Commission Meeting

Wednesday, October 8, 2025 6:00 p.m.

South Central Service Cooperative 2075 Lookout Dr, North Mankato, MN 56003

Members may participate in person or via Microsoft Teams

COMMISSION MEETING
October 8, 2025 | SCSC
Dinner and Networking at 5:00 p.m. | Meeting at 6:00 p.m.

AGENDA

		Time	Page	Action
1.	**Call to Order** - *Chair Laven*	6:00		
2.	**Approval of Agenda**		2	Action
3.	**Pledge of Allegiance**			
4.	**Roll Call** - *Secretary Branstad*			
5.	**Approval of Consent Agenda**	6:05	3	Action
	A. Approval of June 18, 2025, Minutes			
	B. Financials			
	C. Paid Family Leave			
	D. Per Diem Deadline			
	E. Resolution 2025-04: FY26 Revised Meeting Date – June 17, 2026			
	F. CARES Act RLF Lending Plan			
6.	**Aachen, Germany Delegation Presentation** – *RNDC Commissioners Boettger, Bochert, Nowell, Schlueter, Trapero*	6:10		
7.	**Rural Energy Academy (REA)** - *Dave Senjem, Olmsted County*	6:45		
8.	**Brownfields 2025 Presentation** – *Shannon Martin (MPCA) and Kristin Prososki (KSU TAB)*	6:55	41	
9.	**Chair's Report** - *Chair Laven*	7:10		
	A. Youth Commissioner - College Age			
10.	**Finance Director's Report** – *Stephanie Hilpipre*	7:20	43	
11.	**Executive Director's Report** - *Nicole Griensewic*	7:30		
	A. NADO Updates			
	B. MADO Updates			
12.	**Other Business**	7:45		
	A. Commissioner Updates			
	B. Meeting Evaluation		Handout	
13.	**Adjournment**	8:00		Action

Members may participate either in person or via Microsoft Teams, provided they can be both seen and heard.

REGION NINE DEVELOPMENT COMMISSION

COMMISSION MEETING
UNAPPROVED Meeting Minutes
June 18, 2025

1. CALL TO ORDER

Chair Laven called the meeting to order at 6:00 p.m. at South Central Service Cooperative.

2. APPROVAL OF AGENDA

Wilkening moved to approve the agenda. Rabbe seconded. Motion carried.

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL

MEMBERS PRESENT: Jean Anderson, Jeff Annis, Sarah Berry, Andrea Boettger, Dave Borchert, Jim Branstad, Steve Cooling, Marie Dranttel, Robert Goblirsch, Paul Harris, Hunter Jordan, James Kotewa, Lynda Kruse, Mike Laven, Christian Lilienthal, Tom Loveall, Mary Milbrath, Bob Nielsen, Shanon Nowell, Patty O'Connor, Matt Peterson (Virtual), Mike Pfeil, Billeye Rabbe, Rita Rassbach (Virtual), Gary Richter, Pam Rodewald, Phil Schafer, Scott Schlueter, Julie Tesch, Luisa Trapero, Rob Wilkening

MEMBERS ABSENT: Chris Dalton, Katelyn Kratz, Brad Krause

MEMBERS EXCUSED: Elroy Glidden, Dawn Kratzke, Liz Krocak, Steve Rohlfing

OTHERS PRESENT: Alejandra Bejarano, Jessica Beyer, Joel Hanif, Stephanie Hilpipre, Kristian Braekkan, Mark Plotz, Nathan George, Nicole Griensewic, Sarah Janovsky, Sabri Fair, Samuel Sharp, Tom Polich, Lisa Callahan, Joe McKinney (NADO)

There was a quorum.

5. APPROVAL OF NEW COMMISSIONERS

Jeff Annis (Blue Earth County - Cities under 10k), Hunter Jordan (Special Interest – High School Age Youth), and Luisa Trapero (Special Interest – Minority Populations) introduced themselves to the Commission.

O'Connor moved to approve the new commission members. Harris seconded. Motion carried.

6. INTRODUCTION OF NEW STAFF MEMBERS

Stephanie Hilpipre (Finance Director) and Tom Polich (Regional Food Rescue Coordinator) introduced themselves to the Commission as new RNDC staff members.

7. APPROVAL OF CONSENT AGENDA

Nowell moved to approve the consent agenda. Schlueter seconded. Motion carried.

8. CHAIR'S REPORT

FY26 Meeting Dates - Resolution 2025-03

Cooling moved to approve the Meeting Dates for FY26. Rabbe seconded. Motion carried.

Clarification was provided regarding officer elections, as there was some confusion during previous Board and Budget & Personnel meetings. Per the bylaws, electing officers is not required during tonight's meeting.

Commissioners were asked to review the Commissioner's Code of Conduct.

Branstad moved to approve the Commissioner's Code of Conduct. Goblirsch seconded. Motion carried.

Commissioners were requested to sign the code of conduct, with all signatures to be collected prior to the adjournment of tonight's meeting.

9. EXECUTIVE DIRECTOR'S REPORT

Nicole Griensewic, serving as NADO Treasurer and Chair of the NADO Audit Committee, presented the audit report at the recent NADO Summer Board Meeting. She emphasized the benefits of collaborating with peers across the country, exchanging insights, posing questions, and gaining fresh perspectives from various viewpoints.

Nathan George gave the full commission an overview of the bus tour stops from earlier today. A full review will be in the next RNDC e-newsletter.

10. NATIONAL ASSOCIATION OF DEVELOPMENT ORGANIZATIONS (NADO) UPDATE AND OVERVIEW PRESENTATION

The presentation, delivered by Joe McKinney, Executive Director of the National Association of Development Organizations (NADO), provided a high-level overview of the federal budget process and its implications for regional development organizations. McKinney emphasized the distinction between the President's proposed budget and Congress's actual authority to allocate funding. While the President can outline administrative priorities through the budget, it is ultimately Congress, holding the constitutional "power of the purse," that determines final appropriations. Despite required timelines, McKinney noted that regular orders have not been followed in decades, with the last full budget passed under the regular process in 1998. Instead, the government continues to rely on continuing resolutions, which lock in funding at prior-year levels and often fail to reflect evolving local or regional priorities.

McKinney also stressed the importance of proactive engagement by local and regional leaders in influencing federal decision-making. Congressional staff and committee members increasingly depend on local testimony to understand the practical impact of federal programs. NADO has facilitated such involvement by coordinating testimony and feedback from its members. Key federal issues currently in play include the long-overdue reauthorization of the Community Development Block Grant (CDBG) and HOME programs, ongoing efforts to reform FEMA, the next Farm Bill, and Brownfields legislation. While the legislative outlook remains complex and uncertain, NADO is closely monitoring these developments and advocating on behalf of its membership.

Highlighting the value of NADO's leadership network, McKinney pointed to Nicole's role on the executive committee—one of only six officers nationally—as an example of how direct relationships with federal officials and agency heads can amplify regional voices in Washington. McKinney emphasized that such roles foster lasting connections with decision-makers, including Assistant Secretaries and congressional committee staff. Concluding the presentation, McKinney reaffirmed NADO's commitment to serving as the eyes and ears in D.C. for regional organizations, identifying funding opportunities, and helping local governments bring federal resources back to their communities.

11. REGION NINE ECONOMIC DEVELOPMENT AREAS OF WORK

Kristian Braekkan, RNDC Economic Development Director, detailed ongoing economic development activities across the region, noting active projects in at least seven of the nine counties. RNDC continues to support communities by providing draft grant applications and assisting with federal EDA funding opportunities, specifically EDA's Disaster Notice of Funding Opportunity (NOFO). Also, Comprehensive Economic Development Strategy (CEDS) updates due by January 2027.

He emphasized the importance of community input for the CEDS process, as EDA priorities—such as critical infrastructure, workforce development, innovation, economic resilience, and manufacturing—guide grant eligibility and funding decisions. The recent disaster supplemental NOFO uniquely links economic development with disaster recovery, broadening eligibility and underscoring resilience efforts and the entire region is eligible.

Braekkan highlighted RNDC's flexible and thorough support for economic impact studies, citing recent projects for a mountain bike trail adventure park in Blue Earth County and a proposed expansion of the Children's Museum of Southern Minnesota in Mankato, both leveraging EDA funds. Ongoing collaborations include cluster studies with the University of Minnesota's Transportation Policy and Economic Competitiveness (TPEC) program and housing studies, including a recent Springfield project delivered at no cost to the community through a strategic collaboration with the Southern Minnesota Initiative Foundation (SMIF), supported by U.S. Economic Development Administration (EDA) funding.

Lastly, RNDC continues to convene regional stakeholders through workforce summits and childcare initiatives, led by Alejandra, to address critical workforce development needs.

12. PUBLIC HEARING OF FY26 BUDGET

Jessica Beyer updated the Commission on the budget process. She highlighted Region Nine's diversified funding sources, including the property tax levy, federal grants, state partnerships (such as MnDOT and the University of Minnesota), and private foundations. She emphasized that RNDC supports local governments, nonprofits, and public entities. Jessica noted that last fiscal year, levy dollars were leveraged to double financial investments in the region's communities.

Stephanie Hilpipre, Finance Director, presented on budget transparency and fiscal management. She reported that current funds were invested in the Minnesota Association of Governments (MAGIC) money market fund, yielding 4.32%, providing solid returns without requiring active management. Hilpipre explained the general fund reserve policy targets approximately 80% of the total levy, equating to about $592,000 for the coming year. A 3% levy increase—the statutory maximum—was proposed, resulting in an additional $21,581 distributed across nine counties; she clarified this does not directly translate to a 3% increase in property taxes.

Regarding staffing, Hilpipre stated current levels would be maintained with no new hires planned. The budget reflects reductions in consulting contracts and emphasizes leveraging internship programs to optimize resources.

She noted CARES Act funding is fully expended, increasing reliance on levy dollars to match federal and state grants that provide further regional economic development work.

Last fiscal year's revenues exceeded projections by 27%, enabling expanded staffing and services, though expenditure increased proportionally. The proposed budget for the current year maintains a similar overall size but reflects lower expenses due to the reduced ability to utilize consultancy services. A net shortfall of approximately $354,000 is anticipated, described as typical and expected to be offset by securing additional grants and contracts. A 3% cost-of-living adjustment for staff was approved, generating modest savings while supporting personnel. Hilpipre summarized that the budget seeks to balance fiscal responsibility with effective regional service.

Chair Laven opened the Public Hearing of the RNDC Fiscal Year 26 Budget at 7:31p.m.

A. Approval of FY26 Operating Budget

<u>Dranttel motioned to approve the FY26 Operating Budget. Schlueter seconded. Motion carried.</u>

B. Approval of FY26 Preliminary Levy

<u>Dranttel motioned to approve the FY26 Levy. Borchert seconded. Motion carried. Loveall and Schafer opposed.</u>

C. Call to Close the Public Hearing at 7:55 p.m.

<u>Wilkening motioned to close the public hearing. Milbrath seconded. Motion carried.</u>

13. RURAL RESILIENCE: EXISTING EFFORTS & REGIONAL OPPORTUNITIES

Samuel Sharp, RNDC Energy and Sustainability Planner, and Lisa Callahan, Green Corp Member, shared updates on various resilience initiatives supported by grants, such as the Energy Efficiency and Conservation Block Grant (EECBG) and local climate action grants from the Minnesota Pollution Control Agency (MPCA). Key efforts include the ongoing *Fairmont Energy and Environmental Resilience Plan*, created with input from local officials and stakeholders to position the city for future funding and implementation. A community survey is currently being conducted to gather feedback on concerns such as extreme weather, energy use, water quality, and quality-of-life initiatives. The plan is expected to be completed by October.

Energy audits funded by EECBG have been completed for multiple public buildings in St. James to help plan future energy efficiency upgrades, with additional funding available for similar projects in communities under 15,000 residents.

Two MPCA-funded projects were highlighted: energy efficiency improvements at the Children's Museum of Southern Minnesota and energy upgrades targeting low-income households in New Ulm's disadvantaged census tract, in partnership with local utilities and service organizations.

Sharp also mentioned an unsuccessful LCCMR funding proposal but noted ongoing collaboration with consultants to pursue future opportunities.

Looking ahead, RNDC is exploring a regional "Return on Environment" (ROE) concept to assign economic value to ecosystem services such as water quality, flood mitigation, and regenerative agriculture. Building on previous community-level projects, this initiative aims to scale efforts regionally through a flood resilience needs assessment across three watershed-based economic clusters in Region Nine. These clusters are aligned with existing watershed plans, including the Minnesota and Watonwan River basins. The project seeks to integrate nature-based infrastructure with traditional strategies to reduce long-term costs and risks for rural communities. RNDC plans to develop a decision-support tool that quantifies local ecosystem benefits and identifies funding opportunities, such as the upcoming BWSR water storage grant and USDA conservation programs.

14. OTHER BUSINESS

15. ADJOURNMENT

Milbrath moved to adjourn. Wilkening seconded. Motion carried.

The meeting was adjourned at 8:06 p.m.

REGION NINE
DEVELOPMENT COMMISSION
Your regional partner for progress.
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507.387.5643

FINANCIAL STATEMENT

To: RNDC Commissioners
From: Stephanie Hipipre, Finance Director
Date: September 24, 2025
Re: Financial Statement – Full Commission Meeting, October 8, 2025

At this time, I am unable to certify a complete balance sheet or full statement of accounts for presentation at the Full Commission meeting on October 8, 2025. I am currently in the process of verifying and reconciling each line item on the Balance Sheet generated by our accounting system (GMS) to ensure accuracy.

During this review, I have identified some issues that require resolution. While a full financial statement is pending, I am providing below a disclosure of cash balances held in RNDC's bank accounts as of September 24, 2025, to offer visibility into our current liquidity position.

Region Nine Development Commission

R9 MAGIC Account:	$716,041.00
Wells Fargo Payroll:	$161,929.40
Principal Check:	$286,081.36
Total Cash:	**$1,164,051.76**

I have identified an issue where the Revolving Loan Fund (RLF) ACH loan payments have been deposited into the R9 MAGIC account instead of their respective RLF accounts. This has been the case since the MAGIC accounts were set up in January of 2024. Movement of these funds into the correct accounts has not been processed for at least a year. I'm currently working to reconcile and resolve this issue. So far, I estimate there is about $264,030.18 in our R9 MAGIC account that is money owed to the revolving loan funds.

Furthermore, approximately $700,000 of the funds currently in our R9 MAGIC account is money paid in advance and owed as pass-through funds to external projects and initiatives such as McKnight Foundation, Food Recovery, Convivencia Hispana, Resource Rural, and Community Energy Innovation Prize.

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Taking both the RLF misallocation and the pass-through commitments into account, approximately $960,000 of the current cash balance is committed as liabilities.

Legacy Revolving Loan Fund

MAGIC Account:	$1,743,548.13
Outstanding Principal:	$1,383,317.07

CARES Act Revolving Loan Fund

MAGIC Account:	$83,558.70
Outstanding Principal:	$778,675.21

Region Nine Area Inc.*

*Pass through funds held for other entities

Wells Fargo Checking:	$172,724.56
Wells Fargo Savings:	$3,119.45

Memo

To: RNDC Commissioners

From: Stephanie Hilpipre, Finance Director and Jessica Beyer, Deputy Director

Date: September 22, 2025

Re: Minnesota Paid Family Leave

Information regarding Paid Family Leave was recently brought before the Budget and Personnel Committee for their review and recommendations to the full Commission.

Below is an outline of handbook and policy decisions related to Paid Family Leave compliance, as communicated to us via email by our legal counsel, Julia Corbett of Blethen Behrens Law Firm.

