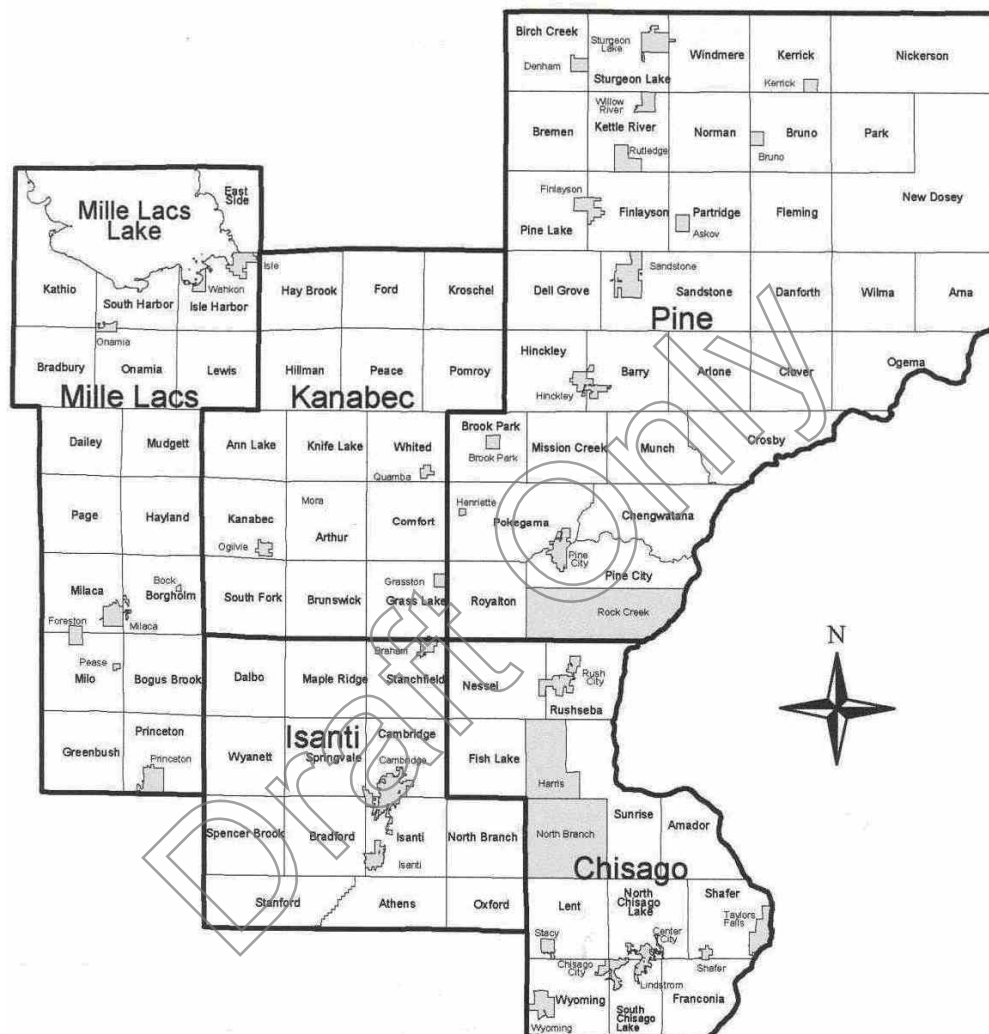


A Comprehensive Economic Development Strategy (CEDS) for Chisago, Isanti, Kanabec, Mille Lacs & Pine Counties in East Central Minnesota.



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Vision Statement: Make our region's economy stronger, more diversified and sustainable through collaboration and strategic action.

Executive Summary

What is a CEDS

A CEDS - short for a Comprehensive Economic Development Strategy, is a collaborative regional economic development plan for a specific geographical area - in our case, the MN Economic Development Region 7E / East Central Minnesota - Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties.

This CEDS document takes what is often described as a "10,000 foot view" of our five-county region - not only looking at common issues in our region's economy that hold us back from excelling economically, but also comes full circle by analyzing these issues and formulating proposed strategies to mitigate these conditions, working with strategic partners in the public and private sectors.

The CEDS document takes into account and integrates, where appropriate, other planning efforts effecting the region including, but not limited to the *DevelopMN* document that was developed by the Minnesota Association of Development Organizations (MADO). Regions throughout Greater Minnesota share many qualities and challenges, but lacked alignment needed to take advantage of shared priorities and maximize the use of resources.

Why is a CEDS Important

A CEDS is a vital plan for any region. It details current economic conditions, catalogs the strengths, weaknesses, opportunities and threats, and suggests opportunities to capitalize on the strengths and opportunities and mitigate the region's weaknesses and threats.

A CEDS is also a connection between the region and the US Department of Commerce/ Economic Development Administration (EDA). The EDA has been a key partner in improving the economic conditions of East Central Minnesota for nearly 50 years. Their financial support has aided in creating several industrial parks in many cities in our region, the creation of a virtual reality training center, a campus modernization project and a technology business incubator at Pine Technical and Community College in Pine City, assisted in funding the infrastructure for a new 181 acre medical campus in Sandstone, assisted in providing infrastructure to Polaris' R&D facility in Wyoming, and more.

The EDA has also historically assisted in writing down the cost of many technical assistance of programs in our region, including the business planning/ financing assistance of the MN Small Business Development Center, educational financial resources summits for businesses and lenders, the operation of a regional small business revolving loan fund, tasked with assisting new, expanding or relocating businesses in our region with gap financing, and so many other programs assisting residents, entrepreneurs and businesses in our region.

All economic development programs of the East Central Regional Development Commission strive to create and retain jobs, grow the local tax base, and create wealth in our five-county region.

A key to any region's stability is business diversification and economic resiliency. By having a broad base of business in many industries and fields, a region is more likely to endure economic downturns or changes in markets with as little impact as possible. When combined with educational opportunities to retrain workers, our region becomes more resilient - and that is exactly what we are striving for with this CEDS.

Summary Background Information

This Comprehensive Economic Development Strategy (CEDS) has been developed by the East Central Regional Development Commission (ECRDC), a local unit of government formed under the State of Minnesota's Regional Development Act of 1969, as amended, serving Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties in East Central Minnesota, in partnership with the U.S. Department of Commerce/ Economic Development Administration (EDA).

Formed in 1973, the ECRDC has served as this region's EDA Economic Development District, and, as such, has been the author and driving force behind the region's Comprehensive Economic Development Strategy (CEDS) since that time.

Planning Process

As previously mentioned, the East Central Regional Development Commission has been preparing CEDS plans for our region since the 1970s. These documents typically have a five-year scope, and annual updates to these plans that bring up to date the status and conditions in our region are prepared every year. As such, economic development planning is a continuous process.

Germaine to this specific planning document, in fall, 2020, a survey was sent to local units of government and public colleges in the region asking them for their thoughts and sentiments on a variety of economic development topics in the region.

Concurrently, the CEDS Strategy Committee, a nine member group composed of representatives of several key fields (see Appendix F of this document for membership and representations) tasked with providing input to this plan based on their professional experience, met regularly to review these surveys, discuss their results, review regional demographics and statistics, analyze our region's attributes, and ultimately oversee the creation of this CEDS planning document.

Upon completion of this CEDS document, it was made available for public review and comment (please see Appendixes A & B of this document for additional details on this). All comments received were carefully considered by the CEDS Strategy Committee and changes to the CEDS document were made per the consensus of this group. The CEDS Strategy Committee then forwarded this document to the East Central Regional Development Commission, the US Department of Commerce/ Economic Development Administration designated Economic Development District for our five counties, with a recommendation of approval. After careful consideration, the East Central Regional Development Commission voted to approve and adopt this CEDS document (see appendix H of this document for additional details on adoption of this plan).

Synopsis

Our region, as all regions do, face many hurdles in our quest to prosperity: workforce training and development concerns, business retention and expansion issues, gaps in broadband internet availability, business succession and continuation worries, the availability of quality child care and now COVID-19, amongst others.

But, it isn't all doom and gloom. We have bright people with the skills needed in today's economy. We have access to the resources that can accelerate a bright entrepreneur to success. And our region has strong partners in the public and private sectors that are committed to seeing us all succeed.

In this CEDS we'll explore what makes our region go, and ways we fall short. We'll conduct a SWOT Analysis that identifies our region's Strengths, Weaknesses, Opportunities and Threats, then develop some ways to mitigate these situations with measurable benchmarks.

Our Region

Our region, composed of Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties is located north of the Twin Cities Metro Area in East Central Minnesota. We have a diverse regional economy from tourism, to high technology, to natural resources, to manufacturing, to medical devices to construction. Our region has several business clusters, with metal manufacturing, and plastic injection molding being the largest. Additional details on this can be found in Appendix C - 2016 Regional Demographical/ Statistical Profile.

When looking at our physical environment, we see vast tracts of woods, lakes and farm fields. Historically we've played off these well with a strong tourism economy - especially in the northern part of the region. Our climate of warm summers and cold winters lends itself well to recreation and tourism, as well as agriculture concerns.

In preparing this document, many other regional plans were reviewed for compatibility, including Hazard Mitigation Plans, Comprehensive Plans, and Economic Development Plans. Every effort was made to ensure that this CEDS complements them, and is not in conflict with them.

Current Situation

At the time of this writing, COVID-19 is gripping our region, state, and nation hard. The State of Minnesota is under a "Peacetime Emergency" as declared by Governor Tim Walz, which limits business occupancy and imposes other regulations and requirements on businesses, schools and residents.

Our East Central Minnesota Economic Development District has been hit hard by COVID, but not as hard as others. The northern part of our district has a higher concentration of hospitality and tourism businesses, which are some of the industries impacted most by COVID.

In this section, we'll see a brief snapshot of our current economic condition and situation shown through several demographic and statistical tables. Additional in-depth review and analysis of our region's statistics can be found in appendage C of this document.

Demographics & Statistics

Table 1. Population Change 2010-2018

	2018 Estimates	2010 Population	2000 Population	2010-2018 Change	
				Number	Percent
Region 7E	167,717	163,789	136,244	+3,928	+2.4%
Chisago Co.	55,922	53,887	41,101	+2,035	+3.8%
Isanti Co.	39,966	37,816	31,287	+2,150	+5.7%
Kanabec Co.	16,207	16,239	14,996	-32	-0.2%
Mille Lacs Co.	26,139	26,097	22,330	+42	+0.2%
Pine Co.	29,483	29,750	26,530	-267	-0.9%

Source: [U.S. Census Bureau, Population Estimates](#)

Table 1 outlines our region's population in recent years. We saw our population increase sharply in the early 2000s, but has leveled out in the region with little to not increase in population - contrary to our long-term trends, we've seen a small increase in total regional population since 2010/the Great Recession.

Table 2 details that approximately 64% of our region's residents are in the traditional working age, that is, aged 14-65 years, with the remainder being school aged and senior citizens. While this doesn't encapsulate the workforce, we know that having a thriving workforce is crucial to retaining and recruiting businesses to our region.

Table 2 – Population by age group - 2018

	2018 Estimates	Under 14	14-64	65+
Region 7E	167,717	31,026	107,446	29,245
Chisago County	55,922	10,417	36,893	8,612
Isanti County	39,966	7,811	25,731	6,424
Kanabec County	16,207	2,843	10,040	3,324
Mille Lacs County	26,139	5,233	16,119	4,787
Pine County	29,483	4,722	18,663	6,098

Source: U.S. Census Bureau, Population Estimates

Table 3 – Median Age

	Median Age
Chisago County	40.6 years
Isanti County	39.7 years
Kanabec County	45.1 years
Mille Lacs County	40.8 years
Pine County	45.3 years

Source: United States Census Bureau

We see a difference of 5.6 years in median age of residents is shown in Table 3 with Kanabec County with the highest median age and Isanti county with the lowest median age. Table 4 shows our region has a wide gap in incomes, both household and per capita showing swings that are very dramatic.

