

The logo for Region Nine Development Commission features a large, stylized white 'R9' on the left. To its right, the words 'REGION NINE' are written in a large, white, serif font, and 'DEVELOPMENT COMMISSION' is written in a smaller, white, serif font below it. The background of the top section is a dark, cloudy sky.

# R9 REGION NINE DEVELOPMENT COMMISSION

Comprehensive Economic Development Strategy  
**2016-2021**



## Introduction

Region Nine Development Commission is designated by the Federal Economic Development Administration (EDA) as south central Minnesota's Economic Development District (EDD). The organizational structure focuses on regionalism, which creates a unique perspective of the area's economy. Being designated as the area EDD, Region Nine is responsible for the development and oversight of the regional Comprehensive Economic Development Strategy (CEDS).

The CEDS creates a foundation for regional economic development and captures the unique regional perspective related to economic development. Throughout the development of the CEDS, the region created strategies to help mitigate our threats, overcome our weaknesses and capitalize on our strengths to create a more viable and prosperous region. Woven throughout the CEDS is components of economic resilience. Much of the region's unique vulnerabilities are articulated in both the Strengths, Weakness, Opportunities, Threats (SWOT) Analysis and throughout several goals and strategies in the plan. The goals and strategies construct a foundation for increased regional resiliency and support any economic mitigation efforts for future natural or economic disasters. The CEDS was developed with the vision to promote the economic and socio-economic development in the region through intergovernmental cooperation, long-range planning, strategic planning and technical assistance.

The CEDS will ultimately enhance and support current and future economic development efforts in the region and engage local, regional, state and federal partners. Region Nine and its public, private and non-profit partners will champion and advance effective, sustainable and resilient rural economic development in south central Minnesota. The goals and strategies will align with a five-year life span of the CEDS.

In 2012, the Minnesota Association of Development Organizations (MADO) began working on a Greater Minnesota development strategy, *DevelopMN*. *DevelopMN* establishes the strategic framework for coordinated action to create a greater overall development impact in Greater Minnesota. During *DevelopMN*'s creation, four cornerstones were identified as key components of strong regions and communities: human capital, economic competitiveness, community resources and foundational assets. To ensure alignment between state and regional plans, Region Nine designed its regional planning process and its CEDS on these four cornerstones.

## Acknowledgments

### Region Nine Board of Directors

Brad Ahrenstorff, *Blue Earth County, Chair*  
Eric Anderson, *City of Mankato\**  
Gary Sturm, *Watonwan County, Secretary*  
Gerri Lienke, *Waseca County*  
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Jim Swanson, *Sibley County*  
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\*Serve on the Region Nine Community and Economic Development Planning Committee  
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## About Region Nine Development Commission

Region Nine Development Commission serves nine counties in south central Minnesota: Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca and Watonwan. Region Nine takes great pride in working with and on behalf of these counties and their cities, townships and school districts. Since 1972, being a partner for progress has led to the development of programs in the areas of economic development, business development, healthy communities, transportation, community development and leveraging regional resources. Region Nine is governed by 38 regional leaders. These leaders include elected officials representing nine counties, 72 cities, 147 townships, school districts, the Minnesota Valley Council of Governments and special interest groups including, Health and Human Welfare, Minority Populations and Youth.

Region Nine receives an annual planning grant from the Federal EDA to conduct economic development planning activities within the district. Activities range from developing and maintaining the CEDS, leading regional-based economic development goals and strategies, facilitating the regional Community and Economic Development Planning Committee, hosting regional grant opportunities forums, workforce forums and assisting communities who are interested in seeking Federal EDA funding.



## The Process

June 2016

Introduction to the regional CEDS and planning process to Region Nine's Community and Economic Development Planning Committee. The 35-member committee consists of a wide range of representation from across the nine counties.

August 2016

Coordinated and facilitated a full-scale strengths, weaknesses, opportunities and threats (SWOT) discussion and analysis. The meeting was scheduled for three and half hours of focused conversation around human capital, economic competitiveness, community resources and foundational assets in the region. The full results of the SWOT session can be found in the Appendix II.

September 2016

Developed and distributed a survey to supplement information gathered from the SWOT discussions and analysis. The survey was aggressively promoted through press releases, social media advertisements, website banners and Region Nine's network of partners. The survey focused around human capital, economic competitiveness, community resources and foundational assets in the region. In total, the survey received a total of 108 responses from individuals across the region that either live and/or work in the nine county area.

October 2016

Once the CEDS goals and strategies were developed from the SWOT analysis, an online prioritization survey was sent to Region Nine's Community and Economic Development Planning Committee. The committee had the opportunity to further review and refine the CEDS goals and strategies as well as weigh the importance of each strategy.

November 2016

The draft document of CEDS document was made available online at [rndc.org](http://rndc.org) for a 30-day public comment and review period from November 4<sup>th</sup> - December 5<sup>th</sup>, 2016. A paper copy was available upon request. Press releases and social media announcements were used to inform the region the CEDS was ready for public review.

December 2016

The South Central Workforce Development Committee and the South Central Workforce Council reviewed and provided a resolution for the approval of Region Nine's 2016-2021 CEDS on December 14, 2016. The resolution can be found in the Appendix I.

The Region Nine Board of Director's reviewed and provided a resolution for the approval of the 2016-2017 CEDS on December 14, 2016. The resolution can be found in the Appendix I.



## Regional Overview

### Population

While there is one major metropolitan area located in the region, the Mankato-North Mankato Metropolitan Statistical Area (MSA), the region has a large rural base. Of the 231,683 people, around 55,416 reside in the Mankato-North Mankato area. There are five other cities in the region with estimated populations over 5,000: New Ulm (13,583), St. Peter (11,784), Fairmont (10,421), Waseca (9,351) and New Prague (7,508). In all, Region Nine represents 9.34% of the population outside of the seven-county Minneapolis-St. Paul region.<sup>1</sup>

According to the Minnesota State Demographic Center and the U.S. Census Bureau, the population of Region Nine in the past 15 years grew at a slower rate of 4% comparatively to Minnesota, who experienced a 11.5% population increase. The region's growth is concentrated primarily in three of the nine counties: Blue Earth (+18.3% growth), Nicollet (+12.3% growth) and Le Sueur (+9% growth). The other six counties ranged between -2.8% and -13.8% population decrease, with the largest loss occurring in Faribault County.<sup>2</sup>



**231,683**  
people in Region Nine

### Age

There are two prominent trends in south central Minnesota's age demographics. First, the population projections from the Minnesota State Demographic Center indicate over the next 30 years, ages 65+ and 85+ will greatly increase in population. Currently, Minnesota is on the cusp of witnessing new historical highs for both of these age groups. The increase in the older adult population can be attributed to the large Baby Boomer population and the increased life expectancies. These age groups will grow at an exponential rate and will eventually out number the other age groups.

In contrast, as a percentage, both Blue Earth and Nicollet counties top the statewide list as having the highest representation of 18-34 year olds in the state of Minnesota. Blue Earth County alone has 22.9% of the population being comprised of 18-24 year olds versus 9.5% statewide. In particular, the City of Mankato's young adult population represents just under half of its total population (48%). The large draw for this age group is the area's abundance of educational opportunities.<sup>2</sup>



<sup>1</sup> US Census Bureau, Minnesota State Demographic Center 2015 population estimates: <http://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/pop-finder1.jsp>

<sup>2</sup> Minnesota State Demographic Center, Population Notes – Young Adults in Minnesota: A Demographic and Economic Profile, by Brit C. Henderson and Andi Egbert, June 2015

## Race

Based on 2015 Population Estimates from the Minnesota State Demographic Center, south central Minnesota counties are predominantly white ranging from 91.75%-97.88% of the total population in these counties. The most racially diverse county in the region is Blue Earth county with the population consisting of 91.75% white, 3.57% black or African American, 2.43% Asian, and 1.81% of two or more races. Brown County is one of the least diverse counties in the region, with a 97.88% white population.

Unique to the south central region, Watonwan County has a growing Hispanic or Latino population, with 23.2% of the total population being Hispanic or Latino and 21.3% of households speaking a language other than English at home. This large Hispanic and Latino population is a growing influence in the local workforce and economy.<sup>3</sup>

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## Region Nine's counties have a higher percentage of high school graduates than the state.

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### Education

Education is vital when aligning worker skills with the needs of employers, which is critical to increasing productivity and growing the region's economy. Nicollet County has the highest percentage of people that have obtained a bachelor's degree or higher at 32.3%.<sup>4</sup> Blue Earth County has the second highest with 30.4%, in comparison to the State of Minnesota which has 33.2%. Both the City of Mankato and the City of North Mankato have the highest percent of population that has completed a bachelor's degree or higher with 34.3% and 35.7% respectively.

Collectively, all of Region Nine's counties have a higher percentage of high school graduates than the state. Sibley County has the highest percentage of graduates at 41.2%. Additionally, six out of the nine counties in the region have a larger percentage of individuals who have an associate's degree comparatively to the state's 10.5%.

The region has several higher educational institutions that offer a wide variety of disciplines and programs including: Minnesota State University, Mankato; South Central College; Bethany Lutheran College; Rasmussen College; Gustavus Adolphus College; and Martin Luther College. Minnesota State University, Mankato is a four year, public university which, offers 130 programs of study. South Central College is a community technical college that offers 50 technical career and professional programs. South Central has established partnerships with regional businesses and industries and delivers customized education through its Center for Business and Industry. Bethany Lutheran College is a private liberal arts college that offers 21 majors, 22 minors and eight pre-professional programs. Rasmussen College is a private college offering approximately 29 programs ranging from the certificate and diploma level through the associate's, bachelor's and master's level. Gustavus Adolphus is a private liberal arts college that offers 72 majors and 12 interdisciplinary programs. Martin Luther College is a private college that offers over a dozen majors as well as graduate degrees in education.

## Geography

South central Minnesota has a continental climate that is characterized by periods of intense cold and heat with strong winds and varying precipitation. The average winter temperature is approximately 14 degrees Fahrenheit and the average summer temperature is approximately 70 degrees Fahrenheit. Temperature extremes range from -60 to 114 degrees Fahrenheit.

The region's geographic area is 5,064 square miles, or approximately 6.3% of the total surface area of the state of Minnesota. The topography is generally flat with areas of gently rolling hills. The region's valleys were cut into an otherwise flat topography by glacial melt rivers. The largest and most pronounced valley in the region is called the Minnesota River Valley. This valley, which ranges from one to two miles wide, is characterized by out-wash areas, fertile soils and bedrock outcroppings.

Rich loams, silts and clays are the predominate soils throughout the region. These soils, along with the climate and the flat terrain create one of the best agricultural areas in the world. The region's counties are leaders in the production of corn, soybeans, hogs and other agricultural related commodities.

The majority of mineral deposits throughout the region are sand and gravel; however, a buff-colored limestone found along the Minnesota River is used throughout the world as a building material. The limestone is known as "Kasota Stone," which is desired for its architectural beauty and durability. Kasota Stone has been used both nationally and internationally for large construction projects including a baseball stadium, a national museum and an embassy.

The region has a considerable amount of lakes, rivers and streams. The Minnesota River serves as the predominant drainage system for the area. Its tributaries include the Blue Earth, Watonwan, Le Sueur, Cottonwood, Little Cottonwood, Cobb and Maple Rivers. According to the Minnesota Department of Natural Resources there are 362 lakes of ten acres or more within the region.

Much of the region is underlain with glacial, sand, gravel and sedimentary bedrock, which are permeable and porous rock types which can create aquifers. The aquifer creates a natural purification of groundwater, which is an asset that the natural geology of the region provides.

<sup>3</sup> Minnesota State Demographic Center Population Estimates, 2015 <http://mn.gov/admin/demography/data-by-topic/age-race-ethnicity/>

