



redriver
REGIONAL COUNCIL
MOVING IDEAS TO ACTIONS



Moving Ideas
to Actions



Proudly serving Region 4
in northeast North Dakota



2021

Annual Report



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MESSAGE FROM LEADERSHIP



Dawn Mandt
Executive Director

When disaster strikes, especially those of a grand scale such as a federal declaration for the entire United States as with the pandemic, it's "go time" in our office. "Go time" means we listen and assess the evolving needs; monitor, inform and increase resources available; and connect dots between needs and resources..

And, if we are really lucky, we have the opportunity to enhance resiliency of the region by securing investment in long-term keystone projects that enhance future.

Reflecting on the past 12-18 months and creating the highlights for this report, it's been a intense whirlwind of activity. We've heard from nearly 1,500 people in interviews, surveys, and in-person gatherings. Thousands more have viewed the live and recorded gathering sessions.

We've learned what our people and business community want and need:

- vision and growth
- revived, energetic and vibrant communities
- to belong and contribute
- 1,500+ new employees in the next five years
- more housing and childcare options
- cool amenities that enhance quality of place
- communications and connections

We hear you.

We've also been analyzing extraordinary levels of qualitative and quantitative data and the 2020 Census data. The data says:

- we've been battling significant disasters annually for decades
- there are interesting twists to our decade's-long population loss story that provide a shimmer
- lack adequate economic diversity and have a depressed entrepreneurial spirit
- wages are low and unequal by profession and gender

We invested hundreds of hours staff time in 2021 and early 2022, in securing \$13 million to construct high impact, regional, foundational projects that build economic resiliency and growth.

Based on all of this input and research, we have developed the region's Recovery and Resiliency Plan. Highlights are found on page 4 of this report and the full plan can be found on our website: redriverrc.com. This plan and our Comprehensive Economic Development Strategy guide our work within the region.

We've seen the beauty of bringing people together to listen, learn, and provide valuable insights. We so appreciate every minute every person has invested in building the future of our region.

2021 RRRC BOARD OF DIRECTORS

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RECOVERY & RESILIENCY

MISSION STATEMENT: To assist in disaster recovery and to develop a more resilient and prosperous regional economy by creating an ecosystem that enables business expansion, new business creation, workforce growth, vibrant communities, destination development, and generative rural innovation.

Resiliency (noun): The qualities, skills, ideas, resources, & connections needed for people, communities, economies, and environments to withstand, bounce back from, adapt to, and thrive after, challenges, shocks, and change.

TOWARD PROSPERITY

In 2020, RRRRC received \$400,000 from the EDA through the federal Coronavirus Aid Relief and Economic Security (CARES) Act. The RRRRC used CARES Act funding in 2020 and 2021 to:

- continue operations
- increase staffing and capacity
- to develop and implement a COVID-19 Disaster Response Plan
- to hire additional technical assistance
- to support large-scale funding applications for critical regional projects, and
- to develop a strategic economic development & resiliency plan for the future that aligns with the current Comprehensive Economic Development Plan (CEDS), but is informed by the unusual and devastating economic impacts from the COVID-19 pandemic & other disasters on the region and incorporates resiliency principles.

The five goals of the resilient economic development plan incorporate strategies aimed at building economic and community resiliency so that the region can develop the capacities to withstand, bounce back from, and prosper after future disasters, challenges, and change.



THE PLAN

The Region 4 Recovery and Resiliency Plan in its entirety can be found on the RRRRC's website: redriverrc.com



GOAL 1

Accelerate business recovery and build resiliency in emerging and existing industries.



GOAL 2

Accelerate workforce recovery and industry competitiveness through efforts that grow, develop, and attract workers and businesses.



GOAL 3

Accelerate community recovery through efforts that advance placemaking and destination development and improve quality of life.



GOAL 4

Develop resiliency and economic diversity by creating a rural entrepreneurial and innovation ecosystem with regional rural-urban connectivity.



GOAL 5

Incorporate resiliency strategies in economic and natural disaster planning. Assist with mitigation projects related to natural and economic disasters.



Catalyst Fund: Business resource for COVID-19 recovery and resiliency

Eight regional businesses utilized the Catalyst Fund in 2021 for COVID-19 recovery and resiliency. The Catalyst Fund is a business loan program offered by the Red River Regional Council and made possible by a grant from the US Department of Commerce Economic Development Administration. The RRRRC received \$1.26 million to be distributed in the four-county region to be used by the businesses that were injured or delayed by the pandemic to help them launch, stabilize, or expand.