Table 4 - Income

	Median Household Income	Per Capita Income
Chisago County	\$80,409	\$33,927
Isanti County	72,473	32,008
Kanabec County	53,300	27,331
Mille Lacs County	53,888	26,679
Pine County	49,138	25,302

Source: 2014-2018 American Community Survey

Table 5 - Monthly Unemployment Rate, Not Seasonally Adjusted

Year-Month	U S	Minnesota	Chisago County	Isanti County	Kanabec County	Mille Lacs County	Pine County
2019-12	3.4	3.5	4.5	5.1	8.8	7.1	7.5
2019-11	3.3	2.8	3.2	3.4	5.5	4.7	4.6
2019-10	3.3	2.6	2.6	2.9	3.3	3.3	3.5
2019-09	3.3	2.6	2.5	2.7	2.7	3.1	3.2
2019-08	3.8	3.0	3.1	3.2	3.3	3.7	3.8
2019-07	4.0	3.2	3.4	3.4	4.0	4.0	4.3
2019-06	3.8	3.2	3.5	3.5	4.1	4.1	4.3
2019-05	3.4	2.7	3.0	3.0	3.9	3.8	4.2
2019-04	3.3	3.1	4.0	4.4	7.1	6.3	6.5
2019-03	3.9	3.9	5.5	5.9	9.4	8.4	8.3
2019-02	4.1	3.9	5.3	5.8	9.4	8.4	8.3
2019-01	4.4	4.3	5.6	6.5	10.6	9.4	9.4

Source: MN Dept of Employment and Economic Development

Unemployment has always been a concern in our region. Tables 3 & 4 detail not only the seasonality of our region's employment, but also shows that in many locations how we lag the state and national averages.

Table 6 - 2009 to 2020 September Unemployment Rate, Not Seasonally Adjusted

Year-Month	U S	Minnesota	Chisago County	Isanti County	Kanabec County	Mille Lacs County	Pine County
2020-09	7.7	5.4	5.1	5.3	4.9	6.1	5.8
2019-09	3.3	2.6	2.5	2.7	2.7	3.1	3.2
2018-09	3.6	2.3	2.3	2.5	2.7	2.6	2.6
2017-09	4.1	2.8	2.9	3.0	3.4	3.6	3.6
2016-09	4.8	3.5	3.7	4.0	4.7	4.7	4.5
2015-09	4.9	3.1	3.3	3.3	4.4	4.1	3.9
2014-09	5.7	3.4	3.7	3.9	5.0	4.6	4.2
2013-09	7.0	4.3	4.5	4.9	5.9	5.8	5.0
2012-09	7.6	5.0	5.5	5.9	6.8	6.6	6.0
2011-09	8.8	5.9	6.4	7.2	7.8	7.8	7.1
2010-09	9.2	6.9	8.0	8.4	9.1	9.5	8.2
2009-09	9.5	7.5	8.9	8.7	10.5	11.3	9.6

Source: MN Dept of Employment and Economic Development

Table 7 – Education

Education	Chisago	Isanti	Kanabec	Mille Lacs	Pine
Population 18 to 24 years	4,268	2,954	1,173	1,843	2,074
Less than high school graduate	648	435	198	416	403
High school graduate (includes equivalency)	1734	1158	508	704	909
Some college or associate's degree	1627	1145	393	640	707
Bachelor's degree or higher	259	216	74	83	55

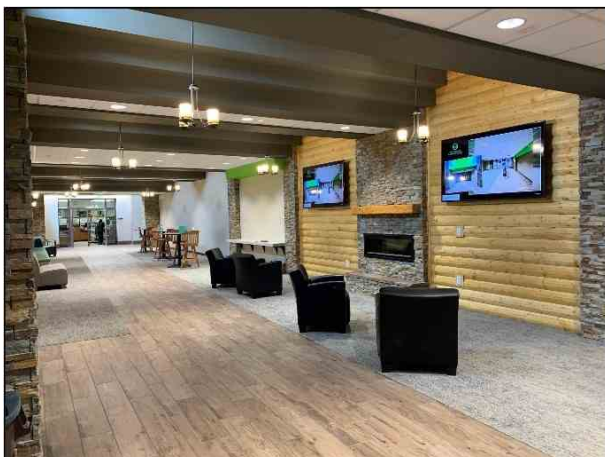
Source: 2014-2018 American Community Survey

Table 8 - Labor Force

Labor Force	Chisago	Isanti	Kanabec	Mille Lacs	Pine
Total Labor Force	29,988	20,861	8,116	12,864	13,374
Labor Force Participation Rate	68.7%	68.4%	62.5%	63.8%	55.7%
Unemployment Rate	4.1%	4.6%	4.6%	6.0%	5.2%
Source: 2014-2018 American Community Survey					

Table 9 - Employment by Industry

Industry	Chisago	Isanti	Kanabec	Mille Lacs	Pine
Total, All Industries	15,484	11,066	3,834	9,689	8,293
Agriculture, forestry, fishing and hunting	N/A	109	N/A	N/A	N/A
Mining	N/A	N/A	N/A	N/A	N/A
Construction	979	510	263	479	534
Manufacturing	2,327	1,386	443	681	262
Utilities	N/A	N/A	N/A	48	33
Wholesale trade	328	N/A	53	144	101
Retail Sales	1,733	1,903	492	1,084	1,036
Transportation and warehousing	N/A	351	N/A	232	187
Information	43	265	35	115	141
Finance and insurance	221	256	130	212	171
Real Estate & Rental & Leasing	56	100	41	63	49
Professional, & Technical Services	677	N/A	53	204	118
Management of Companies	18	N/A	N/A	N/A	N/A
Admin. Support & Waste Mgmt. Svcs.	461	274	46	N/A	128
Educational Services	N/A	1,258	421	N/A	896
Health Care & Social Assistance	3,741	2,438	901	N/A	936
Arts, Entertainment, and Recreation	416	60	51	134	124
Accommodation and Food Services	1,332	802	294	1,820	2,306
Other services	419	322	172	292	255
Public administration	1,104	625	332	1,203	791
Source: DEED Quarterly Census of Employment & Wages					



Recent modernization project at Pine Technical and Community College in Pine City, funded in part by a grant from the US Department of Commerce / EDA.

DevelopMN

This CEDS document takes into account and integrates, where appropriate, other planning efforts effecting our region including, but not limited to the *DevelopMN* framework which was created by the Minnesota Association of Development Organizations (MADO).

This *DevelopMN* plan helps identify needed statewide alignment our rural regions and documents a broadly supported strategy for creating shared prosperity. This Regional CEDS will align and integrate with the *DevelopMN* Strategy.

As part of *DevelopMN*, four cornerstones were developed as key components of strong regions and communities.

When approached in a coordinated way these

cornerstones will assist in creating prosperity in Greater Minnesota through the following focus areas:

- Human Capital
- Economic Competitiveness
- Community Resources
- Foundational assets

The SMART Goal Criteria was used in formulating this CEDS. "SMART" is an acronym with each letter providing a process to establish goals. The following is the breakdown of each individual meaning:

- Specific - target a specific area for improvement
- Measurable - quantify or at least suggest an indicator of progress
- Assignable - specify who will do it
- Realistic - state what results can be realistically achieved
- Time-Related - specify when the results can be achieved

The goals and strategies of this regional plan are collectively addressed on a voluntary basis and are not intended to circumvent, erode or alleviate local control.

For each of these cornerstone topics, we will undertake a SWOT Analysis, which will identify perceived Strengths, Weaknesses, Opportunities, and Threats, and include it in this CEDS. Please note that a statewide SWOT Analysis - an analysis of attributes common to all rural regions of Minnesota was undertaken as part of the *DevelopMN* planning effort. A copy of the *DevelopMN* plan is attached to the document as Appendage D and includes this statewide SWOT Analysis.

A SWOT analysis is a strategic planning tool used to ensure that there are clear objectives informed by a comprehensive understanding of an area's capabilities and capacity. This SWOT Analysis identifies the region's competitive advantages - those indigenous assets the make a region special or competitive in the national and global economies. This is juxtaposed against those internal or external factors that can keep an area from realizing its potential. The following are definitions of the SWOT Analysis elements:

- Strengths - a regions relative competitive advantages (supply chains, workforce skills, infrastructure, etc.)
- Weaknesses - a regions relative competitive disadvantages (change resistant, risk averse, etc.)



Industrial Development Familiarization Tour

- Opportunities - a regions chances or occasions for regional improvement or progress expansion of industrial park, etc.)
- Threats - chances or occasions for negative impacts on the region or regional decline (companies considering moving to other lower-cost states).

Following the SWOT Analysis for each of the Four Pillar topics, we will have outlined Strategic Direction/Action Plan strategies to mitigate the Pillar's Weaknesses and Threats, as well as capitalize on the Strengths and Opportunities.

Please note that these Strategic Direction/ Action Plans have been deemed as the best courses of action for this purpose by the CEDS Strategy Committee and the East Central Regional Development Commission at this time. However, times and conditions do change, and opportunities may avail themselves to us tomorrow, that are not available today. Please know that each and every item in the Strategic Direction/ Action Plan may not be acted on, as other issues may spring forward. Many local units of government and colleges submitted potential projects for inclusion as action items in this plan (a full list is attached to this CEDS as Appendix E). Please note that while the CEDS Strategy Committee and East Central Regional Development Commission finds these projects valuable to our region and worthy of inclusion in this CEDS, not all will be spelled out in this Strategic Direction/ Action Plans as the projects are just too numerous.

Project prioritization is difficult to achieve. The time frame for this Strategic Direction/ Action Plan is five years. All projects have strong merit, otherwise they would not be included in this CEDS. Also, many of these projects will be undertaken concurrently, not consecutively. Further, there is overlap on many of the planned elements - and count on synergies between these as we try to avoid the "silo" mentality. Some of these elements will be completed sooner than others.

The CEDS Strategy Committee periodically prioritizes the economic development needs of our community, but with the onset of COVID-19 in spring, 2019, our best efforts have to do this have taken a back seat to the virus. Any updating of this prioritization would be little use in a fluid situation such as this.

The most recent prioritization, pre COVID-19, is as follows: 1) Business Retention & Expansion, 2) Business Recruiting & Prospecting, 3) Broadband/ High Speed Internet, Etc., 4) Workforce Development 5) Business Transition/ Succession Planning, 6) Daycare, 7 tied) Equity Funding, 7 tied) Rail Industrial Park, 8 tied) Workforce Housing, 8 tied) Small Business Development Center/ SCORE - Direct Counseling to Businesses, 9) Business Training Events (Financial Resources, Export, Gov . Contracting, Entrepreneur Fair Etc.) 10) Northern Lights Express (NLX) Station Development, 11) Crowd Funding, and 12) Arts.

Our CEDS Strategy Committee and the East Central Regional Development Commission reserves the right to reprioritize these elements on an as-needed basis as conditions, situations and opportunities warrant and direct staff efforts as such.

No specific dollar figure is attached to each individual element. The East Central Regional Development Commission prepares their budget annually, and these prioritized items will be factored into the annual budget. The scope of this plan is 5 years. We anticipate that the greatest costs of these efforts will be tied to staff time. It should be noted that we plan to partner with other likeminded organizations to not only reduce redundancy, but also minimize costs. We also plan to lessen these costs to our organization as much as possible by exploring opportunities for grants and cost sharing, when available.

Following the Strategic Direction/ Action Plan under each of these pillars, we have an Evaluation Framework - a method of evaluating our efforts through the above-mentioned Strategic Direction/ Action Plan.

Topic Areas...

Human Capital - SWOT, Strategic Direction, Action Plan & Evaluation Framework

Human Capital is the greatest asset our region has. Bright, skilled and agile people with a broad base of backgrounds, experiences and education that make up the core of our region. Without them, we would need no CEDS - as we would have no business economy.

There are two key cornerstones in the Human Capital Pillar: Labor Force and Educational Attainment.



Ribbon cutting at Essentia Health – Sandstone, on the Sandstone Medical Campus and 181-acre Business Park, funded in part by a grant from the US Department of Commerce / EDA.