Final policy language will be shared ahead of and at the October 8, 2025 Commission meeting for approval which includes the following components:

1. Minnesota Paid Leave (MPL)
    a. RNDC will use the State MPL program
    b. The employee will pay .44 of the premium and RNDC will pay the remainder.
    c. The Paid Leave Administrators (PLA) will be the Finance Director (primary) and Deputy Director (backup).
    d. Employees will need to provide the organization written notice of their intent to apply for MPL and there will be a form for that purpose available from the PLA's.

e. If employees use MPL for intermittent leave, they will be limited to using it in that manner for 480 hours per benefit year subject to organizational discretion to allow additional intermittent use, and if intermittent leave is taken, it must be taken in 4-hour increments (half day or full day)
f. If employees choose to use their other paid leave during an MPL leave, those benefits will be deemed “supplemental benefits”

2. FMLA change
    a. Language will be added that the 12-month FMLA year will be 12 months looking forward to match MPL.
        - This technically isn’t a change, as RNDC doesn’t have a year currently in the policy because, based on RNDC’s employee count, no employee is currently eligible for FMLA. A recommendation is to make the leave years consistent, so that in the event RNDC ever grew to a point that an employee was FMLA eligible, it would be easier to run the years concurrently.

3. ESST changes – Legislative changes from the 2024 session went into effect 7/1/25, so we will adjust both the annual leave and ESST policies for legislative changes.
    a. RNDC can ask for documentation to support the absence after more than 2 consecutive absences. (it used to be more than 3).
    b. We will strengthen the call-in policy and make clear it needs to be followed when someone is requesting an absence.

4. Break Law changes – These were passed out of the 2024 session, with an effective date of 1/1/25. We will make sure your policies are edited accordingly:
    a. Employees are allowed a 15-minute paid rest/restroom break for every 4 hours worked.
    b. Employees working more than 6 consecutive hours are allowed a 30 minute unpaid meal break.

Memo

To: RNDC Commissioners

From: Mike Laven, Board Chair

Date: 09.25.25

Re: Submission Deadline for Commissioner Per Diem and Mileage Forms

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The Finance Department has identified ongoing challenges that affect both operational efficiency and the accuracy of our accounting records. One key issue is the delayed submission of Commissioner Per Diem and Mileage forms, which significantly increases the administrative workload due to the time required to process older requests.

To improve financial operations and ensure timely, accurate recordkeeping, we are proposing a **30-day submission deadline** for all Per Diem and Mileage forms following each meeting date.

Your cooperation in adhering to this deadline is essential to maintaining efficient financial management and supporting reliable accounting practices.

RESOLUTION
Region Nine Development Commission
2025 – 04

Resolution Establishing the Revised Meeting Dates of Region Nine Development Commission for Fiscal Year 2026

WHEREAS, The State of Minnesota established the Region Nine Development Commission to work with an 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, the Bylaws of the Region Nine Development Commission require that meeting dates of the Commission be set by resolution of the Commission.

NOW, THEREFORE, BE IT RESOLVED, that the Region Nine Development Commission establishes the following as meeting dates for fiscal year 2026.

Full Commission	**Board of Directors**
October 8, 2025	August 13, 2025
January 14, 2026	September 10, 2025
April 8, 2026	November 12, 2025
June 17, 2026	December 3, 2025
	February 11, 2026
	March 11, 2026
	May 13, 2026

BE IT FURTHER RESOLVED, that the meetings of the Commission shall be held at the principal office of the Commission in the City of Mankato, Blue Earth County, Minnesota and may establish other locations for meetings, as it may deem appropriate.

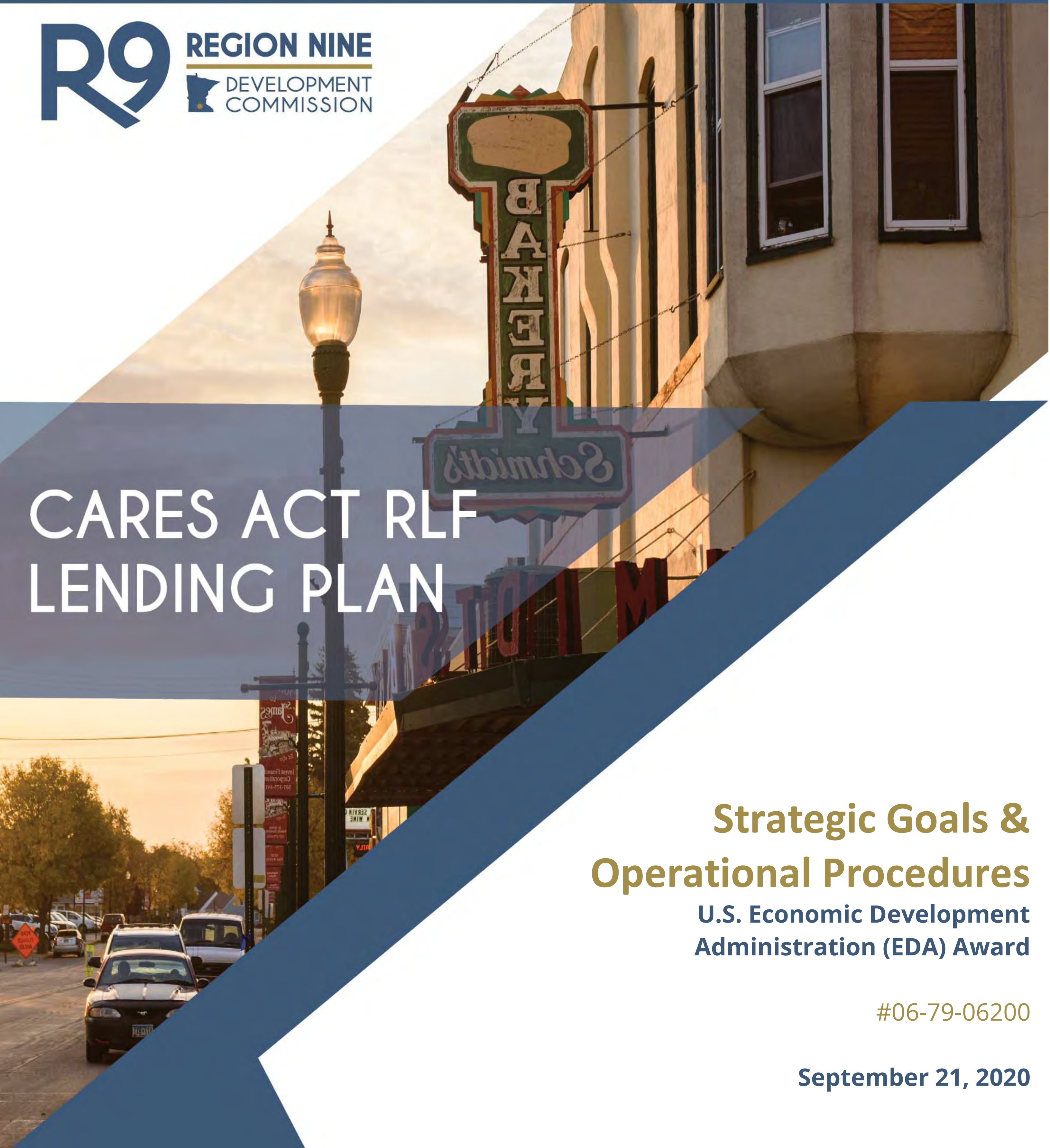
Dated this 8th day of October 2025

Signed:

Mike Laven, Chair

Jim Branstad, Secretary

REGION NINE
DEVELOPMENT COMMISSION



CARES ACT RLF LENDING PLAN

Strategic Goals & Operational Procedures

U.S. Economic Development Administration (EDA) Award

#06-79-06200

September 21, 2020

I. INTRODUCTION

Region Nine Development Commission (RNDC), located in south central Minnesota, administers the CARES Act Revolving Loan Fund (RLF) for the counties of Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca, and Watonwan. The nine counties of RNDC, 72 cities, and 147 townships.

II. REVOLVING LOAN FUND STRATEGY

The uses and goals of the CARES Revolving Loan Fund (RLF) are part of the broader business development strategy developed to support achievement of the SMART goals and strategies, which were established through the regional Comprehensive Economic Development Strategy (CEDS) process, specifically within the Economic Competitiveness cornerstone. The impacts and aftermath of the COVID-19 pandemic have magnified these needs while creating new gaps in unemployment and long-term business sustainability. The CEDS is the result of a locally based, regionally driven economic development planning process designed to enhance economic growth in the region. The CEDS builds capacity and serves as a guide to economic prosperity and resiliency.

Economic development planning, as implemented through the CEDS, is not only a cornerstone of the U.S. Economic Development Administration's (EDA) programs, but successfully serves to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration. The CEDS provides the capacity-building foundation by which the public sector, working in conjunction with other economic partners (individuals, firms, industries, financial institutions), creates an environment for regional economic prosperity.

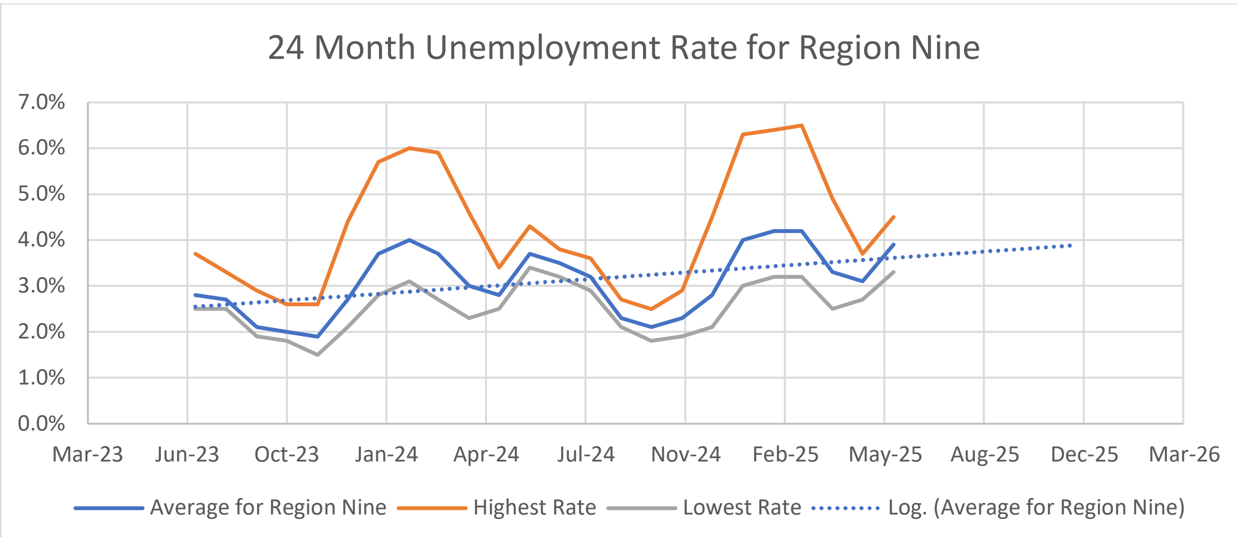
RNDC is the organization that maintains the region's CEDS and fulfills the requirements of being a federally designated Economic Development District (EDD). As a result, RNDC is the grant recipient of federal EDA funds used to capitalize the RLF. The RLF is a program of RNDC. The RLF committee consists of RNDC commissioners (local elected officials), local entrepreneurs, business leaders, and commercial lenders in the region. RLF administration and staffing are provided by RNDC.

The RNDC 2022-2026 CEDS was adopted by the Region Nine Development Commission on January 12, 2022, and reflects the current economic conditions in the region.

A. ECONOMIC ADJUSTMENT OVERVIEW

1. Nature and scale of the economic adjustment problem(s) and economic distress to be addressed by the RLF:

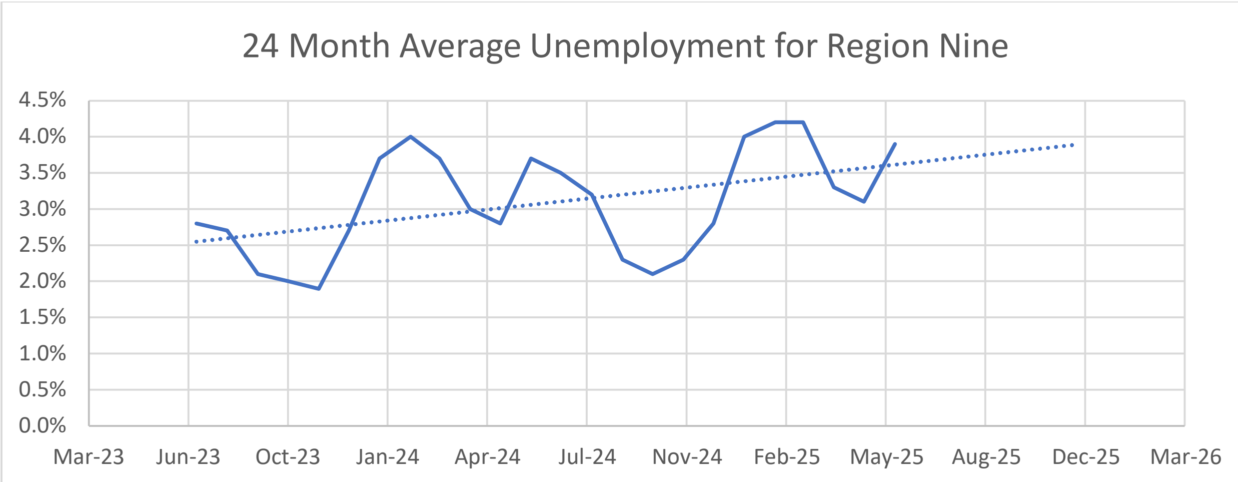
The CARES RLF will assist communities and industries that are experiencing the lingering effects of COVID-19 which includes uneven economic recovery by industry, inflationary pressure, and increasing interest rates. At minimum, the RLF will help slow a trend of growing unemployment in Region Nine, which at 3.9% (June 2025) is below the national average of 4.2% (July 2025). Optimal outcomes would show the RLF reversing this trend and helping unemployment remain on a downward trend.



[1]

The above graph depicts the average unemployment rate for the region, along with the highest and lowest unemployment rates. The trend line is a logarithmic six-month projection.

[1] The 24-month unemployment rate seems to follow a pattern of one large peak and valley per 12-month period, and one small peak and valley. The overall trendline appears to be moving upwards under both the logarithmic and linear projections. The CARES RLF will help to cushion the impact and shorten the duration of this trend.



The above graph depicts the average unemployment rate for the region. The trendline is a linear six-month projection.

The RLF will serve as a business development financing tool to help existing businesses remain solvent and meet their payroll obligations while simultaneously establishing new businesses, which will also help to reverse this trend. The RLF will assist both new and expanding businesses, with a focus on creating and/or retaining jobs. In the case of natural disaster, such as that of the COVID-19 pandemic and flooding, RLF funds can be used to mitigate damage to businesses in all industry sectors. In particular, the CARES Act RLF will expedite access to capital that might be more difficult to obtain through traditional commercial avenues.

2. **Issues identified in the CEDS that impact development in the region include, but are not limited to:**

Human capital, educational attainment, retention of talent, broadband access, transportation, childcare, population decline, and housing affordability. Most of Region Nine does not fall under traditional economic distress criteria; unemployment is lower than the national average for all counties, and seven of nine counties have per capita personal income of at least 80 percent of the national average. That said, there are worrying indicators of pending economic distress: as of June 2025, the most recent period for which unemployment data were available, three counties experienced their highest unemployment percentage in 24-months and three counties registered unemployment percentages in their upper quartile of the 24-month period. Businesses that depend on foreign trade for raw materials and finished goods are facing economic uncertainty which impacts cashflow, hiring, and purchasing.

3. The Region:

RNDC is designated by the U.S. Department of Commerce's 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, RNDC is responsible for the development and oversight of the regional CEDS. RNDC takes great pride in working with and on behalf of the counties within Region Nine and their cities, townships, and schools. 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.

4. Regional economy:

As of 2023, which is the most current data available with industry specific figures, there were 123,598 people employed in the region at 6,226 firms. Employment has decreased by approximately 285 people since 2016. (The period of analysis 2016-2023 picks up where the most recent RLF Plan left off.) The number of firms has decreased slightly, down from 6,361 in 2016. Overall, employment in the region has remained virtually unchanged, compared to an 8% growth nationally.

