

ANNUAL REPORT



9
Counties

32
School
Districts

72
Cities

147
Townships

As we enter into a new fiscal year, Region Nine Development Commission (RNDC) continues to thrive. MedTech Connect, a South Central Minnesota Agriculture Resiliency Plan, and an Economic Development Resiliency Plan in addition to a Marketing and Communications Strategy and Comprehensive Plan for the City of Madelia were only some of the projects that RNDC completed in the past fiscal year. Although these were multi-year initiatives, several other projects were executed throughout the year including a feasibility study for the Saint Peter American Legion and Social Media Breakfast events held in New Ulm and Mankato. Within this Fiscal Year 2019 Annual Report, you will find numerous examples of how our team partners with diverse individuals and institutions to deliver consistent and sustainable progress.

In addition to winning our fifth consecutive Innovation Award from the National Association of Development Organizations (NADO), I was selected as Ambassador to the Americas Competitiveness Exchange on Innovation and Entrepreneurship (ACE), a two year appointment, and represented the region in the Transatlantic Cluster Initiative in Germany. RNDC is dedicated to improving the lives of all residents throughout our nine-county region, and continuously seeking out new projects, programs, and partnerships. Thank you for a fantastic Fiscal Year 2019, and I look forward to what Fiscal Year 2020 brings.

Sincerely,



Nicole Griensewic Mickelson
Executive Director



It is an honor to serve as the chair for RNDC as the impact of the organization's work can be witnessed in all corners of the region. From small studies to major development plans to the annual bus tour, RNDC continues to champion South Central Minnesota. RNDC has worked on projects as diverse as medical device manufacturing, agriculture, and welcoming communities. This annual report showcases a few unique projects that were completed this past fiscal year.

The continued success of these projects and programs are due to the diligence of the RNDC staff to continually support and anticipate the needs of the communities of South Central Minnesota.

Sincerely,



Steve Rohlfsing
Chair

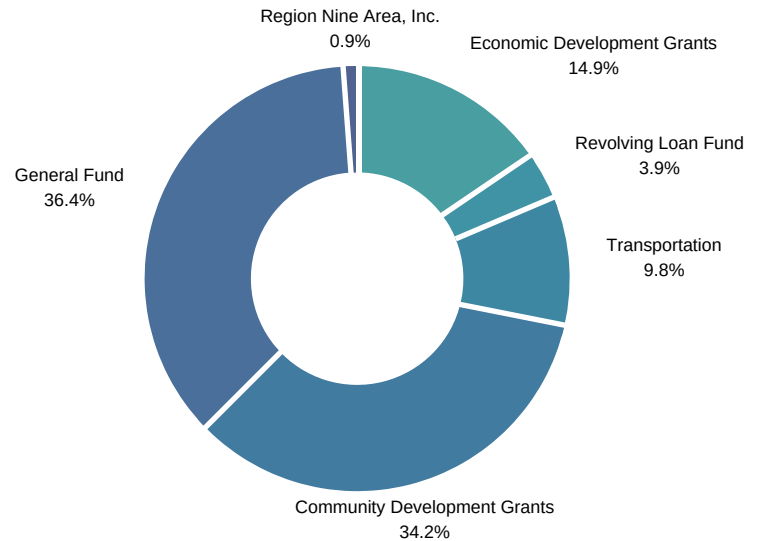
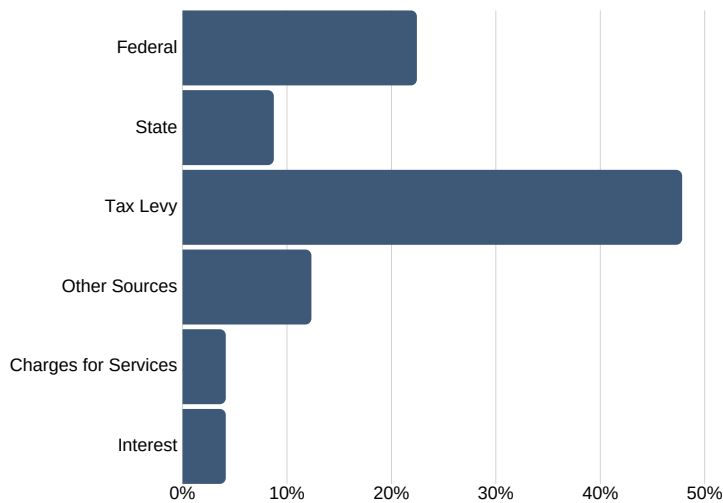