The 1% interest loan fund can be used for working capital, inventory, machinery and equipment, and fixed assets. An additional seven requests were approved in early 2022, leaving about \$30,000 yet to be awarded.

2021 Catalyst Fund loans include:

Borrower	Location	Use of Funds
Morgan Printing, Inc.	Grafton	Equipment purchase
CB Grocery	Walhalla	Business acquisition
Dakota Land Works	Cavalier	Start up
McCurdy Health and Wellness	Cavalier	Expansion, rental space
S&S Cremation Services	Grafton	Start up equipment
Lorrich Industries	Rural Cavalier	Business acquisition
JRatliff LLC	Cavalier	Start up equipment
Dusty Willow Dairy	Rural Lakota	Working capital



2021 Catalyst Fund:
8 businesses
\$588,480 borrowed



S&S Cremation Services
Michelle and Mike Such



McCurdy Health & Wellness
Trisha McCurdy



CB Grocery
Chris and Crystal Belanus



Listening & learning: Regional business retention and expansion project identifies challenges and opportunities



Walhalla



Larimore



Stump Lake Park

In fall 2020, the Red River Regional Council and collaborative partners launched a regional Business Retention and Expansion (BR+E) program to assess economic impacts from the pandemic and to learn more about what business owners & leaders need to grow in the future. The program included 129 one-on-one interviews with regional business owners and key managers to identify challenges, needs, strengths, and opportunities within the regional business community.

Most of the region's businesses were affected by the pandemic, especially supply chain disruptions and the closure of the U.S.-Canada border. The strengths and assets of the region's small towns include education, health care, safety, and community connections. Most businesses identified the region's labor shortage as one of their biggest challenges with the need for upwards of 1,500 new employees in businesses of all sizes in the next 2-5 years. The survey insights and interviews offered many insights into actions and services that communities, local governments, and the RRRC can provide to help businesses thrive.

To engage businesses and communities in conversations about the findings and their futures, the RRRC partnered with Grafton, Park River, Stump Lake Park (Nelson County), Larimore (rural Grand Forks County), Walhalla, and Cavalier to host town hall gatherings. Participants looked at the survey findings, heard from local business owners, and engaged in constructively discussing solutions to the identified obstacles in a workshop setting.



Interviews

A total of 129 one-on-one business interviews were conducted in Nelson, Pembina, Walsh, and rural Grand Forks County.



Events

Six town hall events were held across the four-county region.



Attendees

More than 325 people attended the six town hall events.



Engagements

All of the town hall events were live-streamed via the RRRC Facebook page, with more than 2,500 engagements.



Destination Red River Region aims to enhance quality of life, attract people



Participants in the Nelson County Findings and Suggestions Workshop held in October at the Lakota Community Center.

The Red River Region is home to small towns and beautiful places. To enhance the best of these, and to help communities create plans to develop themselves as enjoyable destinations that will attract visitors, residents, and businesses, the RRRRC and partners hired destination developer Roger Brooks International in 2021 to assess the region and coach communities through a planning process.

The RRRRC serves as project manager, with a team of 15 people from throughout Region 4 and Manitoba on the regional leadership team.

Brooks explored the region through three lenses: as a visitor, as a potential investor (business opportunity), and as a future resident. His assessment started in September 2021 as a secret shopper, and included 8 public workshops that gathered more than 200 people. The process involving tourism & business leaders, and county and community teams, continues through May 2022.

The action plans for Destination Red River will be developed following a four-county retreat and workshop in May 2022. The final product is a four-county Action Plan that lays out how and what communities and the region can be doing to enhance quality of life and attract visitors and future residents.

Some quick, do-able steps that



Cavalier Mayor Lacey Hinkle and high school students at the Pembina County Findings and Suggestions Workshop.

communities can take to make it easier for visitors to find and enjoy them:

- Signage. Put signage everywhere. Think about things visitors need to know: information; points-of-interest; parks; hours of business. Make it easy to find trails, cities, places, and tourist information.
- Online presence: Update everything online: websites; Google listings; social media. Get reviews. Add hospitality and lodging to online travel sites.

Funding partners of the project include: Red River Regional Council/US Economic Development Administration, City of Cavalier/ND Department of Commerce, Nelson County JDA, Rendezvous Region Tourism Council, Pembina County JDA, Visit Greater Grand Forks, and Walsh County JDA.



41 communities

Roger Brooks visited each of the 41 incorporated cities in Region 4; traveling 2,400 miles, including 500 miles on gravel roads.



