is secondary public data gathering and analysis. Local surveys are designed and implemented to assess local economic development practices, projects in need of funding, barriers to economic development, and project priorities as they align to Region Nine’s most recent CEDS update. Those data help Region Nine to identify projects across the region in need of EDA grant assistance and Region Nine planning services. Additionally, Region Nine’s GIS maps and data gathering work produce supplements to regional work plans, grant applications, and nearly all the planning projects conducted by Region Nine’s Community Development Department.

Enhancing Skills and Staying Connected

Region Nine continues to maintain strong ties with economic development efforts at the state and federal levels by engaging in seminars, conferences and skill development efforts that increase staff professional strengths in economic development policy and implementation in the following ways:

- Continued NADO Membership has continued to provide benefits to staff and Region Nine by making an excellent resource available to ensure staff stay current on economic development strategies and issues.
- Participation in EDA webinars, including:
 - o Capacity Builders / Collaborators for Economic Development
 - o Workforce Innovation and Opportunity Act
 - o NADO Research Foundation Regional Planning Seminar
 - o All of the Chicago EDA Office Quarterly Conference Calls
 - o Other community development webinars
 - o Broadband II
- In 2015, Region Nine participated in other community development sessions and meetings, including:
 - o VINE Faith in Action building renovation tour and listening session
 - o World-Wide Leadercast broadcast at South Central College

- Region Nine’s Executive Director attends all of the Chicago EDA Conferences.
- Region Nine has been a member of the Greater Minnesota Partnership (GMNP) for several years, and this year the Region Nine Executive Director was appointed to the Board and in that role will continue to help the GMNP establish an annual legislative policy agenda for Greater Minnesota.
- Region Nine staff attended a Broadband Planning Conference to make critical connections between the underserved broadband needs of rural communities in Region Nine and state and federal programs that connect them.
- Region Nine staff attended FEMA Grant Writing and Hazard Mitigation Planning workshops, hosted by State HSEM and FEMA.
- Region Nine staff attended the Building Minnesota’s Capacity for Climate Change 3rd Annual Conference in Minneapolis to assist local jurisdictions implement a vulnerability assessment and adaptation strategy.

Fostering and Promoting National Goals and Strategies

Region Nine integrated EDA initiatives at the district level in order to foster and promote national goals and strategies, including:

- Continued to promote and help communities access Public Works assistance grants for economic development-based infrastructure projects.
- In 2015, Region Nine was awarded a local technical assistance grant through the federal EDA’s IMCP program to further business development of medical device manufacturing businesses in south central Minnesota. Through this effort, Region Nine will work closely with Greater MSP in the Minneapolis-St. Paul metropolitan area to make connections and contacts and to develop policy initiatives that support IMCP in our region. The primary goal of this effort is to establish or expand businesses that involve medical device manufacturing or are supply chain link to the industry. Region Nine is the only EDD in Minnesota to be working directly on this federal initiative.
- In addition to matching local projects to federal EDA funding guidelines, Region Nine will continue to help local communities access USDA Rural Development programs for community and economic development projects. The top five priorities from the 2015 CEDS Survey, conducted for this report revealed the following top-five strategies:
 1. Business development, recruitment and expansion to increase the number of jobs
 2. Increase the availability of decent, safe, and affordable housing
 3. Develop transportation, recreation, and other infrastructure to enhance commerce, industry and community livability.
 4. Provide additional support to the agriculture and related industries in south central Minnesota
 5. Support additional funding for education and health and human services initiatives

In order to accomplish these goals, local and regional leaders will utilize all potential financial resources including those offered through DEED, the federal EDA and all of the programs of the USDA Rural Housing / Business / Utility Service including the Community Facilities program and the Strategic Economic Community Development (SECD) Community Facilities set-aside program (6025 Initiative).



Networking to Increase the Overall Economic Strength of the Region

Region Nine continued to network with organizations, economic development professionals and state and federal agency staff to continue to generate ideas, strategies and economic development policies that will increase the overall strength of the region. In addition to the Economic Development Committee quarterly meetings and the SCBDN meeting facilitations outlined in the *Public and Private Initiatives* section of this report, Region Nine staff worked with SMIF and DEED to coordinate a listening session for regional economic and workforce development stakeholders in southern Minnesota. The result of these regional engagement sessions will be to better align DEED programs with regional needs.

Progress on 2012 CEDS Goals

Below are the goals outlined and quantified in the most recent (2012) full CEDS, and re-confirmed as part of subsequent CEDS APRs.

- Improve housing opportunities for low and moderate-income households
- Evaluate and develop regional transportation projects
- Facilitate expansion of broadband internet coverage
- Increase median income across the region
- Continue to develop industries of competitive advantage
- Increase overall education level of the workforce
- Increase the number of people receiving training for technical skill attainment
- Create new jobs
- Address un-funded government mandates
- Promote joint investment
- Increase the tax base
- Increase cooperation between communities to recruit businesses

Given the focus areas and emerging economic development opportunities identified by the goals from last year's APR stakeholder's responses, this table closely parallels the goals and measurement standards and actions taken in 2015.

Update on Progress of 2012 CEDS Goals in 2015

Goal	Measurement Standard	Actions taken to further Goal
Improve housing opportunities for low and moderate income households	Number of completed projects per year	Worked with two other regional organizations to prioritize potential Small Cities Development Program grant communities
Evaluate and develop regional transportation projects	List of regional transportation initiatives pursued	Region Nine Transportation Planner closely involved with Transportation Advisory Committee and Area Transportation Partnership which assist MnDOT with prioritizing transportation projects annually in the region
Facilitate broadband internet coverage expansion	List of broadband collaborations pursued	Staff attended two broadband conferences and the agency facilitated discussions locally
Increase the median regional income	Meetings with private and public entities at the local and regional levels to create higher paying jobs in the region.	The median hourly wage across south central Minnesota increased from \$14.63 in Q1 2012 to \$15.49 in Q1 2014
Continue to develop industries of competitive advantage	Communities or organizations receiving technical and/or financial resource assistance to private sector businesses	Region Nine Area, Inc. provided fiscal sponsorship and/or grant writing services to several budding private and non-profit entrepreneurial private and non-profit ventures to create capacity to deliver services to under-served communities
Increase the level of education of the workforce	Collaborations with private and public entities at the local and regional level to create more high paying jobs in the region.	Sponsored speakers and co-hosted SCBDN along with Economic Development Committee to identify regional issues and strategies
Increase the number of people receiving training for technical skill attainment	Collaborations with private and public educational institutions and non-profits to increase enrollment in technical training programs	Collaboration with Center for Business & Industry at South Central College regarding their efforts to increase number of programs leading to technology-based degrees and certificates
Create New Jobs	Businesses, communities or organizations receiving technical and/or financial resource assistance	Worked with two potential economic development projects but neither were a good fit for federal EDA funding
Address unfunded government mandates	Meetings with legislators to address specific mandates	Several meetings with area legislators including at FarmFest and at the Rural Legislative Farm Forum