The largest growth in employment has been in the retail trade sector with 1,835 added workers since 2016, followed by professional, scientific, and management, and administrative and waste management services with 1,570 added workers, and public administration with 682 added workers. Educational services, health care and social assistance remains the largest sector with 33,180 workers. The manufacturing sector remains the second largest employer in the region, with 20,203 workers. The retail trade sector comes in third largest at 15,302 workers. The three largest sectors remain unchanged from 2016 though their share of the region's workers did increase slightly from 54.3% to 55.6%.

As already noted, unemployment has increased from 2016 to 2023. The greatest job losses occurred in the manufacturing sector with 1,222 jobs lost, and the information sector with 984 jobs lost. Compared to the national labor market, transportation and warehousing, and utilities had the largest job growth during the period 2016-2023 at 24.3%. This category was the fourth largest in growth in our region. Nationally, the largest gain in terms of absolute job creation was the professional, scientific, and management sector with 3.6 million. Nationally, the largest job loss by absolute numbers and percentage was wholesale trade with a 704k and 17.4% decline, respectively.

However, this represented a combination of gains in industries such as stone products, electronics, motors, generators and current-carrying wiring devices, offset by significant losses in animal slaughtering, wireless communication equipment, and commercial printing.

5. **Plans and strategies to deal with the economic adjustment problem(s) and economic distress in the CEDS:**

The Business Development Strategy and Financing Strategy contained in the RLF plan outline the scope of work to be followed to deal with economic adjustments in the region. The region is known for its natural amenities, lakes, and farmland. What is not commonly known is that there are unique and amazing partnerships that collaborate with talent, knowledge and skills toward common goals, identifying problems, promoting, and sharing business development within the nine-county region. The CEDS offers a regional strategy for increasing labor, expanding educational opportunities, broadening access to capital, and investing in value-added agricultural products as well as supportive services such as broadband infrastructure, transportation planning, water and wastewater infrastructure, and housing availability.

6. **How the RLF will be used to support economic adjustment activities identified in the CEDS:**

The RLF plan outlines goals, objectives, and processes for delivering business and loan assistance to the region. It provides a clear path and vision that will enable projects to be completed successfully. The CEDS identifies the areas targeted and the plan provides fiscal capabilities to invest in the region. By uniting with local and regional gap lenders and by leveraging resources of other partner agencies, projects of regional importance will be achieved, and efforts will not be duplicated, thus maximizing the return on investment for our region. The RLF is a key component of the regional strategy.

B. BUSINESS DEVELOPMENT STRATEGIES

RNDC developed a business development strategy for targeting RLF resources in pursuit of the economic adjustment goals and objectives identified in the CEDS. The business development strategy outlines how financial institutions, revolving loan funds, and other financing programs, as well as technical assistance, will be targeted to particular businesses or economic sectors. The strategy is based on knowledge of the staff at the RNDC, as well as through discussions with economic development professionals and organizations, lenders, business owners, community leaders, and elected officials. The strategy is not intended to limit investments in other businesses or activities that would further broaden the regional economy.

1. **Objectives:**

    a. Create or retain permanent employment

b. Encourage growth of the region's existing businesses and industries
c. Encourage the creation of jobs that build household wealth
d. Stimulate increased tax base
e. Leverage other public and private sector investment
f. Support new and emerging businesses and industries that add value to existing local businesses
g. Encourage entrepreneurship
h. Increase niche enterprise development in the region
i. Encourage the development of vacant land and the rehabilitation of dilapidated or vacant buildings
j. Develop a broad base of businesses and industries to insulate the region's economy from changing markets and business cycles
k. Assist in loan packaging and business planning

The region has an existing manufacturing cluster that the RLF will attempt to build on. Energy and value-added food industries are potential growth industries in which the RLF will also attempt to encourage growth. Supporting successors for retention purposes will be necessary. Commercial, retail, and nonprofit activities that provide an essential service or broaden the local economy will also be encouraged.

Furthermore, a primary objective of the RLF is to participate in projects which attract private capital and that build household wealth. It is not the intent of the RLF to replace private sector financing or merely refinance debt.

2. Targeted Sectors:

Although large industry exists within the region, many businesses in the region are small employers. It is realistic to expect this trend will continue. Targeted businesses can be either start-up or expansion, with no more weight given to either application for funding.

Following are the targeted sectors:

a. Manufacturing, including food processing
b. Childcare and primary caregiving
c. Value-added agriculture
d. Healthcare, including pharmaceuticals, medical devices, biotechnology, and healthcare services
e. Energy companies
f. Technology-based companies and ventures
g. Distribution businesses
h. Commercial, service, and essential retail

3. Sector Needs:

The RLF cannot fill the capital needs for all of the economic development projects in the region, as such, it is necessary to put a priority on applications that meets CEDS's objectives. The primary focus will be to achieve the RLF objectives and to advance the goals and strategies of the CEDS.

Therefore, the RLF will focus on the following sector needs:

a. Creating jobs for the unemployed
b. Financing ventures in places and for groups experiencing high un- and under-employment
c. Increasing income levels
d. Broadening the regional economy
e. Improving the tax base
f. Stimulating private investment
g. Advancing innovation
h. Working capital loans: Up to 50% of the RLF portfolio may finance working capital
i. Promoting economic self-sufficiency by providing the resources for building safe, healthy, and attractive communities as well as reducing unemployment.

4. Other programs and activities:

a. Leverage other resources: Staff will seek out additional sources of financing and coordinate with state, federal, local, and other financing programs
b. Mentors:
    i. RNDC has business relationships with several private and public sector organizations that support business development, retention, and expansion
    ii. Examples include: Small Business Development Center (SBDC), Southcentral Workforce Council, Minnesota Department of Employment and Economic Development, Southern Minnesota Initiative Foundation (SMIF), area colleges and university, and county and city economic development entities

C. FINANCING STRATEGY

The counties eligible to receive lending from the RNDC RLF must be within the Region Nine's statutory boundaries.

1. **Financing Needs:**

Access to sufficient financing remains a challenge for both existing businesses and new entrepreneurs in the region. Many local financial institutions, especially in rural areas, are small and have limited assets. With the region's strong agricultural base, these institutions have historically focused on agriculture lending, making business lending a relatively minor component of their portfolios. To qualify for assistance, borrowers must demonstrate a clear need for gap financing. The Revolving Loan Fund (RLF) serves as a gap financing tool designed to complement—not replace or compete with—existing local and private capital sources.

2. **Local Capital Market:**

Public financing plays a crucial role in business development in the region, especially due to the challenges associated with accessing private funding. Revolving Loan Fund (RLF) financing will be utilized to address financing gaps and will be available in situations where credit is otherwise inaccessible. The RLF will seek to collaborate with other public funding sources whenever possible to help bridge these financing gaps.

Other gap financing sources that may be accessible include, but are not limited to:

a. Public and Private funding sources
b. MN Department of Employment and Economic Development (public funding)
c. USDA Rural Development (federal funding)
d. County and City RLFs (public funding)
e. Prairieland EDC (SBA Lender)

3. **RLF Financing Niche:**

The RLF financing niche will be to provide gap financing to businesses that fulfil one or more objectives of the RLF's business development strategy.

To fulfil the RLF's goals and objectives stated herein, the RLF may take guidance from the following financing impact factors:

a. Market based: capitalize on the region's unique assets and strengths and build comparative advantages for future business investment
b. Proactive in nature and scope: support and advance innovation and increased productivity when possible. The RLF should attempt to enhance the region's success in achieving a high and rising standard of living
c. Looks beyond the immediate economic horizon, anticipates economic changes, and diversifies the local and regional economy:

i. The RLF investments should attempt to be part of an overarching, long-term regional strategy that includes expanding existing industry, and developing emerging industry, and creating conditions for sustained productivity
ii. This includes maximizing attraction of private sector investments that would not otherwise come to fruition absent RLF investment, focusing on projects with a high probability of success, and contributing to an environment where higher skill, higher wage jobs are created

D. FINANCING POLICIES

RLF loans may be made to qualifying businesses for fixed assets and inventory, real estate, and working capital. It is RNDC's RLF policy to weigh start-up and expansion funding requests on an equal basis. The only factor that limits the number of loans that can be made is the availability of funds.

The RLF committee shall take guidance from the following points in its implementation of the RLF:

1. **Eligible Lending Area:**

RNDC consists of Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca, and Watonwan counties.

2. **Allowable borrowers:**

For-profit businesses are eligible to apply. Businesses can be start-up, expansions, or those seeking to retain employees. However, preference is given to those sectors identified in the CEDS.

3. **Allowable lending activities:**

   a. Working capital
   b. Fixed assets and inventory

4. **Prohibited lending activities:**

RLF capital shall be used for the purpose of making RLF loans that are consistent with the RLF plan, or such other purposes approved by the Federal EDA. To ensure that RLF funds are used as intended, each loan agreement must state the purpose of each loan.

RLF capital shall not be used to:

a. Acquire an equity position in a private business
b. Subsidize interest payments on an existing RLF loan
c. Provide for borrowers' required equity contributions under other federal agencies' loan programs
d. Loan guarantees
e. Enable borrowers to acquire an interest in a business either through the purchase of stock or through the acquisition of assets, unless sufficient justification is provided in the loan documentation. Sufficient justification may include acquiring a business to save it from imminent closure, to acquire a business to facilitate a significant expansion, or increase in investment with a significant increase in jobs. The potential economic benefits must be clearly consistent with the strategic objectives of the RLF
f. Provide RLF loans to a borrower for the purpose of investing in interest-bearing accounts, certificates of deposit, or any investment unrelated to the RLF
g. Refinance existing debt

5. Loan Size:

The RLF will consider loans between $10,000 and $200,000. At no time shall a single loan be more than 20% of the portfolio's capital base.

6. Interest Rates:

The RLF may make loans to eligible borrowers at interest rates and under conditions determined by the RLF to be appropriate in achieving the goals of the RLF and which comply with EDA's federal regulations regarding interest rates. The minimum interest rate an RLF may charge is four percentage points below the lesser of the current money center prime interest rate quoted in the Wall Street Journal, or the maximum interest rate allowed under State law. In no event shall the interest rate be less than the lower of four percent or 75% of the prime interest rate listed in the Wall Street Journal. However, should the prime interest rate listed in the Wall Street Journal exceed 14%, the minimum RLF interest rate is not required to be raised above 10% if doing so compromises the ability of the RLF to implement its financing strategy.

Within the parameters outlined above, the RLF will operate with fixed interest rate schedules which shall be negotiated between the RLF committee and the borrower after taking into account interest rates prevailing in the local commercial market, the term of the loan request, collateral and the financial projections for the project. Interest rates will generally be below local financial institutions' rates, but no less than four percent.

7. **Repayment Terms:**

The term selected will take into consideration the value and depreciable life of the assets to be financed. The RLF committee has the discretion regarding terms and balloon payments. When a balloon payment comes due, the borrower shall pay the remaining principal and interest balance in full, or borrower may request the RLF committee to consider extension of the loan through the full amortization period. Prepayments are accepted at any time without penalty.

A general guide for repayment:

a. Fixed assets and inventory: 5-to-15 year term
b. Real estate: up to 25-year term
c. Working capital: 5-year term

8. **Fees:**

The borrower will pay to RNDC 1.5% of proceeds at closing. The borrower will also pay all closing fees, legal costs, filing fees, etc.

9. **Equity and Collateral:**

a. Equity: the strongest possible equity commitment from borrowers shall be determined by the RLF committee through an analysis of the borrower's net worth and financial condition. As a general guide, a minimum borrower equity contribution of 10% of the total project cost will be sought when possible. In-kind equity may be allowed to permit greater flexibility
b. Collateral: the RLF committee shall make no unsecured loans. The RLF may take a security interest in real estate, equipment, fixtures, accounts receivable and all other business assets. Equity may be in the form of a business asset that is not leveraged to provide greater flexibility. Personal guarantees, corporate guarantees, assignment of life insurance, assignment of leases and rents, subordinate positions to other financing, etc. may be required

10. **Moratoria:**

General policies for restructuring or modifying terms of the loan:

a. The RLF committee may extend the terms of the loan through a moratorium on principal payments up to six months, and upon review for another moratorium, upon borrower request, if circumstances warrant such actions

b. Terms may also be restructured with a loan-extension agreement approved by the RLF committee, if circumstances warrant such action
c. The borrower must provide personal and business information as requested by the RLF committee, of which this information will be used by the RLF committee to evaluate the need for a moratorium or extension on payments

11. Start-ups:

Loans for start-ups (new businesses), versus loans for retention or expansion of an established business, are weighted equally and the policies remain the same.

12. Working Capital:

Loans are limited to no more than 30% of the RLF portfolio.

13. Credit Not Otherwise Available:

The RLF cannot be used to substitute for otherwise available private capital. Any potential borrower must demonstrate that credit is not otherwise available.

E. PORTFOLIO STANDARDS AND TARGETS

1. Target Percentages:

No more than 30% of the total RLF will go towards working capital. Otherwise, there are no targeted percentages for RLF investments based on the categories of land use (industrial, commercial, service, etc.), business status (start-up, expansion, retention) or loan type (fixed asset loans vs. working capital loans). The loans awarded depend on the quality of the loan application and the degree to which they create or retain jobs within the targeted sectors.

2. Private Sector Leverage:

The portfolio as a whole will have a required ratio of two dollars in private sector investment for every one dollar of RLF dollars committed.

3. Job Cost Ratio:

A goal of one job created or retained per $30,000 in RLF loan proceeds, for the loan portfolio overall, when possible.

F. RLF LOAN SELECTION CRITERIA

All loans will be in compliance and will be consistent with the RLF Plan. Loans that capitalize on existing regional assets and sectors targeted in the CEDS will have preference. Loan applications that are a part of an existing industry cluster, support and advance innovation and/or increase productivity in a particular industry or emerging sector of the economy will also have preference. Loans will be vetted to ensure that the project leverages the maximum private investment. All loans should have the emphasis of creating and/or retaining higher skill, higher wage employment opportunities for workers.

G. PERFORMANCE ASSESSMENT PROCESS

Performance of the RLF will be assessed based on:

1. Number of jobs created and/or retained
2. Amount of private sector dollars leveraged
3. Cost per job

RNDC staff will prepare reports with the above information on an annual basis. The reports will be compiled based on information received from the loan clients as well as information obtained during the client visits.

The RLF committee will report to the RNDC Board of Directors as requested regarding progress of the RLF program. Information learned from performance assessments will be integrated into the RLF plan, as appropriate. The RLF plan will be reviewed annually, at a minimum, and will be updated at least every five years.

III. REVOLVING LOAN FUND OPERATIONAL PROCEDURES

This section serves as the internal operating manual and will inform staff of the approved set of administrative procedures for operating the RLF. All operating procedures will conform to the most current “Prudent Lending Practices”, as defined in 13 CFR 307.8. In administering the RLF, the RNDC adopted these procedures to comply with and ensure that potential borrowers comply with the applicable federal, state, and local laws and regulations including, but not limited to, 13 CFR Part 307.

A. ORGANIZATIONAL STRUCTURE

RNDC is the grant recipient and entity responsible for RLF funds

1. Functions critical to the RLF's lending activities:

FUNCTION	RESPONSIBLE PARTY
Marketing the RLF	RNDC Staff
Business assistance/advisory services	RNDC Staff Small Business Development Center
Environmental review	RNDC Staff
Loan preparation/packaging	RNDC Staff Legal Counsel
Loan approvals/denials	RLF Loan Committee
Loan closings	RNDC Staff/Legal Counsel
Loan servicing	RNDC Staff
Organizational administration	RNDC Staff

2. RLF Committee:

The RLF committee is a sub-committee of the Region Nine Development Commission. There may be up to nine members on the committee; and no less than five members at any time. At least three members will be RNDC commissioners. The remaining members will consist of local entrepreneurs, business leaders, and commercial lenders from banks in the region. The existing committee approves new members by vote after a review of their work history or other relevant experience. A quorum will be a simple majority of the current RLF committee. Committee members serve a four-year term. A member may serve two consecutive terms and then must rotate off the committee for at least one year before they are eligible to serve again.