2,000+ photos

More than 2,000 beautiful photos from Roger Brooks' tour are now available for community & promotional use. Find a link on the RRRRC website: redriverrc.com



Recreational areas

All state, county and city parks, dams and lakes, the Pembina Gorge and Frost Fire were visited.



Workshops & conversations

Many of the 150+ observations and suggestions for communities, businesses & places were presented at the county workshops & focused conversations. You can watch these on the Red River Regional Council YouTube channel. A link can be found on the RRRRC website: redriverrc.com



EDA impacts: 532 Hill receives preliminary grant approval



SCHEMATIC DESIGN CONCEPT - 2/7/21
PAGE 1



"This might help me try out my own business on a smaller scale, outside of my home, without putting my family's livelihood at stake."
-Food-preneur interest survey response

The RRRC received preliminary EDA approval for a \$1.6 million ARPA grant matched with \$551,000 of nonfederal funds for a kitchen and business incubator on Grafton's main street. The innovation center and co-lab would be a place to revitalize and grow entrepreneurs, community and main streets through food, business and the arts.

The proposed 532 Hill Kitchen and Co-Lab would create the region's only commercial kitchen, a critical resource that food-based entrepreneurs need to develop and scale businesses into the retail market. The space would also be a business incubator

that offers technical assistance, business development programming, high-tech meeting spaces, community classes, events, pop-up stores, and co-working so that entrepreneurs can launch and grow their businesses. With retail spaces, including storefronts, 532 Hill would be a first-of-its-kind project for rural North Dakota. Prairie Centre Architecture and Consulting of Park River has been assisting the RRRC.

EDA has issued preliminary selection of the funding, with additional questions posed before final approval. A hopeful award announcement is expected by September 2022.

Frost Fire to see major infrastructure upgrades



\$2.17 million federal Travel, Tourism & Outdoor Recreation grant matched with \$900,000 state grant awarded to the Pembina Gorge Foundation

The RRRC/PCJDA assisted the Pembina Gorge Foundation in assisting a \$2.17 million federal Travel, Tourism, & Outdoor Recreation grant and a \$900,000 State grant awarded to replace and expand its snow-making infrastructure at Frost Fire Park. The federal funding was awarded through the American Rescue Plan Act (ARPA) and the EDA. This project will create 23 jobs.



Summer play. Winter play. Just play.

Founded as a family business in 1976, the facility was purchased by the nonprofit Pembina Gorge Foundation in 2017. Frost Fire Park is a regional asset for quality of life and a keystone economic attractor for the region's travel and recreation industry. During the pandemic, dedicated local residents volunteered to keep the ski and bike area operating safely. As a result, the recreation area managed to survive financially and enjoyed a resurgence of local and regional visitors. Frost Fire is the only ski, bike, theatre, and restaurant in the Pembina Gorge, a uniquely rugged natural area, and is the only such recreation area for more than 150 miles in any direction, which makes it a keystone business for the region's growing tourism and outdoor recreation industry.



Community development in action: Nelson County housing rehab project under way

The Nelson County Housing Rehabilitation Project is under way, with the Nelson County Job Development Authority (NCJDA) as an integral partner.

The NCJDA sponsored a countywide housing study in 2020 and one of the main outcomes being the need for single-family housing rehabilitation.

Using federal, private, and local dollars, the program will assist qualifying low and moderate-income residents with health and safety issues in their home at no cost to the homeowner. Common repairs include roofing, windows, doors, plumbing, heating and electrical, and other safety or accessibility items. The goal is to assist homeowners in the rehabilitation of their homes they would unlikely have been able to afford otherwise.

The JDA allocated \$15,000 to the



Before



After: New siding, shingles, windows & doors

development of the project and formed the housing committee, made up of five members which will oversee the project. Staff at the RRRC are managing the project.

Development tasks include soliciting interested and qualified homeowners and contractors, writing, grants and securing funding, and overall project management.

Work is expected to begin summer 2022 with \$154,000 in grant funds secured.

About 6 to 8 homes will be rehabilitated

as part of Phase 1, and future phases are expected.

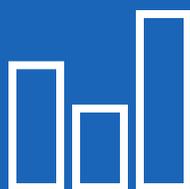
By focusing on the preservation, maintenance, and improvement of the existing housing stock, this project will increase the market value of these homes and contribute to neighborhood, community, and county vitality.

Applications are still being accepted; call the RRRC for more information.