<sup>4</sup> U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

## Transportation

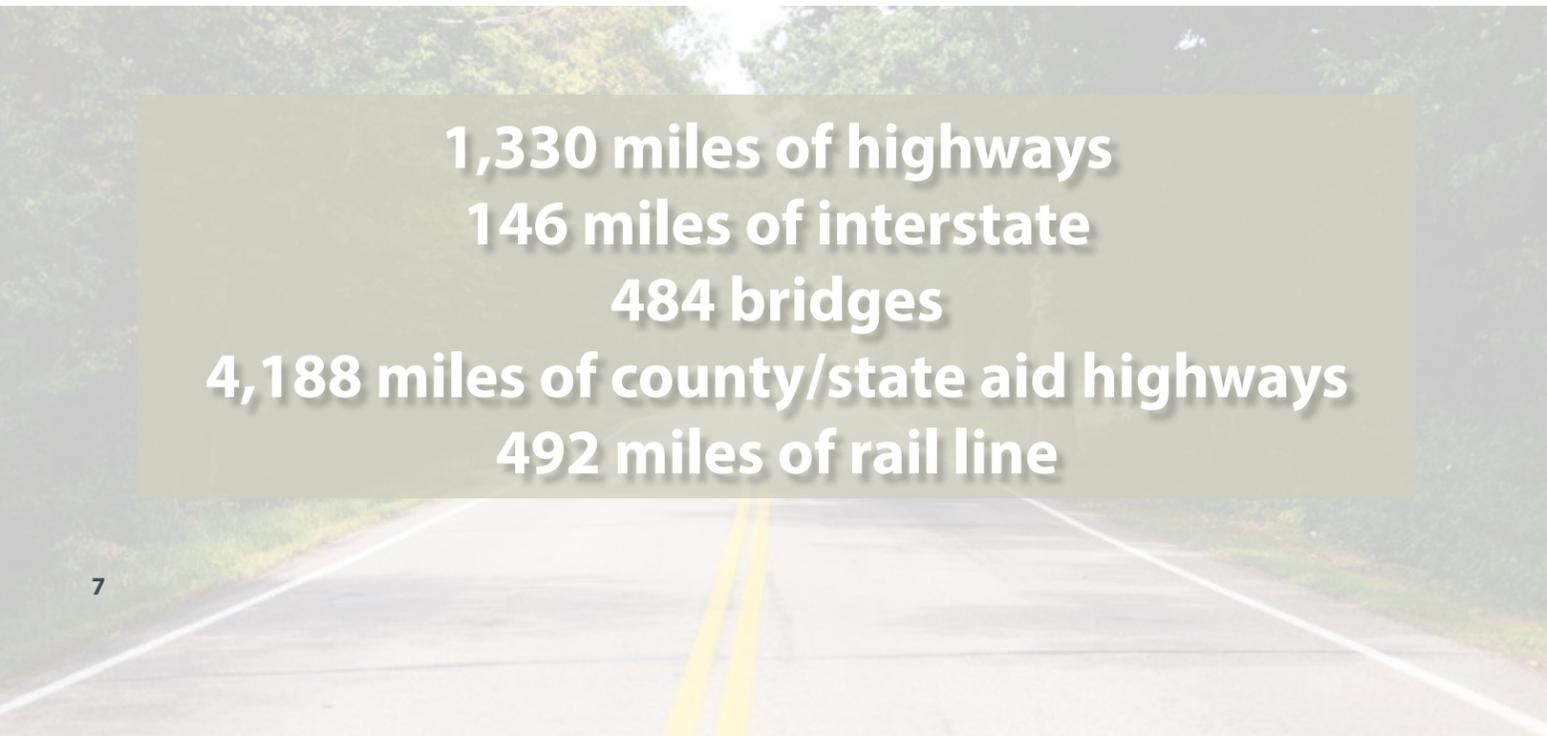
Transportation networks are critical to supporting the region's economic vitality and quality of life. The movement of goods and services is essential for thousands of manufacturing, retail, wholesale and agricultural businesses in Minnesota. Strong transportation connections link area workers with jobs, raw materials with manufacturers and products with markets. Local communities must evaluate transportation needs and the implications related to land use, community and economic development decisions.

In south central Minnesota, U.S. Highway 169 is a major transportation corridor for funneling freight from the southwestern and south central region to the Minneapolis/St. Paul metro. These regions produce large quantities of corn, soybeans and ethanol, which contributes to Minnesota being the third in the nation for production of these commodities. Other commodities that utilize this transportation network are aggregates, clay and sand, hogs, manufactured goods and food products.

Regional trade centers serve as economic and service centers for surrounding areas. The City of Mankato can be classified as the top trade center for the region with shopping centers, education institutions and a world-class health system, Mayo Health System. New Ulm, Fairmont and Waseca are also classified by the Minnesota Department of Transportation (MnDOT) as regional trade centers in south central Minnesota.

Region Nine is a part of MnDOT District 7, which includes 13 counties in both south central and southwestern Minnesota. This includes all of Region Nine's counties as well as Cottonwood, Jackson, Nobles and Rock counties.

MnDOT District 7 directly supports 1,330 miles of state and federal highways, 146 miles of interstate, 484 bridges, 4,188 miles of county and state aid highways, 492 miles of rail line, 14 airports and nine county/three city transit systems. District 7's fiscal year budget in 2016 is 27.4 million or 7.1% of the total statewide budget. From 2016-2019, the average cost of a construction project is 90.1 million with an average of 12 projects being employed between 2016-2019.



1,330 miles of highways

146 miles of interstate

484 bridges

4,188 miles of county/state aid highways

492 miles of rail line

## Economy

Most of Region Nine does not meet the traditional economic distress criteria. This poses a unique challenge to the region when aligning traditional economic development funding for projects contingent on traditional economic distress criteria. Ultimately, the challenges posed by an economy doing well are impending workforce shortages, where to hire new workers from, and how to access funding streams for projects in which workforce benchmarks are critical. New benchmarks for analysis, such as increase and decrease of civilian labor force are new opportunities to assess the economic climate of the region.

Region Nine, as a whole, had an unemployment rate in the past 24 months that was below the national average. Its 2014 Per-Capita Money Income was at 94.3% of the national average, and its 2014 Per-Capita Personal Income<sup>5</sup> was at \$42,244 – 91.74% of the national average. None of these indicators are low enough to meet conventional economic distress criteria.

Region Nine would need to see an increase in unemployment by greater than 1.5% (which, as of 2015, would be close to 2,000 additional unemployed workers) and a nearly 12% drop in Per-Capita Personal Income in order to be considered distressed. Sibley, Waseca, and Watonwan Counties are the closest, but do not presently meet the criteria.

Region Nine Economic Distress<sup>6</sup>

County	24 Month Unemp	Above/ Below Nation	Per Capita Personal Income	Above/ Below Nation	Per-Capita Money Income	Above/ Below Nation
Blue Earth	3.05	-2.18	\$40,756	88.5	\$26,181	91.7
Brown	4.15	-1.08	\$45,804	99.5	\$27,801	97.4
Faribault	4.36	-0.87	\$45,769	99.4	\$25,834	90.5
Le Sueur	4.69	-0.54	\$43,524	94.5	\$28,179	98.7
Martin	4.23	-1	\$45,193	98.1	\$27,629	96.8
Nicollet	2.72	-2.51	\$42,550	92.4	\$27,561	96.5
Sibley	4.15	-1.08	\$39,814	86.5	\$26,709	93.5
Waseca	4.28	-0.95	\$39,118	84.9	\$25,991	91.0
Watonwan	4.84	-0.39	\$37,521	81.5	\$26,298	92.1

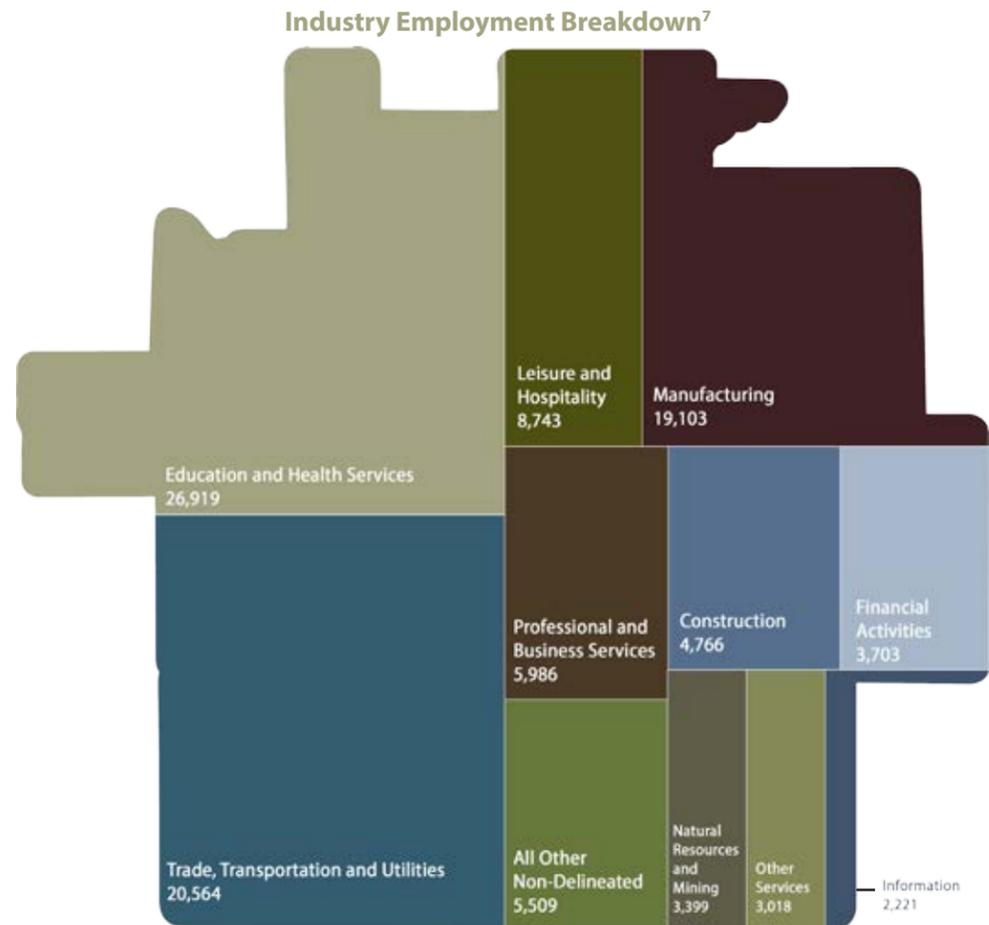
<sup>5</sup> Calculations generated by StatsAmerica's *Measuring Distress*

<sup>6</sup> U.S. Bureau of Census, Labor Statistics, and Economic Analysis; Calculations generated by StatsAmerica



## Workforce

The major employment industries in Region Nine are education and health services; trade, transportation, and utilities; and manufacturing.<sup>7</sup> Combined, these three industries accounted for nearly two-thirds of all jobs in the region in 2015.



The Great Recession of 2008 – 2009 was one of the deepest in recent memory. Region Nine, however, entered the recession earlier than the state, with job losses from 2006 to 2008, before dropping most dramatically in 2010. Since then, the region has recovered at a rate much slower than the rest of the state.

Every major industry has recovered since 2010, but the true measure of the recovery is how many industries are recovered to pre-recessionary levels (pre-2008). As a whole, Region Nine has lost 0.9% of its covered jobs since 2007 and has gained employment in that time in only three major employment sectors: natural resources and mining (up by 23.6% and represents 650 jobs gained); trade, transportation, and utilities (the second leading employing sector) is up 3.6% with 715 jobs gained; and education and health services (the leading employing sector) is up 5.5%, with 1,398 jobs gained. Manufacturing is the third leading employing sector in the region and has been one of the slowest to recover. It has lost 2,904 jobs since 2007 despite gaining 800 jobs since 2010.

**Impact and Recovery from the Recession<sup>7</sup>**

Industry	2007	2008	2009	2010	2015
			<i>Recession Impact</i>		
Natural Resources and Mining	2,749	2,789	2,774	2,780	3,399
Construction	4,897	4,530	4,103	4,007	4,766
Manufacturing	22,007	21,504	18,878	18,303	19,103
Trade, Transportation and Utilities	19,849	20,115	19,518	19,519	20,564
Information	-	2,465	2,221	2,121	2,224
Financial Activities	3,799	3,674	3,642	3,765	3,703
Professional and Business Services	6,471	6,179	5,632	5,814	5,986
Education and Health Services	25,521	26,462	26,746	26,724	26,919
Leisure and Hospitality	8,885	8,632	8,391	8,317	8,743
Other Services	3,218	3,141	2,998	2,940	3,018
<b>Total, All Industries</b>	<b>104,900</b>	<b>104,737</b>	<b>100,354</b>	<b>99,744</b>	<b>103,934</b>

## Major Employment Industries

Education & Health Services

Trade, Transportation & Utilities

Manufacturing

In order to actively recruit businesses and public sector employers, it is important to highlight a labor force that is willing, able and ready to work. The labor force in south central Minnesota is the total number of people aged 16 years and older that are either employed or unemployed. In order to be considered unemployed a person must be available and actively seeking work.

Much like the unemployment rate, labor force participation ebbs and flows. On a national and state level, it has decreased steadily since the turn of the millennium, and has dropped rather dramatically since the *Great Recession* of 2007 – 2009. Due to low unemployment and the recovery in full swing, these drops cannot simply be attributed to the recession. Many economists theorize that it is a result of the aging workforce, early retirements, and delayed entry into the workforce by younger workers as they seek additional education to expand their skillset to become more competitive for fewer jobs. This may be particularly impactful to rural communities in Region Nine that skew slightly older.

The American Community Survey data slightly reflects this, with workers aged 20 to 24 years and 55 to 64 years representing the lowest percentages of working age adults. Additionally, counties that skew much younger (Blue Earth 79.4%, Nicollet 71.3%, and Waseca 76.3%) also have the three lowest labor force participation rates among workers aged 20 to 24 years.