Human Capital SWOT Analysis

STRENGTHS Strong Post-Secondary Education System Strategic workforce partnerships like CMJTS High number of Senior Citizens Seniors looking for volunteer work Strong Education/ Technical Assistance providers like the MN SBDC, SCORE, etc. Work ethic of individuals Strong K-12 Schools Entrepreneurial attitude Non-Profit Foundations, DEED, Strong background in regional collaboration	WEAKNESSES Lack of 4-year + university Rural / Metro Divide Aging workforce Brain drain of high school graduates Lack of technical education in schools Occupations in demand not being filled Lack of affordable/ workforce housing A "Brain Drain" of skilled young people The current and future impact of COVID-19
OPPORTUNITES Increased technical education at schools/ colleges Lots of young/ school aged people Great careers outside 4-year degree Willingness of strategic partners Spirit of collaboration and cooperation	THREATS Lack of Housing options Childcare Funding opportunities Lack of priority of technical education Lack of opportunities for "trailing spouse" COVID-19

Human Capital Strategic Direction/ Action Plan and Evaluation Framework

What	How	Outcomes	Potential Partners
Build childcare capacity within our region	Hold childcare resource event Promote RLF availability for childcare businesses	Increase childcare capacity within our region by 5% by 2026	ECRDC RLF, First Children's Finance, Local units of government, State of MN, Childcare Resource and Referral, MLB, Lakes & Pines.
Expand broadband internet penetration within our region	Connect local units of government and interested parties with technical assistance and resource providers.	Increase broadband internet availability by 5% within our region	MN DEED Office of Broadband, Blandin Foundation, EDA Center, Initiative Foundation and others.
Promote workforce development opportunities within our region	Connect business, students and individuals to resources available from our potential partners	Facilitate workforce development endeavors.	Central MN Jobs and Training Services, GPS 45/93, EDA Center, MN DEED, MLB and others

Economic Competitiveness - SWOT, Strategic Direction, Action Plan & Evaluation Framework

There are two key cornerstones in the Economic Competitiveness Pillar: Entrepreneurship & Innovation, and Small Business Growth

Economic Competitiveness SWOT Analysis

STRENGTHS	WEAKNESSES
<p>Skilled workforce</p> <p>Location on key transportation routes</p> <p>Diverse base of businesses</p> <p>Many regional clusters including manufacturing, injection molding and others.</p> <p>Proximity to regional population and transportation centers</p> <p>Productive employees and work ethic</p> <p>Manufacturing associations</p> <p>Availability of economic development loan programs</p> <p>Available industrial park land, some shovel ready</p> <p>Beautiful natural setting</p> <p>Strategic partners: DEED, GPS45/93, Initiative Foundation, etc.</p> <p>A diverse regional economy</p>	<p>Shortage of skilled workers</p> <p>Lower wages than nearby areas</p> <p>Lack of workforce housing</p> <p>Lack of Venture Capital</p> <p>Regional Branding</p> <p>Lack of rail access</p> <p>Shortage of business incubator/ accelerator space.</p> <p>Higher paying jobs within driving distance</p> <p>Lack of broadband access in many locations</p> <p>Many external trends and forces we have little or no control over</p> <p>The impacts of COVID-19</p>

OPPORTUNITIES	THREATS
Centrally located between population centers.	Proximity to regional population and transportation centers
Strong workforce training opportunities.	Turnover of business ownership with retiring baby boomers
Broadband expansion programs from strategic partners	Higher wages offered in other regions
Skilled economic developers in region	Fuel prices
Strong E.D. partners - banks, foundations, non-profits	The "Brain Drain" of young people not staying
Business incubator/ accelerator	A continued deterioration in technical education opportunities in schools
Opportunities to create rail industrial park	Trends of losing young people after being educated
Creation of equity/ venture capital programs	The impacts of COVID-19
Opportunities to grow a sustainable regional economy	

Economic Competitiveness Strategic Direction/ Action Plan and Evaluation Framework

What	How	Outcomes	Potential Partners
Grow existing businesses through Business Retention & Expansion (BR&E) visits	<ul style="list-style-type: none"> -With strategic partners, visit businesses in the region to find out challenges and find ways to mitigate them. -BR&E Training for Local Units of government. - Informal business visit training for govt. leadership and staff 	Double the number of regional BR&E visits by 2026	Local units of government, GPS 4 5/ 93, University of MN Extension, Initiative Foundation, EDA Center, SBDC, SCORE, Chambers and others
Explore & promote resources available to assist businesses	With strategic partners explore business assistance programs and make the known to businesses in our region	Create and make available a regional business resource directory, as well as hold at least two regional business educational events by 2026.	EDA, SCORE, SB DC, SBA, CMJTS, GPS 45/93, Local units of government and many more.
Work keep business located in our region by promoting the idea of business succession planning.	Enlisting partners and service providers to formulate a plan to reach businesses and give them options and ideas to help pass their business on locally.	Hold a keystone event on this topic, and incorporate this topic into BR&E visits by 2026	Anderson Center, SBDC, Initiative Foundation, Local units of government, EDA Center, GPS 45/93 and others
Diversify and strengthen the regional business community	With strategic partners, work to recruit new and expanding businesses to our region	Locate 5 new businesses to the region by 2026	GPS 45/93, SBDC, Local units of government, EDA Center, Initiative Foundation and others
Operate the regional EDA Revolving Loan Fund (RLF)	Market the RLF to businesses, entrepreneurs, lenders, local units of government and others.	Partner in financing 15 businesses to the region by 2026	ECRDC RLF Board, Local units of government, Initiative Foundation, SBDC, SCORE and others
Expand the region's business incubator and accelerator capacity	With strategic partners, promote the concept of business incubators and accelerators as a catalyst for business creation	Create 2 new virtual or physical business incubators or accelerators in the region by 2026	Colleges, GPS 45/93, SBDC, EDC Center, Local units of government, Initiative Foundation and others

Community Resources - SWOT, Strategic Direction, Action Plan & Evaluation Framework

There are five key cornerstones in the Community Resources Pillar: Social Capital, Arts & Culture, Tourism, Natural Resources, and Water Quality

Community Resources SWOT Analysis

STRENGTHS Good schools and colleges in the region Strong strategic partners and support of community and economic development Strong medical facilities Beautiful natural environment Strategically located between population centers	WEAKNESSES Areas of blight and poverty Lack of broadband internet in certain geographic areas Lack of community infrastructure and funds to create new/ maintain existing. Willingness to commute Shortage of child care Collapse of Walleye fishery on Mille Lacs Lake Population and development not located equitably across the region. COVID-19
OPPORTUNITIES Tourism Healthy communities Beautiful natural regional setting Buildable space Opportunities to expand broadband access Committed strategic community and economic development partners Opportunities for diversification	THREATS Lack of support for school enhancements Decaying infrastructure Lack of funding for crucial projects Lack of support for change Energy needs in an uncertain future Natural hazards/ weather/ natural resource depletion, etc. The impact of COVID-19

Community Resources Strategic Direction / Action Plan and Evaluation Framework

What	How	Outcomes	Potential Partners
Capitalize on our region's natural setting by promoting the tourism industry	Work with strategic partners to locate and promote assistance programs in this industry	- Convene regular regional chamber educational events, increase sales in tourism businesses by 4% by 2026 - Provide technical assistance to the Mille Lacs Lake Business Loan Fund. - Scenic Byways	Chambers, Local units of government, GPS 45/93, MN DEED, Initiative Foundation, MLB and others.
Strengthen our network of partners and promote workforce training	Work with strategic partners to locate and promote assistance programs in this industry	- Hold two keystone events focused on workforce training by 2026.	Pine Technical & Community College, Anoka Ramsey College, CMJTS, Local Units of Government, MLB, Chambers, GPS 45/93 and others.

Foundational Assets - SWOT, Strategic Direction, Action Plan & Evaluation Framework

There are four key cornerstones in the Foundational Assets Pillar: Broadband Access, Active Transportation, Water - Wastewater Infrastructure and Housing Availability.

Foundational Assets SWOT Analysis

STRENGTHS Strong schools Pine Technical and Community College Anoka Ramsey College Healthcare facilities Strong, close knit business community Recreational amenities Land/open space/agriculture Shovel ready industrial property Prominent Mfg sector Industry cluster/high tech manufacturing Transportation infrastructure - roads, air, rail Natural resources: water, clean air, etc.	WEAKNESSES Broadband/internet infrastructure Shortage of housing opportunities for all workforce, seniors, families, students Aging population Lack of rail served business parks Commercial Building rehab/ blight Downtown redevelopment in smaller communities Shortage of child care opportunities The impacts of COVID-19
OPPORTUNITIES Local foods expansion Industry cluster marketing Broadband expansion assistance programs Develop public/private partnerships Shared local resources/intergovernmental cooperation Career technical advancement with schools and colleges College's customized training for private sector Housing Rehabilitation	THREATS Disparity in school funding Broadband Internet/ business model for rural areas. Lack of skilled workforce Lack of child care center opportunities Diminished grant opportunities from government and others State government funding decreased Lack of housing opportunities for all sectors COVID-19



Revolving Loan Fund loan made to Northwoods Granite is Askov, MN

Foundational Assets Strategic Direction / Action Plan and Evaluation Framework

What	How	Outcomes.	Potential Partners
Expand broadband internet penetration within our region	Connect local units of government and interested parties with technical assistance and resource providers	Increase 10/2 broadband internet availability by 5% within our region	MN DEED Office of Broadband, Blandin Foundation, Initiative Foundation and others.
Expand housing (workforce, student, family, senior, etc.) opportunities in our region	Connect local units of government and interested parties with technical assistance and resource providers	Bring this topic forward and start conversations by holding two keystone events focused on housing 2026	MN DEED, local units of government, MLB, GPS 45/ 93, ECHO, CMHP, MN Home Ownership Center and other.
Work to promote and strengthen the region's transit and transportation resources	With strategic partners, work to recruit new and expanding businesses to our region	Hold major transportation event by 2026	MNDOT, DEED, Local Units of Government, Chambers, MLB, etc.
Strengthen the region's infrastructure (water, sewer, etc.)	Promote grant opportunities from resource providers to build capacity for business growth	Expand the water/ sewer capacity at our LUGs by 5% by 2026	EDA, MNDOT, MLB, DEED, USDA Rural Dev and others
Expand gap financing technical assistance and management skills in the region.	With strategic partners, train local RLF operators on RLF operation and management	Ensure that every local unit of government in the region that has a gap financing loan fund is offered training resources.	EDA, DEED, Local Colleges, Local Units of Government, GPS 45/93, Initiative Foundation and others
Be the "Go-To" resource for economic development in our region	Make visits to local units of government and strategic partners, and convene regular meetings of LUGS and Economic Developers and strategic partners	Meet with all local units of government and economic development organizations at minimum annually to communicate economic development opportunities and needs.	EDA, DEED, Pine Technical & Community College, Anoka Ramsey College, Local Units of Government, GPS 45/93, Initiative Foundation and others

Directory of Acronyms & Potential Partners

Acronym	Full Name	More Information
CEDS	Comprehensive Economic Development Strategy	See Executive Summary
ECRDC RLF	East Central Regional Development Commission Revolving Loan Fund	www.ecrdc.org
	First Children's Finance Local Units of Government	www.firstchildrensfinance.org
	Local Units of Government	See Map on Cover
	State of MN	www.mn.gov
	Childcare Resource and Referral	www.pine.edu
MLB	Mille Lacs Band of Ojibwe	www.millelacsband.com
	Pine Technical & Community College	www.pine.edu
	Anoka Ramsey College	www.anokaramsey.edu
	Lakes and Pines CAC	www.lakesandpines.org
MN DEED	MN Dept. of Employment & Economic Development	www.mn.gov/deed
	Blandin Foundation	www.blandinfoundation.org
	EDA Center	www.edacenter.org
	Initiative Foundation	www.ifound.org
CMJTS	Central MN Jobs & Training Services	www.cmjts.org
	GPS 45/93	www.gps4593.com
	University of MN Extension	www.extension.umn.edu
SBDC	Small Business Development Center	mn.gov/deed/business/helps/sbdc
SCORE	Service Corps of Retired Executives	www.score.org
	Anderson Center	www.anderson-center.org
SBA	Small Business Administration	www.sba.gov
	Chambers of Commerce	Varies by location
	USDA Rural Development	www.rd.usda.gov



Bob Isaacson, Executive Director of the MN DEED Office of Business Finance, presents at an Opportunity Zone marketing event.