RRRC assists cities in securing CDBG funds

The RRRC assisted three cities in securing Community Development Block Grant (CDBG) for infrastructure projects including:

- **City of Fordville, \$116,653**, for replacement of sidewalks and installation of curb ramps and detectable warning panels along Main Street between 1st Avenue and 2nd Avenue. Total construction cost estimate is \$122,761.
- **City of Manvel, \$89,372**, to install sidewalks, ADA curb ramps, and detectable warning panels in an area where none currently exist along Oldham Avenue, which is the city's main street. Total construction cost estimate is \$101,588.
- **City of Northwood, \$1,245,705**, for rehabilitation and repair of the city's sanitary sewer system. The project will abandon a lift station and construct a new one and will rehabilitate a different lift station with new pumps, as well as removal of existing and installation of new lines in another area. Total construction cost estimate is \$1,327,633.





Creating tomorrow's workforce today

RRRC supports NVCTC expansion project

The RRRC and PCJDA pledged funds and assisted in fund-raising to match a state capital grant for North Valley Career and Technology Center to expand technical education in the region in response to workforce shortages and projected growth.

North Valley is a regional education provider of technical education for students and adult learners. The state grant provided an opportunity to expand curriculum and facility space, requiring a significant commitment from local sources. They rose to the occasion!



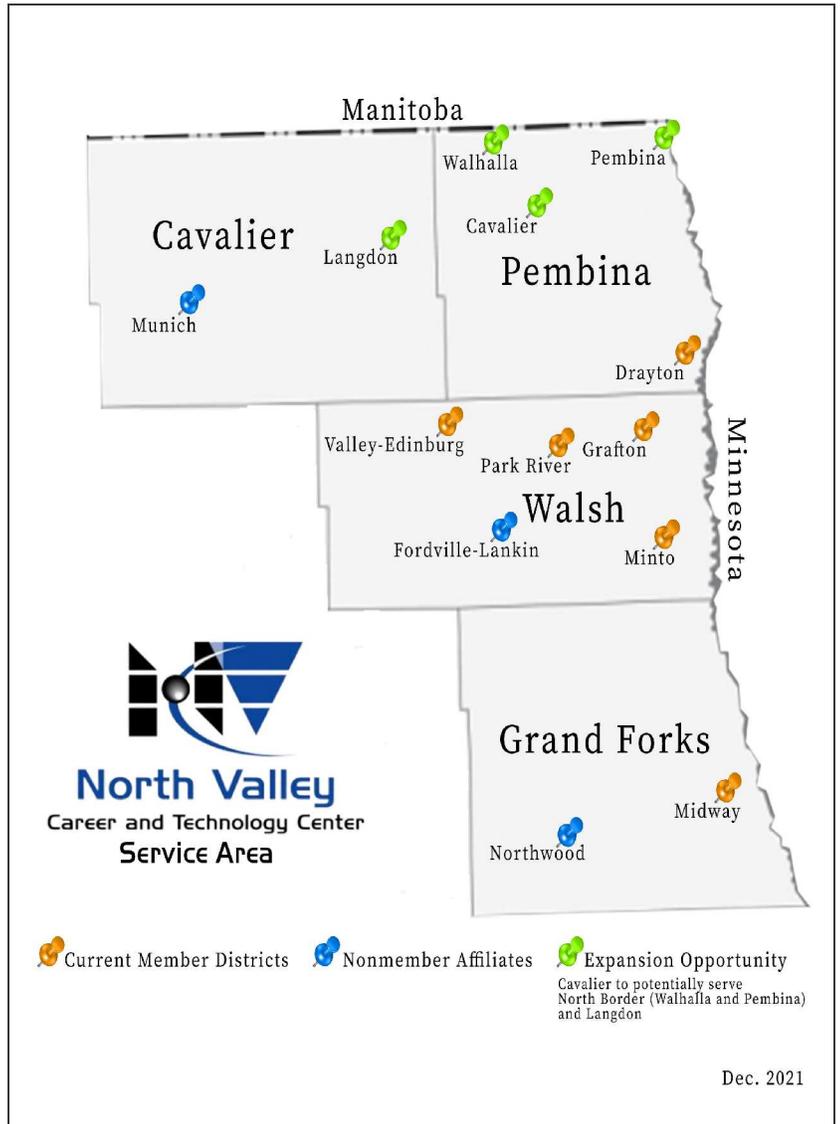
"As a committee, we have been overwhelmed by the interest in helping workforce development and we're just so happy we get this opportunity to bring this forward."