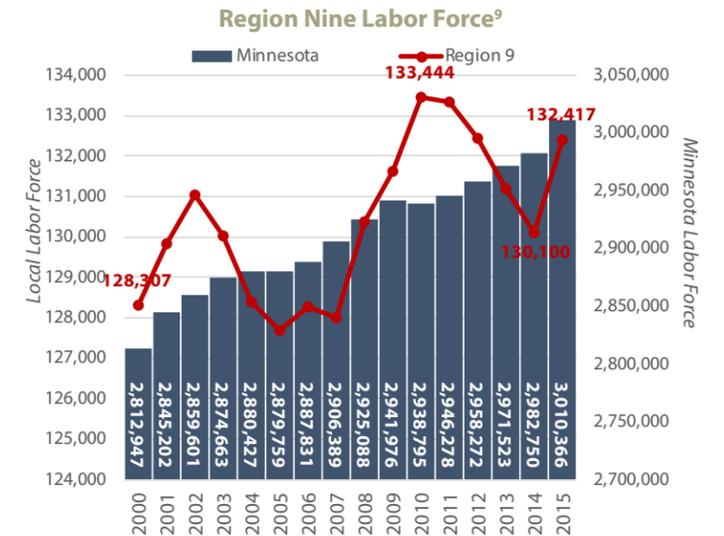
Conversely, Brown and Martin County are ranked 55<sup>th</sup> and 69<sup>th</sup> among all 87 counties in Minnesota; they also have two of the three lowest labor force participation rates among 20 to 24-year-old workers. Watonwan County is unique because it skews young yet has the highest labor force participation. Additionally, Watonwan County has labor force participation rates that are much higher than the region as a whole in the following demographics: Black or African American (88.2%), Asian (83%), Two or

Labor Force and Labor Force Participation <sup>8</sup>	In Labor Force	Labor Force Partic. Rate
Total Labor Force	129,516	69.8%
<b>AGE</b>		
16 to 19 years	7,930	56.6%
20 to 24 years	16,117	79.7%
25 to 44 years	48,890	89.9%
45 to 54 years	27,481	88.7%
55 to 64 years	22,971	77.7%
65 to 74 years	5,032	27.9%
75 years and over	1,086	5.9%
<b>RACE AND HISPANIC OR LATINO ORIGIN</b>		
White Alone	124,266	69.9%
Black or African American	1,600	60.8%
American Indian and Alaska Native	326	59.4%
Asian	1,364	71.0%
Some other race	895	76.4%
Two or more races	993	60.5%
Hispanic or Latino origin (of any race)	5,200	71.8%
<b>EDUCATIONAL ATTAINMENT</b>		
Population 25 to 64 years	99,332	86.4%
Less than high school graduate	4,767	70.3%
High school graduate (includes equivalency)	30,079	83.6%
Some college or associate's degree	37,701	88.1%
Bachelor's degree or higher	26,786	91.1%

<b>Age of Population<sup>8</sup></b>		
County	Median Age	Statewide Rank
Blue Earth	30.3	1
Nicollet	35.0	10
Waseca	38.8	25
Watonwan	39.7	30
Le Sueur	40.8	36
Sibley	40.9	37
Brown	43.2	55
Martin	45.6	69
Faribault	46.5	72

More Races (67.5%), Hispanic or Latino (83.1%), and those with less than a high-school degree (81.3%). This is important to note because it is driven, by a large degree, by an unemployment rate that has significantly exceeded the region as a whole in every successive year since 2003. By this measure, Watonwan County was hit particularly hard during the height of the recession with an 8.8% unemployment rate (Region Nine's was 7.5%) in 2009.

As mentioned previously, the unemployment rate for Region Nine has mirrored the state's – with a few exceptions in Watonwan and Le Sueur Counties. In 2009, Le Sueur County peaked at 10.9%, while the region as a whole peaked that year at 7.5%. Other counties in the region peaked in 2009 as well: Faribault (9.2%), Watonwan (8.8%), Waseca (8.2%), Sibley (7.9%), Martin (7.5%), Brown (7.3%), Blue Earth (6.4%), and Nicollet (6.3%).



According to DEED's Labor Market Information (LMI) Office, Nicollet and Blue Earth County (which encompass the Mankato-North Mankato Metropolitan Statistical Area) are historically among the lowest unemployment rates in the state. Consequently, the region as a whole, has been inching towards "full employment", the point at which many economists agree that virtually all people who are able and willing to work are employed. According to DEED's LMI Director, Dr. Steve Hine, the next challenge for the region is an impending workforce shortage.

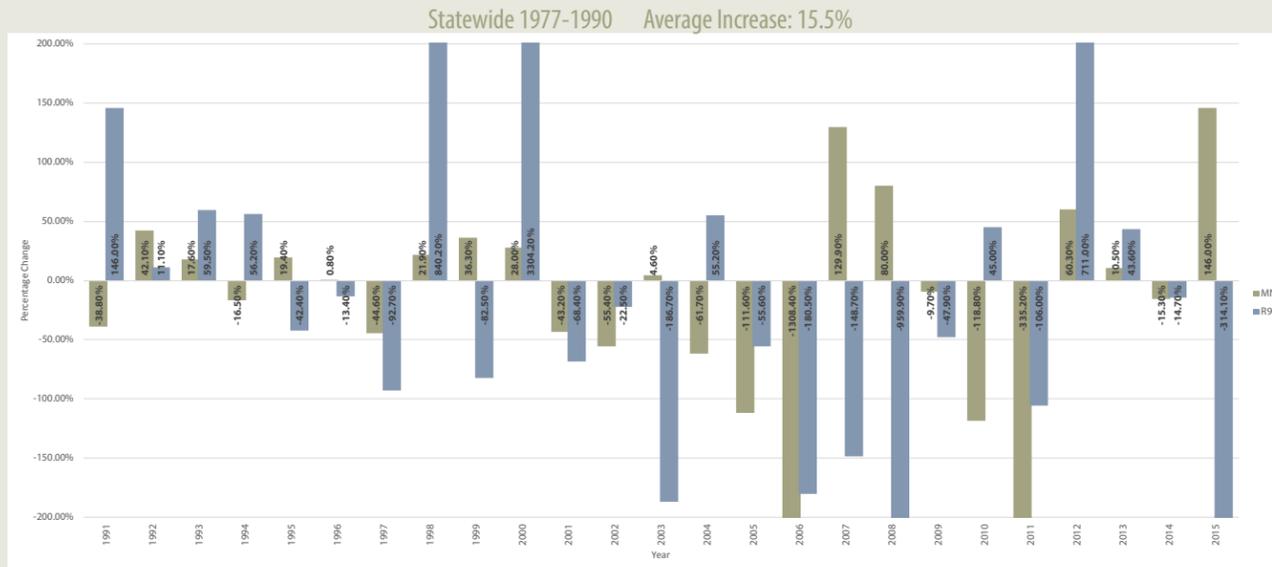


<sup>8</sup> S2301, American Community Survey, 5-Year Estimates

<sup>9</sup> Minnesota Department of Employment and Economic Development, Local Area Unemployment Statistics Program

In theory, when there is full employment there is less room for upward growth. If everyone that is willing and able to work has a job, hiring becomes a challenge. Accordingly, the most recent recession masked the trend of older workers dropping out of the labor force. This, combined with a labor force that is growing, but at much slower rate statewide, and had actually declined from 2011 to 2014, before gaining in 2015 in Region Nine, is projected to lead to a shortage of workers. Meanwhile, the Mankato-North Mankato area is among the youngest in the state, has a diverse mix of jobs, and an unemployment rate that fell below 3% in 2014 and has consistently remained there into 2016. With diversity on the rise, opportunities exist for inclusionary strategies to engage diverse cultures and females to respond to the potential workforce shortage.

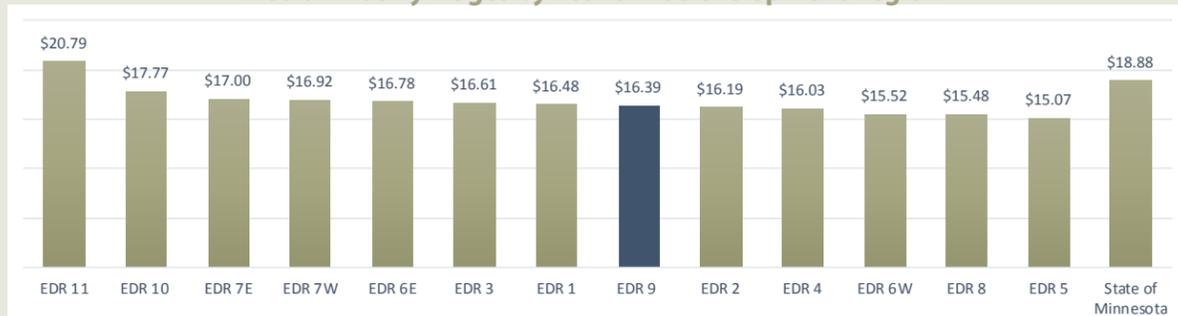
### Annual Change in Labor Force 1991-2015<sup>10</sup>



Average Annual Change in Labor Force from 1977 -2001 was 17,252 people statewide and 1,423 people in Region 9\* (from 1990 - 2001). Average annual change since has been 13,161 statewide and 274 in Region Nine. \* = Sub-state data began aggregation in 1990.

As of the first quarter of 2016, Region Nine had the eighth highest median hourly wage across all occupations, and had the fifth highest estimated employment. This was approximately \$2.49 below the state median, which is heavily driven by the 1.7-million estimated jobs in the seven-county Minneapolis-St. Paul metro area.

### Median Hourly Wages by Economic Development Region<sup>10</sup>



Among the highest paying occupations in Region Nine were management (median hourly wage of \$48.47 across 5,560 jobs), legal (\$38.40 across 310 jobs), architecture and engineering (\$35.14 across 1,830 jobs) and business and financial operations (\$31.06 across 3,630 jobs). Some of the highest employing occupational sectors included office and administrative support (15,740 estimated jobs); production (11,520); education, training and library (10,720); and sales and related occupations (10,590).

Among the highest concentrated; farming, fishing and forestry occupations are significantly meeting local needs with a location quotient of 1.9 despite the lowest number of estimated jobs (270). Some of the most prevalent occupations in the region have significant industry concentration that is meeting local demand to the point of being distinguishing industries, these include education, training and library occupations and production occupations. Consequently, office and administrative support occupations and sales occupations have a location quotient of 1.0, which means that the region and the nation are equally specialized. Essentially, the occupations with the greatest number of employment are highly concentrated, or meeting local demand. Food preparation workers, healthcare practitioners, and management occupations have room to grow despite having high employment across the nine counties.

### Occupational Employment Statistics 1<sup>st</sup> Quarter 2016<sup>11</sup>

	Region Nine			State of MN
	Median Hourly Wage	Estimated Employment	Location Quotient	Median Hourly Wage
Total, All Occupations	\$16.39	107,390	1.0	\$18.88
Management	\$37.29	5,560	0.9	\$48.47
Legal	\$32.43	310	0.4	\$38.40
Architecture & Engineering	\$30.88	1,830	0.9	\$35.14
Business & Financial Operations	\$27.33	3,630	0.6	\$31.06
Computer & Mathematical	\$26.89	1,750	0.5	\$38.93
Healthcare Practitioners & Technical	\$25.65	6,020	0.9	\$31.65
Life, Physical & Social Science	\$23.47	710	0.8	\$29.94
Construction & Extraction	\$21.80	3,320	0.9	\$25.36
Education, Training & Library	\$21.42	10,720	1.7	\$22.59
Community & Social Service	\$21.31	2,040	1.0	\$20.99
Installation, Maintenance & Repair	\$20.16	3,740	1.0	\$21.96
Protective Service	\$18.16	2,220	1.4	\$19.85
Production	\$16.80	11,520	1.4	\$16.80
Arts, Design, Entertainment & Media	\$16.67	1,480	1.1	\$22.49
Transportation & Material Moving	\$16.35	6,750	1.0	\$16.35
Office & Administrative Support	\$15.76	15,740	1.0	\$17.65
Farming, Fishing & Forestry	\$13.19	270	1.9	\$14.86
Healthcare Support	\$11.94	3,980	1.2	\$13.96
Personal Care & Service	\$11.80	4,690	1.0	\$11.29
Building, Grounds Cleaning & Maintenance	\$11.65	3,320	1.0	\$12.25
Sales & Related	\$11.05	10,590	1.0	\$13.03
Food Preparation & Serving Related	\$9.32	6,420	0.7	\$9.39

<sup>10</sup> Minnesota Department of Employment and Economic Development, Local Area Unemployment Statistics  
<sup>11</sup> DEED Occupational Employment Statistics, 1<sup>st</sup> Q, 2016

The Department of Employment and Economic Development produces projections by occupation and industry. Region Nine is included in the southwest planning region, which includes southwest Minnesota (Southwest Regional Development Commission) and counties to the north (Upper Minnesota Valley Regional Development Commission). According to these projections, southwest Minnesota's industry growth is projected to see the greatest gains by 2022 in the health care and social assistance industry, which aligns directly with many of the highest growing occupation projections (projected to add 4,076 new jobs at a 16% increase). Government employment, on the other hand, is expected to contract by 3.3% (realizing losses of 1,053 jobs). Professional and technical services are expected to grow by 10.2% (adding 417 jobs), while the information sector is expected to continue to lose employment, despite significant need.