3. Conflicts of Interest:

It is RNDC's policy to maintain the highest standards of conduct to prevent conflicts of interest in connection with the RLF funds. RNDC utilizes a conflict of interest policy for RLF committee members. Signed copies of the statement are maintained. An annual review of the policy is provided. (See attachment A.)

RNDC will also comply with the following EDA Conflicts of Interest Regulations (13 CFR § 300.3; 13 CFR § 302.17)

a. An "interested party" is any officer, employee or member of the board of directors or other governing board of recipient; including any other parties that advise, approve, recommend, or otherwise participate in the business decisions of recipient such as agents, advisors, consultants, attorneys, accountants, or shareholders. An interested party also includes the interested party's "immediate family" (defined as a person's spouse or partner in a domestic relationship, parents, grandparents, siblings, children, and grandchildren, but not distant relatives such as cousins unless the distant relative lives in the same household as the person) and other persons directly connected to the interested party by law or through a business arrangement

b. A conflict of interest generally exists when an interested party participates in a matter that has a direct and predictable effect on the interested party's personal or financial interests or there is an appearance that an interested party's objectivity in performing his or her responsibilities under the project is impaired
c. An appearance of impairment of objectivity could result from an organizational conflict where, because of other activities or relationships with other persons or entities, a person is unable or potentially unable to render impartial assistance, services, or advice. It also could result from non-financial gain to the individual, such as benefit to reputation or prestige in a professional field

4. Conflicts of Interest Rules:

Recipient must adhere to EDA conflicts of interest rules set forth at 13 CFR § 302.17, including the following rules specific to RLFs:

a. An interested party of recipient shall not receive, directly or indirectly, any personal or financial benefit resulting from the disbursement of RLF loans. A financial interest or benefit may include employment, stock ownership, a creditor or debtor relationship, or prospective employment with the organization selected or to be selected for a subaward
b. Recipient shall not lend RLF funds to an interested party
c. Former board members of recipient and members of their immediate family shall not receive a loan from the RLF for a period of two years from the date that the board member last served on the board of directors

5. Duty to Disclose:

Recipient must, in a timely fashion, disclose to EDA in writing any actual or potential conflict of interest.

6. Written Standard of Conduct:

a. Recipient must maintain written standards of conduct to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of a personal or organizational conflict of interest or personal gain in the administration of this RLF Award
b. Recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. See Section K, other EDA requirements, Subsection 4, Codes of Conduct and Sub-Award, Contract and Subcontract Provisions, Subsection (b), Competition and Codes of Conduct for Subawards

7. DOC Standard Terms and Conditions:

Recipient must also adhere to the requirements for conflicts of interest set forth at Part III of these RLF Standard Terms and Conditions, DOC Standard Terms and Conditions, Section F, Conflict of Interest, Code of Conduct and other requirements pertaining to DOC Financial Assistance Awards, including Subawards and Procurements Actions, Subsection .01, Conflict of Interest and Code of Conduct.

B. LOAN PROCESSING PROCEDURES

1. Standard Loan Application Requirements:

The following is a list of items that may be required for RLF applicants. Not all items will apply for each loan applicant and certain situations may require additional items not on the list.

a. Bank refusal letter: signed bank rejection letter demonstrating that credit is not otherwise available and/or a commitment letter from a participating bank stating that financing is not available in excess of that which the bank will lend, the maximum amount to be extended by the bank, the loan terms, and the need for the RLF's participation. Or an equivalent such as a documented referral made by phone
b. Loan application
c. Credit report(s)
d. Past tax returns and/or financial relationships
e. Pro-forma financial statements
f. Personal financial statements
g. Resumes

h. Appraisal reports
i. Projections
j. Schedule of Debts
k. Certificate of Incorporation and/or Corporate Resolution
l. Lease
m. Business plan

2. Credit and Financial Analysis:

The RLF committee is provided with an analysis of tax statements, financial statements, credit reports, available collateral (e.g. personal guarantees, mortgages, life insurance), available equity, appraisal reports, and whether credit is not otherwise available.

Collateral requirements and equity requirements will be dealt with on a case by case basis, as all applications have unique circumstances.

3. Environmental Reviews:

RNDC will ensure compliance with applicable environmental laws and regulations including, but not limited to, 13 CFR Parts 302 and 314, the National Environmental Policy Act of 1969, and other federal environmental mandates. The RLF committee will be responsible for ensuring compliance.

These procedures will be followed regarding environmental review of loan applications for construction projects:

RNDC staff will determine whether the project will result in a significant adverse environmental impact. The applicant may be asked to submit additional information, as necessary, to make the determination. No activity shall be financed that would result in a significant adverse environmental impact unless that impact is to be mitigated to the point of insignificance. When necessary to ensure compliance, any required mitigation shall be made part of the loan conditions.

RNDC staff shall determine whether the project involves new above-ground development within a floodplain map, based on a review of the proposed development against Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps. No activity will be financed which would result in a new above-ground development in a 100-year floodplain, per E.O. 11988. This determination will be made by reviewing the proposed development against FEMA Flood Insurance Rate Maps.

RNDC staff will determine whether the proposed project will be located within or adjacent to any wetland area. The applicant may be required to provide wetland delineation information as necessary. No activity shall be financed that would result in alteration of any wetland or in any wetland or have any adverse impact on any wetland without consultation with the U.S. Department of the Interior Fish and Wildlife Service, and if applicable, a Section 404 Permit with the Army Corp of Engineers shall be obtained.

RNDC shall notify the State Historic Preservation Office (SHPO) of each loan application that involves significant new construction and expansion, and they shall request and receive comments on the effect of the proposed activity on historic and archaeological resources prior to closing the loan. In cases where SHPO has recommended actions or has determined an adverse impact, the recipient and loan applicant must work with the SHPO and EDA to address any issues identified before the loan is closed.

All loan applicants may be required to provide information regarding whether or not there are hazardous material, such as Environment Protection Agency (EPA) listed hazardous substances (see 40CFR 300), leaking underground storage tanks, asbestos, polychlorinated bi-phenols (PCB), or any other hazardous materials present on or adjacent to the affected property that have been improperly handled and have the potential of endangering public health. If deemed necessary, the loan applicant may be required to perform or provide evidence of performance of a Phase I Site Assessment to identify possible sources of contamination, a Phase II Site Assessment to test soil and/or groundwater samples, and a Phase III Site Remediation involving mitigation of applicable contaminates. No activity shall be financed which involves unresolved site contamination issues. The loan applicant shall be responsible for working with the appropriate state environmental agency office to resolve any outstanding issues before any loan can be approved for the affected site.

4. **Loan Write-up:**

A project summary will be provided to the RLF committee and may summarize the key aspects of the loan, including history, management, market conditions, project financing, collateral, repayment ability, etc. The summary may also contain consistency with the RLF financing policy and whether there are environmental issues.

5. **Procedures for Loan Approval:**

The loan applications will be presented to the RLF committee in package format with all required submittals. The RLF committee will provide due diligence and financial analysis of the application. The RLF committee will vote on the application either approving the loan or denying it.

The RLF committee shall review and approve loans in accordance with the approved financing policies, targeting criteria, and loan selection criteria of the RLF plan. Approval will be based on a majority vote. A quorum must be present at the meeting.

RLF committee minutes will be placed in the loan folder.

C. LOAN CLOSING AND DISBURSEMENT PROCEDURES

1. Loan Closing Documents:

The following documents will be required for the types of loans made under the RLF:

a. Loan application
b. Authorization agreement
c. Loan agreement
d. Board meeting minutes
e. Promissory note
f. Collateral assignment of life insurance
g. Security agreement(s)
h. Mortgage or financing statement (as applicable)
i. Correspondence from primary lender stating the need for gap financing including a signed bank rejection letter demonstrating that credit is not otherwise available and/or a commitment letter from a participating bank stating that financing is not available in excess of that which the bank will lend, the maximum amount to be extended by the bank, the loan terms, and the need for the RLF's participation

2. Loan Agreement Provisions:

The loan agreement will state the purpose of the loan and ensure that the RLF funds are used as intended. All RLF loan documents and procedures will protect and hold the federal government harmless from and against all liabilities that the federal government incur as a result of providing an RLF grant to assist directly or indirectly in site preparation or construction, as well as the direct or indirect renovation or repair of any facility or site.

RNDC staff will ensure that prospective borrowers, consultants, or contractors are aware of and comply with the federal statutory and regulatory requirements that apply to activities carried out with RLF loans. The closing documents include a loan call stipulation for instances of non-compliance.

3. Loan Disbursement:

After all compliance issues and closing requirements have been assessed and met, documentation will be provided to the RNDC finance department to have a check cut. Legal counsel will review all draft loan closing documents. The loan closing will be scheduled. A check or ACH will be the disbursement vehicle. All necessary procedures will be performed to protect RLF assets. These may include, but are not limited to, invoices, purchase orders, or receipts.

D. LOAN SERVICING PROCEDURES

1. Repayment:

Collections of loan repayments will be done through Automated Clearing House (ACH) preferably, or check payments. Loans will be repaid monthly unless there are special circumstances. Once the check is received it will be safeguarded and a timely deposit will be made.

2. Monitoring:

Loans will be monitored for all approved loan conditions including annual financial statements, annual insurance renewals, Uniform Commercial Code (UCC) refiling, balloon payments, and borrower site visiting. Borrowers will be asked about job creation and retention at annual site visits.

3. Loan Files:

Loan files are maintained in a secure file cabinet.

Loan file contents include but are not limited to:

a. Financial statements
b. Insurance documentation
c. Annual site visit reports
d. Copies of loan closing documents
e. General correspondences
f. EDA required forms
g. UCC filings/extensions
h. Title cards/lien information

Original loan closing documents are kept in a fireproof safe for safe-keeping.

4. Job Creation:

The borrower is asked how many jobs will be created and retained at the time of application. Borrowers are asked how many jobs are created and retained during annual site visits. Clients are interviewed, and payroll records are viewed to verify how many people the business is paying.

5. Defaulted Loans:

Loans over 90 days in arrears will be handled in a firm yet flexible manner with provisions for modifying or restructuring consistent with program objectives and proper management of funds. Any terms or conditions for the loan that are modified must be requested through a Servicing Request Form by the borrower and approved by the RLF committee.

Most of the payments are secured via ACH payments initiated by RNDC staff. If a payment fails, or if a mailed payment does not reach us by the due date, the following process is followed:

10 days – an email is sent, or phone call made to determine cause of nonpayment
30 days – a second contact is initiated to follow-up on call made at 10 days
45 days – a letter is sent regarding the status of payment
60 days – a follow-up letter is sent informing borrower of legal action if not paid
90 days – Attorney sends letter stating the specific legal actions client is facing if payment not received

If a default occurs under a promissory note and is not cured within 15 days after written notice to the loan client or if default occurs under the loan agreement and other loan documents and is not cured within any applicable grace period, then RNDC may, as its right and option, declare immediately due and payable the principal balance of the promissory note and interest accrued thereon.

The loan client shall pay a late charge of five percent of the payment due of principal or interest if payment for any of the installments are not received within 15 calendar days following the due date. The late charge shall be considered unpaid if not received within 30 calendar days of the missed due date for which it was imposed. Any unpaid late charge shall be added to principal and bear interest at the same rate as noted for the principal. Acceptance of a late charge by RNDC does not constitute a waiver of default.

6. Write-offs:

The standard procedure for a loan write-off will be a determination that the loan is not collectible. RNDC staff, legal counsel, auditor, and member(s) of the RLF committee will determine the best way of handling the work-out. All necessary collection practices shall be used including sale of secured property, equipment, inventory, and the like. After liquidation, having no further alternative, the loan is written off.

Payments on defaulted RLF loans shall be applied in the following order of priority per 13 CFR 307.12:

1. First, towards any costs of collection;
2. Second, towards outstanding penalties and fees;

3. Third, towards any accrued interest to the extent due and payable; and
4. Fourth, towards any outstanding principal balance.

E. ADMINISTRATIVE PROCEDURES

1. Accounting:

Management of the RLF capital includes tracking the RLF program and administrative funds separately within the commission general ledger for the RLF so that repayments and interest income are clearly identifiable and auditable. The EDA RLF portfolio and cash are clearly distinguishable from any other recipient loan program. Additionally, a software is utilized to track loans by loan client. The recipient will ensure that the RLF is operating in accordance with Generally Accepted Accounting Principles (GAAP).

2. Administrative Costs:

RNDC intends to use RLF income to cover administrative costs with funding for these services to be provided by the RLF income received, not to exceed 100% of the RLF income received in the same fiscal year. Staff time, training, and all associated expenses will be accounted for using generally accepted accounting principles as prescribed in RNDC's Accounting Policies and Procedures Manual. RNDC acknowledges that if administrative fees exceed 100% of the annual RLF income, the overage will be paid by the RNDC general fund. Funds not used to offset administration of the RLF shall be returned to the RLF capital base.

RNDC will maintain adequate accounting and source documentation to substantiate the amount and percent of RLF income expended to the RLF.

3. Allowable Cash Percentage

Effective Jan. 2, 2018, EDA replaced the Capital Utilization Rate of 25 percent with region-specific Allowable Cash Percentage (ACP) that is updated annually. The ACP is the average cash available for RLFs in the Chicago EDA region and is used for risk rating RLFs according to the Risk Analysis System.

Lending activity will be managed so that the cash available for lending is less than the current ACP in effect for the Chicago Region. However, if the Cash Available for Lending is greater than 50% of the RLF Capital Base for 24 consecutive months, EDA may take action to disallow the persistent excess cash.

4. **EDA Reporting:**

RNDC acknowledges that EDA requires submission of a financial report and portfolio loan list at a frequency and date as directed by EDA. RNDC will comply with all EDA RLF reporting requirements.

5. **Audits:**

RNDC acknowledges that the EDA RLF funds are subject to an annual audit requirement and the RLFs must be shown every year in the Recipients Schedule of Expenditures of Federal Awards ("SEFA"). Annual audits will be in compliance with 2 CFR Part 200 Subpart F.

ATTACHMENT A

REGION NINE DEVELOPMENT COMMISSION
REVOLVING LOAN FUND CONFLICT OF INTEREST POLICY

The Region Nine Development Commission (RNDC) is a special purpose unit of government whose board members, Revolving Loan Fund (RLF) committee members, and professional staff are selected to provide public benefit. These persons have a duty to conduct the affairs of the organization in a manner consistent with the mission of RNDC and not to advance their personal interests. This conflict of interest policy is intended to permit RNDC, its Board of Directors members, RLF committee members, and professional staff to identify, evaluate, and address any real, potential, or apparent conflict of interest that might, in fact or in appearance, call into question their duty to put the interests of RNDC ahead of their personal interests.

This policy applies to RNDC's Board of Directors members, RLF committee members, and professional staff. Each covered person shall be required to acknowledge that they have read and are in compliance with this policy.

This policy applies to transactions between RNDC and a covered person, or between RNDC and another party with which the covered person has a significant relationship. A covered person is considered to have a significant relationship with another party if: a) the other party is a family member, including a spouse (or domestic partner or significant other), parent, sibling, child, stepchild, grandparent, or grandchild. This does not include distant relatives, such as cousins, unless the distant relative lives in the same household as the person; b) the other party is an entity in which the covered person has a material financial interest; or c) the covered person is an officer, director, trustee, partner, consultant, or employee of the other party.

A covered transaction also includes any other transaction in which there may be an actual or perceived conflict of interest, including any transaction in which the interests of the covered person may be competing or at odds with the interests of RNDC.