Goal	Measurement Standard	Actions taken to further Goal
Promote joint investment	Collaborations on projects that utilize public and private funding	Region Nine staff collaborated on packaging two new Revolving Loan Fund applications with private lenders and other non-profit agency lenders
Increase the tax base	Meetings, workshops, joint collaborations with private and public entities at the local and regional level to create more bricks and mortar projects in the region	Worked with two potential economic development projects but neither were a good fit for federal EDA funding
Increase cooperation between communities to recruit businesses	Meetings, related efforts between Region Nine and Regional Economic Development Alliance (REDA), GMG and others	Region Nine Executive Director and/or Community Development Director attended every meeting of the REDA group to maintain ties with local government economic development efforts. Region Nine also co-sponsored monthly SCBDN (mostly program staff and economic development professionals) meetings and brought in business development guest speakers for the quarterly Region Nine Economic Development Committee meetings
Increase opportunities for renewable energy and bio-businesses	RETF, AURI, CERTS, other initiatives, grant applications, funding opportunities pursued	In 2015 RETF had another very active year (<i>see narrative, page 14</i>)
Promote valued added agriculture	Collaborations, funding opportunities and organizational relations built or strengthened	Besides hosting the Rural Legislative Forum and attending Farm Fest to network, staff have been very active with the 7-Mile Creek New AgBioeconomy in Nicollet County
Health Care, Housing and Education Improvements	The number of collaborations, funding opportunities and organizational relations built or strengthened	Regular contact with Minnesota River Area Agency on Aging to discuss provision of services such as transit in rural areas for the elderly Monthly meetings of the SCBDN for discussions around workforce, housing and economic development issues
Explore and Encourage Opportunities for High-Tech Manufacturing and Food Processing.	Collaborations, funding opportunities and organizational relations built or strengthened	This year EDA funded a local technical assistance grant to allow Region Nine to focus on strengthening the medical device manufacturing industry (IMCP initiative) (<i>See page 17</i>)

Changes from 2012 CEDS Goals

The 2012 CEDS goals were based on quantified outcomes identified and prioritized from joint meetings between Region Nine's Economic Development Committee and the South Central Workforce Council's Development Committee CEDS strategy committee. Those same goals were carried forward and identified as having met the goal or not having met the goal. Some results may not have been accomplished in the reporting cycle of one calendar year, but were part of the long-term strategy. Those goals carried forward and were flagged as "to be determined" under the chronology of the overall strategy.

Implementation Plan from 2012 CEDS

The implementation plan identified in the 2012 CEDS was based on several pillars of economic development. These pillars were based on measurable outcomes defined in the strategies and goals identified by the CEDS Strategy Committee, Region Nine's Community and Economic Development Committee, and key community and economic development stakeholders across all nine counties within Region Nine. They are broad-based approaches that govern all the economic development work done within the region, and they include:

- Growing your own businesses
- Creating an entrepreneurial/innovative atmosphere
- Approach market and economic development regionally
- Diversify business industries
- Attract anchor industries
- Utilize and leverage existing assets for business development
- Niche and cluster market development
- Developing collaborative and system approaches to developing businesses

Once strategies, goals, and implementation were identified by the committees and stakeholders, Region Nine linked those essential planning pillars to the projects the communities identified in the annual CEDS surveys. This was done by attaching a unique ID code to every goal, with defined measured outcomes, and connecting it to the strategies used to classify the project priorities.

Changes from the 2012 CEDS Plan

In 2014, the key change to this approach was to refine the list of project priorities and begin building a more refined, simplistic framework for the next full update to the 2016 CEDS next year. This will coincide with the launch of the statewide CEDS (DevelopMN), and align directly with the unified approach of the other RDCs in the state.

In 2015, Region Nine invited our committees and partners to participate in the survey, identify the projects that are ready now and fit the EDA criteria for funding, and outlined that criteria at Economic Development Committee meetings.

Adjustment to the 2012 CEDS

The strategies in the 2012 CEDS utilized feedback from joint-committee meetings between Region Nine's Economic Development Committee and the CEDS strategy committee, metrics provided by the DEED, and outcomes listed in previous versions of Region Nine's CEDS. The 2012 CEDS outcomes established benchmarks for regional economic development planning.



Based on this process, four distinct areas of focus were identified, which were later quantified with assistance from DEED. Those four areas of focus were:

- Infrastructure/Supportive Aspects to Economic Development
- Business Growth/Wages
- Workforce
- Good Policy/Government Issues

Utilizing DEED’s Regional Labor Market Analyst, quantified outcomes became the Goals for the strategies. A work plan was then developed to align the economic development services offered by the Region Nine directly to those strategies under four broad categories:

- Main Street (Local Technical Assistance)
- General Business Development / Revolving Loan Fund
- Community Grant Opportunities
- Regional Planning

Each year since 2012 new surveys went out to identify estimated job creation and retention and potential funding sources. The most recent 2015 survey also included refined project priority list questions resulting in a much more accurate list of projects. The survey asked for only EDA-eligible projects that are ready now. In streamlining the prioritized projects list, the 2015 APR will place added emphasis on projects that are a direct fit to EDA prioritized funding, will create jobs now, and are either shovel-ready or ready immediately contingent on funding.