Southwest Minnesota Industry Projections, 2012 - 2022<sup>12</sup>

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012 - 2022
Total, All Industries	207,849	213,534	2.7%
Manufacturing	31,654	31,719	0.2%
Total Government	31,721	30,668	-3.3%
Health Care & Social Assistance	25,529	29,605	16.0%
Retail Trade	20,071	20,404	1.7%
Accommodations & Food Services	11,915	12,153	2.0%
Wholesale Trade	8,262	8,526	3.2%
Other Services	8,312	8,265	-0.6%
Construction	7,299	7,809	7.0%
Finance & Insurance	5,874	5,903	0.5%
Agriculture, Forestry, Fishing & Hunting	5,389	5,519	2.4%
Transportation & Warehousing	5,123	5,317	3.8%
Professional & Technical Services	4,069	4,486	10.2%
Admin. Support & Waste Management	3,893	4,252	9.2%
Information	2,914	2,608	-10.5%
Arts, Entertainment & Recreation	2,507	2,551	1.8%
Management of Companies	1,977	2,072	4.8%
Educational Services	1,971	2,037	3.3%
Real Estate & Rental & Leasing	1,270	1,396	9.9%
Utilities	772	704	-8.8%
Mining	383	458	19.6%

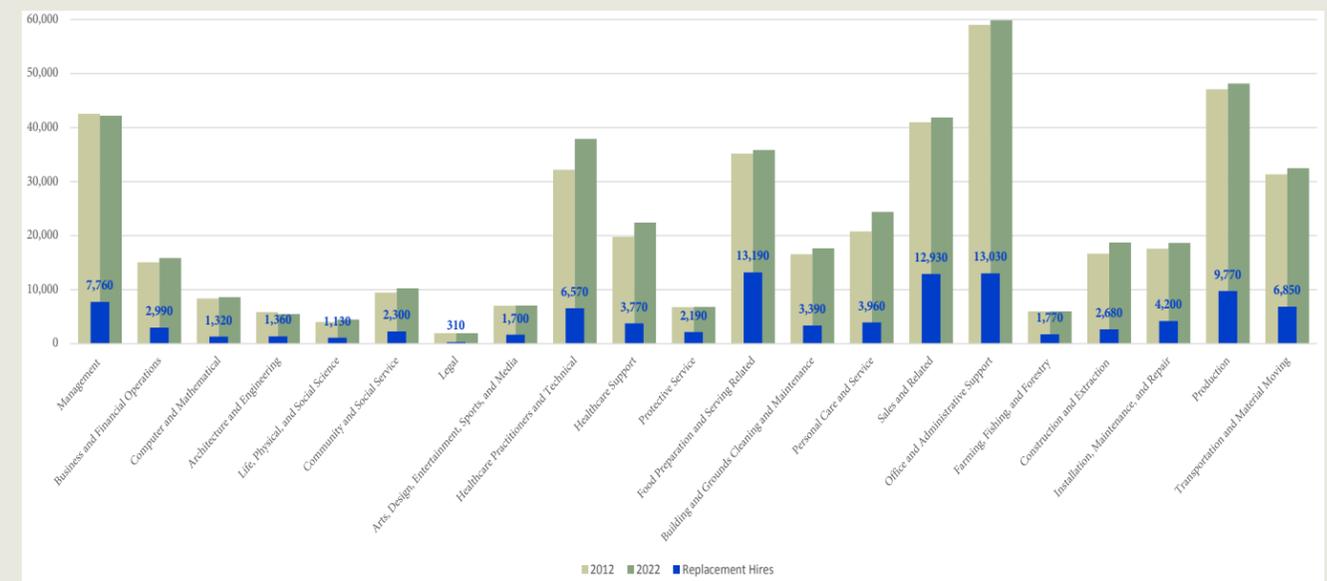
Southwest Minnesota is projected to grow by 2.7% by 2022, resulting in 5,685 new jobs and 48,000 replacement hires needed to fill jobs vacated by the current workforce. Projections for the Mankato-North Mankato MSA are included in southwest Minnesota. In southeast Minnesota, there will be a projected 16,909 new jobs created and 60,750 replacement jobs at a 6.4% growth rate. In all of southern Minnesota there are a projected 22,594 new jobs, 108,750 replacement jobs and a 4.8% growth rate. Among the highest growing occupations will be: personal care and service occupations (3,065 new jobs and 17.3% increase by 2022; healthcare practitioners and technical occupations (5,708 new jobs and 17.7% growth); healthcare support occupations (2,624 new jobs and 13.3% growth); and construction and extraction occupations (2,053 new jobs and 12.3% growth).

## Highest Growing Occupations:

- Personal Care & Service Occupations
- Healthcare Practitioners and Technical Occupations
- Healthcare Support Occupations
- Construction and Extraction Occupations

Much of this growth will be the southeast response to Destination Medical Center, which will flow into the south central region. Wages will vary, with healthcare growth primarily in the practitioner occupations with median wages in excess of \$80.00 per hour and healthcare support occupations earning significantly less. In Region Nine specifically, healthcare practitioners and technical occupations have room to add more jobs to meet the demands of the region.

Southern Minnesota Projections by Occupation Grouping<sup>13</sup>



<sup>12</sup>Minnesota Department of Employment and Economic Development, 2012-2022 Employment Outlook  
<sup>13</sup> Minnesota Department of Employment and Economic Development Statistics

Approximately 76.6% of workers within the labor shed of Region Nine either live and work in the region or live outside the region and work within the region.

The top work destination in the region is Mankato-North Mankato, which accounted for 17.9% of employment. 4.8% of workers in the region lived in New Ulm, while 3.8% lived in Fairmont, and 3.6% lived in Waseca. The top commuters into the region from outside the region were from Minneapolis (0.8%), Owatonna (0.6%), and St. Paul (0.5%).

Of the 31,737 residents of Region Nine that work outside the nine counties, many of those commuters are employed in the Twin Cities metropolitan area, Owatonna, or Rochester. Although the numbers are not significant, 1.3% of all workers in the region (representing over 1,300 workers) commuted into Bloomington, 1.2% (approximately 1,200 workers) into Owatonna, 1.1% into Minneapolis, 1% into St. Paul, 0.7% into Faribault, 0.7% into Shakopee and 0.6% into Rochester.



## The Cornerstones

The following section is divided into four cornerstones:

1. Human Capital
2. Economic Competitiveness
3. Community Resources
4. Foundational Assets

Each cornerstone has associated goals, strategies and action steps. The strategies (◆) and action steps (■) have been prioritized and categorized by a corresponding colored bullet (green-high, orange-medium, tan-low). An action table located in Appendix III identifies key partners, timelines and evaluation metrics for each strategy and action step outlined in the CEDS.



## Human Capital

Developing, retaining and attracting talent is critical for Greater Minnesota to sustain and grow rural businesses and communities. Monitoring the characteristics of the labor force and the needs of employers and creating strategies for alignment between the two is the foundation of human capital. Coordinating the region's employers and the available labor force will improve the overall resiliency and adaptability of communities and the region to social, cultural and technological changes in the future.

### Labor Force

As Region Nine's economy continues to recover from the economic recession, the challenge will be meeting the hiring and skills needs of area employers. The labor force of Region Nine declined four years in a row (2011-2014), then increased to above pre-recession levels in 2015. Additionally, this decline (2011-2014) was supplemented by a decrease in unemployment as the economy improves to pre-recessionary levels.

#### Goal

Maintain the existing unemployment rate, move towards full employment in each county and focus on worker recruitment strategies to mitigate impending labor market shortages.

#### Strategies

- ◆ Promote a quality, flexible and trained workforce to area businesses.
  - Increase opportunities for encore careers and returning graduates to return to the regional workforce.
  - Partner with universities, technical colleges, workforce councils, local economic developers, business development centers, workforce centers and employers to promote incumbent worker upskilling to increase mentorships and potentially elevate wages and knowledge across the region.
  - Connect and support communities with high concentration of minority populations to inclusion opportunities (e.g. Gaylord, Madelia, Mankato/North Mankato MSA., and St. James). These communities will have the opportunity to access these specific talent pools and market the community as a place of high inclusion.
- ◆ Enhance and capitalize on the quality of life amenities to retain the talent in the region.
  - Connect, promote and incentivize businesses to create great places to work.
  - Retain the 76.6% of workers that presently live and work in Region Nine and commute to Region Nine for work; capture the nearly 30,000 jobs that the region is exporting to other areas of the state.<sup>15</sup>
  - Increase the median wage across all occupations in south central Minnesota from \$16.39 per hour closer to the state median wage of \$18.88 per hour by focusing on high wage and high employment occupations.<sup>16</sup>
  - Partner with area employers and workforce partners to create, evaluate and publish a list of top workplaces in the region.

<sup>15</sup> Minnesota State Demographic Center Population Estimates, 2015 <http://mn.gov/admin/demography/data-by-topic/age-race-ethnicity/>

<sup>16</sup> American Community Survey 2014 Data, OnTheMap

## Educational Attainment

As the population of south central Minnesota's workforce declines, increased worker skills will be critical to improving productivity and growth of the economy. According to the 2010-2014 American Community Survey 5-Year Estimates, Nicollet County has the highest percentage of people that have obtained a bachelor's degree or higher at 32.3%<sup>17</sup>. Blue Earth County has the second highest with 30.4%, which, in comparison, the state of Minnesota has 33.2% of population that has obtained a bachelor's degree or higher.

### Goal

Increase the number of residents (ages 18-64) who have completed post-secondary education or training with a particular focus on certificates, technical degrees and apprenticeships relevant to employment in middle-skill, living wage occupations.

### Strategies

- ◆ Increase the awareness among students, parents and educators about the educational requirements for future employment opportunities specific to the region.
  - Greater collaboration and coordination of programs amongst higher education institutions and major regional employers.
  - Offer and promote incentives, upskilling, job training and fast track education opportunities.
  - Pursue additional funding to secure additional school and career counselors.
- ◆ Offer and increase the availability of cultural competency education throughout the region.

## Economic Competitiveness

Creating an attractive environment for growth is critical to creating jobs, improving living standards and financing necessary public services. Economic Competitiveness requires communities to develop and link all available assets to support innovation and encourage business growth. With the identification and alignment of our regional and local assets, south central Minnesota will be able to support small, medium and large scale enterprises, which could in turn stimulate business growth, innovation and an increase in the overall productivity of the region.

## Entrepreneurship and Innovation

South central Minnesota communities must embrace and encourage innovation, calculated risk-taking and foster entrepreneurship to compete effectively in the global economy. Currently, the State of Minnesota ranks 13<sup>th</sup> in the nation for research and development funding. Both public and private sectors provide \$1 billion annually into research and development of science and technology projects.<sup>18</sup>

### Goal

Increase entrepreneurship and innovation throughout south central Minnesota's communities.

### Strategies

- ◆ Increase and diversify access to capital to boost innovation and entrepreneurship.
  - Encourage partnership between local public and private sectors for incentives and programs for area businesses, such as tax increment financing, tax abatement, or DEED's Business Development Public Infrastructure program to attract entrepreneurs to the region and align the recruited entrepreneurs with the local employment needs.
  - Incentivize local employers with the research and development tax credit to encourage and increase research and development in the region.
- ◆ Progress research and development projects into marketable technology production that will ultimately increase STEM industries that will spur economic development throughout the region.
  - Directly connect higher education institutions, including Minnesota State University, Mankato, South Central College, Bethany Lutheran College, Rasmussen College, Gustavus Adolphus College and Martin Luther College, directly to major employers for potential research and development collaborations.
  - Create networks of incubator, co-working, proof of concept, maker spaces, innovation centers and tech centers in the region and connect to regional partners for education, training and STEM programming to spur innovation throughout the region.
- ◆ Explore incentives and expand renewable energy development.

## Small Business Growth

Small businesses located in rural areas have limited access to capital compared to larger businesses. In order to grow and expand, small rural businesses must have access to more public and private funding opportunities. Approximately 71.8% of businesses in Region Nine have less than ten employees (compared to 71.6% statewide).<sup>19</sup> Research shows that as much as 80% of job growth in a community comes from existing businesses.<sup>20</sup>

### Goal

Increase the number of capital investment programs available to small and medium enterprises (SME), small is considered 20 or fewer employees, medium is considered 21-50 employees, to allow growth and job creation for the majority of Region Nine businesses.

### Strategies

- ◆ Partner with the Small Business Development Center, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation and Southern Minnesota Initiative Foundation to help them expand and funnel their resources into the most rural areas in south central Minnesota.
  - Partner and support legislation, utilizing statewide support, to expand the Small Business Development Center, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation and Southern Minnesota Initiative Foundation's capacity to build out their network and increase resources for rural SMEs.
- ◆ Develop and promote a regional marketing strategy with a clear and concise message to attract potential new residents by leveraging regional resources, such as the University of Minnesota Extension, Southern Minnesota Initiative Foundation, Region Nine and other regional partners.
- ◆ Continue to grow and support businesses with global connections through e-commerce.



## Community Resources

Communities seek to maintain rural values, their heritage and the assets that support them. Community resources include topics that balance the preservation and improvements of local social, cultural and natural assets that are critical for the future. Building, improving and promoting regional and community strengths will lead to a competitive advantage and provide a foundation of community resiliency. By working together regionally, resources and opportunities can be maximized and regional economic success can be achieved.

## Tourism

Tourism can be an essential industry for local economic development. Travel and tourism generates sales in every county in the Region Nine service area. Traveler spending indirectly supports jobs in supporting industries such as financial services or printing. Travel and tourism in Region Nine generated approximately \$353 million in gross sales in 2014.<sup>21</sup>

### Goal

Increase visitor spending in south central Minnesota.

### Strategies

- ◆ Capitalize on current tourism destinations and future development of new destinations.
  - Promote agricultural-based tourism and pursue potential for tourism development surrounding the agriculture sector and local foods.
  - Promote nature-based tourism and pursue potential for development of new hospitality and nature access ventures.
  - Capitalize on commuters traveling to Rochester's Destination Medical Center and the Twin Cities by expanding access to businesses and promoting tourist destinations along major transportation routes, e.g. U.S. Highway 169 and Interstate 90.
- ◆ Create and promote "unique niches" through placemaking, comprehensive planning or capital improvement planning to map out a community brand and vision in scalable increments for the next three, five and ten years.
  - Promote and highlight local businesses and their locally produced products.
  - Work with local chambers of commerce and businesses to create downtown festivals and fairs in communities where downtowns benefit from an influx of pedestrians and customers.
  - Organize both amateur and professional athletics to draw people to park systems or town centers.
  - Increase the capacity of commuter bus lines, land-to-air buses, taxi services and ridesharing to expand south central's tourism from the Minneapolis-St. Paul International Airport. The connections could link to state parks, historical destinations and downtowns, e.g. Mankato, Henderson, New Ulm as well as lakes and regional parks and trails.

<sup>21</sup>ExploreMN, Minnesota Department of Revenue, 2014

## Social Capital

Local residents must encourage and foster new local leadership skills as well as promote and attend civic engagement opportunities in order to become resilient against future challenges. Results from Region Nine's CEDS survey indicates approximately 70% of survey participants that either live and/or work in the Region Nine area currently believe that the development of community leaders in the region is average, below average or needs improvement.