-Lizzie Crowston
Cavalier Public School

North Valley serves 651 students in grades 9-12 in addition to adult learners. High school curriculum includes health careers, agriculture education, business and marketing education, and welding, construction, and auto technology.

The expansion opportunity will provide the following in Grafton, Minto, Park River and Cavalier:

- Adding 11,500 sq. ft. to the Grafton facility for: automated manufacturing equipment and curriculum; lab mock-up for window and door replacement, and electrical and plumbing; drafting and construction technology classroom; agricultural food processing lab; precision ag and CDL lab.
- At Minto, four new classrooms for agriculture, marketing, information technology and STEM curriculum; and construction of a new greenhouse.



- Park River's greenhouse will receive automation upgrades including water, ventilation, and temperature control.
- At Cavalier, four classrooms will be added to the existing building for health science, information technology, business education, agriculture education, as well as a new greenhouse.

The goal is to increase educational opportunities to retain labor force, prepare students for career opportunities, and provide adult and community education opportunities.

This project is a \$9.4 million investment in education and workforce development facilities in northeastern North Dakota.



Regional impacts: RRRC provides professional staff to JDAs

The RRRC has been contracted for professional services since the inception of both the Nelson County and Pembina County Job Development Authorities in 1991. Each is managed by a separate board of directors made up of leaders within the respective county. Membership includes city council members, county commissioners, business owners, township officers, and members at large. A separate 2021 annual report for each JDA has been published and is available on the RRRC website: redriverrc.com.



In 2021 the NCJDA invested \$91,325 which leveraged an additional \$239,487 for a total impact of more than \$330,000.

2021 Nelson County JDA members include: Chairman Paul Retzlaff, Vice-Chairman Rodney Fisk, Elaine Brooks, Steve Forde, Donald Fougner, Dennis Mattern, Florija "Lule" Naas, Ranae Oxtan, Amie Vasichek, Jay Vasichek, Scott Sand, and Kevin Sundre.



In 2021 the PCJDA invested \$102,966 which leveraged an additional \$2,278,196 for a total impact of nearly \$2.4 million.

2021 Pembina County JDA members include: Chairman Charlie Wellman, Vice-Chairman Chuck Thacker, Kathy Stremick, Jim Benjaminson, Jeni Carrier, Rep. Charles Damschen, Melissa Gapp, Nathan Green, Lisa Hall, Charles Hart, Elton Heuchert, Lacey Hinkle, Ashley Nordstrom, Ardis Olson, Hugh Ralston, and Kelli Truver.

RRRC 2021 financial report and impacts

BALANCE SHEET

Current Assets	
General Fund/Cash	\$409,762
Project Accounts	\$42,653
Revolving Loan Fund Checking & Savings	\$553,974
Total Current Assets	\$1,006,389
Other Assets	
Loans Receivable - Progress Fund	\$432,602
Loans Receivable - Red River RLF	\$111,629
Loans Receivable - Catalyst Fund	\$465,147
Total Other Assets	\$1,009,378
TOTAL ASSETS	\$2,015,767
Liabilities	
Current Liabilities	\$53,802
Long Term Liabilities	\$42,640
Total Liabilities	\$96,442
Equity	
Net Assets	\$1,264,989
Net Income	\$581,280
Retained Earnings	\$73,056
Total Equity	\$1,919,325
TOTAL LIABILITIES & EQUITY	\$2,015,767



79 funding requests assisted



2021 financial impacts:

\$5,789,195: Funds assisted in securing

\$501,229: Additional funds leveraged

\$6,270,424: Total investment in region

STATEMENT OF DISBURSEMENTS (Operations)

Revenue	
Grant / Project Administration	\$111,589
Loan Program Management	\$46,080
Grants	\$270,500
Contracted Services	\$157,246
County Contributions	\$133,404
Rent & Sponsorships	\$6,519
TOTAL REVENUE	\$725,338
Expenses	
Operating	\$2,942
Salaries & Benefits	\$464,141
Travel	\$28,278
Meetings & Events	\$17,344
Miscellaneous	\$97
Prof. Dev. / Conferences / Memberships	\$6,187
TOTAL EXPENSES	\$600,384

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With supplemental funding from the EDA, we were able to temporarily increase staff to include Jake Wiensch and Jacob Schmuck ("The Jakes") who greatly assisted in our ability to accomplish all that is outlined in this report. We also added Dr. Kendra Rosencrans as our Resiliency Specialist as a remote, part-time employee who has completed our Resiliency Plan and continues to assist in developing the 532 Hill Incubator.



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