CEDS Committee

The CEDS Strategy Committee is the South Central Workforce Council Development Committee, hosted by the South Central Workforce Council (a state-funded public-private council that addresses workforce development issues).

The CEDS Committee for the 2015 update is outlined in the table on page 21 and represents areas of public and private interest related to workforce development. The group has the knowledge and experience to provide strategic input regarding workforce and economic development strategies. Additionally, it meets statutory requirements outlined by the EDA to serve as the CEDS Committee.

Changes to the CEDS Strategy Committee

The only change to the Region Nine CEDS Strategy Committee in the past year was the resignation of Steven Pierce of Fairmont.

Changes to Region Nine Staff

Name	Title	Departed/Hired	Date
Sam Parker	Community Development/Transportation Planner	Hired	Nov. 15
Josh Pearson	Transportation Planner	Left	2015
Dave	Transportation Planner	Left	2015

2015 CEDS Strategy Committee (South Central Minnesota Workforce Development Committee)

Name	Title	Organization	Service Area	Area of Focus
Jim Abraham	Human Resources Specialist	Employment Related Services	Madison Lake	Business Services
Bill Aufderheide	Owner/CEO	Shelter Products	New Ulm	Wholesale Trade
Deb Barnes*	Administrator	Lakeview/Oak Terrace	Fairmont	Long Term Health Care
Christine Bauman	Area Manager	Vocational Rehabilitation Services	Mankato	Rehabilitation Services
Candace Fenske**	Administrator	Madelia Community Hospital	Madelia	Hospital & Health Care
William Fitzsimmons	Owner	WTF Tax Service	Waseca	Finance
Duane Lambrecht	Human Resource/ Safety Manager	MR Paving & Excavating	New Ulm	Construction
Amanda Mackie	Executive Director	Minnesota Valley Action Council	Mankato	Community Based Organizations
Shane Meier	Business Representative	IBEW Local 343	Mankato	Organized Labor
Bill Meyer	Human Resources Manager	Armour-Eckrich	St. James	Manufacturing
Grant Moody	Owner	Express Employment Professionals	North Mankato	Business Services
Jon Nowak	Business Representative	United Brotherhood of Carpenters	Pemberton	Organized Labor
Linsey Preuss	Executive Director	Fairmont Economic Development	Fairmont	Economic Development
John Schons	Operations Manager	STEP, Inc.	Fairmont	Non-profit Organization
Dennis Siemer	CEO	V-Tek, Inc.	Mankato	Electrical Equipment and Component Manufacturing
Dr. Susan Tarnowski	Vice President of Academic & Student Affairs	South Central College	North Mankato	Education
Joan Tesdahl	Social Services Director	Nicollet County Social Services	St. Peter	Social Services
Larry Treptow	Human Resources Director	Wells Concrete	Wells	Concrete Manufacturing & Construction
Tim Wenzel	President	Winegar, Inc.	Waseca	Machine Manufacturing
Karen Wolters	ABE Coordinator	Mankato Area Adult Basic Education	Mankato	Education
Reggie Worlds	Area Manager	Minnesota Department of Employment & Economic Development Job Service	Mankato	Employment Services

*chair, **vice chair as of January 12, 2016



Re-Assessing the Region

Since 2014, Region Nine has utilized an expanded survey process to provide input into the Disaster Resiliency Strategy, as requested by EDA. This was continued in 2015 and identifying disasters was a three-pronged approach. First, Region Nine consulted with the State of Minnesota’s Statewide Hazard Mitigation Plan to develop a framework for potential strategies. Then, Region Nine’s Regional Emergency Management Planner was asked to refine the list, reclassify various disasters, and identify potential man-made disasters not outlined in the state plan. Lastly, Region Nine staff met with the Region Nine Economic Development Committee, as well as the Comprehensive Economic Development Strategies Committee to edit the list. The result of those meetings identified workforce development disasters (such as a major employer shutdown, or major economic recession brought about by fiscal collapse). These disasters were then ranked based on likelihood of that disaster affecting the survey respondent’s service area or jurisdiction. Proposed strategies were also solicited on a nominal ranking scale and averaged for weight. These results are outlined in the Disaster Resiliency Strategy section of this report.

Responding to the 2015 Region Nine CEDS Survey

The 2015 CEDS Survey was distributed to regional partners, and responses were collected from 38 cities and key regional stakeholders identified in Table 6.

Among those responses, 68 percent represented cities and local economic development authorities and 32 percent represented regional partners (state agencies, workforce development, employment services, non-profits, South Central Minnesota’s Small Business Development Center [SBDC], the SMIF, and private sector stakeholders involved in workforce and economic development).

Table 6: Survey Respondants - Regional Partners

Minnesota Valley Action Council	Minnesota Department of Transportation
Regionwide – Non-Profit in Waseca	Minnesota State University – Mankato
Region Nine Development Commission	South Central Workforce Council
Brown County Economic Development Partners, Inc. in Sleepy Eye	Service Corps of Retired Executives (SCORE)
Minnesota State University – Mankato	Regional Center for Entrepreneurial Facilitation
Workforce Council	Southern Minnesota Initiative Foundation