When a covered person becomes aware of a covered transaction, the individual has a duty to take the following actions: a) immediately disclose the existence and circumstances of such covered transaction to the finance director or executive director of the organization;

b) refrain from using their personal influence to encourage RNDC to enter into the covered transaction; and c) physically excuse themselves from any discussions regarding the covered transaction except to answer questions, including Board of Director discussions and decisions on the subject.

RNDC may enter into a covered transaction where: a) such transaction does not constitute an act of self-dealing and b) the Board of Directors determines, acting without the participation or influence of the covered person and based on comparable market data, that such transaction is fair and reasonable to the organization. The Board of Directors shall document the basis for this determination in the minutes of the meeting at which the covered transaction is considered and shall consult with RNDC's legal advisor as necessary to ensure that the transaction does not constitute an act of self-dealing.

No personal or private loans may be made by RNDC to its Board of Directors members or their immediate families as provided in 13 CFR 302.3. No member of the Board of Directors or their immediate families may be an officer, director, or owner of a small business concern receiving financial assistance from RNDC. Former Board of Directors members, RLF committee members, and staff are ineligible to apply for or receive loan funds for a period of two years from the date of termination of their services.

Date

Printed or Typed Name

Signature

Brownfield redevelopment

Brownfields are abandoned or underused properties where there is known or suspected contamination. They include abandoned gas stations, former dry cleaners, old factories, and more. Investigating and cleaning up brownfields allows for redevelopment while protecting human health and the environment.

Fee for service program

The Minnesota Pollution Control Agency (MPCA) has a brownfield fee-for-service program that provides technical assistance and issues liability assurance letters to promote the investigation, cleanup, and redevelopment of property that is contaminated with petroleum and hazardous substances. Program customers include property owners, prospective purchasers, developers, lending institutions, local units of government, and nonprofit organizations.

Grant funding

The MPCA administers a grant program, funded by the U.S. Environmental Protection Agency (EPA), that pays for environmental assessments of brownfield properties to support redevelopment and reuse. The work is performed by MPCA contractors at no cost to grant recipients.

The MPCA seeks to fund projects:

- In disadvantaged communities or areas of concern for environmental justice, when the project will benefit the existing neighborhood and avoid physical or cultural displacement
- That provide community benefits and have community support
- That create community greenspace
- In small communities in Greater Minnesota

Redeveloping brownfield properties benefits local communities

- Improves public health and the environment
- Reduces urban sprawl
- Enhances the livability of neighborhoods
- Creates new businesses and jobs
- Adds to the tax base

Eligible grant applicants

Before: Bunge Grain Elevator in Minneapolis. After: Maya Commons & Brook Ave Co-op, affordable housing and student housing cooperative. Photo: Project for Pride in Living & Riverton Community Housing

Eligible sites in Minnesota can be publicly or privately owned with known or suspected contamination. Applicants who are determined to be responsible for the release/contamination are not eligible.

Applicants include, but are not limited to:

- Community organizations
- Local units of government
- Emerging developers (developers who have completed five or fewer projects)
- Tribal Nations

The MPCA staff perform technical reviews and approve workplans, investigation reports, and cleanup plans to ensure that environmental concerns are properly addressed during site redevelopment. The MPCA also provides liability assurance and environmental closure letters, as appropriate, for contamination identified at the property.

Eligible grant activities

- Phase I and Phase II environmental site assessments
- Sampling and analysis plans
- Preparation of cleanups plans
- Community engagement for reuse planning
- MPCA Brownfield Programs fees
- In limited situations, hazardous materials building surveys can be covered to identify lead-based paint and asbestos containing materials

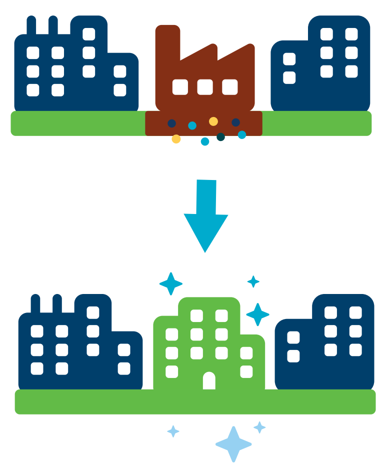
Ineligible grant sites and activities

- Federal or state Superfund sites
- Closed permitted landfills
- Renovations or expansions for single family homes
- Building abatement that does not end in demolition
- Hazardous materials cleanup and/or abatement
- Cleanup actions
- Radon and mold abatement

How to apply

Scan the QR code to access the application form at: https://www.pca.state.mn.us/grants-and-loans/grants-for-brownfield-investigation.
Applications are accepted on an ongoing basis.

Submit your application by email to: brownfieldgrants.MPCA@state.mn.us



Contact us

Brownfield grants
651-757-2904
brownfieldgrants.MPCA@state.mn.us

MINNESOTA POLLUTION CONTROL AGENCY

Finance

- Since the last Full Commission meeting in June, I have worked diligently to fully understand, stabilize, and correct our financial systems. This work has included identifying/fixing the mistakes of the last 3 years, addressing problems caused by the Finance Director vacancy for the entire second half of FY25, and managing the day-to-day work of moving the organization forward in FY26.
- I have uncovered several significant issues since the last RNDC Full Commission meeting. Full details of these issues can be found in memos I presented to both the Budget and Personnel Committee and Board of Directors. They were titled as follows:
  - Discovery of Previously Unrecorded Asset – Principal Financial Group Shares
  - State Competitiveness Fund - $46,333.10 Overstatement of Accounts
  - Unlocked Offsite Storage Unit
- The RNDC FY25 audit was originally scheduled to take place in September 2025. Since I uncovered a lot of issues while working to reconcile our accounting system (GMS) balance sheet, we were unable to meet that deadline. Currently, we are scheduled to complete FY25 audit work with Abdo during the last week of October. There is still a significant amount of cleanup work in GMS that needs to be addressed in order to meet this deadline.
- As I continue to resolve issues in GMS, I have come to the realization that our losses for FY25 are approaching upwards to $400,000, which is in line with the losses posted for FY24. We no longer have a robust unreserved general fund balance to continue with this trend.
- As per RNDC policies, the unreserved general fund balance should be 80% of the current levy. We are currently significantly below this threshold needed to withstand cash flow issues. My current estimate is that the value of our unreserved general fund balance is the balance of our cashed out Principal Financial Group shares.
    - Principal Financial Group Check = $286,000.
    - Current Levy $719,000 x 80% = $575,200
- The FY26 budget needs to be adjusted. I compiled the budget during my first week of employment. Now that I have a better understanding of our financial structure and systems, I am aware of several issues and inaccuracies in the approved budget.
  - The salary line item was listed as $928,483. Our current salary for staff is actually $1,083,185. A difference of **$154,702**. This value has a subsequent fringe associated with it of **$41,769**.
  - When I produced the budget, I was not aware of an unresolved GMS reconciliation error of the indirect cost fund. As a result, there was **$167,817** worth of indirect costs not captured in our FY25 projected budget or approved FY26 budget.
  - We presented a budget with a deficit of **$354,624,** but the addition of these other expenses pushes that value even higher.
  - The good news is we have secured funding for Safe Streets and Roads for All, Thriving Communities, Scenic By-way work, and other smaller contracts that amount to about $175,000 in funding not captured in the current budget.
  - However, this does not offset the budget shortfall and errors listed above. Nor does it account for the fact that we need to work towards rebuilding our unreserved fund balance.

Revolving Loan Fund

- **Legacy RLF Plan**
    - Current Principal Outstanding: $1,383,317.07
    - Current MAGIC Account Balance: $1,743,548.13
- **CARES Act RLF Plan**
    - Current Principal Outstanding: $778,675.21
    - Current MAGIC Account Balance: $83,558.70
    - **Past Due Accounts**: We were notified that one of our CARES Act loan recipients has entered bankruptcy. The outstanding value of the loan is around $8,500.

- I have spent a substantial amount of time working to reconcile the RLF accounts. As noted in my Financial Statement, ACH payments for the RLF loans have been incorrectly deposited into the R9 MAGIC account instead of the appropriate RLF MAGIC accounts. Jazmine has worked on establishing separate sweep accounts with U.S. Bank, which will now ensure that all ACH loan payments are deposited directly into the correct RLF accounts going forward. Transfers of funds incorrectly deposits in FY26 have been processed into the appropriate accounts. A full reconciliation and transfer of funds for FY25 is still needed.
- Financial forecasters are anticipating that the Fed will continue to decrease interest rates later this year. A quarter point decrease was announced during their September meeting resulting in a similar yield decrease in our accounts. The current yield in our MAGIC accounts is **4.19%.**
- We received notice from the EDA that the restatement of the CARES Act RLF Lending Plan is due in October 2025. Jazmine, Mark and I worked on updating the plan which will be presented at today's meeting.

Region Nine Area, Inc.

- Several contracts have been signed over the past year with Mahkato Okawitaya, Rockefeller Foundation in support of Waseca Community Investment Group, Food Recovery by Wooden Spoon, South Central Minnesota Food Recovery, and a $200,000 subgrantee award from the Minneapolis Foundation in support of Wooden Spoons food recovery efforts.
- RNAI has not had significant money pass through it since 2017, as a result there are some administrative issues that are being addressed to "dust off" this instrumentality.
- We're working with Burkhardt and Burkhardt to file past due Form 990s

Human Resources

- Last month I attended a meeting regarding our Health Insurance Pool Membership with South Central Services Cooperative. Our premiums for next calendar year are set to increase by **8.16%** if we maintain the same policy.
- Paid Family Leave goes into effect on January 1, 2026. This past month I attended seminars and meetings with our labor attorney to make decisions regarding the implantation of this program. These items were addressed at the September 3 Budget and Personnel Committee meeting. A more detailed report regarding these updates is included elsewhere in the commission packet.
- We have employees who have reported missing deposits into their ICMA 457(b) accounts and HSA accounts. Investigating, reconciling, and fixing these issues is on my to-do list.

STAFF UPDATES | October 2025

PROGRAM UPDATES:

Annual Performance Progress Report – Alejandra
The Annual Performance Progress Report is underway, with a regional survey deployed to get feedback from stakeholders. The final plan will be submitted in October.

Rural Child Care Innovation Program in Eagle Lake – Alejandra
The RCCIP core team at Eagle Lake has been working to support childcare providers and joined the ribbon-cutting and opening of Little Sprouts Preschool & Daycare at Epiphany Lutheran Church, which made the existing space available. After a recent childcare closure, the core team and city staff have met to discuss opportunities to show appreciation for existing providers and to support them through gifts, business assistance, and donations of needed items.

Children's Museum of Southern Minnesota (CSMS) Programming Assessments– Kristian, Nate
RNDC is currently assessing existing and future programming in partnership with CSMS's leadership team, with particular focus on educational partners, "impact partners", and other stakeholders with a vested interest in the museum's long-term vitality. The project is funded by Compeer.

Regional Food System Supply Chains and Transportation Implications – Kristian, Aaron
RNDC is codirecting the second phase of the University of Minnesota funded study on agriculture and food systems supply chains. RNDC has provided supply chain maps, with the support of ESRI staff, identifying transportation paths for agriculture to food manufacturing/processing segments of these clusters. The policy implications of these will be presented at an event in Red Wing on November 3rd.

Regional Food Rescue – Tom/Sabri
The running total for rescued food that RNDC has assisted or organized for the year is 58,982 lbs. of food, worth approximately $84,174. This food has been disbursed into the community through area partners, some of the largest recipients of the food are ECHO, SCMNFR, St. Peter Food Shelf, Waseca Area Food Shelf, and the various clinic produce programs. Some of the most common types of food rescued recently have included potatoes, squash, pineapples, cantaloupe, and cucumbers.

Tom and Sabri have secured use of the Wooden Spoon Van for out-of-town use through the Thriving Communities Grant for one year. Use is subject to van availability and scope of the project. The goal is still to get a small, refrigerated van or truck for sustainability and future use. There are grant opportunities through the MPCA that Tom will be working on with Natasha of Wooden Spoon to secure an eco-friendly hauling solution.

Additional food access partners across the region have been contacted. Connections Shelter as well as LSS Youth Center will be added to our partner distribution.

Mankato Clinic Produce Place – Tom
Mankato Clinic received SHIP funding for two refrigerators to be used in a Produce Access program similar to what U of M Extension created with Mayo Clinic. Tom met with Marie Wood with the Mankato Clinic to create a plan for filling the refrigerators consistently with fresh rescued produce. Natasha from the Wooden Spoon and Seeds to Roots drew up the agreement for SCMNFR, RNDC, and Mankato Clinic.

A delivery will be made at least once a week using the Wooden Spoon Van to fill the refrigerators with any recued produce available. The locations of the two refrigerators are Main Street Clinic and Children's Health Clinic.

The first two weeks were an extreme success. The Main Street location has been filled and emptied four times and Children's has been filled four times as well, empty twice. Due to the popularity of the program already, SCMNFR and RNDC will be looking for ways to get an additional fridge or freezer at the Main Street Clinic. Total food rescued and disbursed in the Mankato Clinic Produce Place has already reached over 700 lbs.

Food Access Partnership Building – Tom
Tom has been building relationships with area food access partners to help guarantee the strength of their operations in the community.

The Mayo Clinic Refrigerator Program, previously managed by Rachel Jones of the University of Minnesota Extension and SNAP-Ed, has undergone changes due to national budget cuts that led to the elimination of her position. Due to this gap in oversight, Tom continues to oversee the two refrigerator locations, ensuring they are well-stocked and clean on a weekly basis. Most recently, Tom reached out to Gretchen Mauerman with Mayo, to see what the plans are for the Northridge location's fridge since they will be closing soon. The plan is for it to be moved to Eastridge because demand for fresh produce will be increasing with the patients relocating their appointments to that clinic.

Alternative and Ethnically Relevant Rescued Food Sources - Tom
Talks with Living Earth on September 9th about future ways of providing these foods went very well and we are hoping to have more variety make its way to the food shelves and programs over the next year. Recent examples of this are 416 lbs. of collard greens, 368 lbs of various peppers (Anaheim, Sugar Rush, Habanero, and Caribe), and 225 lbs of pork ears that have made it's way to the local food access system. This was greatly appreciated in the Watonwan Co. Food Shelf and the Crossroads Campus Pantry where they have a higher percentage of clients that use these foods in culturally relevant dishes and rarely get the chance to get items like this through their food bank. Future goals will be to provide Halal foods as this is one area that most food shelves lack for options.

Revolving Loan Fund - Jazmine
Jazmine Flores has been actively managing several projects this month. She coordinated the transport of the infrared sauna pod, collected from the loan written off in 2022 for JJ Beauty Salon, from storage to

Mages in Winthrop for auction. Although there have been issues with the item not opening, Jazmine has been in regular communication with the auction team and hopes to recover enough to cover transportation costs.

She also met with a prospective buyer interested in acquiring an assisted living facility in Le Center. This project remains in the early stages. In addition, Jazmine presented the RLF Cares annual report to the Loan Committee, which has been approved for final review by the full committee in October.

Jazmine attended the Entrepreneurial Bridge event hosted by SMIF in Albert Lea, where she networked with many CEDA representatives. She is exploring opportunities for collaboration with CEDA's Entrepreneurial Manager to increase visibility and engagement for the RLF program.

On the reporting side, Jazmine has been working with Catherine Canavan of the EDA on submitting RLF financials. The initial report was returned for revisions, and she continues to refine the submission with Catherine. She also met with a client from Rebound Partners regarding potential RLF funding opportunities.

In other loan-related activities, Jazmine has been monitoring the Fairmont Brewing bankruptcy case to determine whether any repayment will be recovered. She presented the Three Brother Meat Market loan to the Loan Committee and is preparing a presentation with a Truman business owner interested in financing a new bar and grill. Additionally, Jazmine and Nicole met with the owners of three boutique hotels in the region who are considering RLF funding.