Appendages

Appendix A Documentation of Public Notice

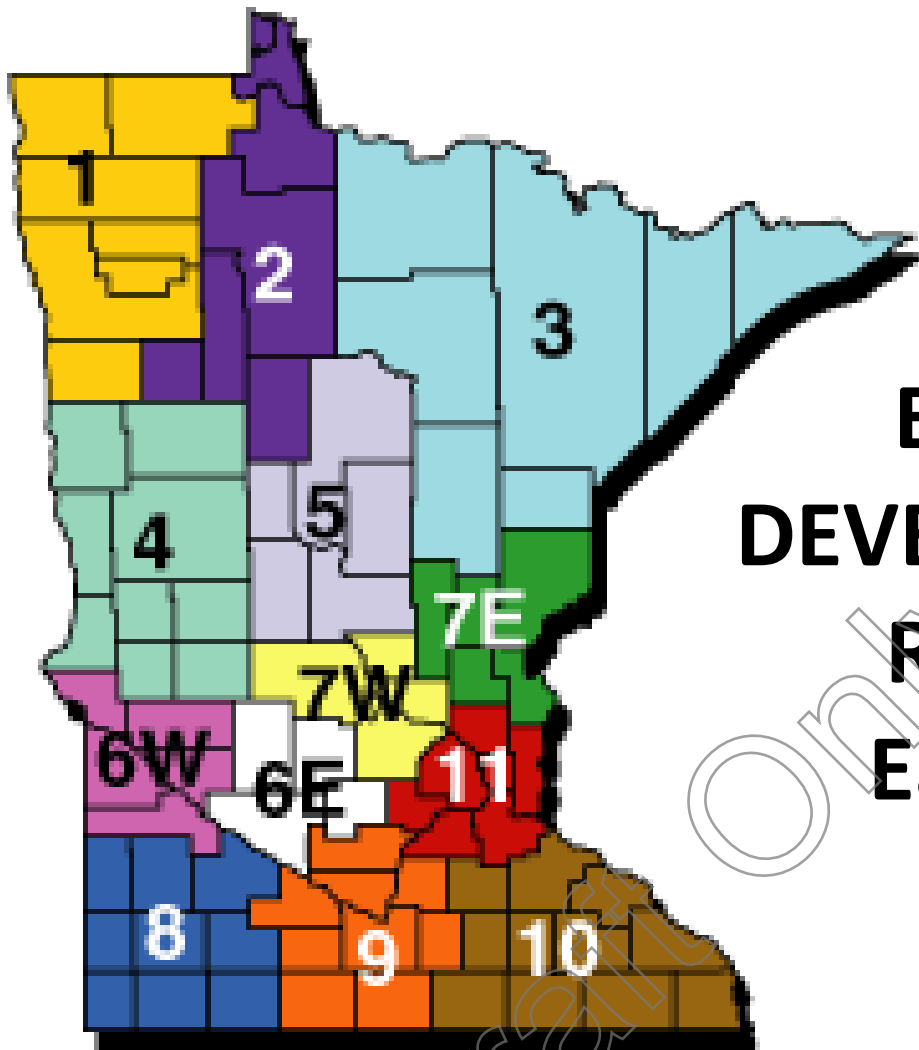
NOTICE

The proposed U.S. Dept. of Commerce / Economic Development Administration Regional Comprehensive Economic Development Strategy (CEDS) for Chisago, Isanti, Kanabec, Pine & Mille Lacs Counties is available for public review and comment. This document can be found online at www.ecrdc.org or at the offices of the East Central Regional Development Commission: 100 Park Street S., Mora, MN. Comments may be submitted electronically at: ecrdc@ecrdc.org or mailed to: CEDS, ECRDC, 100 Park Street S., Mora, MN 55051. Questions: call 330-679-4065 #29. Deadline to comment is 12:00 PM on December 21, 2020.

Draft Only

Appendix B Document Dissemination (PLACEHOLDER)

Draft Only



ECONOMIC DEVELOPMENT REGION 7E: East Central

Covers counties:

Chisago, Isanti, Kanabec
Mille Lacs, and Pine

2019 REGIONAL PROFILE

Updated July 29, 2020

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DEMOGRAPHICS

POPULATION CHANGE

Economic Development Region 7E – East Central includes a total of 5 counties, located in the Central Minnesota planning region. Region 7E was home to 169,368 people in 2019, comprising 3.0 percent of the state’s total population. The region saw a 3.4 percent population increase since 2010, making it the seventh largest of the 13 economic development regions (EDRs) in total population, and the sixth fastest growing. In comparison, the state of Minnesota saw a 6.3 percent gain from 2010 to 2019 (Table 1).

Table 1. Population Change 2010-2019				
	2010 Population	2019 Estimates	2010-2019 Change	
			Number	Percent
Region 7E	163,789	169,368	5,579	3.4%
Chisago Co.	53,887	56,579	2,692	5.0%
Isanti Co.	37,816	40,596	2,780	7.4%
Kanabec Co.	16,239	16,337	98	0.6%
Mille Lacs Co.	26,097	26,277	180	0.7%
Pine Co.	29,750	29,579	-171	-0.6%
Minnesota	5,303,925	5,611,179	335,707	6.3%

Source: [U.S. Census Bureau, Population Estimates](#)

Chisago County is the largest county in Region 7E – East Central and is the 18th largest county of 87 in the state, with just under 57,000 people in 2019. It added 2,692 people, a 5 percent increase, since 2010, the 21st fastest growth rate. Isanti County experienced the largest growth in the region with an increase of 2,780 people and now has over 40,500 people. The next largest county is Pine County with 29,579 people but has declined in population since 2010 while Mille Lacs County has increased slightly and has 26,277 people and Kanabec County is the smallest county in the region with 16,337 people, the 52nd largest county in the state.

COMPONENTS OF POPULATION CHANGE

Region 7E has experienced a natural increase – more births than deaths – of 3,382 people so far this decade. The region also gained population because of net migration with an increase of 1,711 domestic residents moving into the area and calling it home. In total, there was an increase of 5,580 people due to migration and natural increase (Table 2).

Region 7E is now home to 2,542 foreign born residents, or about 1.5 percent of the total population. The number of immigrants in the region

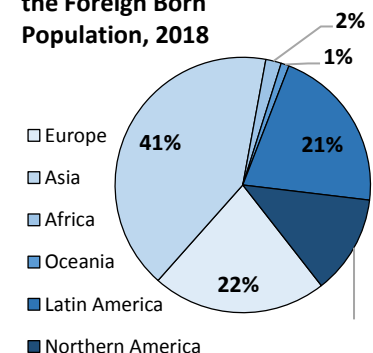
Table 2. Estimates of the Components of Population Change, 2010-2019							
	Total Change	Natural Increase	Vital Events		Net Migration		
			Births	Deaths	Total	Inter- national	Domestic
Region 7E	5,580	3,382	16,498	13,116	2,234	523	1,711
Minnesota	335,705	250,488	637,356	386,868	88,161	114,414	-26,253

Source: [U.S. Census Bureau, Population Estimates Program](#)

increased by 11 percent since 2010, higher than the statewide growth rate of 8.4 percent. Just over 40 percent (1,051 people) of these immigrants were from Asia, while the second largest number was from Central and South America, accounting for 21 percent of the region’s immigrants. Lastly, there were 562 people from Europe but this population has decreased since 2010.

Based on year of entry, Region 7E’s foreign born population was “older” than the rest of the state. About 20 percent of the region’s immigrants entered the U.S. since 2010 and another 24 percent entered between 2000 and 2009, compared to 21.5 and 33.4 percent statewide. The remaining 56 percent of immigrants in the region settled in the U.S. prior to 2000. Foreign-born residents have a younger age profile than the native born population, with 54 percent being between 25 and 54 years of age, compared to 39 percent of the total population. About 23 percent of the foreign-born population has less than a high school degree while another 32 percent is a high school graduate. Meanwhile, 19 percent of foreign-born people in the region have a bachelor’s or higher degree.

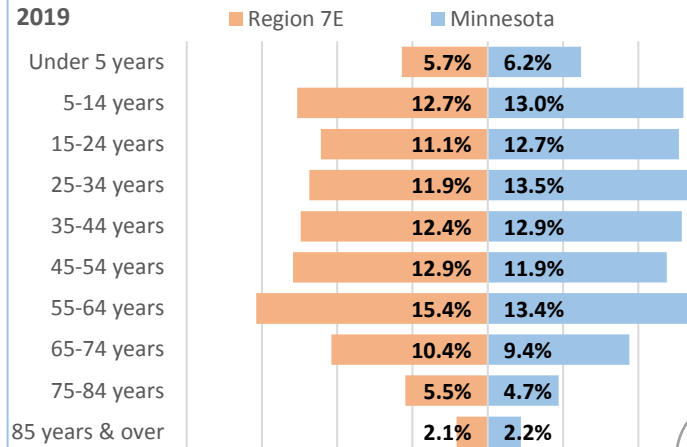
Figure 2. Place of Birth for the Foreign Born Population, 2018



POPULATION BY AGE GROUP

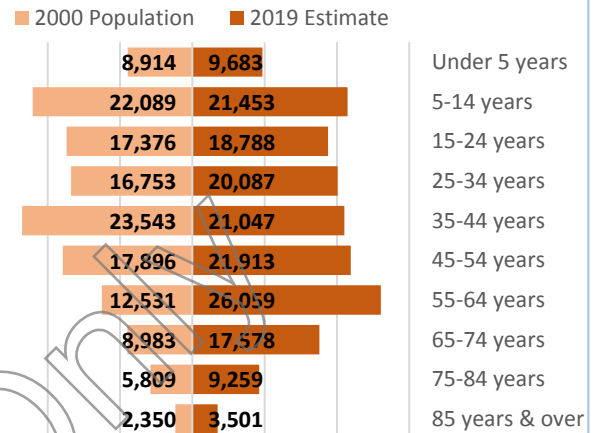
Region 7E has a much older population than the rest of the state, with 17.9 percent of residents aged 65 years and over, compared to 16.3 percent statewide. In addition, Region 7E had a much higher percentage of people in the 45 to 64 year old age group, but consequently had a lower percentage of people in the 25- to 44-year-old age group, typically the leading edge of “prime working years”. A large portion of the area’s population is a part of the Baby Boom generation, which is creating a significant shift in regional demographics over time. Between 2000 and 2018, almost 27,000 more residents were in the 55 years or older groups (see Figure 2 and Figure 3).

Figure 2. Percentage of Population by Age Group, 2019



Source: U.S. Census Bureau, Population Estimates

Figure 3. Population Pyramid, 2000-2019



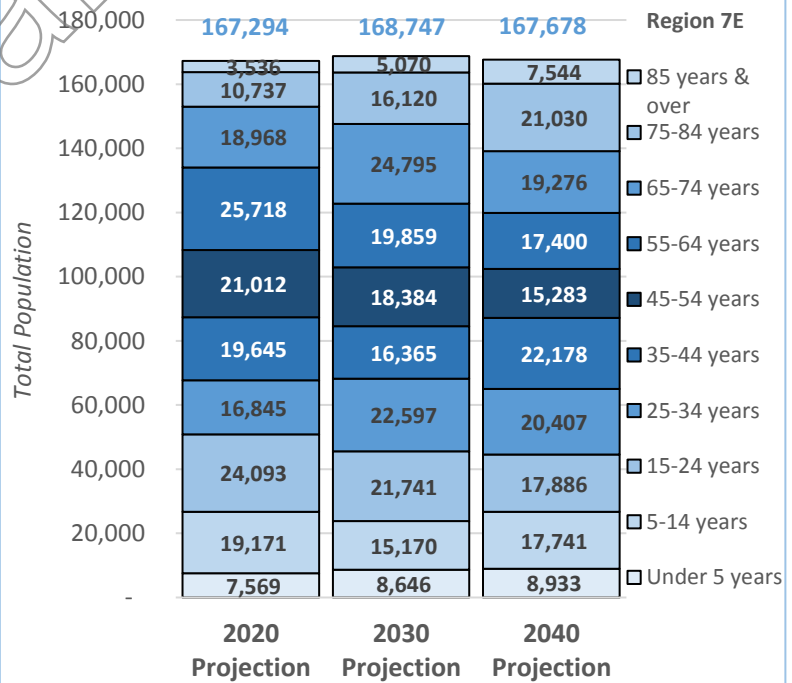
Source: U.S. Census Bureau

POPULATION PROJECTIONS BY AGE GROUP

Despite the rapid recent growth, Region 7E is projected to experience only slight population growth in the next 20 years. According to the [State Demographic Center](#), Region 7E is expected to gain just 384 new residents from 2020 to 2040, a 0.2 percent increase (see Figure 4). The state of Minnesota is projected to grow 8.8 percent.