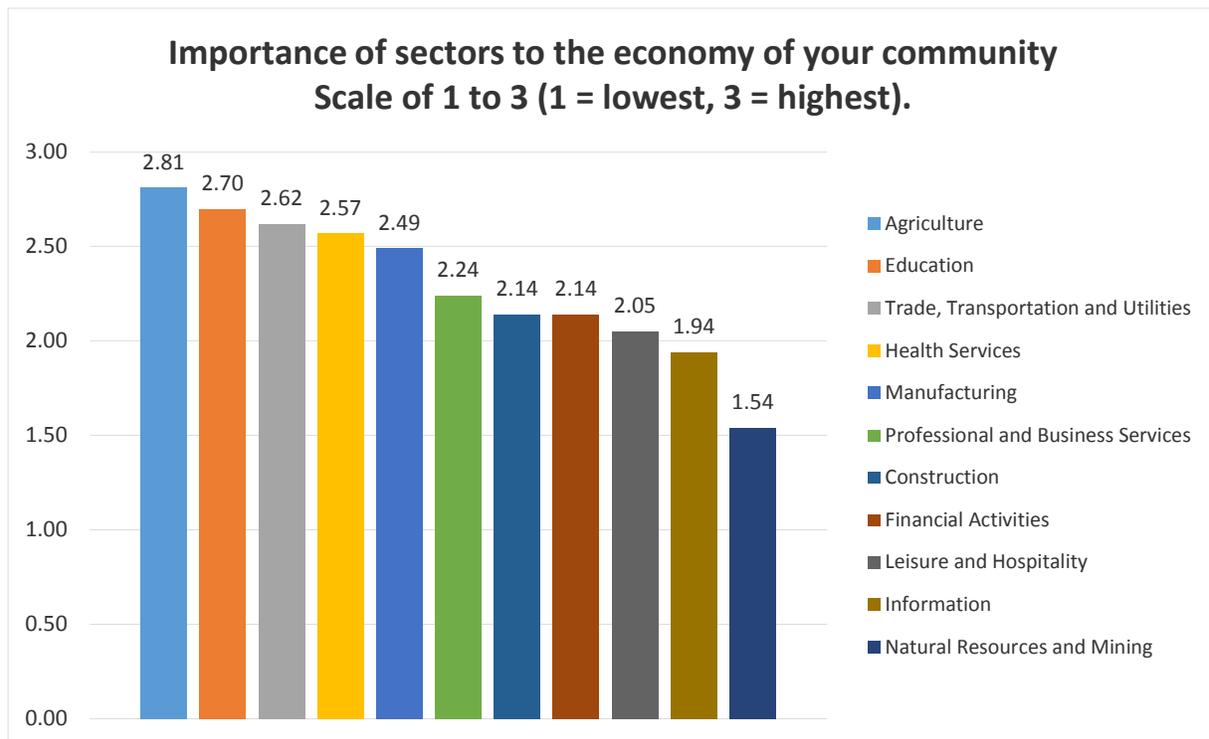
Table 7: Survey Respondants - Non-Project Communities

New Ulm Economic Development Authority	City of Henderson
City of Mankato	City of Mapleton
City of St. Peter	City of Lafayette
City of Fairmont	City of Montgomery
City of North Mankato	City of Springfield
City of New Ulm	City of Gibbon
Regionwide – Non-Profit in Waseca	City of Eagle Lake
City of Cleveland	City of Waldorf
Region Nine Development Commission	City of Fairmont Economic Development Authority
City of Sleepy Eye Economic Development Authority	City of Blue Earth
City of Truman	City of Comfrey
City of New Ulm	City of Gaylord Economic Development Authority
City of Lake Crystal	City of Wells
City of Waseca	City of New Prague

Critical Economic Sectors

Section one of the survey focused on economic vitality. Respondents were asked to rank the importance of different sectors of the economy including: 1) Trade, Transportation, and Utilities; 2) Education; 3) Health Services; 4) Manufacturing; 5) Construction; 6) Professional and Business Services; 7) Financial Activities; 8) Leisure and Hospitality; 9) Natural Resources and Mining; 10) Information; 11) Agriculture. An *Other* tab was also provided if there was a sector that was not accounted for. Respondents rated each sector on a scale of one being the lowest concern to three being the highest concern. An average from the 38 responses was gathered.

The most critical sectors for communities include: Agriculture (2.81%), Education (2.70%), Trade, Transportation and Utilities (2.62%), and Health Services (2.57%) The complete results are shown below.



Economic Development Projects

Section two of the survey discussed economic development projects. In order to be eligible for EDA funding, projects must be included in the annual CEDS. Grants may fund up to sixty percent project cost with a maximum of \$1 million available for industrial park, infrastructure, and business development projects.

These projects must create or retain jobs. Respondents were asked to identify high priority projects in their community or service area that meet these criteria. Twenty three responses were collected and are reported below.