### Goal

Increase civic engagement and community participation across all age groups and ethnicities.

### Strategies

- ◆ Build upon the strong foundation of community participation and support found in local communities.
  - Utilize innovative civic engagement techniques to draw perspectives from youth and people from long distances to increase engagement and input.
  - Increase voter turnout in all nine counties to 67.5% so that each county ranks in the top ten voter turnout of all counties across the state.<sup>22</sup>
- ◆ Increase mentorship opportunities for younger generations to assume future community leadership positions.
  - Support local community leadership programs and networking groups.

## Arts and Culture

Arts and local culture contribute to the vibrancy of local economies and the quality of life experienced by local residents. The arts and entertainment sector experienced a drop in employment following the most recent recession. In each of the past three years, however, this sector has increased in employment partly due to an increase in consumer confidence. Employment in the arts, entertainment and recreation sector represent 1% of the total employment in Region Nine in 2015.<sup>23</sup>

### Goal

Increase employment in the arts, entertainment and recreation sector to generate customers in downtown districts and increase community engagement.

### Strategies

- ◆ Increase coordinated regional promotion of all cultural and arts related events for greater reach and community support of these sectors.
  - Partner with area universities, technical colleges and school districts to promote art programs, art walks and art-related events and courses in rural communities.
  - Create a traveling art showcase that promotes art education and area artists, including theater arts, photography and digital art.
- ◆ Implement arts and culture-based placemaking to improve downtowns and public spaces.
  - Reuse vacant storefronts, warehouses, etc. to host new and emerging artists, galleries and experimental spaces.
  - Apply and receive designation as an Artspace Community.
  - Establish a grant or a revolving loan fund opportunity for arts-centered commerce.

## Natural Resources

The region offers an abundance of natural resources that are essential to the local, regional and statewide economies. As the population of the state continues to increase, strain on natural resources is on the rise. Multiple threats include groundwater overuse and contamination, invasive species and an overall decline of natural resources. One of the region's largest natural resource is the productive soil. Region Nine's natural resources and mining sector provides 3,399 jobs, 73.8% of those are animal production. Of the 3,399, 42% are hog and pig farms (primarily in Martin County), 12.9% are cattle ranching and 12.1% are dairy cattle and milk production.<sup>24</sup>

### Goal

Protect and preserve natural resources for continued responsible use. Achieve no net loss of wetlands/prairie lands and add programs and policies that reduce the carbon footprint through renewable energy or energy efficiency initiatives.

### Strategies

- ◆ Protect valuable natural resources and outdoor heritage through education, preservation and conservation efforts.
- ◆ Actively engage the public in natural resource planning to achieve greater community awareness and support of reducing overall carbon footprints.
  - Develop, implement and consistently enforce land use policies that balance economic competitiveness and resilience with human well-being and natural amenities preservation.
  - Promote compact and infill development of cities and urban areas that include mixed commercial and mixed residential zoning to reduce the number of vehicles traveled and reduce costs associated with heating and cooling, saving communities and businesses on land-use expenses.
  - Retrofit and convert energy inefficient building's waste into Combined Heat and Power buildings to deliver hot water, heat and electric generation uses.

## Water Quality

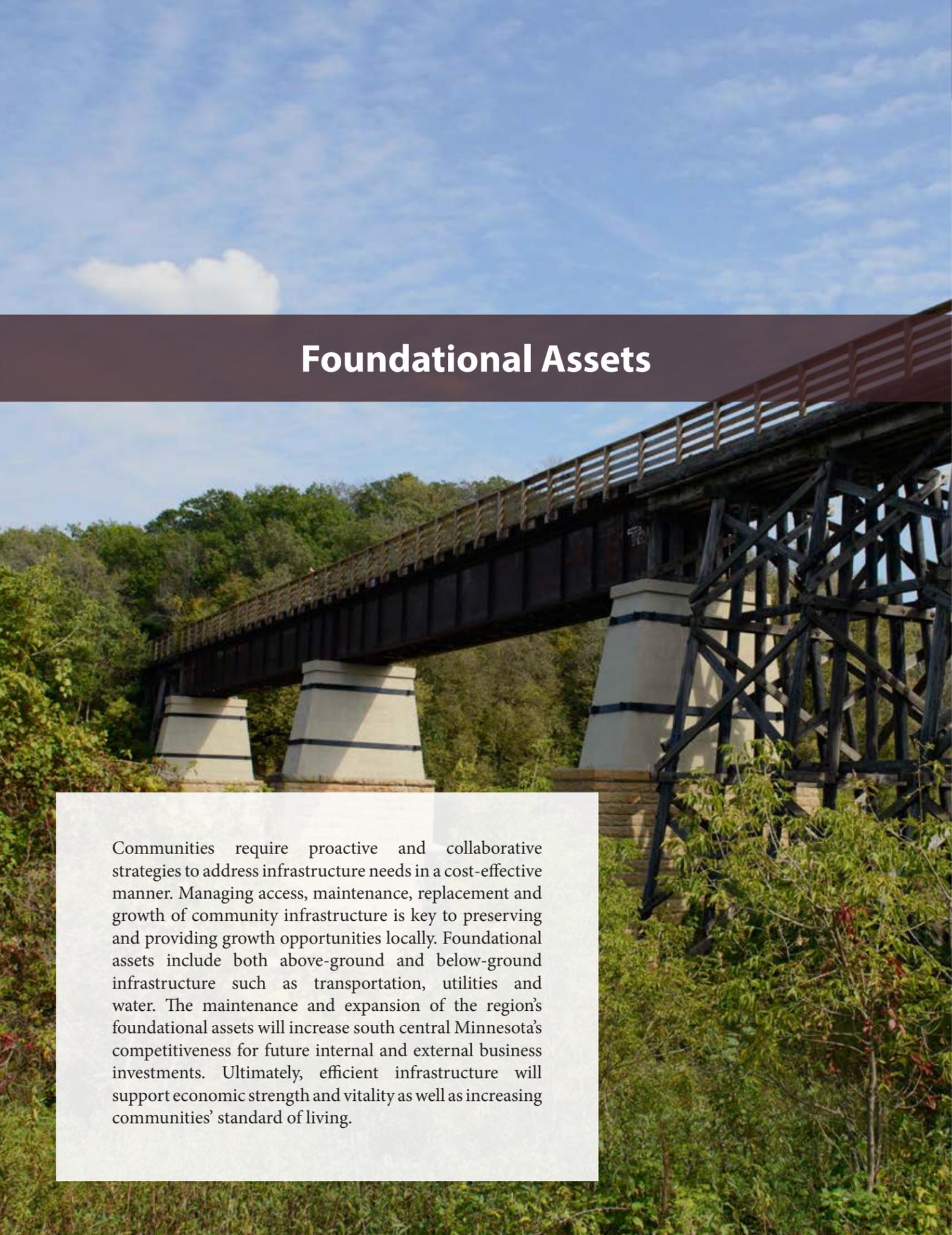
There is an increased demand for water resources related to growing populations, agricultural and manufacturing utilization and an increase in urbanization and recreational activities. During 2016, the Minnesota Pollution Control Agency (MPCA) had 155 additions to their impaired waters list that are in Region Nine of about 4,600 listings statewide. MPCA delisted a total of six impaired waters in 2016.<sup>25</sup>

### Goal

Improve water quality by ensuring south central Minnesota's groundwater and surface water supplies are protected from depletion and degradation by reducing the number of impaired waters and endangered ecosystems in the region.

### Strategies

- ◆ Promote adherence to the Federal Clean Water Act standards that presume a water body should sustain healthy aquatic life, recreation and additional uses, such as drinking water, industry and agricultural uses.
- ◆ Promote intergovernmental cooperation and partnerships related to water quality plans, projects and initiatives.
  - Support and promote regional water quality plans, projects and initiatives.
- ◆ Enhance soil and water management by increasing conservation practices, retaining top soil and agriculture productivity during extreme rain, drought and freezing events.



## Foundational Assets

Communities require proactive and collaborative strategies to address infrastructure needs in a cost-effective manner. Managing access, maintenance, replacement and growth of community infrastructure is key to preserving and providing growth opportunities locally. Foundational assets include both above-ground and below-ground infrastructure such as transportation, utilities and water. The maintenance and expansion of the region's foundational assets will increase south central Minnesota's competitiveness for future internal and external business investments. Ultimately, efficient infrastructure will support economic strength and vitality as well as increasing communities' standard of living.

## Broadband Access

Access to affordable high-speed internet is imperative to remain competitive in today's global economy. In order to attract employers and to increase the area's employment, there needs to be a foundation of broadband infrastructure. Broadband infrastructure can be a catalyst in local economies and ultimately lead to regional economic growth. In Region Nine 84% of all households are served at the state broadband goal of greater than 25Mbps download/3Mbps upload speeds in 2016. 64% of households are served at 120Mbps download/20Mbps upload speeds.<sup>26</sup>

### Goal

100% of businesses, households and community anchor institutions in Region Nine will have access to high-speed internet at statewide broadband goals, with infrastructure in place to upscale.

### Strategies

- ◆ Create and leverage public and private partnerships, establish co-operatives and work with all wireline providers in the region to improve access to high-speed internet.
  - Leverage federal program dollars, CAF II, and ARRA to meet national speed goals of 10/1 as Phase I to implement high-speed internet access across the nine counties, and provide scalable infrastructure that can provide speeds in excess of 1:1 gig symmetrical speeds.
- ◆ Promote the benefits of high-speed internet in rural Minnesota, show return on investment and gather public input and/or conduct a community broadband feasibility study.
  - Work with all communities within the region to ensure plans are in place to meet the MN Governor's Broadband Task Force 2016 recommended speed goals (25Mbps download/3 Mbps upload statewide by 2022; 100/20 by 2026).
  - Work with the counties of Blue Earth, Brown, Faribault, Le Sueur, Nicollet, Sibley, Waseca, and Watonwan and the Blandin Foundation to ensure that each of the nine counties in Region Nine become members in the Blandin Broadband Cohort.\*
  - Work with Office of Broadband Development and providers to help update the Connect Minnesota service maps in the nine counties in Region Nine to include all providers' data and ensure that the maps are as accurate as possible.
- ◆ Work with local legislators and the State Office of Broadband Development to provide support for more funding to be apportioned to the state to implement broadband infrastructure and planning in rural Minnesota.
  - Partner with representatives of the Governor's Broadband Task Force to help reinforce the recommendations made to the state and ensure that the challenges of businesses, residents, and community anchor institutions across Region Nine are well represented.

<sup>26</sup>Martin County became a member in the Blandin Broadband Cohort in 2014.  
<sup>26</sup>Minnesota Office of Broadband Development, 2015

## Transportation

Reliable transportation networks are essential to economic growth, production and trade. Without access to a well-maintained freight/transportation network, raw materials, goods and products cannot be transported, which would result in low to no productivity in the region.

According to the Minnesota Department of Transportation's 2016 Statewide Freight System Plan, 40% of the gross state product is dependent on freight-related industries, a higher percentage than many of Minnesota's neighboring states.<sup>26</sup> Trucking is important to all industries, as even goods moving via other modes often use trucks for the first and last mile of the trip. As of 2014, Region Nine has 138 freight trucking businesses, which is approximately 8% of Minnesota's general freight trucking businesses.<sup>27</sup>

### Goal

Increase local transportation economic development projects in the region.

### Strategies

- ◆ Encourage state and local units of government to support and pursue options that increase the availability of transportation funding.
  - Participate in regional highway corridor coalitions.
- ◆ Maintain and/or promote major transportation routes that connect regional economic hubs to stimulate economic development.
  - Identify important freight routes which serve a supplementary role to the Minnesota trunk highway system to promote the safe and efficient movement of goods.
  - Partner with MnDOT to help identify potential freight enhancement projects that have good potential for a positive return on investment.

## Active Transportation

Active living planning and implementation of active living strategies will help improve community health, livability and social capital in the region. By partnering with the Bicycle Friendly Community (BFC), they will assist communities to improve conditions for better bikeable communities. Currently, there is only one community in south central Minnesota that is designated as a bicycle friendly community, Greater Mankato. Encouraging the adoption of local complete streets policies will increase the awareness and improve the local transportation network's functionality for all users.

### Goal

Increase the number of communities that have achieved BFC-designated status by League of American Bicyclists.

### Strategies

- ◆ Develop plans with local partners and help connect them with funding sources that will develop, expand and maintain active transportation networks.
  - Promote the availability and benefits of trail systems to increase awareness and support for increased active living in Region Nine communities.
  - Continue partnering with the Statewide Health Improvement Partnership to promote active living in communities.



## Transit

Transit is an increasing and important need for rural and small urban centers in south central Minnesota. The region must evaluate the area's needs to meet demand and reduce the mobility gap.

### Goal

Increase the level of service of the region's transit system.

### Strategies

- ◆ Evaluate funding and service options to meet mobility and access needs of individuals.
  - Coordinate transit providers across the region to assist in efficiently connecting people to jobs and services.
  - Closely align policy decisions and funding availability with the supply and demand of transit services in region.

## Water and Wastewater Infrastructure

Water and wastewater infrastructure projects are difficult to fund especially with a small population base versus a larger community being able to spread the project costs across a larger population.<sup>28</sup> According to the MPCA 2016 Clean Water Project Priority List (PPL) there are 14 cities in Region Nine that are listed. The project cost ranges from approximately \$400,000 to \$13.4 million. Of the \$1.4 billion of total estimated project costs in Minnesota, over \$42 million are in the Region Nine area.

### Goal

Decrease the number of communities out of MPCA compliance and increase the number of communities and projects on the MPCA PPL.