Much of this population growth is expected to happen in older age groups. Region 7E is projected to add 14,300 people aged 65 years and over, as well as about 6,000 people in the 25- to 44-year-old age group, along with a small increase in children under 5 years of age. However, Region 7E is projected to lose over 7,500 people from 5 to 24 years, and about 14,000 people in the 45 to 64 year old age group – as current Baby Boomers continue to age.

Figure 4. Region 7E Population Projections by Age Group, 2020-2040



Source: Minnesota State Demographic Center

POPULATION BY RACE

Region 7E's population is less diverse than the state's, but is becoming more diverse over time. In 2018, 94 percent of the region's residents reported white alone as their race, compared to 83 percent of residents statewide. At 1.6 percent, Region 7E had a higher percentage of American Indian or Alaska Natives than the state, but otherwise had much smaller percentages of people of all other race and origin groups, especially Black or African American, Asian, and Hispanic or Latino origin (Table 3).

With just over 3,500 people, the largest minority group other than White is Hispanic/Latino, which increased 131 percent from 2000 to 2018. The region saw an 18 percent gain in the number of white residents, but saw much faster increases in most other race groups. Four minority groups more than doubled from 2000 to 2018, including people of Hispanic or Latino origin.

Table 3. Race and Hispanic Origin, 2018	Region 7E				Minnesota	
	Number	Percent	Change from 2000-2018 Numeric/Percent		Percent	Change from 2000-2018
Total	164,562	100%	28,318	20.8%	100%	12.4%
White	154,630	94.0%	23,602	18.0%	83.3%	4.7%
Black or African American	1,714	1.0%	997	139.1%	6.2%	99.3%
American Indian & Alaska Native	2,560	1.6%	311	13.8%	1.1%	7.3%
Asian & Other Pac. Islander	1,577	1.0%	943	148.7%	4.8%	83.8%
Some Other Race	571	0.3%	230	67.4%	1.8%	48.7%
Two or More Races	3,510	2.1%	2,235	175.3%	2.9%	90.7%
Hispanic or Latino origin	3,585	2.2%	2,034	131.1%	5.3%	104.2%

Source: U.S. Census Bureau, 2014-2018 American Community Survey

EDUCATIONAL ATTAINMENT

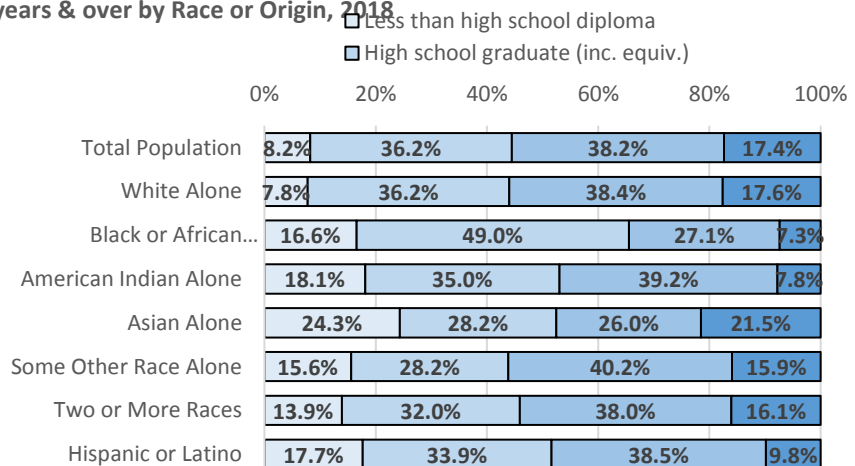
With 29 percent of adults aged 25 years and over having a college degree, Region 7E has lower educational attainment than the state, where 47 percent of adults have an associate, bachelor's, or advanced degree. However, 11.8 percent of adults in Region 7E have an associate degree, which outpaces the state. Another 26.4 percent have some college experience, but no degree.

Table 4. Educational Attainment for the Population Aged 25 years & Over	Region 7E		Minnesota
	Number	Percent	Percent
Total, 25 years & over	114,616	100.0%	100.0%
Less than high school	9,450	8.2%	7.0%
High school graduate (incl. equiv.)	41,527	36.2%	24.9%
Some college, no degree	30,263	26.4%	21.2%
Associate's degree	13,484	11.8%	11.4%
Bachelor's degree	14,073	12.3%	23.3%
Advanced degree	5,819	5.1%	12.1%

Source: 2013-2017 American Community Survey, 5-Year Estimates

Educational attainment varied significantly by race and ethnicity in Region 7E. In addition to overall educational attainment being lower in the region than the state, the percentage of people of other races with less than a high school diploma was even higher. Roughly two-thirds of Black or African American residents in the region had a high school diploma or less, as did just over 53 percent of American Indians. In contrast, a higher percentage of people of Some Other Race, Two or More Races, or Hispanic or Latino origin had attended some college, but did not earn a degree (Figure 5).

Figure 12. Educational Attainment for the population aged 25 years & over by Race or Origin, 2018



Source: 2014-2018 American Community Survey

LABOR FORCE

LABOR FORCE CHANGE

According to data from DEED's [Local Area Unemployment Statistics](#) program, Region 7E had an annual average labor force count of almost 89,000 workers through 2019. In line with the region's population increase, Region 7E has gained about 6,716 workers since 2004; an 8.2 percent increase. After rising rapidly in the early part of the century, labor force growth has slowed considerably so far this decade (Figure 6). Region 7E has been again seeing an increase after decline after the

Great Recession. With low unemployment rates, the labor market in Region 7E is now relatively tight, with about 3,800 unemployed workers actively seeking work in 2019, down from a peak of over 8,000 workers in 2009.

Averaging a net gain of 2,081 additional labor force participants per year between 1990 and 2000, employers in Region 7E were able to tap into a large and growing pool of talented workers. Although the regional labor force and economy continue to grow, the rate of labor force growth is slowing down considerably, demonstrated by Region 7E adding an average of only 158 workers per year from 2010 to 2019 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in Region 7E. In the face of these constraints, it has become evident that a more diverse workforce in terms of age, gender, race, ethnicity, disability status, and immigration has been and will continue to be a vital source of the workers that employers need to succeed. Businesses have and will continue to adjust to slower labor force growth and maximize collaboration with local education partners.

Figure 6. Annual Labor Force Estimates, 2000-2019

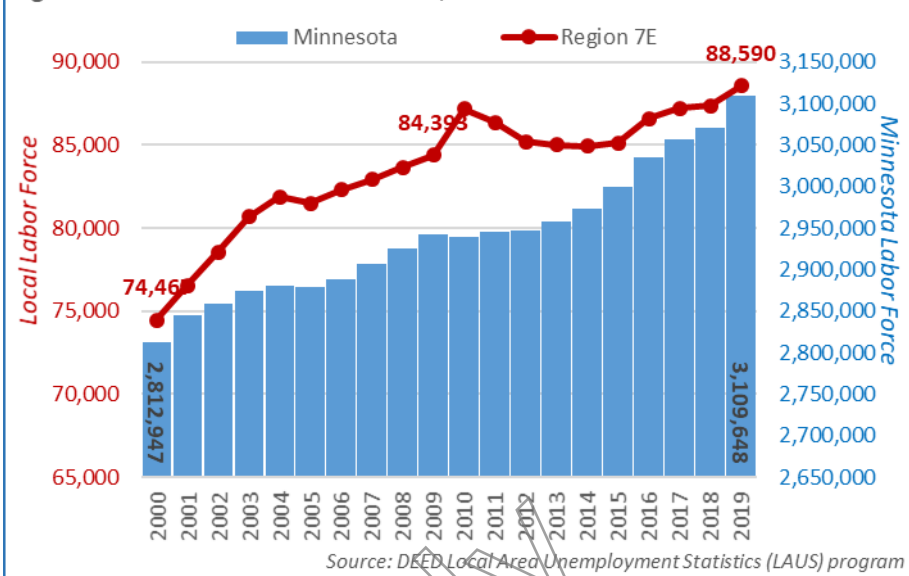
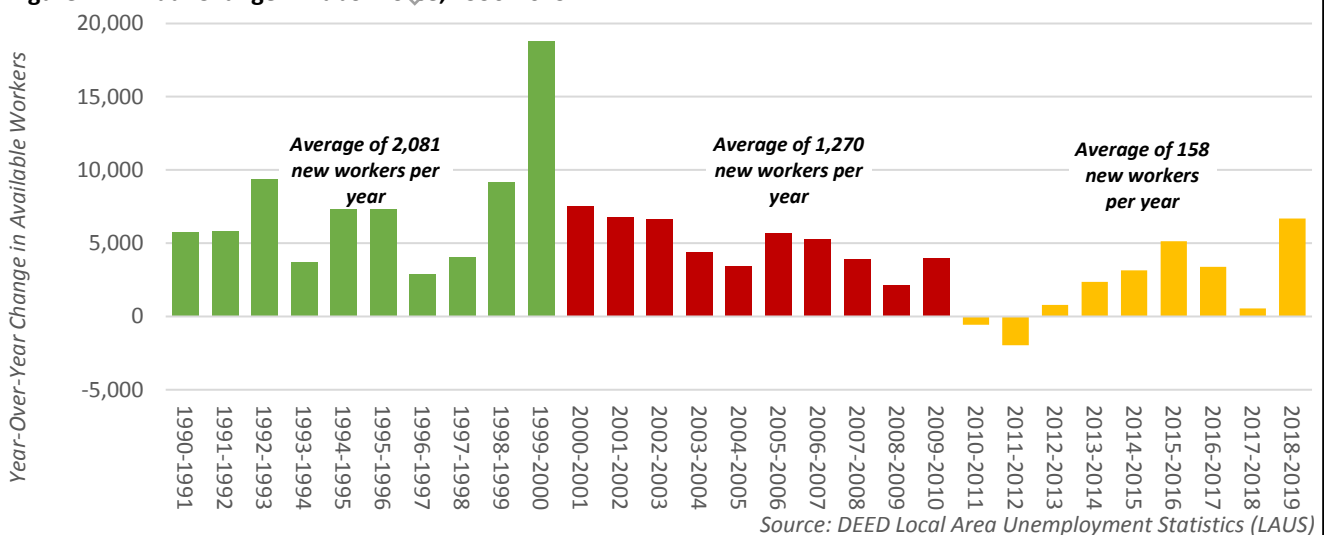


Figure 7. Annual Change in Labor Force, 1990-2019



LABOR FORCE PROJECTIONS

In step with the region's projected population stability and decline, applying current labor force participation rates to population projections by age group, as shown in Figure 4, would lead to declines in workforce numbers in Region 7E over the next decade (Table 5).

Though the size of the labor force is expected to decline, the age composition of the workforce will also see a significant shift over time, with a steady gain in the number of

workers aged 20 to 44 years and gains in workers aged 65 years and over against huge declines in the number of workers aged 45 to 64 years. The region may lose about 6,150 workers in the 45 to 64 year old age group as the Baby Boom generation moves through the population pyramid. The 25 to 54 year old age group will still be the largest part of the labor force, accounting for 59 percent of the total. This will likely lead to a tight labor market in the future, with employers needing to respond to the changing labor force availability.

EMPLOYMENT CHARACTERISTICS

With 64.9 percent of people aged 16 years and over in the labor force, Region 7E had lower labor force participation rates than the state's 69.7 percent. The region had lower labor force participation rates than the state in all but the youngest age group, and the overall rate was even lower because a higher percentage of Region 7E's labor force was in older age groups (Table 6).