FINANCE REPORT

ACTUAL FY19 REVENUES

TOTAL REVENUES

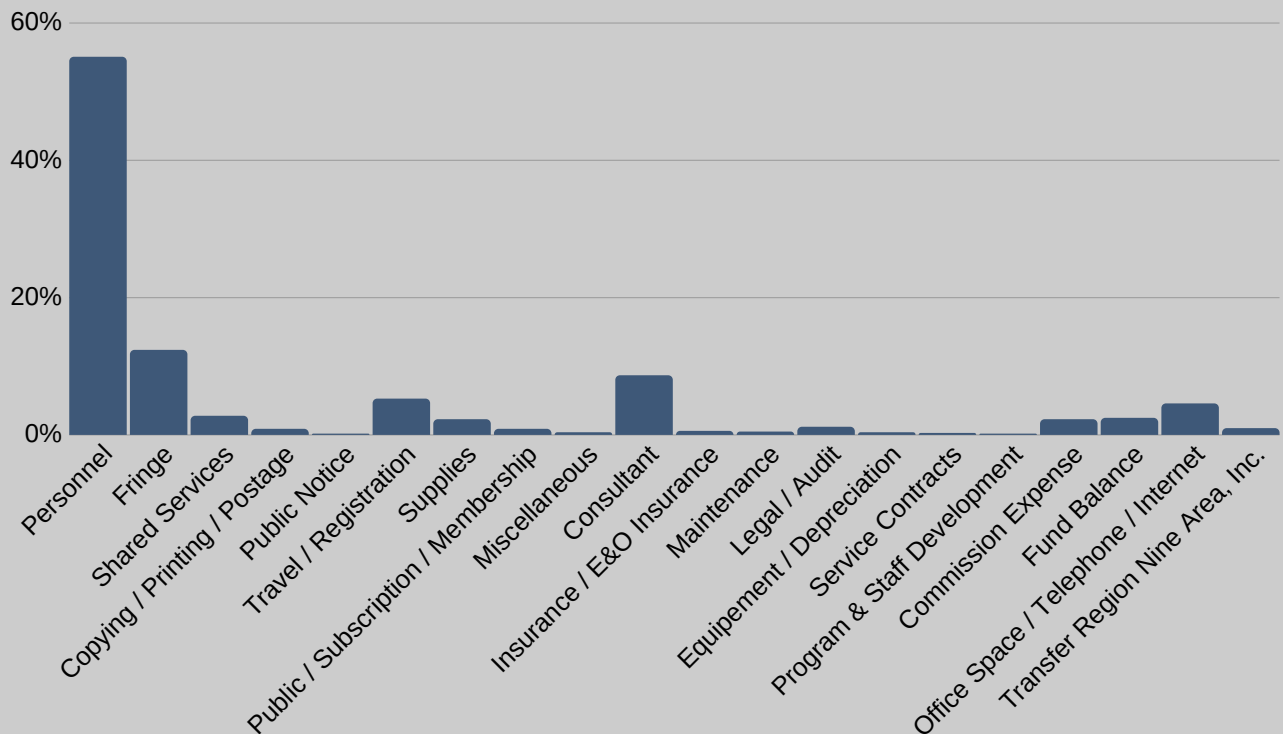
\$1,131,531



ACTUAL FY19 EXPENDITURES

TOTAL EXPENDITURES

\$1,131,531



REVOLVING LOAN FUND

RNDC administers a Revolving Loan Fund to assist existing businesses, as well as new entrepreneurs, in securing financing they are otherwise unable to secure through traditional channels. The primary goal of the program is to create new jobs, or retain existing jobs, in the region. RNDC welcomes partnering with other lenders to assist local businesses to succeed and thrive.

Who is eligible?

- Any for-profit business in RNDC's service area
- Must have been refused by a bank for at least a portion of the requested loan amount

What can funds be used for?

- Working capital
- Real estate
- Machinery and equipment costs
- Inventory
- Building and/or leasehold improvements
- Retail, service, and manufacturing costs

RNDC has helped more than

226
businesses



"I'm proud to say that without Region 9; we would not be where we are today. 10 years later, Vanderberg Clean is fulfilling a great need in the community helping and affecting thousands of people," shared owner, and loan recipient, Josh Vanderberg.

SUCCESS STORY

JR's Barn

JR's Barn is a success story not only for the business itself but for the collaboration that RNDC seeks in our Revolving Loan Fund program.

As part of the JR's Barn loan, the Small Business Development Center provided business counseling and financial projections, Roundbank of Waldorf provided the majority of the funding needed, and the Southern Minnesota Initiative Foundation (SMIF) and RNDC partnered to provide the remaining gap financing. This collaboration was highlighted in the form of a panel at the annual Entrepreneurial Bridge event in Austin, Minnesota.