### Strategies

- ◆ Develop appropriate water and wastewater infrastructure to support existing and new business and housing developments.
  - Facilitate and educate local communities with best practices that illustrate funding options to update outdated and undersized systems.

## Housing Availability

Housing challenges that can arise in communities are, tight rental and ownership markets, cost-burdened households, workforce and elderly housing shortages and low quality and aging housing stock. According to the U.S. Department of Housing and Urban Development, families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities. In Region Nine, Blue Earth County has the highest number of renters that spend more than 30% of income on housing with a total of 55% of renters. Both Nicollet and Martin counties have 45% of renters that spend more than 30% of income on housing. Watonwan County has the lowest number of renters that spend more than 30% of income on housing with a total of 32% of renters.

Additionally, a 5% vacancy rate is generally considered a sign of a healthy rental housing market, currently per the 2010-2014 American Community Survey 5-Year Estimates all counties are above the 5% vacancy rate except Faribault (4%), Le Sueur (3.2%), Nicollet (3.5%) and Waseca (3.2%).<sup>29</sup>

### Goal

Move toward equilibrium in local housing markets.

### Strategies

- ◆ Increase the development of workforce housing.
- ◆ Provide more coordinated housing planning for communities on a local and regional scale.
  - Collect and share best management practices around housing projects, policies and financing.
  - Encourage development of transitional and life-cycle housing in rural communities.





# Appendix I: Resolutions



## Resolution

### Region Nine Development Commission 2016 - 09

#### RESOLUTION AUTHORIZING ADOPTION OF REGION NINE DEVELOPMENT COMMISSION'S 2016-2021 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

- Whereas, the State of Minnesota established Region Nine Development Commission (RNDC) to work with and on behalf of the nine counties, seventy-two cities, and one hundred forty-seven townships on economic, social, physical and governmental issues of a regional nature; and
- Whereas, RNDC has been designated an Economic Development District by the federal Economic Development Administration (EDA); and
- Whereas, the 2016-2021 Comprehensive Economic Development Strategy (CEDS) was developed in 2016 that reflects the specific economic challenges and opportunities of the region and contains the key CEDS elements of vision, analysis, action plan, and evaluation; and
- Whereas, the approved CEDS and related annual updates are a condition for qualifying for grants for local economic development projects and the annual planning grant from the EDA; and
- Whereas, the Region Nine Community and Economic Development Planning Committee and the South Central Minnesota Workforce Council serving as Region Nine's CEDS Committee has reviewed the CEDS and found that it accurately reflects the economic development objectives, goals, and needs of the region.

Now, therefore, be it resolved that the Chair and Executive Director of the Region Nine Development Commission are hereby authorized to execute such Agreement and any amendments. Dated this 14<sup>th</sup> day of December 2016.

Signed:

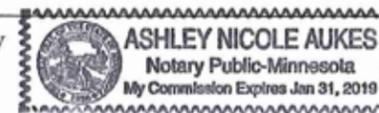
  
Brad Ahrenstorff, Chair

  
Gary Sturm, Secretary

#### Certification State of Minnesota

I hereby certify that the foregoing Resolution is a true and correct copy of the Resolution presented to and adopted by the Region Nine Development Commission at a duly authorized meeting thereof held on the 14<sup>th</sup> day of December 2016 as shown by the minutes of said meeting in my possession.

Notary



  
Ashley Aukes, Communications Specialist

## RESOLUTION

### RESOLUTION AUTHORIZING ADOPTION OF REGION NINE DEVELOPMENT COMMISSION'S 2016-2021 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

- Whereas,** The State of Minnesota established Region Nine Development Commission to work with and on behalf of nine counties, seventy-two cities, and one hundred forty-seven townships on economic, social, physical, and governmental issues of a regional nature; and
- Whereas,** Region Nine Development Commission has been designated an Economic Development District by the federal Economic Development Administration (EDA); and
- Whereas,** The EDA provides the Commission with an annual planning grant to provide economic development planning assistance to local units of government and businesses; and
- Whereas,** The 2016-2021 Comprehensive Economic Development Strategy (CEDS) was developed in 2016 which reflects the specific economic challenges and opportunities of the region and contains the key CEDS elements of vision, analysis, action plan and evaluation; and
- Whereas,** The approved CEDS and related annual updates are a condition for qualifying for grants for local economic development projects and the annual planning grant from the EDA; and
- Whereas,** The South Central Workforce Council serving as Region Nine's CEDS Committee, meets statutory membership make-up requirements and has reviewed the CEDS and found that it accurately reflects the economic development objectives, goals and needs of the region;

**Therefore, be it resolved that the South Central Workforce Council, acting on recommendation of the Workforce Development Committee, hereby approves and adopts the 2016-2021 Comprehensive Economic Development Strategy.**

Adopted this 14<sup>th</sup> day of December 2016.

  
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Deborah Barnes, Chair  
Chair, South Central WorkForce Council

## Appendix II: SWOT Analysis

# Human Capital

## Strengths

- Higher education - student talent, draws outside citizens to region
- Educated workforce
- Diversity - both cultural and business & industry
- Recognition & awards - P.R. opportunities for south central Minnesota
- Regional cooperation
- Quality of life amenities - keeps talent here
- Abundance of post secondary education (2 yr./4 yr. etc.)
- Significant population with associate degrees (2 yr.)
- Coordinated state and local efforts for business attraction, expansion & retention both for business development and workforce development (DEED/MN Workforce Center/SBDC)
- Employers open to a diverse workforce
- Employers open to an aging workforce (e.g. hiring and retaining)
- Entrepreneurial attitude
- Businesses are willing to train the right people

## Opportunities

- Retain students
- Future regional transit system
- Better access to resources for international students, immigrants - e.g. transportation
- How to disperse talent pool outside of regional center
- Recruit & retain back graduates, people who have left
- Boomer population - encore careers
- Coordination/articulation of agreements between universities and colleges
- Work with businesses to meet work expectations of new employees
- Educational incentives
- High school internships
- More educational institutions and business connections
- Quality of life - marketing
- Less traffic - convenience
- Directing/recommending more people towards fast track education
- Number of places hiring
- Strong population/labor force growth

## Weaknesses

- Affordable housing - not in alignment with needs
- Young talent leaving - retaining new graduates
- Language barriers
- International degrees might not translate
- Livable wages for entry-level positions
- Services for people in transition (e.g. addiction)
- Central database - employers do not know where to access data
- Analysis of employment needs for positions - do not limit applicant pool
- Declining population
- Workforce shortage
- Lower wages than comparing with the metro area
- Lack of acceptance to cultural difference in the workplace

## Threats

- Aging workforce - agriculture, skilled and manufacturing
- School district cut backs, especially smaller districts / trades and electives
- Regionally (the Midwest) lowest unemployment rates
- Cost of higher education
- Students pushed towards four year degrees by parents
- Reduced funding for school/career counselors
- High school standards are related to 4 yr. colleges

# Economic Competitiveness

## Strengths

- Number of jobs available
- Cost of doing business is less than metropolitan areas
- Willingness of local government to help - business mentoring
- Regional collaboration
- Ability to share risks across multiple financial providers (loan packaging) - 'everyone takes a piece of the pie'
- Transportation - access to rail and highway
- Agricultural economy
- Strong and diverse manufacturing base
- Cost of living
- Lower property taxes
- Export assistance
- 2020 mandate in solar & other environmental policies
- Access to support services (S.C.O.R.E./SBDC/SBA) funding
- NPO training resources - K-12 & College
- Small businesses generating economic impact
- Proactive promotion - initiatives (GreenSeam)
- Global connections through internet trade
- Direct success of local businesses (proven)

## Opportunities

- GreenSeam
- Natural resources - land, rivers, lakes, etc.
- Financial resources for businesses
- Work/collaborate with other universities - R&D
- Incubator, work space opportunities
- Education of stakeholders on available resources (government, non-profit, profit)
- More training in technical (information technology) and business operation/management
- Bring people to the appropriate resources
- Bring change in program requirements at community level
- Training needed to establish sound business practices
- Tell story of each local community and connect to resources
- Transportation
- International opportunities in food/medical through local resources promotion
- Clarity, transparency, promotion of immigrant reform to incentivize rural communities to accept population
- Integration of non-locals into community

## Weaknesses

- Lack of marketing of the areas/Minnesota
- Lack of funding to DEED for marketing
- Affordable broadband - availability and reliability
- Workforce housing - transportation
- Public infrastructure/roads and bridges
- Unreliable power source (electricity)
- Lack of start up capital (or perception thereof)
- Knowledge of users for access to resources (not user friendly)
- System navigation (guide/coach at community level to lead businesses through process)
- Diversity in access to funding
- Access to financing
- Lack of sound and updated technology (wireless)
- K-12 cutbacks - community access for K- college / rests on teachers

## Threats

- Lack of willingness to accept change/new ideas
- Entrepreneurs lack of business intelligence
- Low agriculture prices
- School funding, referendums and property taxes
- City and rural divide
- Loss of labor force in smaller communities
- Pay scale comparisons
- Drive wages down to compete
- Large companies impact on rural communities if they leave community

# Community Resources

## Strengths

- Arts
- Parks, trail systems and athletic facilities
- Schools
- Safe places to live
- Natural environment (scenic)
- New companies focused on recreation - MSU-M can also provide professional/recreation opportunities
- Communities like New Ulm focused on cultural heritage
- Number of theatre productions, cultural and art events, fairs and festivals
- Lots of water
- High degree of participation - communities pull together, e.g. Madelia
- Good systems in place - e.g. Region Nine, Greater Mankato Growth
- Manpower to make decisions
- Community use of wastewater in Mankato area (can be a weakness as well)
- Community sport teams
- Excellent golf courses and disc courses
- Wineries/breweries (craft)
- Local foods
- Agri-tourism

## Opportunities

- Advertise great place it is - beauty of natural environments, lakes
- Trails (regional)
- Leverage property taxes
- Placemaking/branding
- Promote tourism - brochure, lakes; can be distributed at rest stops
- Highlight “made local” - local businesses and small manufacturing
- Good conversations happening about water related to tourism - number of bridges in Blue Earth County
- Better focus on regional arts and tourism - communications
- Water quality analysis - well-head protection plans makes communities more aware of current goals
- Lake improvement associations
- Land available for recreational activities
- Create more “destinations” and market existing destinations
- Capitalize on existing assets
- Continue to grow local foods, agri-tourism

## Weaknesses

- Water quality (watershed impacted by farm drainage)
- Farm buffer - 50 ft. buffer strips (legislative mandate)
- Water quality impacted by chemical filtration of water
- Short sighted - immediate returns vs. long-term goals
- Promotion and advertisement region-wide is currently weak
- Attention and intention to leadership
- Proper use of resources - possibly to many non-profits
- Too much reliance on one system - not a way to easily access information about community events and resources
- Lack of funding for public facilities, community centers, recreational facilities, arts & culture
- South central does not have a reputation for tourism

## Threats

- Financial strain to meet state mandates imposed on cities - MPCA water quality
- Unfunded mandates
- Impaired waters impacting - flood waters, runoff, sewers/infrastructure
- Lack of tax base (and growing)
- Competition for state and federal dollars
- Wanting to keep our resources to ourselves
- Staying the same
- Lack of consistent enforcement of environmental regulation
- How to be inclusive when so few cultural groups in our region
- Shortage of providers and healthcare providers in small towns
- Over competition of big box stores
- Gap/lack of civic leadership coming from younger generation
- Unwillingness of current leadership to change or mentor future leaders
- Communication techniques between generations
- Too many water parks (or similar amenities) that negatively affect resources of existing facilities
- Water quality
- Draw of big events and venues versus community-based activities

# Foundational Assets

## Strengths

- Access to major transportation routes (HWY 169, I-90, etc.) and expansion of major roads
- Great water resource for water appropriation permits
- Trail systems
- Most productive land in the world
- Looking for new opportunities - technology in agricultural systems

## Opportunities

- Show benefit of broadband availability and access - will pay back in the end
- Regional housing plan
- Sharing of costs for infrastructure/drainage water costs
- School systems to have high ratings and draw people
- Collaborating need for communities to work on affordable housing and transit
- Better utilize existing space - rather than building new
- For renewable energy - solar/wind
- Transit system with rural communities

## Weaknesses

- Lack of broadband availability, accessibility and affordability
- Lack of workforce housing
- Lack of life cycle housing (active senior and beyond)
- Better job at maintaining the streets
- Lack of planning for future infrastructure improvements in the present
- Broadband in rural areas - each local areas has to determine own broadband system - navigating, private providers, state/federal funding, ownership
- Water and sewer - old systems
- Historical building maintenance - balance of funding
- Communities having a plan to take them to the next level

## Threats

- Lack of community understanding how important broadband is
- Lack of workforce housing
- Lack of understanding of agricultural drainage systems
- Unwillingness of taxpayers to pay for future improvements of infrastructure
- Government mandates with no funding to help cities comply
- Lack of transparency for funding of affordable housing
- Right size of waste water treatment facility - rural water systems
- Public perception of agriculture systems

## Appendix III: Action Plan

Specific dollar amounts are not attached to each goal or strategy item. The scope of the of this plan is five years with staff time as the anticipated greatest cost. Region Nine Development Commission plans to partner with other organizations and explore grant and cost sharing opportunities to reduce duplicated efforts and lower costs.