Likewise, the region had lower participation rates than the state in all race groups except Asian or Other Pacific Islander; and higher unemployment rates for all but one minority group – Black or African Americans. In sum, unemployment rates were highest for young people and minorities. In addition, there were 5,640 workers with disabilities in the regional labor force. Increasing labor force participation rates and lowering unemployment rates for groups that have barriers would help grow the region's labor force.

Table 5. Region 7E Labor Force Projections

	2020 Labor Force Projection	2030 Labor Force Projection	2020-2030 Change	
			Numeric	Percent
16 to 19 years	5,235	4,150	-1,085	-20.7%
20 to 24 years	9,938	10,032	94	0.9%
25 to 44 years	30,712	32,793	2,081	6.8%
45 to 54 years	17,813	15,585	-2,228	-12.5%
55 to 64 years	17,224	13,300	-3,924	-22.8%
65 to 74 years	4,163	5,442	1,279	30.7%
75 years & over	736	1,093	357	48.5%
Total Labor Force	85,821	82,394	-3,427	-4.0%

Source: calculated from [Minnesota State Demographic Center population projections](#) and [2014-2018 American Community Survey 5-Year Estimates](#)

Table 6. Region 7E Employment Characteristics, 2018

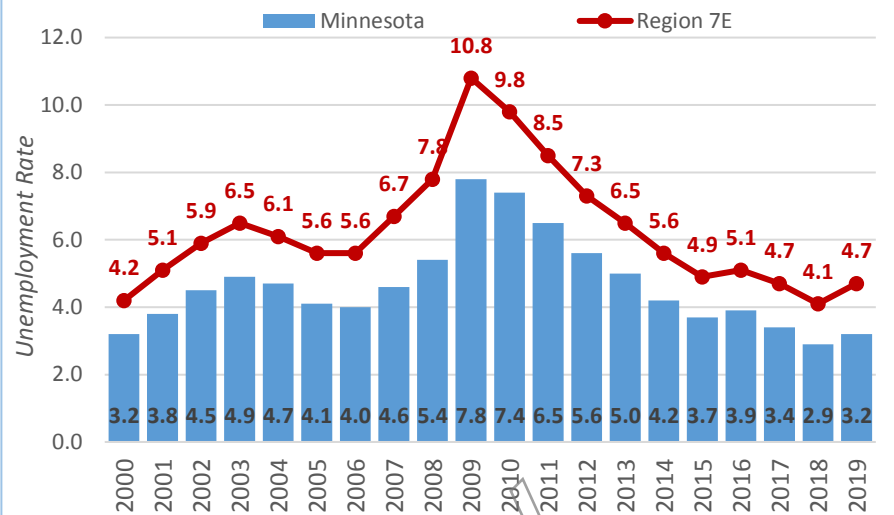
Age Group	Region 7E			Minnesota	
	Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	85,203	64.9%	4.7%	69.7%	3.9%
16 to 19 years	4,364	55.0%	9.9%	52.9%	11.7%
20 to 24 years	7,138	81.5%	8.5%	84.4%	6.4%
25 to 44 years	33,270	84.2%	4.8%	88.6%	3.5%
45 to 54 years	20,358	84.8%	3.7%	87.3%	2.8%
55 to 64 years	16,032	67.0%	3.7%	72.6%	3.0%
65 to 74 years	3,460	21.9%	2.0%	27.6%	2.4%
75 years & over	586	5.2%	1.3%	6.3%	2.6%
Employment Characteristics by Gender					
Male	67,516	45,017	66.7%	5.4%	73.5%
Female	63,792	40,188	63.0%	3.9%	66.0%
Employment Characteristics by Race & Hispanic Origin					
White alone	81,382	65.4%	4.5%	69.5%	3.3%
Black or African American	443	28.7%	5.2%	70.7%	9.9%
American Indian & Alaska Native	984	51.9%	17.6%	58.5%	12.8%
Asian or Other Pacific Islanders	824	71.9%	10.2%	71.3%	4.7%
Some Other Race	260	68.4%	7.3%	77.2%	6.2%
Two or More Races	1,342	68.9%	8.8%	73.1%	7.6%
Hispanic or Latino	1,509	62.7%	10.0%	76.3%	6.5%
Employment Characteristics by Disability					
With Any Disability	5,640	50.3%	10.0%	52.3%	9.5%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	4,317	74.2%	3.4%	79.2%	4.2%
Employment Characteristics by Educational Attainment					
Population 25 to 64 years	69,660	79.6%	4.3%	84.2%	3.2%
Less than H.S. Diploma	3,571	62.0%	5.9%	65.4%	4.5%
H.S. Diploma or Equivalent	22,029	74.3%	3.4%	78.6%	2.6%
Some College or Assoc. Degree	29,872	82.9%	3.5%	85.2%	3.2%
Bachelor's Degree or Higher	14,187	88.5%	2.0%	89.8%	1.9%

Source: [2014-2018 American Community Survey, 5-Year Estimates](#)

UNEMPLOYMENT RATE

Region 7E has consistently had higher unemployment rates than the state, typically hovering around 1.5 percent above the state rate. According to DEED's [Local Area Unemployment Statistics](#), Region 7E's rate rose as high as 10.8 percent in 2009, which was the highest of the 13 EDRs, and 3 percent above the state rate. Since then, the state and region's economies have recovered and unemployment rates have dropped, with Region 7E reporting 4.7 percent in 2019, which was still 1.5 percent above the state rate (Figure 8).

Figure 7. Unemployment Rates, 2000-2019



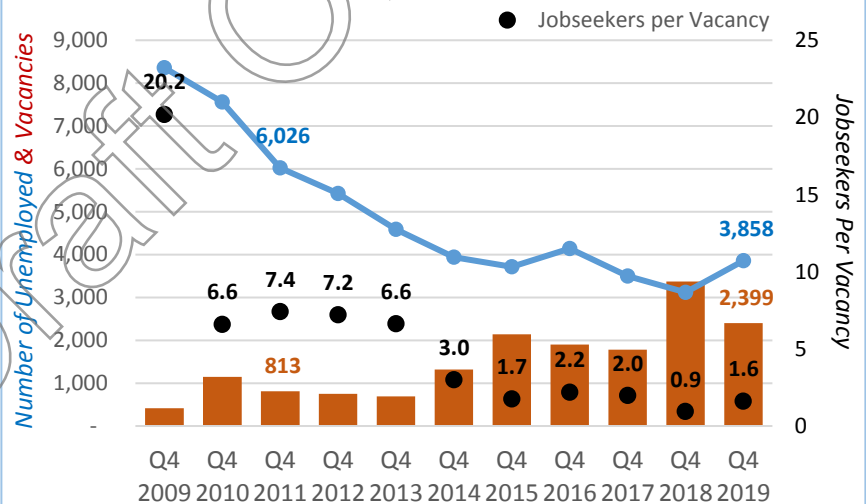
Source: DEED Local Area Unemployment Statistics (LAUS) program

JOBSEEKERS PER VACANCY

As the number of available workers has declined, the region's labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which dipped to 0.9-to-1 in 2018 before rebounding slightly in 2019. (Figure 9).

According to recent Job Vacancy Survey results, there were 2,399 openings reported by employers compared to 3,858 unemployed jobseekers in the region. The ratio climbed as high as 20-to-1 during the recession.

Figure 8. Jobseekers Per Vacancy, 2009-2019



Source: DEED Job Vacancy Survey, LAUS program

COMMUTE SHED AND LABOR SHED

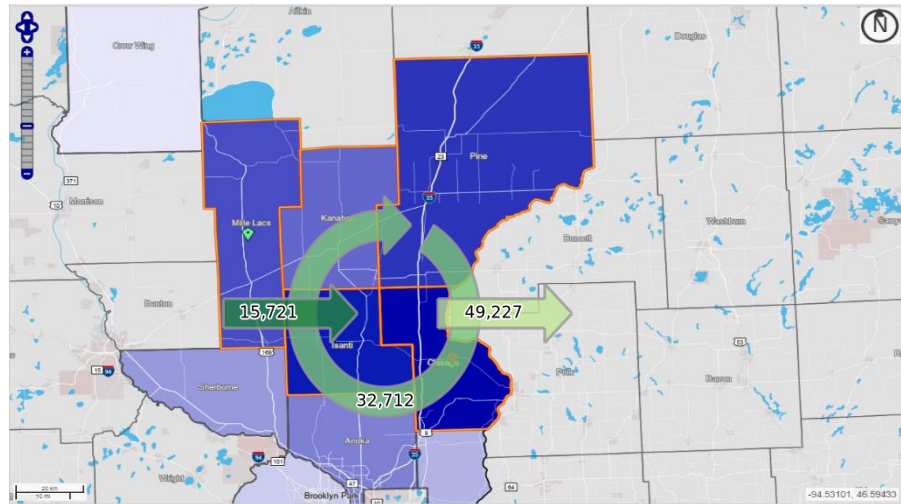
According to commuting data from the [Census Bureau](#), Region 7E is a net labor exporter, having more workers than available jobs. In sum, 32,712 workers both lived and worked in Region 7E in 2017, while 15,721 workers drove into the region from surrounding counties for work, compared to 49,227 workers who lived in the region but drove to surrounding counties for work (Table 7 and Figure 10).

Table 7. Region 7E Inflow/Outflow Job Counts (All Jobs), 2017	2017	
	Count	Share
Employed in the Selection Area	48,433	100.0%
Employed in the Selection Area but Living Outside	15,721	32.5%
Employed and Living in the Selection Area	32,712	67.5%
Living in the Selection Area	81,939	100.0%
Living in the Selection Area but Employed Outside	49,227	60.1%
Living and Employed in the Selection Area	32,712	39.9%

Source: [U.S. Census Bureau, OnTheMap](#)

Chisago County is the largest county and the largest employment center in the region and was the biggest draw for workers, followed by Isanti County, Pine County, Mille Lacs County, and Kanabec County is the smallest. Most workers in the region commute to the Twin-Cities metro area and Hennepin County, as well as to the northern and eastern counties like Ramsey, Anoka, and Washington County (Figure 10).

Figure 10. Region 7E Labor and Commute Shed, 2017



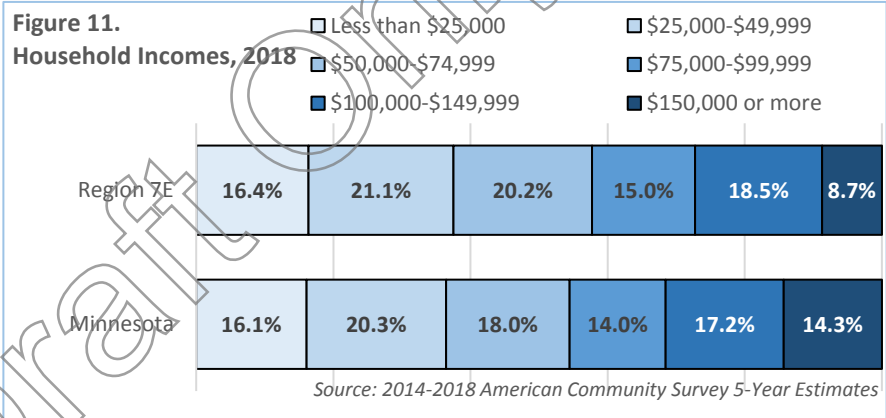
INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

At \$65,998, household incomes were lower in Region 7E than the state, where the median income in 2018 was \$68,411. Just under 40 percent of the households in the region had incomes below \$50,000 in 2018, similar to statewide. Similarly, only 27.2 percent of households in Region 7E earned over \$100,000 per year, compared to 31.5 percent of households statewide (Figure 11).