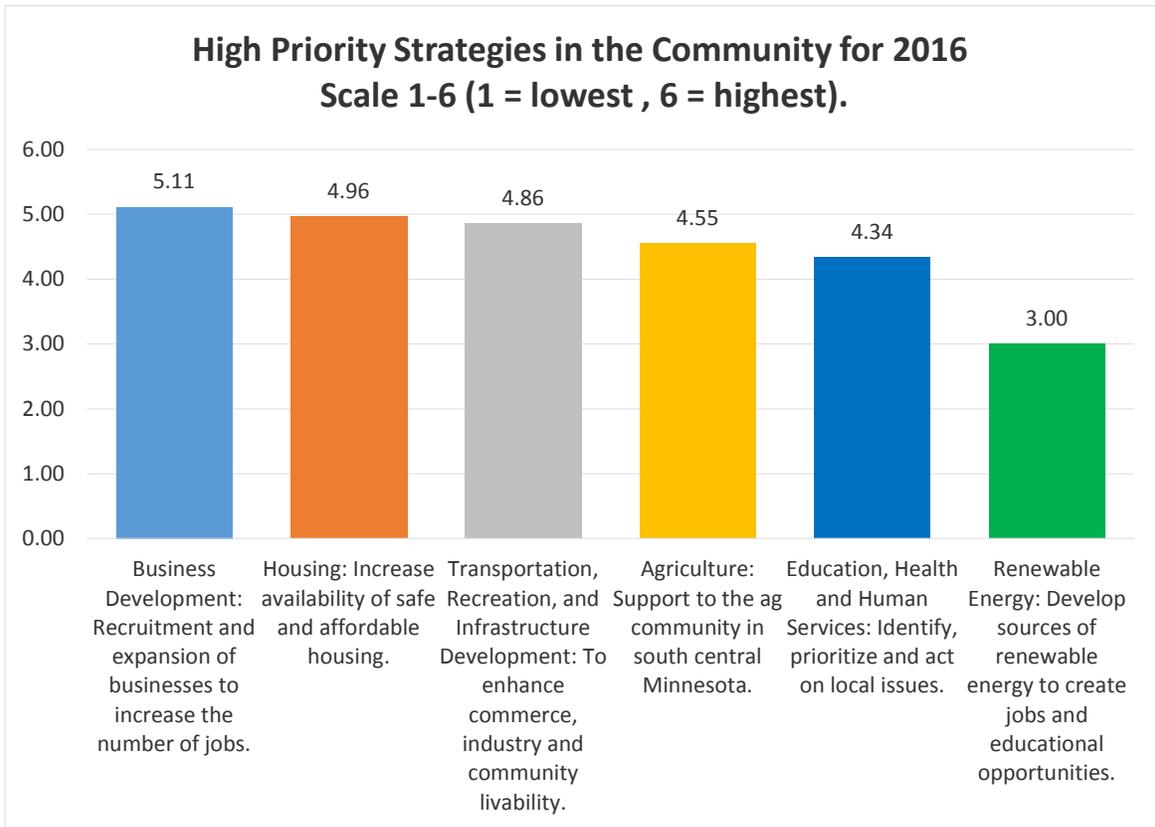
Table 8: City-Specific Projects

City of New Prague	Reconstruction of MN Highway #19 in the Downtown of New Prague, Project Year 2020, \$8,000,000 estimated project cost, jobs - uncertain
City of Blue Earth	Housing Development Infrastructure, City of Blue Earth, MN, 50 jobs created or retained
City of Eagle Lake	Possible Highway 14 Development - However no specified users at this time
Regional Center for Entrepreneurial Facilitation	New location for the Blue Earth County Fair/ Ag Campus
City of Waldorf	Replacing our Water/Sewer System
City of Waldorf	Built in 1948-MPCA has fined us
City of Waldorf	Waldorf, MN Streets will be torn up to fix this
City of Henderson	Henderson Water Improvement Project
City of Henderson	1900 Building School Project
City of Henderson	Henderson Historic Resotation
City of Lake Crystal	HWY 60 industrial park expansion
City of New Ulm	Airport Industrial Park Phase 2 Expansion
City of New Ulm	New Ulm 20th to 24th South roadway improvement project
City of Truman	The Rode Mfg site. Truman, MN \$1 million, Create 10 jobs
City of North Mankato	Industrial Park Expansion
City of North Mankato	Infrastructure Rehabilitation
City of North Mankato	Indoor Recreation opportunities
City of Fairmont	Industrial Park Storm water out let
City of Fairmont	Water and Sanitary sewer extension to new industrial Property
City of St. Peter	Storm water infrastructure (ponds) to serve highway commercial district
City of Mankato	Adams Street Extension, Mankato, \$17 million
City of New Ulm - Economic Development Committee	New Ulm's next industrial park

Highest Ranking Strategies for 2016

Section three of the survey focused on economic development strategies. Respondents were asked to indicate their priority of the economic development strategies identified in the 2012 CEDS for the upcoming year. These strategies include: Business Development; Housing; Transportation, Recreation, and Infrastructure Development; Agriculture; Education, Health, and Human Services; Renewable Energy; and Housing. Respondents were able to indicate their priority in the community on a scale of one being lowest to six being highest. The average of all responses is summarized in the chart on page 23.

The highest priority strategy is Business Development (5.11), followed by Housing (4.96) and Transportation, Recreation, and Infrastructure Development (4.86).



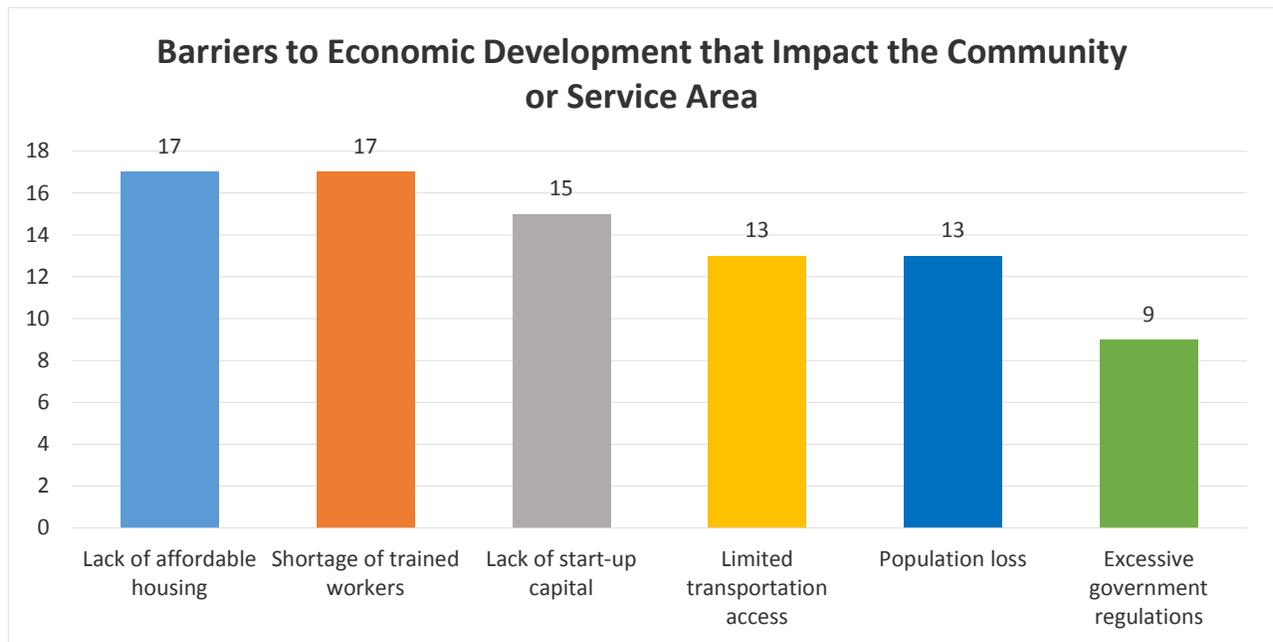
In summary, the common purpose of these top priority economic development goals in the communities of south central Minnesota, is to improve the local and regional infrastructure, to maintain and enhance community and regional needs, expand community access to services, and increase the region's competitive business climate.