### Human Capital Action Plan

Strategy	Partners and Stakeholders	Timeline	Priority	Performance Measure / Evaluation
Enhance and capitalize on the quality of life amenities to retain talent in the region.	RNDC, cities, counties, local chambers of commerce, local economic developers, DEED, SMIF, U of M Extension, SCWC, SBDC, DEED Workforce Center	Long term	2.88	Increase in labor force, increase in population and increase in the average wage in the region.
Increase opportunities for encore careers and returning graduates to return to the regional workforce.	Area employers, SCWC, DEED Workforce Center	Long term	2.71	Increase in the labor force and an increase in the average wage.
Partner with universities, technical colleges, workforce councils, local economic developers, business development centers, workforce centers and employers to promote incumbent worker upskilling to increase mentorships and potentially elevate wages and knowledge across the region.	Universities, technical colleges, SCWC, local economic developers, SBDC, DEED Workforce Center, area employers	Long term	2.71	Increase in average wage across the region.
Connect and promote and potentially incentivize businesses to create great places to work.	RNDC, DEED, Federal EDA, SMIF, S.C.O.R.E., USDA Rural Development	Short term	2.59	The number of businesses who are designated as great places to work in the region.
Promote a quality, flexible and trained workforce to area businesses.	DEED Workforce Centers, SCWC, RNDC, area chambers of commerce	Short term / Long term	2.53	Increase in labor force and an increase in new businesses or business expansion in the region.
Greater collaboration and coordination of programs amongst higher education institutions and major regional employers.	Higher education institutions, regional employers, RNDC	Short term	2.41	Increased number of students in career and technical education programs that are linked to regional in-demand jobs.
Support and connect communities that have the highest concentration of minority populations to inclusion opportunities (e.g. Gaylord, Madelia, Mankato/North Mankato MSA and St. James). These communities will have the opportunity to access these specific talent pools and market the community as a place of high inclusion.	RNDC, Blandin Foundation, SMIF, SBDC, DEED Workforce Centers, SCWC, cities, counties, Diversity Council, LEDC, YWCA	Short term	2.35	Increase in population, increase in new or expanding businesses and increase in labor force participation.
Retain the 76.6% of workers that presently live and/or work in RNDC and commute to RNDC for work and capture the nearly 30,000 jobs that the region is exporting to other areas of the state.	RNDC, cities, counties, local chambers of commerce, local economic developers, DEED, SMIF, SCWC, SBDC, DEED Workforce Center	Long term	2.35	Increase the percentage of workers above 76.6% that presently live and work in the region and decrease the number of jobs from 30,000 that the region is exporting to other areas of the state.
Increase the awareness among students, parents and educators about the educational requirements for future employment opportunities specific to the region.	RNDC, school districts, career counselors, local chamber of commerce, cities, counties, higher education institutions	Long term	2.35	Increased number of students in career and technical education programs that are linked to regional in-demand jobs.

Increase and offer the availability of cultural competency education throughout the region.	RNDC, Blandin Foundation, cities, counties, chambers of commerce, YWCA, Bush Foundation, SMIF	Short term	2.18	Increase the number of cultural competency resources and educational opportunities in the region.
Increase the median wage across all occupations in south central Minnesota from \$16.39 per hour closer to the state median wage of \$18.88 per hour by focusing on high wage and high employment occupations	RNDC, cities, counties, local chambers of commerce, local economic developers, DEED, SMIF, SCWC, SBDC, DEED Workforce Center, local employers	Long term	2.06	Increase in the median wage closer to \$18.88 per hour.
Offer and promote incentives, upskilling, job training and fast track education opportunities.	Area employers, education institutions, DEED Workforce Center, Workforce Council, local employers, manufacturers, R&D, Med/Tech Connect, higher education institutions,	Long term	2.06	Number of workers trained, placed or otherwise impacted by workforce sector education opportunities or initiatives.
Partner with area employers and workforce partners to create, evaluate and publish a list of great workplaces in the region.	Area employers, chambers of commerce, SBDC, SCWC, RNDC	Short term	1.88	The number of businesses who participate, the amount of community and business support of the great places to work list.
Pursue additional funding to secure additional school and career counselors.	RNDC, school districts, MN Department of Education, DEED, higher education institutions	Long term	1.71	Increase the number of school and career counselors in the region.

## Economic Competitiveness Action Plan

Strategy	Partners and Stakeholders	Timeline	Priority	Performance Measure / Evaluation
Encourage partnership between local public and private sectors for incentives and programs for area businesses, such as tax increment financing, tax abatement, or DEED's Business Development Public Infrastructure program to attract entrepreneurs to the region and align the recruited entrepreneurs with the local employment needs.	RNDC, DEED, SMIF, DEED, Federal EDA, Workforce Center, SCWC	Long term	2.53	Increased number of business formations or expansions in the region and an increase in jobs created or retained.
Directly connect our higher education institutions, including Minnesota State University, Mankato, South Central College, Bethany Lutheran College, Rasmussen College, Gustavus Adolphus College and Martin Luther College and Martin Luther College directly to major employers for potential research and development collaborations.	RNDC, MSU-M, South Central College, Bethany Lutheran College, Rasmussen College, Gustavus Adolphus College and Martin Luther College, area employers, SCWC, DEED Workforce Center	Short term	2.53	Increased number of students in career and technical education programs that are linked to regional in-demand jobs.
Partner with Small Business Development Center, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation and Southern Minnesota Initiative Foundation to help them expand and funnel their resources into the most rural areas in south central Minnesota.	RNDC, Small Business Development Center, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation and Southern Minnesota Initiative Foundation	Long term	2.47	Increased services to rural SMEs and increase in the number of rural business formations or expansions.
Partner and support legislation, utilizing statewide support, to expand the Small Business Development Centers, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation and Southern Minnesota Initiative Foundation's capacity to build out their network and increase resources for rural SMEs.	RNDC, Small Business Development Center, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation and Southern Minnesota Initiative Foundation	Long term	2.47	Increased services to rural SMEs and increase in the number of rural business formations or expansions.
Develop and promote a regional marketing strategy with a clear and concise message to attract potential new residents by leveraging regional resources, such as the University of Minnesota Extension, Southern Minnesota Initiative Foundation, RNDC and other regional partners.	University of Minnesota Extension, SMIF, RNDC, area chambers of commerce, DEED	Long term	2.47	Strengthened regional partnerships, number of investments in marketing and recruitment, number of new residents in the region.
Increase and diversify access to capital to boost innovation and entrepreneurship.	RNDC, SMIF, area financial institutions	Short term	2.41	Increased diversification of jobs in the region and an increase in SME business lending by local community development financial institutions

Incentivize local employers with the research and development tax credit to encourage and increase research and development in the region.	DEED, AURI, universities and colleges, major employers	Long term	2.35	Increased number of research and development tax credits received in the region.
Continue to grow and support businesses with global connections through internet trade.	RNDC, Small Business Development Center, South Central MN S.C.O.R.E., Regional Center for Entrepreneurial Facilitation, SMIF	Long term	2.24	Increase in the number of internet based businesses in the region.
Create networks of incubator, co-working, proof of concept, maker spaces, innovation centers and tech centers in the region and connecting to regional partners for education, training and STEM programming to spur innovation throughout the region.	DEED, RNDC, Federal EDA, SMIF	Long term	2.18	Increased number of business formations or expansions in the region.
Progress research and development projects into marketable technology production that will ultimately increase STEM industries that will spur economic development throughout the region.	DEED, AURI	Long term	2.12	Increase diversification of jobs in the region.
Explore incentives and expand renewable energy development.	RNDC Renewable Energy Task Force, MN Clean Energy Research Teams, AURI, Seven Mile Creek Watershed Project, Gustavus Adolphus Johnson Center for Environmental Innovation, DEED	Short term	2.12	Increase the number of renewable energy investments and installations across the region.

## Community Resources Action Plan

Strategy	Partners and Stakeholders	Timeline	Priority	Performance Measure / Evaluation
Promote and highlight local businesses and their locally produced products.	RNDC, cities, counties, local chambers of commerce, area community groups, farmers markets, craft markets, local events, festivals	Short Term	2.59	Increase in the gross sales of local businesses and the development of a portal/hub that contains the region's made local products
Protect valuable natural resources and outdoor heritage through education, preservation and conservation efforts.	MN DNR, Minnesota Board of Water and Soil Resources, cities, counties, area environmental groups	Ongoing	2.59	An increase in educational events and outreach efforts related to the conservation of natural resources, an increase in use of state parks in the region
Build upon the strong foundation of community participation and support found in local communities.	RNDC, cities, counties, chambers of commerce, local community volunteer groups	Ongoing	2.47	Increased public participation and volunteers in local communities
Promote agricultural based tourism and pursue potential for tourism development surrounding the agriculture sector and local foods.	RNDC, Farmamerica, local chambers of commerce, GreenSeam	Long Term	2.41	Increase in tourism and an increase in gross sales of local foods related businesses
Enforce Federal Clean Water Act standards that presume a water body should sustain healthy aquatic life, recreation and additional uses, such as drinking water, industry and agricultural uses.	MPCA, counties, cities, townships, lake associations, Minnesota Board of Water and Soil Resources	Ongoing	2.38	Increase in water quality in the region
Support and promote regional water quality plans, projects and initiatives.	MPCA, counties, cities, townships, lake associations, Minnesota Board of Water and Soil Resources, RNDC	Ongoing	2.38	Development of a regional water quality plan and an increase in outreach and awareness of the importance of water quality
Support local community leadership programs and networking groups.	RNDC, cities, counties, Blandin Foundation, Bush Foundation, local chambers of commerce, school districts	Ongoing	2.35	Increase in number of participants
Increase mentorship opportunities for younger generations to assume future community leadership positions.	Counties, cities, area employers, school districts, SCWC	Short Term	2.35	Increase in youth participation in community activities
Develop, implement and consistently enforce land use policies that balance economic competitiveness and resilience with human well-being and natural amenities preservation.	MN DNR, Minnesota Board of Water and Soil Resources, cities, counties	Ongoing	2.35	An increase in planned and orderly development in communities

Reuse vacant storefronts, warehouses, etc. to host new and emerging artists, galleries and experimental spaces.	RNDC, cities, counties, economic development practitioners, chambers of commerce, cultural centers, Prairie Lakes Regional Arts Council, Twin Rivers Council for the Arts	Long Term	2.29	Decrease in the number of vacant storefronts, warehouses and an increase in galleries and experimental spaces in the region
Promote intergovernmental cooperation and partnerships related to water quality plans, projects and initiatives.	MPCA, counties, cities, townships, lake associations, Minnesota Board of Water and Soil Resources, RNDC	Ongoing	2.25	Increase in the number of organizations supporting, championing and participating in water quality planning, projects and initiatives
Promote nature-based tourism and pursue potential for development of new hospitality and nature access ventures.	Greater Minnesota Regional Parks and Trails Commission, RNDC, Explore Minnesota, MN DNR, local chambers of commerce	Long Term	2.24	Increase in tourism and increase in promotion of the region's natural resources
Capitalize on current tourism destinations and future development of new destinations.	RNDC, cities, counties, local chambers of commerce, area community groups	Short Term	2.18	Increase in the number of attendees to area tourist destinations
Actively engage the public in natural resource planning to achieve greater community awareness and support of reducing overall carbon footprints.	MN DNR, Minnesota Board of Water and Soil Resources, Minnesota Pollution Control Agency, cities, counties, RNDC Renewable Energy Task Force	Ongoing	2.18	An increase in educational events and outreach efforts related to the conservation of natural resources, an increase in use of state parks in the region
Promote compact and infill development of cities and urban areas that include mixed commercial and mixed residential zoning to reduce the number of vehicles traveled and reduce costs associated with heating and cooling, saving communities and businesses on land-use expenses.	Counties, cities	Ongoing	2.13	Decrease in the number of available vacant lots in communities
Enhance soil and water management by increasing conservation practices, retaining top soil and agriculture productivity during extreme rain, drought and freezing events.	MPCA, counties, cities, townships, lake associations, Minnesota Board of Water and Soil Resources	Long Term	2.13	Increase in agricultural productivity in the region
Increase coordinated regional promotion of all cultural and arts related events for greater reach and community support of these sectors.	RNDC, chambers of commerce, cultural centers, Prairie Lakes Regional Arts Council, Twin Rivers Council for the Arts	Short Term	2.06	Increase participation and awareness of cultural and arts related events in the area

Implement arts and culture-based placemaking to improve downtowns and public spaces.	RNDC, cities, counties, economic development practitioners, chambers of commerce, cultural centers, Prairie Lakes Regional Arts Council, Twin Rivers Council for the Arts	Long Term	2.06	Increase in communities interested and pursuing community placemaking and branding
Utilize social media and innovative civic engagement techniques to draw perspectives from youth, web users and people from long distances away to increase engagement and input.	RNDC, Minnesota Association of Government Communications, chambers of commerce, local economic development and planning practitioners	Short Term	2	Increase in online presence and interactions, evaluate social media metrics to monitor audience demographics
Work with local chambers of commerce and businesses to create downtown festivals and fairs in communities where downtowns benefits from an influx of pedestrians and customers.	Local chambers of commerce, Explore Minnesota, cities, counties, area businesses	Long Term	2	Increase in the number of communities that host downtown festivals and fairs and an increase in downtown businesses' gross sales
Create and promote "unique niches" through placemaking, comprehensive planning or capital improvement planning to map out a community brand and vision in scalable increments for the next three, five and ten years in the future.	RNDC, cities, counties, local chambers of commerce, SHPO, MN Main Street, MN Design Team, MPCA	Long Term	2	An increase of community branding and outreach and an increase in tourism in these communities
Increase the capacity of commuter bus lines, land-to-air buses, taxi services and ridesharing to expand south central's tourism from the Minneapolis-St. Paul International Airport. The connections could link to state parks, historical destinations and downtowns – e.g. Mankato, Henderson, New Ulm as well as lakes and regional parks and trails.	RNDC, transit services, taxi services, ridesharing, Land to Air Express, MnDOT, potential regional transit coordination council, local chambers of commerce	Long Term	1.94	Increase in tourists/travelers visiting state parks and increase in downtown businesses' gross sales
Retrofit and convert energy inefficient building's waste into Combined Heat and Power (CHP) buildings to deliver hot water, heat and electric generation uses.	Minnesota Clean Energy Resource Teams, area businesses, RNDC Renewable Energy Task Force	Ongoing	1.94	An increase in the number of CHP buildings in the region
Partner with area universities, technical colleges and school districts to promote art programs, art walks and art-related events and courses in rural communities.	RNDC, universities, technical colleges, school districts, art councils, Children's Museum of Southern Minnesota, Prairie Lakes Regional Arts Council, Twin Rivers Council for the Arts	Short Term	1.76	Increase in the number of art programs, art walks and art related events in the region
Organize both amateur and professional athletics to draw people to park systems or town centers.	Local chambers of commerce, school districts	Short Term	1.71	Increase in park and town center usage/reservations