Owned by Renae and Joel Groskreutz, JR's Barn has been undergoing renovations, not only in the barn, but the surrounding yard as well since 2017. JR's Barn now offers a beautiful and functional setting for weddings, family gatherings, proms, school reunions, and other events.



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SEVENTH ANNUAL BUS TOUR

On Wednesday, June 19, RNDC held its seventh annual regional bus tour. The day began with a legislative panel featuring area legislators, Sen. Julie Rosen, Sen. Nick Frentz, Rep. John Petersburg, Rep. Jeremy Munson, Rep. Jeff Brand, and Rep. Todd Lippert, who shared their successes and disappointments about this last year's session.

The tour then traveled to Saint Peter where participants heard from area panelists about initiatives designed to create a more welcoming community. From there, the tour went to European Roasterie in Le Center where participants heard from owner, Timothy Tulloch, on his business and the coffee industry. The tour then headed back to Mankato and visited Midwest Hemp Farms CBD Centers and learned about CBD oil, hemp, and how the industry is growing in Minnesota. The final stop in Mankato, and of the tour, was to Medieval Metalwerx, a Revolving Loan Fund Client, where we learned about their operations and how the loan from RNDC helped grow their business.

Throughout the day participants learned about RNDC projects and partnerships.



LOCAL FOODS

FEAST! SMART START

Strong food economies are dependent upon successful entrepreneurs. Therefore, RNDC partnered with SMIF and their Feast! Smart Start program to assist local food entrepreneurs start-ups and expand small scale farms, production and processing facilities, restaurants, and food markets. This opportunity was aimed at building resources for creating a sustainable and resilient food economy for South Central Minnesota. Entrepreneurs participated in a seven-month program that included peer networking and targeted workshops based on specific needs.

As a result, participants have been able to build a network of relationships that will support and assist them in their endeavors. Two of the businesses have formed a partnership with a local restaurant which buys products to use within their restaurant as well as for farm-to-table events. In addition to building relationships, participants were also able to expand their operations. One participant was able to move into a larger storefront and increased sales. Another was able to move into production and sales. Overall, 75 percent of participants increased sales and reached new markets during this program.

SOUTH CENTRAL MINNESOTA GROWERS NETWORK

RNDC has continued to support the South Central Minnesota Growers Network with monthly educational meetings at the Wooden Spoon in downtown Mankato. A growing group of entrepreneurs with diverse products and interests come together to share experiences, best practices, and to learn from one another. RNDC provides speakers based on the group's interests and needs as the network has continued to expand. In continuation of the Feast! Smart Start program, the South Central Minnesota's Growers Network will partner with Minnesota State University, Mankato (MNSU) to continue to meet and assess education programming for their new Agribusiness Program.



SOUTH CENTRAL MINNESOTA AGRICULTURE RESILIENCY PLAN

The South Central Minnesota Agriculture Resiliency Plan was the result of a partnership between RND, the Minnesota Department of Agriculture (MDA), South Central College (SCC), MNSU, and other stakeholders based on regional planning initiatives to increase the resiliency of agriculturally based communities across South Central Minnesota. The plan identified recommendations on how farm resilience could be enhanced within the region based on surveys, focus groups, and data analysis of current and historic conditions.

Components of the plan were presented and discussed with the public through a series of open houses, The Agriculture Resiliency Series, that took place throughout the region during January and February of 2019.

Funding for this plan was awarded to RND by the Federal Economic Development Administration.