In order to accomplish these goals, local and regional leaders will utilize all potential financial resources including those offered through the DEED, the federal EDA, and all of the programs of the USDA Rural Housing / Business / Utility Service including the Community Facilities program and the SECD Community Facilities set-aside program (6025 Initiative).

Barriers to Economic Development

Section four of the survey focused on barriers to economic development. Participants were able to select from a list of thirteen commonly identified barriers to economic development including: limited transportation access; lack of adequate, developable lots; lack of affordable housing; restrictive local zoning regulations; shortage of trained workers; population loss; lack of start-up capital; lack of state support; lack of information regarding available programs; unfunded mandates; depletion of local government aid; excessive government regulations; lack of a local champion or benefactor.

The results are summarized in the chart below with a lack of affordable housing, shortage of trained workers, lack of start-up capital, limited transportation access, and population loss being the top concerns communities and service areas face.

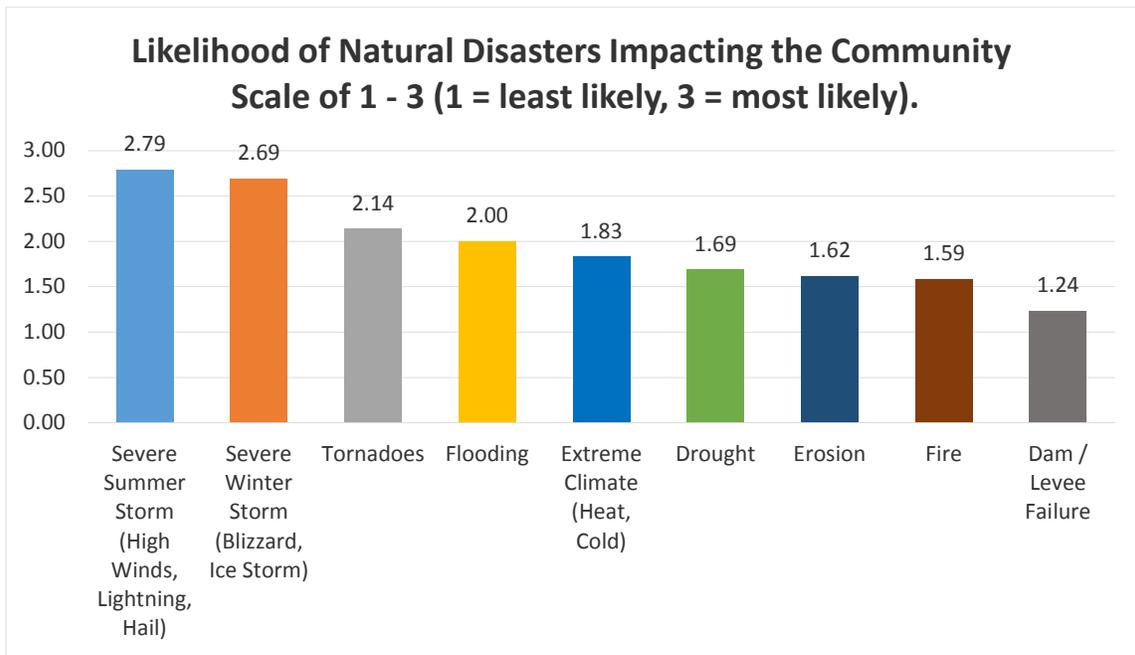


Economic Disaster Resiliency

Section five of the survey concentrated on economic disaster resiliency. By EDA mandate, a DRP must be added to the CEDS. Respondents were asked to rank the likelihood of 1) Natural Disasters, 2) Man-Made Disasters, and 3) Other Disasters that impact communities and service areas. Participants were asked to rank each disaster on a scale of 1 being least likely to three being most likely. Results from each of the three disaster areas are summarized on page 25 by averages.

Natural disasters included in the survey were: severe summer storms, severe winter storms, tornadoes, flooding, erosion, fire, extreme climate, drought, and dam/levee failure.

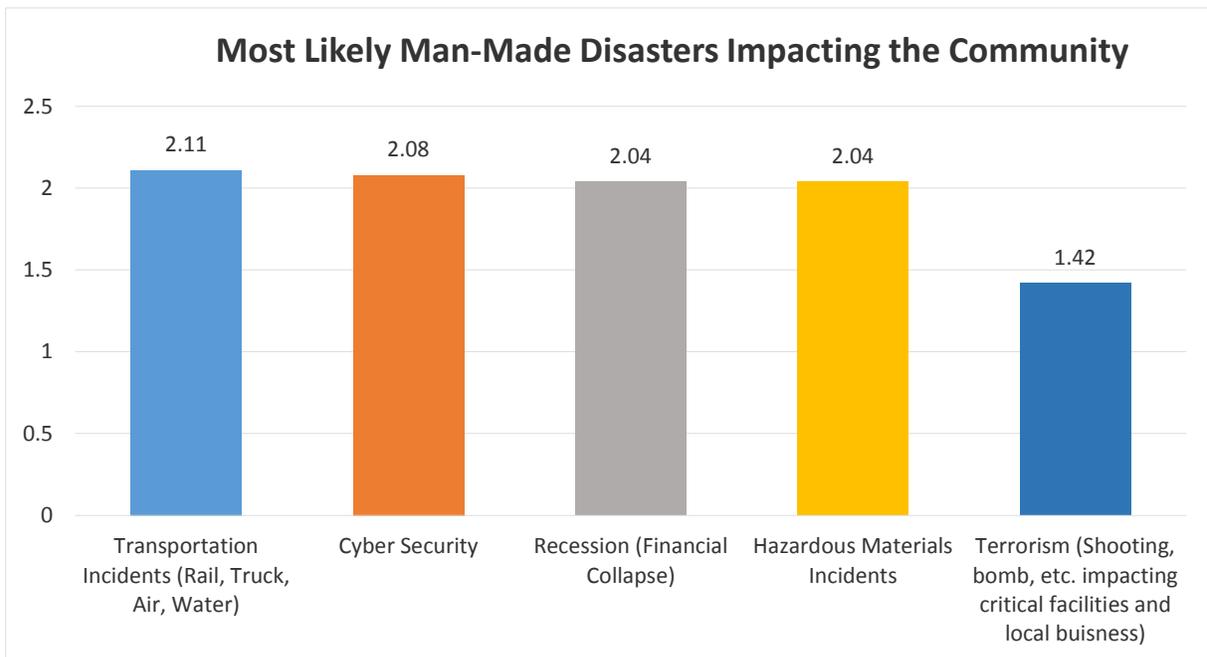
The highest ranked natural disasters in communities are severe summer storms (2.79), severe winter storms (2.69), and tornadoes (2.14).