Safe Streets and Roads for All Grant – Mark
On September 11, 2025, Region Nine received authorization from the Federal Highway Administration to officially begin work on the Safe Streets and Roads for All (SS4A) grant. The three-year, $425,000 grant will allow for the development of a regional road safety action plan, along with individual action plans for our nine counties. Activities this fall will include field visits to high crash corridors, meetings with MnDOT to review future transportation projects, and listening sessions with the public and specific user groups to get their feedback on the safety of our transportation system.

Transportation/MnDOT Regional Planning Grant – Joel, Mark
Joel took part in the first VINE Door2Door Task Force meeting on September 19. This group is charged with conducting a comprehensive review of VINE's volunteer transportation program and developing actionable recommendations to enhance the program's effectiveness, sustainability, and alignment with VINE's mission. This will help build on goals around non-emergency medical transportation outlined in Region Nine's Local Human Services Transit Coordination Plan. Joel has also been in contact with Faribault and Martin County Health & Human Services and will attend their Access to Health Team meeting in late October.

Joel and Mark met with MnDOT District 7 staff on October 1 to discuss fall solicitations for three federal grant programs: Transportation Alternatives (TA), Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT), and the Carbon Reduction Program (CRP). MnDOT is re-structuring those solicitations and letting Regional Development Commissions be more involved in the process.

On October 7, Joel met with the City of Montgomery to discuss the upcoming MnDOT Active Transportation Planning solicitation and gauge the city's interest as there were some past efforts around trail planning and other active transportation in the community.

MN SAF Hub – Sam
Sam has been connecting aviation experts met during the German delegation to MSU-M and Le Sueur to initiate cross-collaboration efforts for research and design of more sustainable and efficient aviation initiatives. This also involves connecting German partners to the MN SAF Hub, as there are several shared interests and opportunities to extend capacity and technical expertise toward advancing MN as a leader in sustainable aviation. Sam and Lisa will be attending a MNSAF Hub event to identify further opportunities for RNDC to be involved as a key piece of the initiative.

<u>REGIONAL TECHNICAL ASSISTANCE:</u>

Fairmont Energy and Environmental Resilience Plan – Sabri, Sam, Lisa, Nate
The community survey is being conducted and the team has continued meeting with partners to collect data and information to inform the plan. A member of the MCAP team will be presenting to the committee at the next meeting to inform members of various tools and resources to inform future projects and considerations for the city.

Federal EDA Disaster Notice of Funding Opportunity (NOFO) – Jessica, Kristian, Mark, Alejandra
RNDC has continued work to engage with counties and communities to help submit potential project applications for the Federal EDA Disaster Notice of Funding that was released in early June.

Technical assistance and grant administration work is underway for the following applications: Cannon River Watershed Project with Le Sueur, Rice, and Waseca counties; Martin County; the community of New Richland, the community of Springfield; the community of Waterville; and through a joint project with Minnesota State University and RNDC.

Additional conversations are in the works to identify more projects throughout the region based on needs and interest.

Blue Earth Solar on Public Buildings Grant – Sabri
Sabri is working with Blue Earth Light and Water to apply for this grant to install solar at their Power Plant.

Minnesota Climate Adaptation Partnership (MCAP) – Jessica, Sam
Jessica and Sam recently met with University of Minnesota officials to extend the MCAP contract with RNDC to June 30, 2026, with opportunities for continued partnership and additional program dollars beyond the completion of our initial scope of work. Over the next six months, there will be a larger focus on convening stakeholder meetings, listening sessions, and remaining areas of our workplan with MCAP.

New Ulm Anaerobic Digestion Initiative – Sam, Lisa
Sam and Lisa convened with the New Ulm Public Utility and AURI to discuss potential project pathways for anaerobic digestion at the wastewater treatment facility. Prior to this meeting, Sam and Lisa met with a state representative at the MPCA to learn about upcoming grant funding through the Climate Smart Food Systems grant, that would allow significant funding and technical resources to conduct a feasibility study. Sam is currently consolidating these funding opportunities and will bring them to the project team at the next meeting.

GRANT COORDINATION AND ADMINISTRATION:

Energy Efficiency and Conservation Block Grant (EECBG) – Sam, Sabri, Lisa

Mapleton –Mapleton will be moving forward to receive energy audits for 10 city-owned buildings/facilities. RNDC is working with Frontier Energy to formalize this process and will seek a completion date in Fall 2025.

Welcome – We are working with the City of Welcome and Bolton and Menk to begin an initial energy design on a new Reverse Osmosis building for the community's water treatment to meet MPCA requirements.

Le Sueur – The city of Le Sueur is working with engineering firm ICS to perform energy studies at their Community Center and Ice Arena, City Hall, Library, and Joint Services Building.

New Ulm Local Climate Action Grant – Sam, Lisa
Community outreach materials have been prepared by Minnesota Valley Action Council and the SW CERTs coordinator based out of the SW Regional Development Commission. All contract agreements have been signed between project partners and on the ground engagement efforts will begin in the coming weeks after a kickoff meeting is held with a pre-determined community group that will support these efforts.

CERTs Seed Grants – Sam, Lisa

Comfrey Public Schools – Sam and Lisa have been working with RNDC Commissioner Gary Richter on developing an application that would result in converting existing lighting to LED in the Comfrey Library and the Comfrey daycare.

BRIDGE Club – Sam and Lisa have been working with RNDC Youth Commissioner Hunter Jordan on developing an application for a student club (BRIDGE club) to do energy efficiency outreach and provide Mankato neighborhoods with energy conservation kits. RNDC will be leading the coordination and reporting efforts of the project, and students will have the opportunity to get out in the community to provide education and free home energy upgrade appliances (LED light bulbs, weather stripping, low-flow water faucets, etc.)

McKnight Event – Nicole, Nate, Sam, Sabri, Tom, Jessica
Region Nine Development Commission (RNDC) had the opportunity to welcome the McKnight Foundation during their statewide Roadshow. The gathering brought McKnight staff together with RNDC Commissioners and staff for an open conversation about climate, community, and collaboration.

Around the table, participants dug into big questions: How do organizations that aren't traditional climate groups help move progress forward? Where do we find hope when progress feels stalled? And what strategies actually make climate action part of people's everyday lives?

The discussion included stories from across South Central Minnesota. Commissioners spoke about the ways local governments are connecting climate action to everyday community development, while McKnight staff highlighted examples of grassroots leadership and cross-sector collaboration. What stood out most was the sense that progress happens when people from different backgrounds bring their perspectives and energy to the same table.

This visit also built on an ongoing partnership between McKnight and RNDC. Earlier this year, McKnight supported a learning exchange with leaders from Aachen, Germany, giving regional stakeholders the chance to learn from European approaches to sustainability and community resilience.

COMMUNICATIONS - Nate

In addition to the above projects, Nate has met with a group to discuss updated ADA web compliance requirements for the website. The RNDC website has plugins that are current with the new requirements from the DOJ. Nate attended the Federal Correctional Institution Community Relations Board Meeting in Waseca for Nicole and Jessica. At the meeting he spoke with Representative Tom Sexton about his experience on the RNDC Bus Tour. Representative Sexton remarked that he found the bus tour was a great way to learn more about the region and said he would encourage other Representatives to attend.

Nate is assisting the Transportation team on PARKing Day in St. James. This event was an opportunity for RNDC staff to interact with St. James residents, promote the organizations work, and generate new ways to utilize parking spots.

Nate is working with the planners to explore ways we can support housing in Region Nine with funding that is available from SMIF. Members of this team met with former RNDC Community Development

Director Leah Petricka to discuss how the Southwest Minnesota Housing Partnership and RNDC can partner to create an effective housing project.

Nate assisted Sam with the logistics for the McKnight Foundation roundtable that was part of McKnight's Roadshow. He created all the needed documents and event signage. The event was a great opportunity to connect directly with McKnight's staff as RNDC looks for ways to fund its work. McKnight funded the RNDC Learning Exchange with Aachen, Germany and is excited to partner with RNDC in the future.

Nate is creating a web page to highlight the partnership with MCAP. The webpage will serve as a landing page for stories and information related to the MCAP program.

Nate and Mark went on KTOE's *Talk of the Town* to discuss RNDC's transportation work. Nate discussed Local Foods Month and Food Rescue with Lisa. *Talk of the Town* gives RNDC the opportunity to promote its work to the entire region efficiently and effectively and cost-free.

EXECUTIVE DIRECTOR UPDATES:

NADO

Participated with the NADO Executive Committee in Washington D.C. on September 8-12th for the annual Fly In event, meeting with heads of departments on areas of regional concern. The Executive Committee met with senior officials at the U.S. DOT, EDA, USDA RD, along with leading policymakers and thought partners in the rural development space. The committee discussed topics such as, surface transportation reauthorization and the Farm Bill, broadband, disaster reform, housing, and workforce challenges. The meetings help ensure that national policies reflect the on-the-ground realities of regional development, and that rural, small metro, and underserved communities remain part of the national policy conversation.

The return flight was delayed, requiring an extra night in D.C. However, this proved to be helpful, as the following morning's flight, Nicole was able to sit next to a rural Republican Congressman from the 2nd congressional district in Oregon, Congressman Bentz. The Congressman serves on the Energy and Commerce Committee. Senator Tina Smith was also on the return flight to MSP. This provided a great opportunity to share organizational updates with her on the walk to baggage claim.

Next month, Tom Polich, Sabri Fair and Nicole will be in Salt Lake City for the NADO Annual Training Conference. Tom will be presenting on his Food Resue work. Nicole will be busy with leadership duties with the Executive Committee. However, she and Sabri will be participating in meetings on the newly created *Rural Energy Academy*. Olmstead County Commissioner, Dave Senjem will present to the RNDC Commission on the REA, as he was the 'brains behind the program with NACo.

Blandin

Meeting with the Blandin Foundation on Sept. 24th to learn more about their funding priorities, meet their new team and share RNDC's projects and unmet funding needs to drive programs forward.

MSU,M

Participated in an event at the Maverick Innovation Gateway (former bookstore, brick building on campus). The Division of Student Success and Engagement organized the event. The event included manufacturing industry partners (DigiKey, Nidec, Taylor Corp. and others), DEED representatives, Department of Education Deputy Commissioners, State Senator Rich Draheim, MSU,M students, area school representatives, including my high school, "Know Your Car" teacher, Mark Zenk. The event was focused on improving access to STEM education to address industry pathways with the lack of talent. The proposal, Integrated Industry Education Initiative is aimed at increasing access to high impact practices for MSU engineering & education students, improve access to STEM education for rural high schools, and creating integrated pathways between industry, secondary schools, and post-secondary schools. The project is built off recent successes at MSU and in New Hampshire using the open-source Experiential Robotics Platform (XRP), curriculum, and engineering tools.

Nicollet

Nicole and Alejandra had a meeting with Ellen Hiniker, who is consulting with the city of Nicollet. Data on broadband speeds, details on the RLF program and other technical assistance was shared as Ms. Hiniker works with the community on driving initiatives forward. She previously served as the City Manager for White Bear Lake, which is also a partner in CSM with the U of M.

Rural Emergency Management & Food Rescue legislative priorities

Nicole and Joel had a meeting with Commissioners Borchert and Boettger regarding the concerns and needs for rural EMS services. Boettger serves as Chair of the Legislative and Communications Committee. Discussion was held around adding the topic to the list of legislative priorities for the commission. The team will work to share information on the issues, as available. Joel and Commissioner Borchert also plan to present to the full Commission in January with their research partners from *Empowering Small Communities*.

The topic of Food Rescue and regional Food Insecurity were also discussed as issues to be considered as updated legislative priorities.

Climate Smart Municipalities
Nicole, Sabri, Commissioners Borchert and Branstad attended the University of MN's Climate Smart Municipalities dinner on Sept. 22 at the McNamara Alumni Center. There was an interactive dinner discussion on, *"Partnership for Sustainability and Resilience: MN and NRW"*. The event was highly worth the time, as State Commissioners from MnDOT and MPCA, state legislators, and other decision makers were in attendance.

Data Centers Informational Event:
Southern MN Initiative Foundation will be holding an upcoming event focusing on Data Centers. Great River Energy and others will be speaking on updates, areas of concern for communities and providing time for discussion. SMIF asked RNDC to sponsor the event by promoting the event on our social channels. However, no funding was requested or provided for financial sponsorship. If interested in learning more, talk with Sabri as the RNDC lead for the event.

Americas Competitiveness Exchange on Innovation and Entrepreneurship, ACE- Armenia
On Sept. 17, the International Trade Administration made an announcement regarding, "Mapping the TRIPP Ahead: Prosperity in the South Caucasus and Opportunities for U.S. companies. Armenia's Prime Minister and the President of Azerbaijan signed a peace framework brokered by President Trump, committing to end decades of conflict in the South Caucasus. The central component of the deal envisions a strategic transportation link through Armenia, connecting Azerbaijan with its exclave Nakhchivan, to be named the Trump Route for International Peace and Prosperity (TRIPP). The historic developments could have potential to become a major driver of regional economic integration.

House Agriculture Committee's Subcommittee on Commodity Markets, Digital Assets, and Rural Development.
On September 18th, fellow NADO board member from South Dakota, Lynn Keller Forbes testified in front of the committee regarding the importance of USDA RD's program. If interested, the link is here. Lynn is a Past President of NADO and serves as the President and CEO of South Eastern Council of Governments in in Sioux Falls.

Rural Energy Academy, REA
Nicole has been meeting with Jack Morgan, Director of Programs for NADO regarding the newly created Rural Energy Academy. NADO is a partner with NaCO, IEDC and others. Because of his expertise, Sabri was also asked to join the Annual Training Conference to help shape the academy by meeting with the consultants to brainstorm ideas and map out potential projects and site visits for economic developers working in the climate resilience and energy conservation space. Nicole has been asked to spearhead the initiative for NADO members. RNDC will receive compensation for her time, and the grant covers the travel costs and registration for Sabri.

MADO

Nicole is currently organizing the next Executive Director's quarterly meeting, to be held in the region on Dec. 1-3. MnDOT Commissioner Daubenberger has committed to joining and presenting to the group. MADO hopes to increase the annual planning grant with MnDOT, as it has not been increased since 2013.

The MADO Executive Directors have also been busy meeting to plan professional development trainings for the team. The McKnight Foundation provided funds to assist the regions with overall capacity building.

Notice of Investment Award

Title:	Workforce Training Facility Development Project
DOC Bureau:	Economic Development Administration
Investment No and Type:	ED25CHI0G0213 – Public Works
Applicant:	Waseca County
Contact Information:	Michael Johnson, County Administrator
	(507) 835-0631; michael.johnson@wasecacounty.gov
City/County, State:	Waseca/Waseca County, MN
U.S. Congressional District	1
EDA Investment Amount:	$2,100,000
Total Project Cost:	$3,000,000
Anticipated Impact/Outcome:	50 jobs created and $1 million in private investment leveraged.

Description: This EDA investment supports Waseca County with developing a new advanced manufacturing workforce training facility in Waseca, Minnesota. The workforce development center will include classrooms, a mechatronics skills training area, and a computer numerical control (CNC) shop training area. Once completed, the project will help increase the region's capacity to create and grow new businesses in the manufacturing industry, which will attract private investment and strengthen the regional economy.

EDA grants are awarded through a competitive process based upon the application's merit, the applicant's eligibility, and the availability of funds. More information on EDA's grant process and investment process can be found at www.eda.gov.

Should you have any questions, please contact EDA at (202) 482-2900.