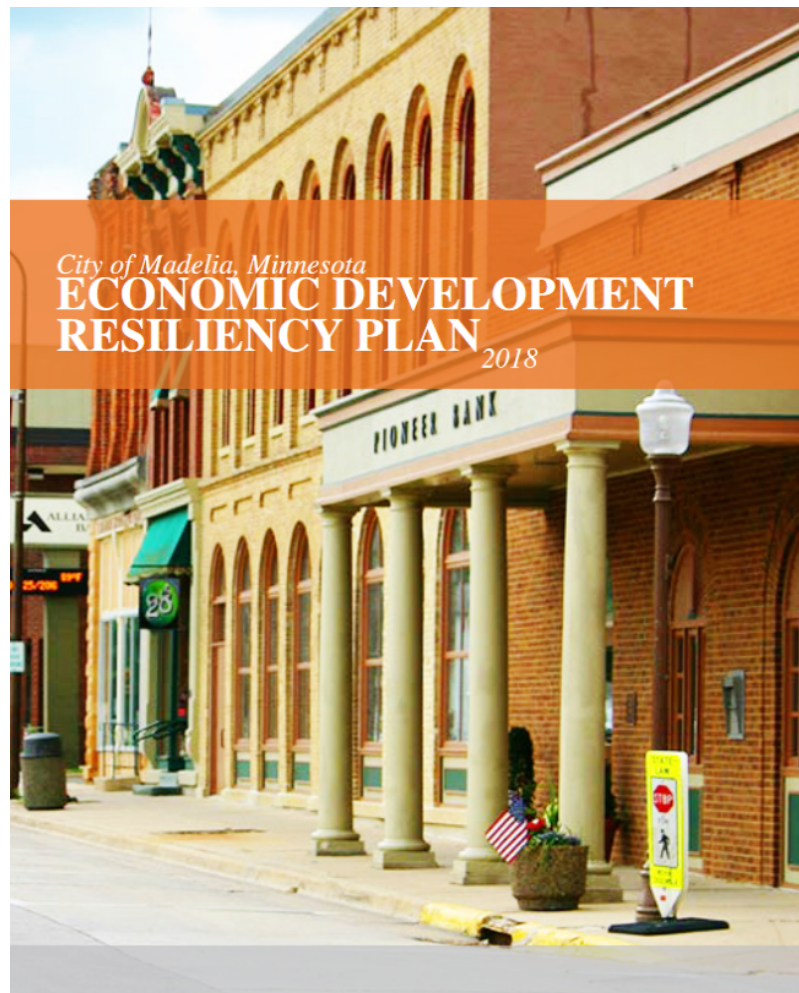
South Central Minnesota Agriculture Resiliency Plan



MADELIA ECONOMIC DEVELOPMENT RESILIENCY PLAN & MARKETING AND COMMUNICATIONS STRATEGY

The Madelia Economic Development Resiliency Plan was the result of a joint effort with the Madelia community and other partners to create a resilient city that favors creativity and innovation as it moves forward into the future. The plan was adopted by the City of Madelia in the fall of 2018. The plan was based on multiple elements of stakeholder engagements such as surveys, community dialogs with residents, city staff, and secondary data analysis.

This plan was designed to illustrate the community's strengths, weaknesses, opportunities, and threats as well as how each could be addressed to remain a thriving and welcoming city. The process included the definition of the vision, the design of the mission to accomplish it, and, in accordance with the city values, a three-part document that included the Comprehensive Plan of the City of Madelia, the Madelia Economic Development Resiliency Plan, and the Marketing and Communications Strategy.



INVESTING IN MANUFACTURING COMMUNITIES PARTNERSHIP: MEDTECH CONNECT

RNDC completed its three-year study of the regional medical device manufacturing supply chain in October 2018. The study took inventory of all medical device manufacturing in Region Nine and analyzed its competitiveness with the global supply chains. Findings of this project demonstrated that industries such as plastics, electronics, packaging, design, engineering, and laboratory services thrive in South Central Minnesota and are integral parts of the larger supply chain. RNDC found that opportunities for regional organizations to scale and generate jobs within this sector of the economy are plentiful, but that a cooperative approach to workforce coordination and resource procurement and sales is needed.

A public event was held on October 10, 2018 and was a huge success in terms of bringing together invested parties to discuss the work that has been done, and more importantly, to share ideas on how to move forward as a region. Boston Scientific's Chief Operating Officer for Global Supply Chains spoke to a packed audience of elected officials, RNDC's commissioners, manufacturing representatives, workforce leaders, health-care administrators, area legislators, and others involved in economic development work in the region, with local media covering the event.