Man-Made Disasters

Man-made disasters included in the survey were cyber security, terrorism, hazardous materials incidents, transportation incidents, and recession.

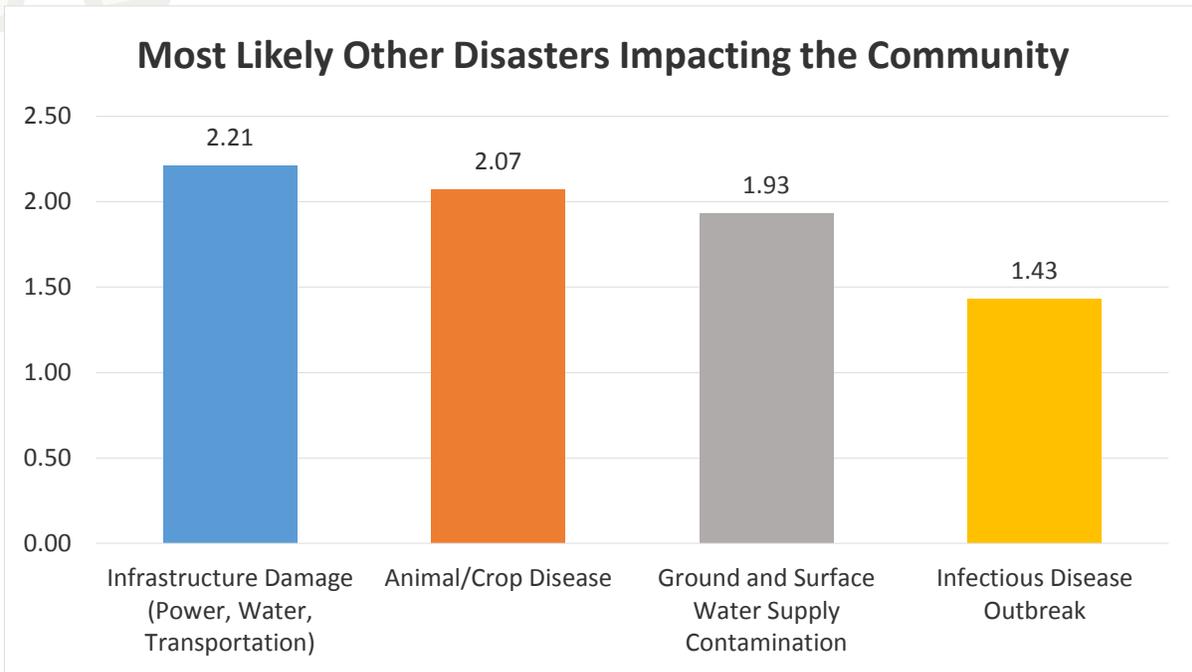
The highest ranked man-made disasters in communities are transportation incidents (2.11), recession (2.04), cyber security (2.08), and hazardous materials incidents (2.04).



Other Disasters

Other disasters included in the survey were: ground and surface water supply contamination; infectious disease outbreak; animal/crop disease; and infrastructure damage (power, water, and transportation).

The highest ranked Other Disasters in communities are infrastructure damage (2.21), animal/crop disease (2.07), and ground and surface water supply contamination (1.93).