Capitalize on commuters heading to Rochester's Destination Medical Center and the Twin Cities by expanding access to businesses and promoting tourist destinations along major transportation routes, e.g. U.S. Highway 169 and Interstate 90.	RNDC, area businesses, local chambers of commerce, cities, counties	Long Term	1.65	Increase in the number of businesses utilizing the major transportation routes and increase in the gross sales of businesses along the routes
Increase voter turnout in all nine counties to 67.5% so that each county ranks in the top ten voter turnout of all counties across the state.	Counties, cities, area employers, local chambers of commerce, local community volunteer group	Long Term	1.59	Increase voter turnout above 67.5% in each of the nine counties.
Apply and receive designation as an Artspace community.	Artspace, artists, cities, counties, local economic developers and planners	Long Term	1.53	Increase in the number of Artspace communities
Establish a grant or a Revolving Loan Fund opportunity for arts centered commerce.	RNDC, SMIF, Prairie Lakes Regional Arts Council, Twin Rivers Council for the Arts, USDA Rural Development	Long Term	1.53	Increase in funding and financing opportunities for arts related businesses
Create a traveling art showcase that promotes art education and area artists that work in the field, including theater arts, photography and digital art.	RNDC, universities, technical colleges, school districts, art councils, Children's Museum of Southern Minnesota , 410 Project	Long Term	1.41	Creation of the traveling art showcase and the number of communities that are engaged

## Foundational Assets Action Plan

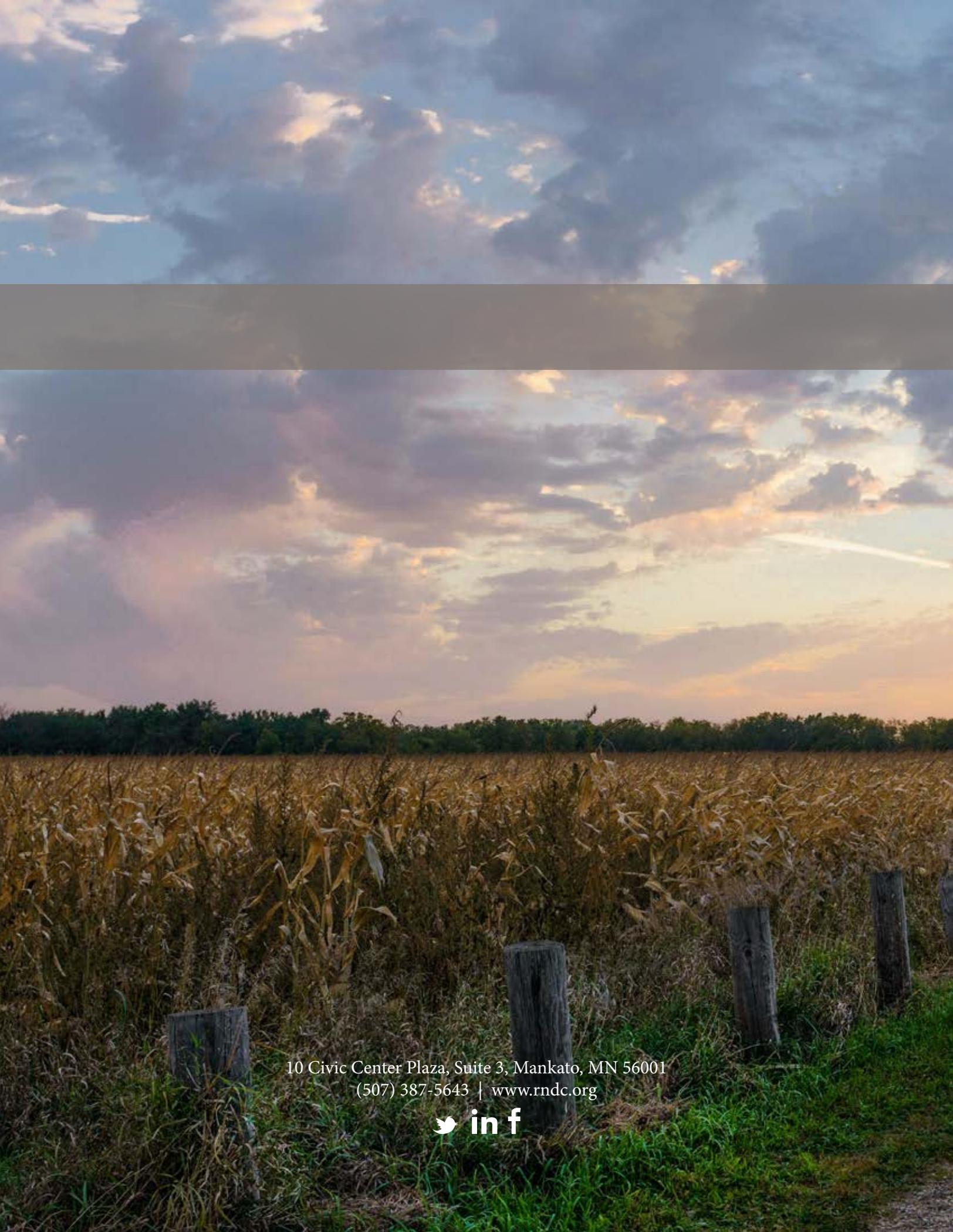
Strategy	Partners and Stakeholders	Timeline	Priority	Performance Measure / Evaluation
Increase the development of workforce housing.	RNDC, cities, counties, area employers, Minnesota Housing Finance Agency, Minnesota Housing Partnership, SCWC	Ongoing	2.65	Increase of workforce housing available
Encourage state and local units of government to support and pursue options that increase the availability of transportation funding.	RNDC, counties, cities, local legislators, MnDOT	Long Term	2.59	Increase in local transportation funding
Leverage federal program dollars, CAF II, and ARRA to meet national speed goals of 10/1 as Phase I to implement high-speed internet access across the nine counties, and provide scalable infrastructure that can provide speeds in excess of 1:1 gig symmetrical speeds.	RNDC, Blandin Foundation, DEED Office of Broadband Development, counties, cities and area providers	Long Term	2.56	Increase the number of projects funded by the federal CAF II and ARRA programs in the region
Develop appropriate water-wastewater infrastructure to support existing and new business and housing developments.	MPCA, counties, cities, RNDC	Long Term	2.53	Decrease the number of communities on MPCA's PPL
Create and leverage public and private partnerships, establish co-operatives, and work with all wireline providers in the region to improve access to high-speed internet.	RNDC, Blandin Foundation, DEED Office of Broadband Development and co-operatives	Long Term	2.47	Increase in the number of communities that meet the Minnesota speed goals of 25 Mbps download/3 Mbps upload.
Maintain and/or promote major transportation routes that connect regional economic hubs to stimulate economic development.	RNDC, local counties, cities, MnDOT	Short Term	2.47	Increase in high capacity average annual daily traffic on major transportation routes, improve the ride smooth index in the area
Provide more coordinated housing planning for communities on a local and regional scale.	RNDC, counties, cities, Minnesota Housing Partnership	Ongoing	2.47	Increase the number of housing plans in the region
Work with all communities within the region, to ensure that plans are in place to meet the MN Governor's Broadband Task Force 2016 recommended speed goals (25Mbps download/3 Mbps upload statewide by 2022; 100/20 by 2026).	RNDC, Blandin Foundation, DEED Office of Broadband Development, counties, cities and wireline providers	Long Term	2.35	Increase the number of communities that meet the MN Governor's Broadband Task Force speed goals (25Mbps download/3 Mbps upload by 2022).
Participate in regional highway corridor coalitions.	RNDC, counties, cities	Ongoing	2.35	Increase in local transportation funding
Partner with MnDOT to help identify potential freight enhancement projects that have good potential for a positive return on investment.	RNDC, MnDOT, DEED, local chambers of commerce	Ongoing	2.35	Increase in projects award Transportation Economic Development funds

Develop plans with local partners and help connect them with funding sources that will develop, expand and maintain active transportation networks.	MnDOT, MNDNR and Greater Minnesota Regional Parks and Trails Commission, cities, counties	Ongoing	2.35	Increase the number of local plans connecting communities to active transportation funds, e.g. active living plans, ADA transition plans, safe routes to school plans, trails plans
Collect and share best management practices around housing projects, policies and financing.	RNDC, Minnesota Housing Finance Agency, Minnesota Housing Partnership	Short Term / Ongoing	2.35	Increase the number of opportunities where communities and practitioners can share best practices
Encourage development of transitional and life-cycle housing in rural communities.	RNDC, cities, counties, Minnesota Housing Partnership, SCWC	Short Term/ Ongoing	2.35	Increase the development of transitional and life cycle housing in the region
Identify important freight routes which serve a supplementary role to the Minnesota trunk highway system to promote the safe and efficient movement of goods.	RNDC, cities, counties local economic developers, major employers, DEED, Minnesota Department of Transportation	Long Term	2.29	Reduce the amount of problematic bridges throughout the region
Facilitate and educate local communities with best practices that illustrate funding options to update outdated and undersized systems.	MPCA, counties, cities, RNDC, League of Minnesota Cities, Association of Minnesota Counties	Ongoing	2.29	Increase in funding requests and the number of projects implemented
Work with local legislators and the State Office of Broadband Development to provide support for more funding to be apportioned to the state to implement broadband infrastructure and planning in rural Minnesota.	RNDC, counties, cities, local legislators, DEED Office of Broadband Development	Long Term	2.24	Increase in the amount of broadband funding to the state and to the region
Promote the benefits of high-speed internet in rural Minnesota, show Return on Investment and gather public input and/or conduct a community broadband feasibility study.	RNDC, counties, cities, chambers of commerce, DEED Office of Broadband Development	Short Term	2.18	The amount of attendees and support from the community and the number of broadband feasibility studies completed
Partner with representatives of the Governor's Broadband Task Force to help reinforce the recommendations made to the State and ensure that the challenges of businesses, residents, and community anchor institutions across RNDC are well represented.	RNDC, Blandin Foundation, DEED Office of Broadband Development	Short Term	2.12	Number of informative communications with the representatives of the Governor's Broadband Task Force
Work with the counties of: Blue Earth, Brown, Faribault, Le Sueur, Nicollet, Sibley, Waseca, and Watonwan and the Blandin Foundation to ensure that each of the nine counties in RNDC become members in the Blandin Broadband Cohort.	RNDC, Blandin Foundation, Blue Earth, Brown, Faribault, Le Sueur, Nicollet, Sibley, Waseca and Watonwan counties	Short Term	2.06	Blue Earth, Brown, Faribault, Le Sueur, Nicollet, Sibley, Waseca and Watonwan become members of the Blandin Broadband Cohort

Promote the availability and benefits of trail systems to increase awareness and support for increased active living in Region Nine communities.	SHIP, local chambers of commerce, school districts	Ongoing	2.06	Increase the number of linear miles related to sidewalks, bike lanes and trails. Assess traffic as data becomes available
Coordinate transit providers across the region to assist in efficiently connecting people to jobs and services.	RNDC, MnDOT, counties, potential regional transit coordination council	Long Term	2.06	Assess customer and provider needs
Continue partnering with the Statewide Health Improvement Partnership to promote active living in communities.	RNDC, SHIP	Ongoing	2	Continue to partner in planning initiatives and involvement with their community leadership teams
Work with Office of Broadband Development and providers to help update the Connect Minnesota service maps in the nine counties in RNDC include all providers' data and ensure that the maps are as accurate as possible.	RNDC, counties, cities, DEED Office of Broadband Development and area providers	Short Term	1.94	Updated Connect Minnesota services map for the region
Evaluate funding and service options to meet mobility and access needs of individuals.	RNDC, MnDOT, counties, potential regional transit coordination council	Short Term	1.88	Assess customer and provider needs
Closely align policy decisions and funding availability with the supply and demand of transit services in the region.	RNDC, MnDOT, counties, potential regional transit coordination council	Ongoing	1.88	Assess customer and provider needs

## Partners and Stakeholders Acronyms

DEED - Minnesota Department of Employment and Economic Development  
 EDI - Economic Development Administration  
 LEDC - Latino Economic Development Center  
 MN DNR - Minnesota Department of Natural Resources  
 MnDOT - Minnesota Department of Transportation  
 MPCA - Minnesota Pollution Control Agency  
 MSU-M - Minnesota State University, Mankato  
 RNDC - Region Nine Development Commission  
 SBDC - Small Business Development Center  
 SCWC - South Central Workforce Council  
 SHIP - Statewide Health Improvement Partnership  
 SHPO - State Historic Preservation Office  
 SMIF - Southern Minnesota Initiative Foundation  
 U of M - University of Minnesota



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