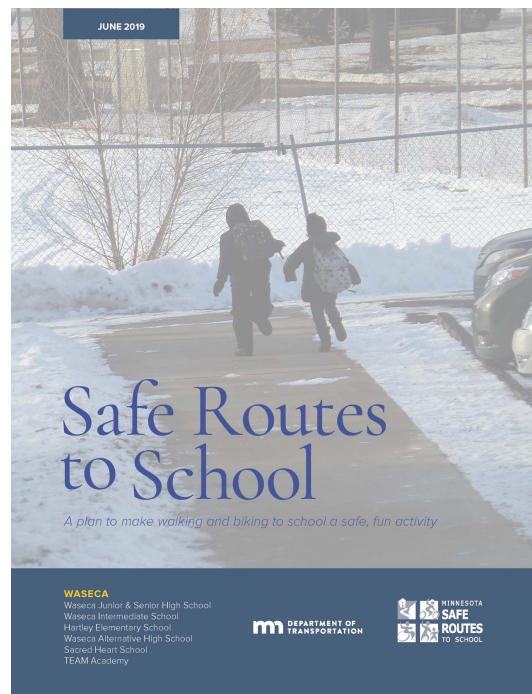


TRANSPORTATION

SAFE ROUTES TO SCHOOL

Safe Routes to School (SRTS) helps children walk and bike to school more often through infrastructure improvements, education, and promotional activities. SRTS is more than just a program, it is a comprehensive strategy to instill life-long habits that support physical activity and health. Walking and biking to school helps families stay active and healthy, and kids arrive focused and ready to learn.

RNDC completed two SRTS plans in June 2019 for the cities of Waseca and St. Clair. The goals for the plans were to help children in these two communities remain active in safe environments as they make their way to and from school and create healthier communities for generations to come.



FEASIBILITY STUDIES

RNDC offers expertise in conducting feasibility studies, comprehensive planning, strategic economic development planning, and organizational strategic planning to a number of entities within Region Nine. Most recently, the Saint Peter American Legion partnered with RNDC this past year following a major gift that the Saint Peter American Legion received. The purpose of this study was to evaluate the current location, potential redevelopment of property gifted, and provide recommendations based on the findings of the feasibility study.

"Region Nine's Feasibility Study for the Saint Peter American Legion provided each member of the Legion family the opportunity to draw their own conclusions and resulted in an almost unanimous vote in favor of the sale and what steps to take next. I couldn't have hoped for a more unified decision," shared Commander David Arpin.



INTERNATIONAL PARTNERSHIPS

RNDC has prioritized partnering with local industry in order to leverage competitive advantages that exist in the region with global markets, whether that be food processing, agricultural products, or general manufacturing. As the designated Regional Development Organization in South Central Minnesota, RNDC has responded to the federal Economic Development Administration priority of boosting exports and manufacturing while also connecting with state-level entities such as the Minnesota Trade Office and the Minnesota Department of Agriculture to support regional exports.



RNDC was represented on the Americas Competitiveness Exchange on Innovation and Entrepreneurship (ACE) this spring when delegates from the Americas and Europe visited Puerto Rico. ACE brings decision-makers together from across the Western Hemisphere to explore global and regional partnerships, and economic development opportunities. Executive Director Nicole Griensewic Mickelson is serving as an ambassador, a two year appointment, for the program.



Transatlantic
Cluster Initiative

As Region Nine represents an innovative and robust food producing region with extensive global importance, RNDC was invited to participate in the Transatlantic Cluster Initiative in Germany in May 2019 to represent regional growers, manufacturers, and other industrial partners in an effort to develop trade opportunities for local businesses in the future.



RNDC COMMISSIONERS

BLUE EARTH COUNTY

Brad Ahrenstorff
Mike Laven
Vance Stuehrenberg
Lyle Femrite

BROWN COUNTY

Scott Windschitl
Gary Richter
Robert Goblirsch
Charles Schmitz

FARIBAULT COUNTY

Tom Loveall
Steve Holmseth
Terri Douglas

LE SUEUR COUNTY

Richard Peterson
Steve Rohlfing
Chuck Nickolay

MARTIN COUNTY

Elliot Belgard
Ruth Cyphers
Phil Schafer
Jeff Ross

NICOLLET COUNTY

Marie Dranttel
Pam Rodewald
Jim Whitlock
Chuck Zieman
Terry Genelin

SIBLEY COUNTY

Doug Munsch
Jim Swanson
John Pioske

WASECA COUNTY

Roy Srp
Blair Nelson
Laurel Remund

WATONWAN COUNTY

Ray Gustafson
Gary Sturm
Steven Cooling

PUBLIC INTEREST GROUPS

Jim Grabowska
Chris Dalton
Mike Pfeil
Chera Sevcik
Ayan Omar
Olivia Lippert
Sesamae Glackler-Riquelme

Striving to promote the development of the region through intergovernmental cooperation, community and human development, long-range planning, and technical assistance.

RNDC STAFF



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Executive Director



Peter Bode
Executive Assistant



Corree Stamschror
Communications Specialist



Linda Wallace
Senior Financial Accountant
Revolving Loan Fund Assistant



Lu Vanderwerf
Finance Director
Revolving Loan Fund Coordinator



Jessica O'Brien
Community Engagement
Manager



Shawn Schloesser
Community & Business
Development Specialist



Sam Smith
Economic Development Planner



Kristian Braekkan
Senior Regional Planner



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