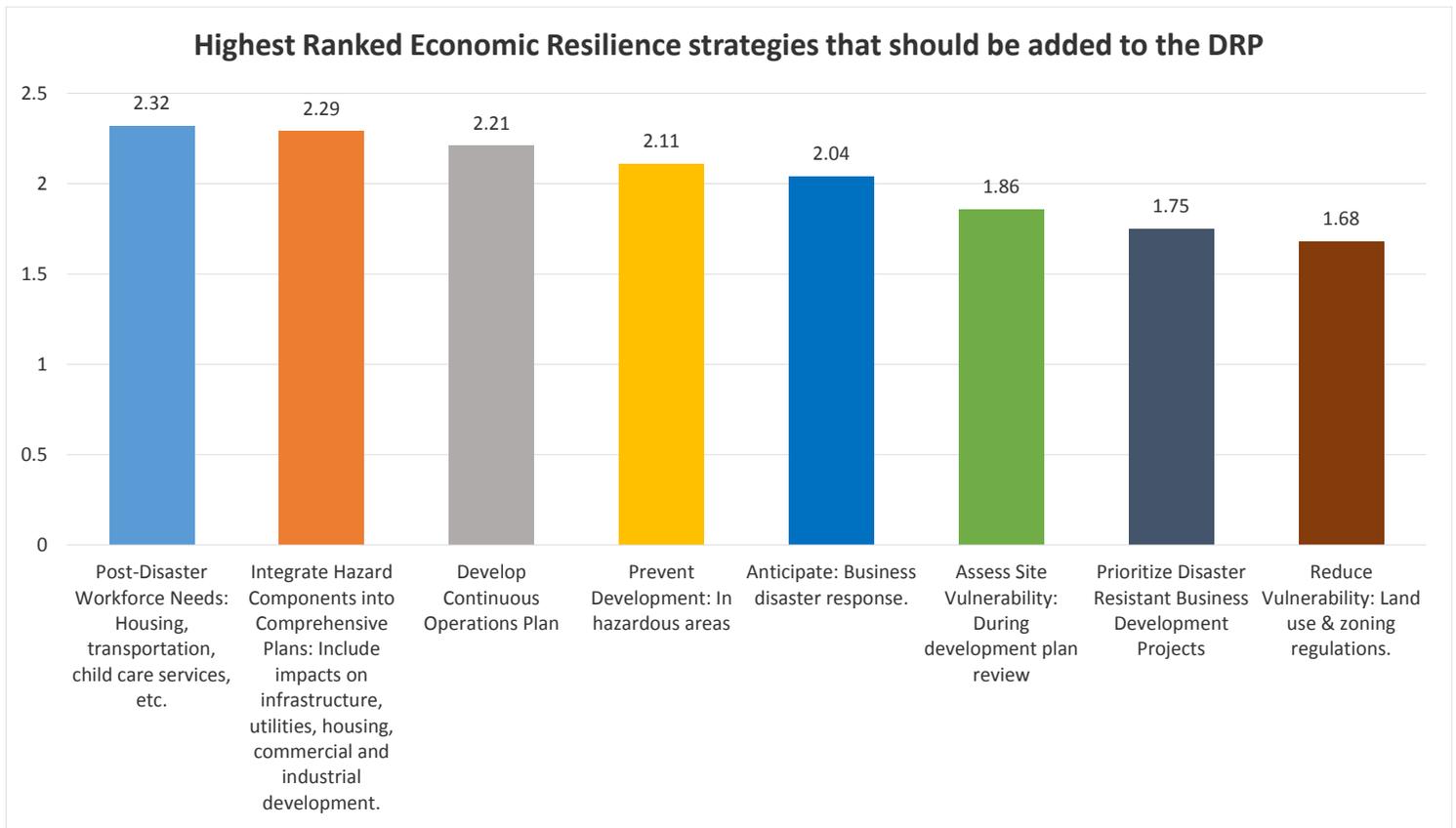


Resilience Strategies

Section five of the survey concentrated on economic disaster resiliency. By EDA mandate, a DRP must be added to the CEDS. Participants were asked to rank the following economic resilience strategies: 1) Reduce vulnerability; 2) Assess site vulnerability; 3) Prevent development; 4) Prioritize disaster resistant business development projects; 5) Anticipate; 6) Post-disaster workforce; 7) Integrate hazard components into comprehensive plans; and 8) Develop continuous operations plan. Respondents were able to rank each of those strategies on a scale of one being lowest and three being highest.

All survey results were averaged and the highest ranked strategies, in order included:

1. Post-disaster workforce needs
2. Integrate hazard components into comprehensive plans
3. Develop continuous operations plan



Post-Disaster Workforce Needs

Getting the local economy working again means returning businesses to full strength and literally getting workers back to their jobs. Stakeholders identified a strong desire to get people back into jobs as soon as possible in the event of a major catastrophe.

Integrate Hazard Components into local Comprehensive Plans

Economic resiliency, as the core function of a disaster resiliency strategy is rooted in mitigation, but also quick recovery. As such, the mitigation actions of reducing vulnerability through land use and zoning regulations, and prioritizing and anticipating disaster responses were seen as less valuable than addressing post-disaster workforce needs. That does not, however lessen the importance of conducting disaster resiliency planning along with the overall community long range planning of comprehensive plans.

While workers will need homes to live in, preventing redevelopment in those areas, particularly if located along FEMA designated flood zone where acquisition, relocation, and or demolition may be the best mitigation strategies, is essential. Impacts on infrastructure, particularly businesses and homes must be identified in those plans and regional stakeholders identified this as the number two strategy.



Develop Continuous Operations Plans

Getting workers back to work and integrating disaster resiliency into long range community plans were identified as two key strategies, so was the need to have a continuous operations plan in place. While not just a FEMA requirement, a continuous operations plan, or Continuity of Operations Plan (COOP) will ensure that critical functions and capabilities to maintain essential services exists. Ensuring that continuous performance of an agency's essential functions and operations during an emergency are maintained will help keep minimize economic loss.

These important steps provide the building blocks that will result in Region Nine forming a full-fledged DRP. Similar to the CEDS process, the survey results offer critical insights and guidance as Region Nine continues to assist the counties in south central Minnesota with creating frameworks for planning for and mitigating disasters.

By identifying threats and likelihood of those threats having a negative impact on the region's economy, Region Nine will move into Phase 2 which involves working with HSEM, and the nine-county emergency managers to identify ways to further mitigate the impacts of all types of disasters.

Schedule of Goals for 2016

The following goals continue to support the strategies listed above and form the structure for how Region Nine approaches economic development in the region:

Business Development: Recruitment and expansion of businesses to increase the number of jobs in the region.

Transportation, Recreation, and Infrastructure Development: To enhance commerce, industry, and community livability.

Agriculture: Support to the agriculture community in South Central Minnesota.

Education, Health, and Human Services: Identify, prioritize, and act on local issues.

Renewable Energy: Develop sources of renewable energy to create jobs and educational opportunities.

Housing: Increase availability of safe and affordable housing. This continues to be a huge demand throughout the region and is just beginning to be addressed in the post-recession economy.

These goals represent the economic pulse of the region. Southern Minnesota has a strong agriculture and manufacturing industry base, so trade, transportation and free-flow of goods and commodities is essential. Additionally, agricultural production links those free-flowing goods and brings them to market, and so the strength of transportation infrastructure becomes vital to the economy. While education, housing, and renewable energy programs are important to the region, greater emphasis must be placed on goals that align more directly with the regional economy (manufacturing, agriculture and, trade, transportation, and utilities).

Goals and Strategies Adjustments

While the basic structure of the South Central Minnesota economy as a whole has not changed much since the 2012 CEDS was published, the economy has finally recovered from the economic recession of 2008 -2012, and the landscape of rural communities in Region is once again on a positive curve upward. While many communities still feel some of the pinch of tighter budgets, fewer reserves, less access to working capital, and an aging and fleeing workforce, these are now coupled with an overall economy in which businesses are once again expanding and the unemployment rate remains very low.

For 2016, Region Nine will focus on the six economic development goals listed above, and the three primary economic development strategies listed earlier, while continuing to promote collaboration between the private and public sectors and continue to foster collaborations between all entities to foster growth and prosperity in southcentral Minnesota.