Rural Energy Academy (REA)

Region Nine Development Commission Out-of-State Travel Request Form

For Nicole's leadership w/REA @ Annual Training Conference

Name:	Nicole Griensewic
Event:	NADO Annual Training Conference
Travel Destination	Salt Lake City, UT
Date of Departure:	Monday, October 13, 2025
Date of Return:	Friday, October 17, 2025

Anticipated Costs:

	Departure Airport		**Arrival Airport**	**Cost**	**Funding Source**
Airfare (Roundtrip)	MSP	to	SLC	676.98	General Fund
	Description			**Cost**	**Funding Source**
Registration	Early Bird Conference Rate			$ 700.00	General Fund
	Total Nights		**$ Per Night**	**Cost**	**Funding Source**
Lodging	4	x	$ 249.00	$ 996.00	General Fund
	Total Days		**$ Per Diem**	**Cost**	**Funding Source**
Meals	5	x	$ 75.00	$ 375.00	General Fund
	Total Miles		**$ Per Mile**	**Cost**	**Funding Source**
Mileage	156	x	$ 0.70	$ 109.20	General Fund
	Description			**Cost**	**Funding Source**
Other	Incidentals			$ 50.00	General Fund
	Description			**Cost**	**Funding Source**
Other					

$2,372

Total Anticipated Cost of Out-of-State Travel Request **$ 2,907.18**

Employee Signature:

Authorization Signature:

Notes:

WILL BE REIMBURSED BY NADO

9-26-25 ag

MCKNIGHT FOUNDATION ROADSHOW

FRIDAY - 09.12.2025
01:00 PM - 02:30 PM
BRIDGE PLAZA,
201 N. RIVERFRONT DR.
MANKATO, MN 56001

1:00 - 1:10 PM	OPENING REMARKS	Welcome from RNDC Executive Director Nicole Griensewic
1:10 - 1:20 PM	MESSAGE FROM MCKNIGHT FOUNDATION	President Tonya Allen will give a brief background on the McKnight Foundation and the annual Roadshow. Additional remarks/insights from other McKnight staff.
1:20 - 1:30 PM	INTRODUCTION OF ATTENDEES	RNDC Commissioners, RNDC staff, and other attendees
1:30 - 2:20 PM	ROUNDTABLE DISCUSSION	As an organization that is not a typical climate NGO, how are you working to reach beyond the choir and move climate progress forward? In this moment of challenge and stalled progress, where do you see signs of opportunity and hope as it relates to climate? What strategies have you found successful in making climate issues everyday issues in people's lives and incentivizing action? What advice would they give to others about how to help people build consensus and support? Takeaways from the Aachen Delegation Current climate initiatives in your areas of representation
2:20 - 2:30 PM	CLOSING REMARKS	

R9 REGION NINE DEVELOPMENT COMMISSION

McKNIGHT FOUNDATION

McKnight Representatives

Tonya Allen

President, McKnight Foundation

Sacha-Rose Phillips

Program Officer, Midwest Climate & Energy
McKnight Foundation

Jacques Herbert

Programs Director, McKnight Foundation

Trisha Harms

Senior Communications Director
McKnight Foundation

Molly Miles

Communications Officer
McKnight Foundation

Maria Salas

Senior Project Manager
McKnight Foundation

RNDC Commissioners

Mike Laven

City Council Member, City of Mankato
Chair, RNDC Board of Directors

Andrea Boettger

City Council President, City of New Ulm
Vice Chair, RNDC Board of Directors

Dave Borchert

Brown County Commissioner,
Police Chief & Emergency Manager,
City of New Ulm | RNDC Commissioner

Shanon Nowell

Mayor, City of Saint Peter
Asst. to the Provost, Gustavus Adolphus College
RNDC Commissioner

Scott Schlueter

City Council Member, City of Le Sueur
RNDC Commissioner

Luisa Trapero

Member of Governor's Advisory Council on Climate Change | School Board Member
Minnesota School Board Director of Color
Minority Populations Commissioner, RNDC

RNDC Staff

Nicole Griensewic

RNDC Executive Director

Jessica Beyer

RNDC Deputy Director

Sabri Fair

RNDC Environment & Sustainability Planner

Samuel Sharp

RNDC Energy & Environment Planner

Tom Polich

Food Recovery Coordinator

Nathan George

Communications Manager

Community Stakeholders

Mindy Granley

Climate Assistance Unit Supervisor,
Minnesota Pollution Control Agency

Aaron Budge

Interim Executive Director, School of Applied Agriculture, Food, & Natural Resources
Minnesota State University - Mankato

From: Trisha Harms <THarms@mcknight.org>
Sent: Wednesday, September 24, 2025 4:33 PM
To: Nicole Griensewic <nicole@rndc.org>; Jessica Beyer <Jessica@rndc.org>; Sabri Fair <sabri@rndc.org>; Samuel Sharp <samuel@rndc.org>; Tom Polich <tom@rndc.org>; Nate George <Nate@rndc.org>
Cc: Sacha-Rose Phillips <SPhillips@mcknight.org>; Molly J. Miles <MMiles@mcknight.org>
Subject: Thank you to all of you, from all of us at McKnight

Dear Region 9 Development Commission Staff,

I hope this message finds you well. I wanted to extend a heartfelt thank you for the incredible hospitality you showed us during the 2025 McKnight Roadshow in Mankato. Your warm welcome and graciousness made our visit truly memorable.

We are particularly grateful for the broad range of community leadership voices that joined us. It was enlightening to hear the various perspectives and learn about the unique aspects that bring people together, drive action, and build stronger communities in the region. The insights we gained from the conversation are invaluable and will undoubtedly shape our understanding moving forward.

I know that Tonya and the rest of my McKnight colleagues were also incredibly inspired and grateful for your time and wisdom.

Once again, thank you for hosting us and for the opportunity to engage with such a dynamic and passionate group of leaders. We look forward to continuing our collaboration and supporting the great work happening in your region.

Warm regards,

Trisha Harms

Trisha Harms (she/her)
Senior Communications Officer

McKNIGHT FOUNDATION

RURAL REPRESENTATION AND RESOURCES FUND

REGION NINE DEVELOPMENT COMMISSION

Rural Minnesota plays a critical role in the overall economic landscape of our state, but my experience is that rural voices and institutions are left out of major economic development opportunities, especially when it comes to international trade and investment. Having been on some of these missions, I know that they are powerful tools as they open doors to global partnerships, investment, and export opportunities. If we don't include rural representation regularly, we're missing a huge part of Minnesota's potential

Rural areas aren't just part of the state; they're home to many of our core economic assets. Most of Minnesota State's colleges and universities are in rural communities (42 out of their 54 campuses are rural). These institutions are not just educating local students; they're also centers for research, workforce training, and economic development, making them vital in international engagement.

When you look at foreign direct investment (FDI) in rural areas across the country, the data is really telling. Projects in rural or non-metro areas tend to be bigger and more impactful. The average investment value of a rural FDI project is around $64.5 million, which is nearly double what you see in metro areas. They also create more jobs. On average, 108 jobs are created per rural project, compared to 86 in metro areas. In sectors like automotive components, rural areas receive over 18% of these types of FDI projects nationwide, indicating a real opportunity to align with existing strengths in manufacturing and supply chains across Minnesota. Region Nine has several automotive component manufacturers, several of which are foreign-owned or act as suppliers to foreign markets.

42 out of 54
college and university campuses in the Minnesota State System are in rural areas[1]

$64.5 MILLION
approximate average **investment** per FDI project in rural areas[2]

108
approximate number of **jobs created** per FDI project in rural areas[2]

Around 40% of all FDI jobs in Minnesota are in manufacturing, a sector that's deeply rooted in our rural communities. The manufacturing sector in Region Nine is the highest paid industry cluster in the region.

This is where rural-based economic development organizations, like regional development organizations, can play a crucial role. These groups know their regions better than anyone. They're connected to local businesses, workforce pipelines, and infrastructure projects, and they're able to follow up with investors and partners long after the trade mission ends. Including them brings depth and follow-through to the mission, not to mention a more complete picture of what Minnesota has to offer.

Ultimately, leaving out rural voices means we're under-representing a major part of Minnesota's economy and workforce. Including rural representatives ensures a more equitable and accurate portrayal of the state and brings new opportunities to areas that often have the capacity and readiness, but not always the access to global markets and investment.

I'd encourage a stronger, more consistent rural presence in future trade missions. It benefits rural communities, but it also makes the whole state more competitive on the global stage. Thanks for considering this, and I'd love to help however I can in moving that conversation forward.

Nicole Griensewic
Executive Director
Region Nine Development Commission

WHY RDO's?

Benefits of FDI and International Partnerships:

- Industry connections and economic growth
- Job creation and workforce improvement
- Infrastructure development and upgrades through international partnerships and investments
- Learning exchanges of innovative initiatives and best practices
- Capacity building and higher education collaboration
- Climate and economic resilience

Why Rural Should Have a Seat at the Table

- Assets in natural resources, cultural heritage, and community cohesion
- Facing distinct challenges apart from urban geographies
- Inclusion and representation of rural voices is important for statewide success

1. https://www.minnstate.edu/campusesprograms/index.html
2. U.S. Department of Commerce. 2018. Foreign Investment in the Rural United States. Global Research Team Internation Trade Administration

Division of Student Success & Engagement
325 Wigley Administration Center, Mankato MN 56001
507.389.1365 | 800.627.3529 or 711 (MRS/TTY)
mnsu.edu

Agenda:

1:30 PM: Doors open with light refreshments and informal networking.

1:55 PM: Guests take their seats.

2:00 PM: Welcoming remarks – Introductions of distinguished guests and program kick-off.

2:20 PM – 3:00 PM: Overview and proposal.

- Introduction to the problem – Access to STEM education and industry pathways are a national concern.
- Past solutions which have been tried – How do we lower the barrier to access for the bottom 90%?
- Our proposal – New Hampshire laid the foundation with XRP; Minnesota can lead the nation.
- Call to action – Advocacy, partnership, and vision are why we are here.

3:00 PM: Moderated roundtable discussion with executives, educational leaders, and policy makers.

3:45 PM: Meet & greet with secondary and post-secondary students from the pilot, tech demos, and Q&A.

4:00 PM: Roundtable wrap-up. Depart for optional tour of Nidec engineering and manufacturing facilities.

4:30 PM: Arrival to Nidec for private tour. 2075 W Howard Dr, North Mankato, MN 56003.

Potential roundtable questions:

- Can DEKA speak to their success in NH, how they secured funding for XRP, and the impact on students?
- Can DigiKey speak to their role in developing the open source XRP ecosystem?
- Can MSU/MAPS/Nidec team members speak to their experience piloting the XRP ecosystem during the summer of 2025?
- Ashley Furniture has invested millions into accessible robotics education in the rural upper Midwest. Why have they taken that initiative and what has been the impact on their business?
- GMG leadership has had success with secondary/post-secondary/industry pathways in the past. Can you speak to the impact that had with local employers and if the XRP proposal would fit that mold?
- In Minnesota, are there opportunities to expand DEED MJSP grants (or others) to include those who are entering the workforce, not only those currently in it?
- Minnesota has many state organs with equities in this space – is there a way to empower and leverage this existing infrastructure to support this objective's sustainability?
- If there was one governmental policy change needed to facilitate this vision for industry, what would it be?
- If there was one governmental policy change needed to facilitate this vision for secondary education, what would it be?

Potential deliverables:

- Deliverable 1: The Mankato team will see through the XRP pilot in the Greater Mankato region and build upon this success.
- Deliverable 2: Our elected officials will review the ROI of existing STEM outlays against the XRP proposal.
- Deliverable 3: Our government officials will explore ways to leverage existing grant funding to support the future workforce.
- Deliverable 4: Post-secondary partners will support secondary institutions toward deploying this XRP ecosystem.
- Deliverable 5: Industry will work with colleges to formalize an internship, project, and experiential learning ecosystem.

Background:

The *Integrated Industry Education Initiative* is a proposal to increase access to high impact practices for MSU engineering and education students, improve access to STEM education for rural high schools, and to create integrated pathways between industry, secondary schools, and post-secondary schools. This project is built off of recent successes at MSU and in New Hampshire using the open-source Experiential Robotics Platform (XRP), curriculum, and engineering tools. Success is increasing access to technology education, supporting Minnesota's workforce needs, and solidifying public-private collaboration through proven, open-source technology and curriculum.

Select Biographies:

Dr. Edward Inch, Minnesota State University, Mankato President

Dr. Edward S. Inch is the 13th President of Minnesota State University, Mankato. He assumed the presidency July 1, 2021, and brought with him strategic leadership and an understanding of the importance of working in a collaborative, transparent and authentic manner to build a shared vision. President Inch sees the University as playing an instrumental role in the lives of its students and region. Dr. Inch brings to Minnesota State Mankato 36 years of distinguished university leadership experience.

Dean Kamen, Founder & President of DEKA Research & Development

Dean Kamen is an American inventor, engineer, and entrepreneur best known for creating groundbreaking medical devices and the Segway personal transporter. He founded DEKA Research & Development, where he has worked on technologies ranging from insulin pumps to advanced prosthetics and water purification systems. In 1989, he launched FIRST Robotics, a global nonprofit that inspires students to pursue science, technology, engineering, and math through hands-on competitions. Widely recognized for his contributions, Kamen has received the National Medal of Technology and is celebrated as a leader in innovation and STEM education.

David Strohsack, President, Nidec Power Americas

David Strohsack is a business leader with extensive experience in sales management, product development, and marketing across Fortune 100 companies and privately owned corporations. He currently serves as President – Power Americas at Nidec Power, following executive roles as President of IPC Eagle Corporation and Vice President of Marketing at Tennant Company. Earlier in his career, he spent over two decades at Eaton Corporation, where he held leadership positions in global segment strategy and mobile hydraulics. Strohsack holds an MBA from the University of Minnesota's Carlson School of Management and a bachelor's degree in Mechanical Engineering from the University of Toledo.

Della Schmidt, CEO of Greater Mankato Growth

Della has more than three decades of experience leading chamber, economic and workforce development, and regional partnership organizations and initiatives within southern Minnesota and southeast Iowa. Prior to joining GMG, Inc., Della served as the President and CEO of the Greater Burlington Partnership, led the Winona Area Chamber of Commerce, and served as president of the Carlton County Chamber and St. Peter Area Chamber. Della has a track record of fostering collaboration between communities, businesses, local government, and institutions, driving a robust business sector and a healthy economy.

Dr. Paul Peterson, Superintendent of Mankato Area Public Schools

Paul Peterson began his role as superintendent of Mankato Area Public Schools (MAPS) in 2019. Prior to arriving in MAPS, he served as the superintendent of Saint Peter Public Schools. Earlier in his career he was a social studies teacher, coach, and high school principal. Paul and his spouse Kari live in North Mankato, MN and have two adult children, Evan and Isaac.

Dave Doherty, President DigiKey Electronics

Dave Doherty was named President of DigiKey in July 2015, having served previously as EVP of operations. Dave joined DigiKey's executive management team in January 2008, bringing with him more than 35 years of electronics industry experience split between semiconductor suppliers and distribution. Prior to joining DigiKey, Dave began his career with Digital Equipment Corporation in design and manufacturing engineering. Doherty holds a BSEE from Worcester Polytechnic Institute in Worcester, Mass. and an MBA from Babson College in Wellesley, Mass. Doherty has served on the advisory board for the School of Professional Selling at Baylor University and actively serves on the ECIA board, including holding a past Chair position. Dave was born and raised in Franklin, Massachusetts. He and his wife Becky of 34 years have three children; Brian, Connor and Kaylin.

Dr. Eric Hudspith, Superintendent Waseca Public Schools

Dr. Eric Hudspith is the Superintendent of Waseca Public Schools, a role he has held since July 2020, bringing more than 20 years of experience in education across south central Minnesota. His career has included work as a teacher, coach, facilities director, principal, and human resources leader in districts such as Albert Lea and Mankato. In addition to his superintendent role, he has taught at Minnesota State–Mankato and currently teaches Education Policy and Evaluation through Edgewood University.

Representative Luke Frederick, Representative for Minnesota MN District 18B

Luke Frederick is a Minnesota state legislator who has represented District 18B in the Minnesota House of Representatives since 2021 as a member of the Democratic-Farmer-Labor Party. A lifelong resident of south-central Minnesota, he grew up in Eagle Lake and earned a B.S. in corrections from Minnesota State University, Mankato. Before being elected office, Frederick worked 17 years at the Saint Peter Regional Treatment Center, as well as in healthcare and national service with the Civilian Community Corps. At the Capitol, he is vice chair of the Human Services Policy Committee, serves on multiple other committees, and has been an assistant majority leader since 2023.