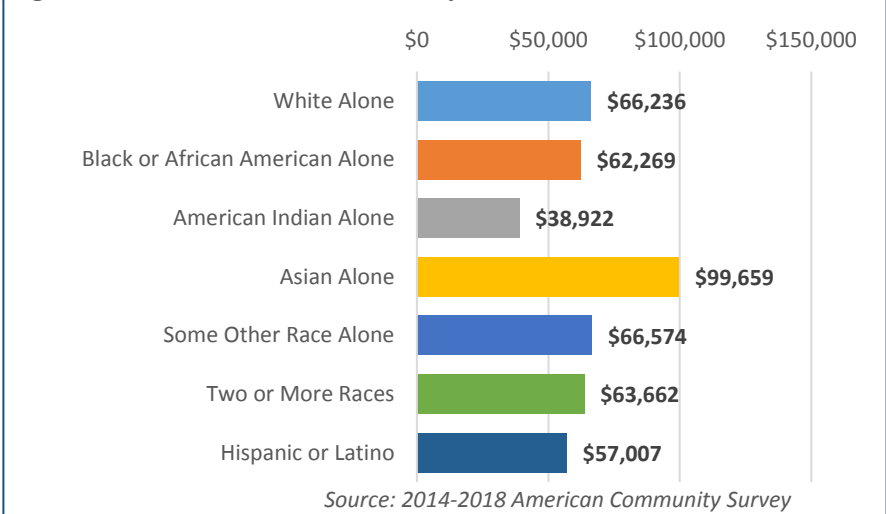
Figure 11.

Household Incomes, 2018



Median household incomes varied by race or origin in the region. Asian households reported the highest incomes in Region 7E, with a median income that was about \$33,423 higher than for White households. In contrast, American Indian households reported much lower household incomes, however incomes for all races are very similar unlike most of Minnesota (Figure 12).

Figure 12. Median Household Income by Race, 2018



COST OF LIVING

According to DEED's [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$56,772 in 2019. The cost of living for a similar family in Region 7E was \$58,056 – which was the second highest of the 13 EDRs in the state, behind only the Twin Cities metro area. The highest monthly costs were for transportation, food, and housing; and the cost of the region's child care and taxes were significantly higher than the state. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn \$18.61 per hour over the course of 60 hours per work week (Table 8).

DEED's Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Region 7E would be \$33,480, which would require an hourly wage of \$16.10 to meet the basic needs standard of living (Table 8). That was the highest in the state.

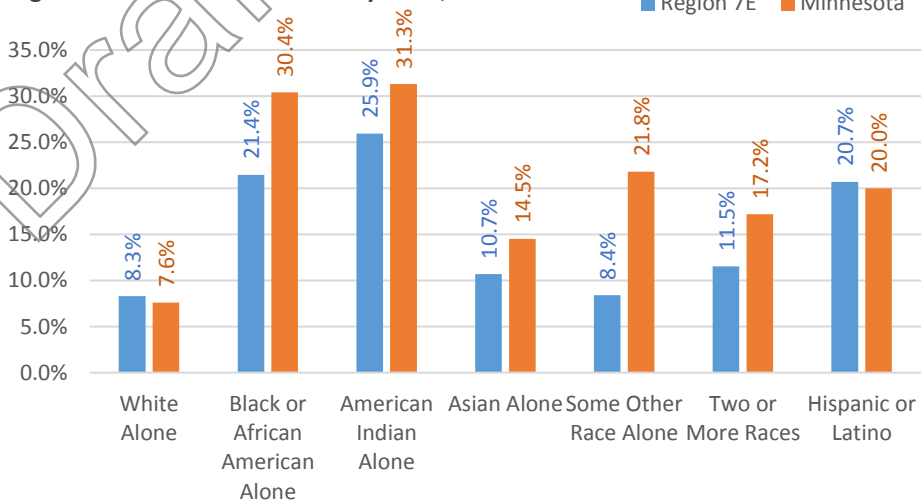
Table 8. Region 7E Cost of Living, 2019										
Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Region 7E										
Single, 0 children	1 FT	\$33,480	\$16.10	\$0	\$327	\$157	\$788	\$809	\$312	\$397
Single, 1 child	1 FT	\$54,840	\$26.37	\$920	\$480	\$322	\$992	\$789	\$452	\$615
2 parents, 1 child	1 FT, 1 PT	\$58,056	\$18.61	\$428	\$747	\$597	\$1,028	\$949	\$498	\$591
2 parents, 2 children	2 FT	\$84,780	\$20.38	\$1,440	\$970	\$493	\$1,355	\$975	\$714	\$1,118
State of Minnesota										
Single, 0 children	1 FT	\$30,900	\$14.86	\$0	\$335	\$137	\$759	\$629	\$336	\$379
2 parents, 1 child	1 FT, 1 PT	\$56,772	\$18.20	\$516	\$769	\$593	\$1,033	\$755	\$505	\$560
Source: DEED Cost of Living tool										

Source: DEED Cost of Living tool

Overall, Region 7E's poverty rate was 8.7 percent, which was just above the statewide rate of 10.1 percent. Like incomes, poverty levels varied widely by race and origin. It was estimated that over 21 percent of the region's Black or African American population was below the poverty level in 2018, compared to just 8.3 percent of the white population. Likewise, poverty levels hovered around 25 percent for

American Indians, and 21 percent for people of Hispanic. About 11 percent of Asian or other Pacific Islanders also were below the poverty level in 2018 and 8.4 percent of Two or More Races were below the poverty level. With the exception of the higher rate for Whites and Hispanics/Latinos, the region's poverty rates were below the statewide rates (Figure 13).

Figure 13. Percent Below Poverty Level, 2018



Source: 2014-2018 American Community Survey

WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Region 7E was \$19.81 in the first quarter of 2020, which was the third highest wage level of the 13 EDRs in the state. Region 7E's median wage was about \$1.50 below the state's median hourly wage, equaling 92 percent of the statewide wage rate, and \$3.49 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to \$7,240 per year for a full-time worker. Region 7E had higher wages than surrounding regions like Region 7W at \$19.46, Region 3 at \$19.03, and Region 5 at \$17.50 (Table 9).

Nearly 14 percent of the jobs in Region 7E were office and administrative occupations, which had the same concentration as the state as a whole. The highest location quotient was for protective service, at 1.8. Region 7E also had a higher share of workers in education, training and library; construction and extraction; healthcare support; installation, maintenance, and repair; community and social service; and farming, fishing, and forestry occupations (Table 10).

Table 9. Occupational Employment Statistics by Region, 1 st Qtr. 2020	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	\$19.11	38,810
EDR 2 - Headwaters	\$18.57	32,750
EDR 3 - Arrowhead	\$19.03	144,320
EDR 4 - West Central	\$18.66	90,000
EDR 5 - North Central	\$17.50	61,880
EDR 6E - Southwest Central	\$18.41	49,370
EDR 6W - Upper MN Valley	\$18.02	32,970
EDR 7E - East Central	\$19.81	46,480
EDR 7W - Central	\$19.46	182,890
EDR 8 - Southwest	\$17.91	53,190
EDR 9 - South Central	\$18.75	99,570
EDR 10 - Southeast	\$19.89	242,490
EDR 11 - 7-County Twin Cities	\$23.30	1,805,980
State of Minnesota	\$21.49	2,880,650

Source: [DEED Occupational Employment Statistics](#)

Table 10. Region 7E Occupational Employment Statistics, 1 st Qtr. 2020					State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Employment	Share of Total Employment
Total, All Occupations	\$19.81	46,480	100.0%	1.0	\$21.49	2,880,650	100.0%
Management	\$44.06	2,470	5.3%	0.9	\$52.70	170,650	5.9%
Business & Financial Operations	\$28.72	1,720	3.7%	0.6	\$33.87	171,550	6.0%
Computer & Mathematical	\$35.25	720	1.5%	0.5	\$42.71	97,960	3.4%
Architecture & Engineering	\$35.81	890	1.9%	1.0	\$38.00	55,520	1.9%
Life, Physical & Social Science	\$32.33	430	0.9%	1.0	\$34.35	27,070	0.9%
Community & Social Service	\$23.57	1,540	3.3%	1.7	\$23.34	57,200	2.0%
Legal	\$26.81	210	0.5%	0.6	\$37.35	20,050	0.7%
Education, Training & Library	\$22.64	3,930	8.5%	1.5	\$24.38	165,310	5.7%
Arts, Design, Entertainment & Media	\$12.69	450	1.0%	0.7	\$24.52	38,540	1.3%
Healthcare Practitioners & Technical	\$32.81	3,060	6.6%	1.0	\$36.07	190,800	6.6%
Healthcare Support	\$14.19	3,190	6.9%	1.2	\$14.81	163,160	5.7%
Protective Service	\$24.96	1,340	2.9%	1.8	\$22.45	45,030	1.6%
Food Preparation & Serving Related	\$12.07	1,650	3.5%	0.4	\$12.43	244,300	8.5%
Building, Grounds Cleaning & Maint.	\$14.68	1,320	2.8%	1.0	\$15.23	83,860	2.9%
Personal Care & Service	\$12.26	1,050	2.3%	0.9	\$13.65	70,290	2.4%
Sales & Related	\$14.57	5,570	12.0%	1.2	\$15.37	277,000	9.6%
Office & Administrative Support	\$18.85	5,370	11.6%	0.9	\$20.03	363,800	12.6%
Farming, Fishing & Forestry	\$15.27	80	0.2%	1.2	\$17.72	4,060	0.1%
Construction & Extraction	\$26.16	2,400	5.2%	1.4	\$28.97	104,900	3.6%
Installation, Maintenance & Repair	\$23.33	1,760	3.8%	1.1	\$24.31	100,060	3.5%
Production	\$19.00	3,930	8.5%	1.1	\$19.03	212,650	7.4%
Transportation & Material Moving	\$19.55	3,410	7.3%	1.0	\$18.06	216,890	7.5%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2020](#)

Not surprisingly, the lowest-paying jobs are concentrated in food prep and serving, building, grounds cleaning and maintenance, sales and related, personal care and service, and healthcare support, which tend to have lower experience and educational requirements. For the most part, the gap in pay between Region 7E and the state is also much lower in these jobs. In contrast, the highest paying jobs are found in management, legal, architecture and engineering, computer and mathematical, healthcare practitioners, business and financial operations, and life, physical, and social science occupations, which all need higher levels of education and experience, including many that require postsecondary training. The pay gaps between the region and state are much bigger in these occupations.

JOB VACANCY SURVEY

Employers in Region 7E reported 2,419 job vacancies in the fourth quarter of 2019, which was 249 more vacancies compared to one year prior, the highest 4th quarter number on record.

Overall, 55 percent of the openings were part-time, and one-fifth required postsecondary education, with a slightly larger share requiring 1 or more years of experience. The percent of job openings requiring a college degree has been stable over time, while the percentage requiring less than a year of prior work experience has been increasing.

The median hourly wage offer for all openings was \$14.04. Wage offers range from around \$12 for installation, maintenance & repair, healthcare support, food prep to \$25 per hour or more for management, healthcare practitioners, and architecture and engineering jobs. The largest number of openings were in personal care and service, food prep and serving related and sales and related occupations – those three groups accounted for 46% of the openings in the region (Table 11).