Greg Nedeel, CEO REV Robotics

Greg Needel is an engineer, entrepreneur, and STEM advocate best known as the CEO and Co-Founder of REV Robotics, a company he launched in 2014 to create accessible, high-quality robotics parts for students and educators worldwide. Under his leadership, REV has grown into a global leader in educational robotics, with products used in over 190 countries and more than 10,000 institutions. In addition to REV, Needel serves as a strategic advisor to the YouTube channels Strange Parts and Electric Ranch, helping guide content, partnerships, and growth. A graduate of the Rochester Institute of Technology, he has dedicated his career to empowering the next generation of innovators by blending engineering, education, and storytelling.

Mark Halbert, Vice President for System Development 60Hz at Rolls-Royce

Mark Halbert is the Vice President for Rolls-Royce 60Hz System Development and serves as Director of Engineering North America for Rolls-Royce Solutions America. He oversees R&D activities across North America, including stationary system design, automation, engine and system validation, testing, and 2-cycle engine design. With a bachelor's degree in automotive engineering, an MBA, and 17 years of experience in power generation, he has worked extensively with engines, systems, and electronics across multiple disciplines.

Senator Rich Draheim, State Senator for Minnesota District 22

Senator Draheim is a small business owner and lifelong Washington Township resident representing District 22 in the MN State Senate, which covers communities across Blue Earth, Faribault, Le Sueur, Martin, Rice, Scott, and Watonwan counties. A graduate of MSU, Mankato with a degree in Business Administration, he has nearly 30 years of management experience, including 19 years with John Deere dealerships, ownership of Westwood Marina, and current leadership of Weichert Realtors Community Group of Mankato and the New Ulm Event Center. First elected to the Senate in 2016, Draheim has prioritized job creation, small business growth, reduced regulations, affordable healthcare, equitable education funding, and government reform.

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Cole Bawek, Vice President of Public Relations & Communications at Ashley Furniture Industries

Cole Bawek is the Vice President of Public Relations & Communications at Ashley Furniture Industries, where he oversees corporate communications, media relations, governmental affairs, philanthropy, community outreach, and the company's education foundation. With more than a decade of experience at Ashley, he has advanced from Public Relations Specialist to Director, and now Vice President, building a strong reputation for strategic communications leadership. Bawek holds a Master of Professional Studies in Strategic Public Relations from The George Washington University and a Bachelor's degree in Music Industry and Business Law from Minnesota State University, Mankato.

Assistant Commissioner Wendy Robinson, Minnesota Office of Higher Education

Dr. Robinson is the AC at the MN Office of Higher Education, with a focus on programs, policy, and grants including OHE's programs focused on key program areas such as Direct Admissions, Parenting Students, Justice-Impacted Students, and Basic Needs. She was previously VP of Student Affairs at Inver Hills Community College.

Assistant Commissioner Angela Mansfield, Minnesota Department of Education

AC Mansfield is responsible for the Office of Educational Opportunity at MDE. She oversees school and educator support, career and college success, student access and opportunity, data practices and analytics, and more. She has extensive experience as a teacher and a school and district leader.

Kim Nelson, Riverland Community College Dean of Manufacturing

Dean Nelson is the Dean of Academic Affairs for Construction Trades, Transportation, and Manufacturing at Riverland Community College. She has been there since 2017 in a variety of roles. Dean Nelson has been the point person at Riverland as they have piloted a small summer program with the XRP and consider further work on this initiative together.

Dr. Kathleen "Kat" Linaker, Riverland Community College President

Dr. Linaker has served as president of Riverland Community College since July 2023. She was previously Vice President of Academic Affairs at Western Technical College in La Crosse, WI. She is heavily invested in educational innovation and issues of student equity and access to education.

Josiah Litant, Executive Director for the Minnesota P-20 Education Partnership

Executive Director Litant has served as the ED of the Minnesota P-20 Education Partnership since February 2023. The partnership was created by the legislature the purpose of providing policy recommendations to the Governor and the legislature related to issues in education from birth through higher education. The council is made up of 27 public and private member organizations, institutions, systems, state agencies, and bicameral/bipartisan legislators. ED Litant has been part of the core planning team with MSUM VP Thul to help move this work forward statewide, as the P-20 also supports the incubation, acceleration, and amplification of promising work across the state's educational ecosystem. ED Litant served in multiple vice president roles at Minnesota State College Southeast immediately prior to this appointment, and has experience across early childhood, K-12, and higher education.

Emily Saed, Director of MN STEM Ecosystem at the Southeast Service Coop

Emily Saed is the inaugural Director of the Minnesota STEM Ecosystem. The Minnesota STEM Ecosystem brings together Industry, K12 Education, Higher Education, and Out-of-School STEM Learning Programs to align formal and informal STEM education with workforce needs, expand access to high-quality programming, and drive innovation and workforce development through regional and statewide collaboration. The Minnesota STEM Ecosystem is a statewide program housed in the Southeast Service Cooperative with more than 50 learning partners throughout Minnesota.

Mandy Janssen, Deputy Director for the Minnesota P-20 Education Partnership

Mandy Janssen was appointed as the inaugural Deputy Director of the Minnesota P-20 Education Partnership in September 2025, joining Josiah Litant in advancing the work of this independent education policy coalition. Her background includes expertise in K-12 and higher ed, including curriculum development and faculty professional development, and she has extensive experience in workforce development innovation.

Nicole Griensewic, Minnesota Region Nine Development Commission Executive Director

Nicole Griensewic is the Executive Director of the Region Nine Development Commission (RNDC), where she has led since 2012, overseeing programs that support transportation, economic and community development, and intergovernmental collaboration across nine counties in south central Minnesota. She is responsible for strategic planning, administration, and guiding RNDC's mission of fostering regional growth and cooperation. A graduate of the University of Wisconsin – Eau Claire with a degree in History and German, she is recognized as a purpose-driven leader with expertise in grant writing, fundraising, communications, and building partnerships that create social and economic impact.

Jason Greenfield, Vice President of Engineering at Taylor Corp.

Jason Greenfield is the Executive Vice President of Corporate Real Estate, Facilities, and Engineering at Taylor Corporation, where he leads large-scale operations, construction projects, and engineering initiatives. He brings more than 20 years of experience in manufacturing, Automation, software development, and industrial real estate. Prior to joining Taylor, Jason held leadership roles at BIC Graphic North America, Brown Printing Company, and Easy Energy Systems. He is a certified Six Sigma Black Belt and Project Management Professional, recognized for driving innovation, efficiency, and business results.

Dr. Travis Thul, Vice President for Student Success & Engagement at Minnestoa State University, Mankato

Travis' mission is to support student and community success by leveraging strategic partnerships throughout the region and nation. His portfolio includes the Small Business Development Center, Workforce Professional Education, the Career Development Center, professional advising of over 15,000 students, and student success operations. Travis is an electrical engineer by training, specializing in power electronics, wireless power transfer, and cybersecurity. He concurrently serves as a reserve Coast Guard Officer and is a member of the Minnesota Board of Electricity. He is a licensed Professional Engineer, holds a Doctor of Engineering, and served as a White House Fellow in the Trump and Biden adminstrations.

Kevin Walseth, Senior Manager of Technical Engagement at DigiKey

Kevin is a thought leader for DigiKey on many marketing initiatives, including startups, makers, and innovation. He joined DigiKey in 2012 as a product manager and has been a key part of the technical marketing team since 2016. He is a maker at heart and a builder of many things, always looking for the next big technology win. Kevin holds an associate of arts and sciences degree in electronics technology from Northland Technical College and an MBA from Bemidji State University.

Dr. David Rogers, Chief Development Officer at DEKA R&D

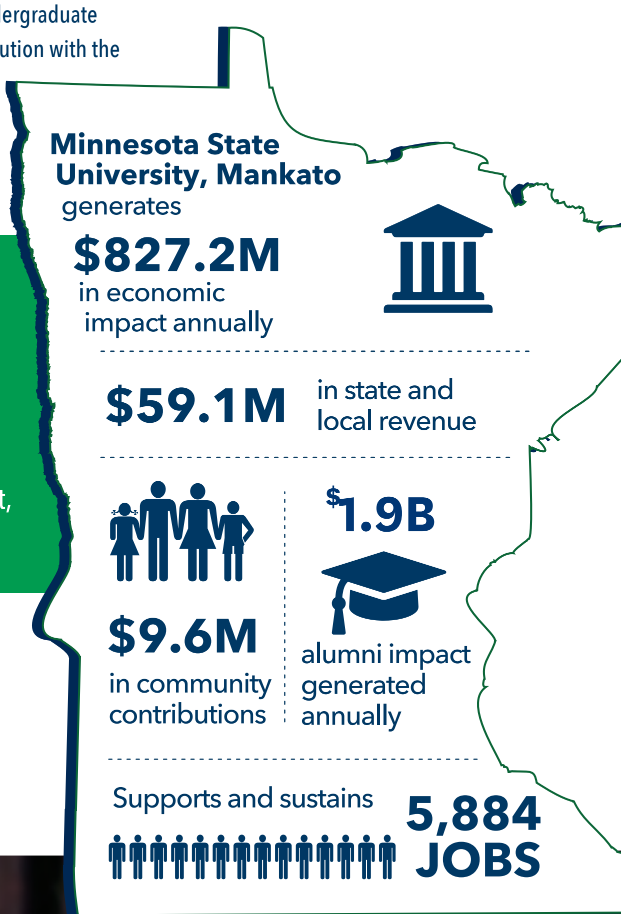
Dr. David Rogers is the Chief Development Officer at DEKA, where he drives strategic growth and innovation in healthcare and automation. He is a graduate of the U.S. Air Force Academy and served both in the Air Force and in East Africa, managing aid and development programs. David earned his PhD at the University of Central Florida's Institute for Simulation & Training, with research focused on mobile learning networks for humanitarian and disaster response. A former White House Fellow in the Office of American Innovation, he brings extensive expertise in technology, informatics, and service delivery in challenging environments.

SERIAL RECIPROCITY IN WORKFORCE DEVELOPMENT

EARLY ENGAGEMENT WITH A DIVERSE TALENT PIPELINE

Minnesota State University, Mankato

At Minnesota State University, Mankato a hands-on approach to education demonstrates how big ideas translate into inspired actions. Students participate in faculty-led research as well as project-based learning opportunities with community partners. With approximately 130 undergraduate programs and 85 graduate programs, Minnesota State Mankato offers the amenities and scope of a larger institution with the tailored support of a smaller school. Minnesota State Mankato attracts students from nearly 100 countries and is nationally ranked for its large population of international students. An aviation program that partners with national airlines and a nursing simulation center that works with local health care providers to provide training demonstrate how Minnesota State Mankato finds innovative ways to serve the community.



Contributing to the Minnesota Economy

- Minnesota State University, Mankato generates an annual economic impact of **$827.2 million**. This includes a direct impact of $454.4 million and an indirect/induced impact of $372.7 million.
- Spending on operations and capital projects generates $456 million of the total impact, and student and visitor spending generates $371.2 million.

Supporting and Sustaining Jobs in the State

- Minnesota State University, Mankato supports and sustains 5,884 Minnesota jobs (3,951 direct and 1,933 indirect/induced). These jobs are the university and in the community –1,545 direct jobs are employees of Minnesota State University, Mankato.

Generating Local and State Tax Revenue

- The combined tax impact of Minnesota State University, Mankato, its suppliers, students and visitors is **$59.1 million**. This includes a direct impact of $36.5 million and indirect/induced impact of $22.6 million.

Alumni in the State Generate Additional Impact

An estimated 82,872 Minnesota State University, Mankato alumni living and working in Minnesota are continuing to make a positive economic impact after graduation. These graduates are an integral part of the Minnesota workforce, impacting the economy not only through their spending but also through the extra earning power generated by their Minnesota State University, Mankato degree.

Each year, Minnesota State University, Mankato alumni generate $1.9 billion in economic impact for Minnesota, support and sustain 10,374 jobs. Over their 40-year career, Minnesota State University, Mankato alumni will generate $76.6 billion in the economy. These impacts are based on the added value of earning a degree from Minnesota State University, Mankato, not alumni full wages. This impact is based upon the total number of alumni in Minnesota 10 years after graduation.

Making a Difference in the Community and State

Signature events held at Minnesota State University, Mankato invite community members to campus to learn about and celebrate themes relevant to the college and the community. For nearly fifty years, the university has hosted an annual Pan African Conference, which brings speakers to campus to discuss a central theme, such as equity in education. In addition, the university hosts the Mankato Area International Festival where cultures of the university's many international students are shared with members of the community through music, fashion, and food.

Minnesota State University, Mankato Student Profile

17,804 students enrolled in fall 2022

3,542 graduates each year

25.6% Pell recipients

12.1% first-generation students attending university

1:21 21 students per full time faculty member

522 students currently enrolled are veterans

An estimated **$9,594,514** in charitable donations and volunteer services are generated annually by faculty, staff, and students.

- **$1,495,701** donated to local charitable organizations by faculty, staff, and students.
- **$8,098,813** of volunteer time by faculty, staff, and students.

Minnesota State University Mankato

Terms & Abbreviations

ACC – American Connection Corp

ACE - Americas Competitiveness Exchange on Innovation and Entrepreneurship

APPR – Annual Performance Progress Report (CEDS) ATP – Area Transportation Partnership

AURI – Agricultural Utilization Research Institute

BDO – Bioeconomy Development Opportunity

CRP – Carbon Reduction Program

CEDS – Comprehensive Economic Development Strategy

COPAL – Comunidades Organizando el Poder y la Acción Latina (Communities Organizing Latino Power and Action)

CGMC – Coalition of Greater Minnesota Cities

CPRG – Climate Pollution Reduction Grant

CSET – College of Science, Engineering & Technology

CSM – Climate Smart Municipalities

CSSJ – Climate Smart St. James

CTS – Center for Transportation Studies

DEED – Minnesota Department of Employment and Economic Development

DOE – Department of Energy

EDA – Economic Development Administration

EDD – Economic Development District

EECBG - Energy Efficiency and Conservation Block Grant

GAC – Gustavus Adolphus College

GIS – Geographic Information Systems

GMG – Greater Mankato Growth

GMNP – Greater Minnesota Partnership

HACER – Hispanic Advocacy and Community Empowerment through Research

IF – Initative Foundation

LGU – Local Government Unit

LMI – Labor Market Information

LMI – Low-to-Moderate Income

MADO – Minnesota Association of Development Organizations

MAPCED - Minnesota Association of Professional County Economic Developers

MAPO – Mankato/North Mankato Area Planning Organization

MCLA – Minnesota Council on Latino Affairs

MDH – Minnesota Department of Health

MPCA – Minnesota Pollution Control Agency

MSA – Metropolitan Statistical Area

MSU,M – Minnesota State University, Mankato

MYLAP – MN Young American Leaders Program

NEA – National Endowment for the Arts

NEH – National Endowment for the Humanities on Center

NRCS – Natural Resources Conservation Services

PROTECT – Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation

REDA – Regional Economic Development Alliance

REV – Rural Entrepreneurial Venture

RLF – Revolving Loan Fund

RNAI – Region Nine Area Inc.

RNDC – Region Nine Development Commission

SACE – Southern Agricultural Center for Excellence

SAF – Sustainable Aviation Fuel

SBDC – Small Business Development Center

SCC – South Central College

SCSC – South Central Service Cooperative

SHIP – Statewide Health Improvement Partnership

SMIF – Southern Minnesota Initiative Foundation

SRTS – Safe Routes to Schools

SS4A – Safe Streets and Roads for All

STIP – State Transportation Improvement Program

SWCDs - Soil and Water Conservation Districts

TAC - Transportation Advisory Committee

WCI – West-Central Initative

TZD – Toward Zero Deaths