Table 11. Region 7E Job Vacancy Survey Results, 4th Qtr. 2019

	Number of Total Vacancies	Percent Part-time	Percent Temporary or Seasonal	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	2,419	55%	12%	20%	28%	50%	\$14.04
Management	54	18%	14%	100%	100%	85%	\$34.24
Business & Financial Operations	14	0%	0%	93%	100%	11%	\$23.73
Architecture & Engineering	37	0%	0%	87%	100%	64%	\$36.62
Community & Social Service	85	23%	2%	54%	88%	93%	\$18.19
Education, Training & Library	120	52%	84%	94%	96%	97%	\$14.49
Healthcare Practitioners & Technical	186	40%	0%	96%	37%	100%	\$26.61
Healthcare Support	150	68%	1%	9%	4%	57%	\$12.14
Protective Service	12	67%	48%	25%	29%	98%	\$14.25
Food Preparation & Serving Related	365	90%	9%	0%	8%	47%	\$12.34
Building, Grounds Cleaning & Maint.	39	66%	11%	0%	12%	20%	\$12.56
Personal Care & Service	461	54%	3%	0%	4%	45%	\$13.81
Sales & Related	304	57%	0%	6%	32%	2%	\$13.75
Office & Administrative Support	194	51%	5%	8%	19%	22%	\$13.84
Construction & Extraction	14	51%	51%	21%	54%	100%	\$18.00
Installation, Maintenance & Repair	42	7%	0%	5%	22%	18%	\$11.86
Production	60	0%	0%	4%	49%	5%	\$14.77
Transportation & Material Moving	251	64%	36%	0%	28%	75%	\$14.10

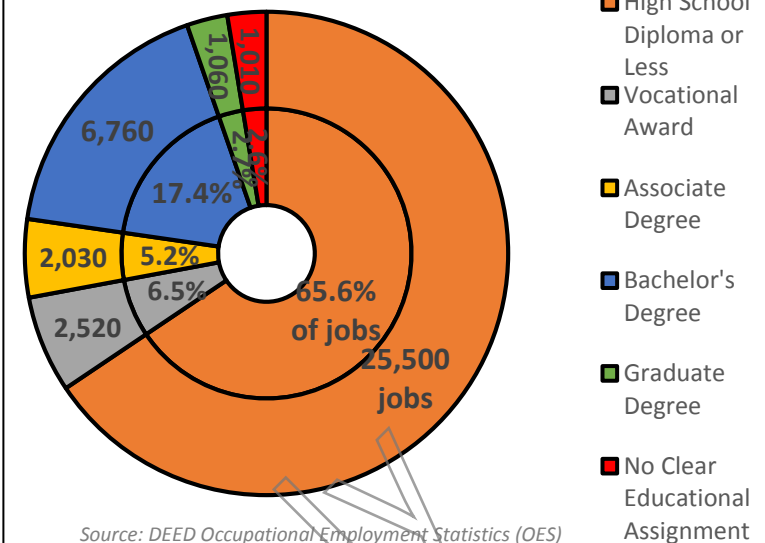
Source: DEED Job Vacancy Survey, Qtr. 4 2019

EDUCATIONAL REQUIREMENTS

Similar to Job Vacancy Survey results, data from DEED's Occupational Employment Statistics program shows that one-third of current jobs in the region require postsecondary education for entry. The other two-thirds can be started with a high school diploma or less and some amount of on-the-job training (Figure 14).

Certain careers – such as dentists, lawyers, and teachers – require a college education, while other jobs – including cost estimators, sales representatives, and correctional officers – do not. College is an excellent way to move up career ladders and open windows of opportunity to fields that would otherwise be closed, such as nursing or engineering. Many of these occupations offer high wages and are in high demand in the marketplace. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between \$14,500 and almost \$50,000 per year in Minnesota. For those who go to college, choice of major matters – different programs lead to different jobs that earn different amounts of money.

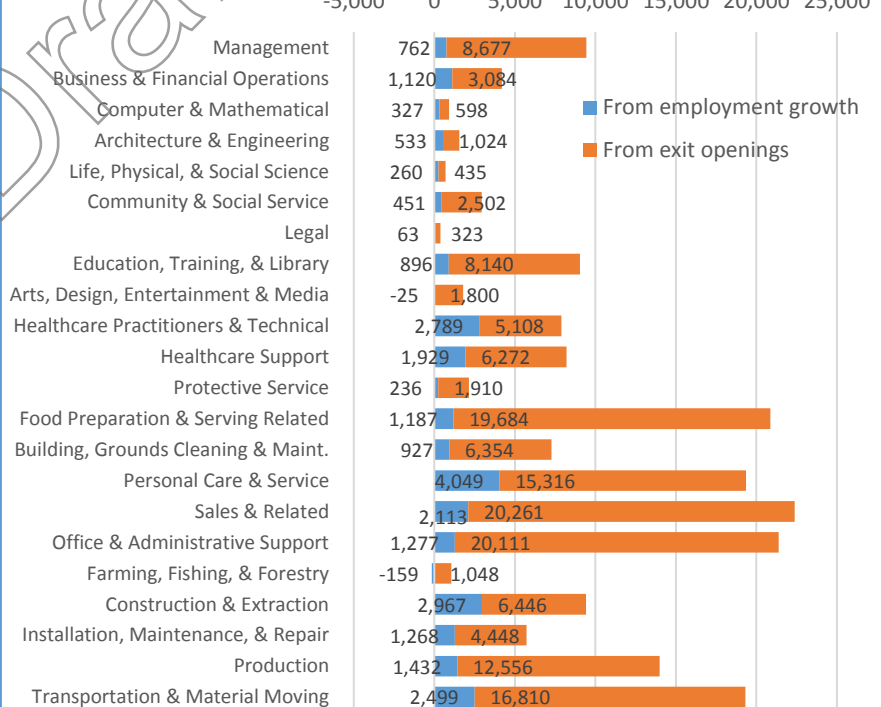
Figure 14. Region 7E Share of Jobs by Educational Requirements, 2019



EMPLOYMENT PROJECTIONS

Region 7E is a part of the larger 13-county Central planning area, which is projected to grow 8.6 percent from 2016 to 2026, a gain of 26,629 new jobs. That is the fastest of the 6 planning regions in the state. In addition, the region is also expected to need 157,485 replacement openings to fill jobs left vacant by retirements and other career changers. Personal care and service, construction and extraction, transportation and material moving, sales and related, and healthcare support and practitioners are expected to see the most new growth, but every occupational group will show some future demand either through new jobs or replacement openings (Figure 15).

Figure 15. Central Minnesota Employment Projections, 2016-2026



OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are many occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. Many of the occupations in demand in the region require a high school diploma or less. These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, personal care aides and home health aides, retail sales workers, nurses, mechanics and truck drivers, welders, and healthcare practitioners are all occupations in demand based on the consistent need for these workers (see Table 12).

Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Retail Salesperson (\$25,362)	Heavy & Tractor-Trailer Truck Drivers (\$48,425)	Registered Nurses (\$77,526)	Elementary School Teachers (\$57,806)
Personal Care Aides (\$26,819)	First-Line Supervisors of Retail Sales Workers (\$41,149)	Nursing Assistants (\$35,265)	Secondary School Teachers (\$58,086)
Combined Food Prep & Serving Workers (\$23,801)	Teacher Assistants (\$30,937)	LPN & Vocational Nurses (\$46,876)	Software Developers, Applications (\$85,496)
Cashiers (\$24,482)	Carpenters (\$50,024)	Automotive Service Technicians & Mechanics (\$39,870)	Preschool Teachers, Except Special Education (\$32,388)
Stock Clerks & Order Fillers (\$25,685)	First-Line Sprvr. of Food Prep & Serving Workers (\$36,181)	Heating, Air Cond. (HVAC) & Refrig. Mechanics (\$51,059)	Human Resources Specialists (\$56,611)
Janitors & Cleaners (\$29,692)	Welders, Cutters, Solderers, & Brazers (\$46,676)	Machinists (\$49,847)	Middle School Teachers (\$60,055)
Laborers & Freight, Stock, & Material (\$34,830)	Secretaries & Administrative Assistants (\$41,947)	Hairdressers, Hairstylists, & Cosmetologists (\$30,265)	Industrial Engineers (\$82,415)
Home Health Aides (\$28,942)	Office Clerks, General (\$36,597)	Police & Sheriff's Patrol Officers (\$63,297)	Market Research Analysts & Marketing Spec. (\$52,743)
Cooks, Restaurant (\$27,711)	Maintenance & Repair Workers, General (\$43,720)	Electricians (\$68,811)	Nurse Practitioners (\$105,231)
Maids & Housekeeping Cleaners (\$26,215)	Customer Service Representatives (\$34,038)	Radiologic Technologists (\$62,286)	Financial Managers (\$93,620)

Source: DEED Occupations in Demand

ECONOMY

INDUSTRY EMPLOYMENT

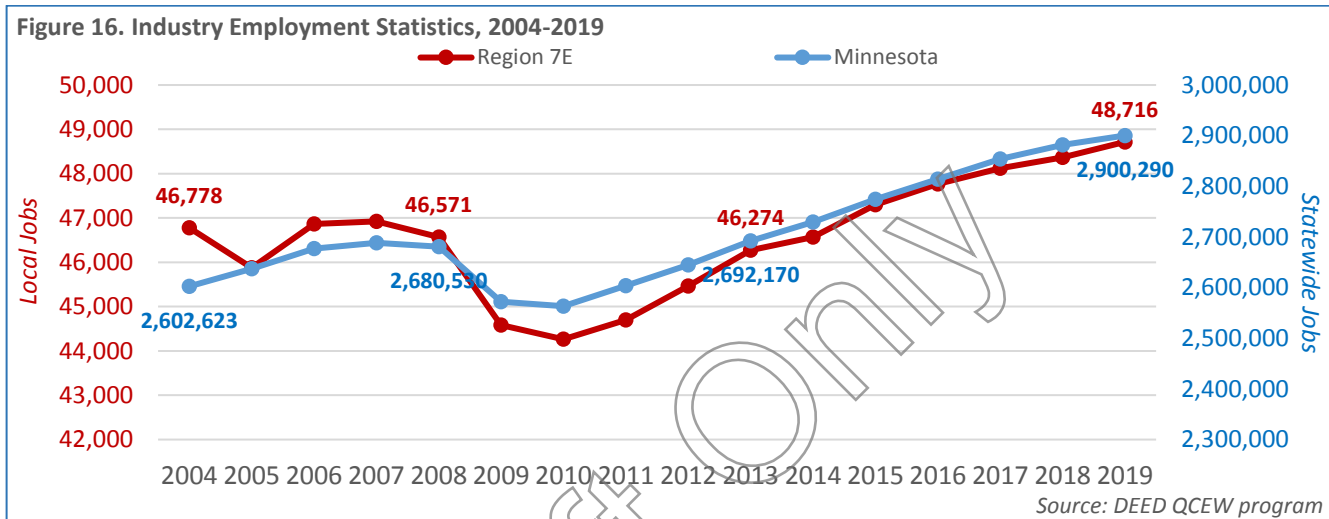
Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2014-2019		2018-2019	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
Region 7E	3,739	48,716	\$1,974,836,376	\$40,538	2,150	+4.6%	351	+0.7%
Chisago Co.	1,204	15,606	\$713,573,441	\$45,724	1,355	+9.5%	114	+0.7%
Isanti Co.	823	11,154	\$458,866,040	\$41,139	252	+2.3%	91	+0.8%
Kanabec Co.	334	3,910	\$161,762,423	\$41,371	145	+3.9%	71	+1.8%
Mille Lacs Co.	714	9,723	\$360,021,583	\$37,028	142	+1.5%	42	+0.4%
Pine Co.	664	8,324	\$280,612,889	\$33,711	259	+3.2%	34	+0.4%
State of Minnesota	178,242	2,900,290	\$172,936,995,226	\$59,627	170,677	6.3%	18,383	+0.6%

Source: DEED Quarterly Census of Employment & Wages (QCEW)

According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 7E was home to 3,739 business establishments providing 48,716 covered jobs through 2019, with a total payroll of over \$1.9 billion. That was about 1.7 percent of total employment in the state of Minnesota, making it the fourth smallest of the 13 EDRs in the state. Average annual wages were \$40,538 in the region, which was about \$19,090 lower than the state's average annual wage, and the third lowest of the 13 EDRs.

Chisago County is the largest employment center in the region, with 15,606 jobs at 1,204 firms; accounting for 32 percent of the region's jobs. Isanti County was the next largest, with 11,154 jobs at 8123 firms, followed by Mille Lacs County with 714 firms and 9,723 jobs and Pine County with 8,324 jobs at 664 firms (Table 13).

Region 7E has seen employment ups and downs over the past 15 years, but ended 2019 with about 2,150 more jobs than it had in 2014. The region was hit harder during the recession than the state, experiencing severe job declines from 2007 to 2010. Since then, Region 7E has seen a steady but slower recovery than the rest of the state, which gained jobs at a 6.3 percent clip from 2014 to 2019, compared to a 4.6 percent increase in the region. Region 7E finally regained all of the jobs lost during the recession in 2015, while the state reached breakeven in 2013 (Figure 16).



With 9,860 jobs at 3474 firms, health care and social assistance is the largest employing industry in Region 7E, accounting for 20.2 percent of total jobs in the region. Due to the region's older population, the largest sector was nursing and residential care facilities, which had 4,013 jobs. However, the region's fastest growing health care sector was ambulatory health care services, including clinics and offices of doctors, dentists, and other health care practitioners; as well as home health care services.

Accommodation and food services is the next largest industry in Region 7E, with 6,475 jobs at 299 firms, accounting for 13.3 percent of total jobs in the region. The related arts, entertainment, and recreation industry also provides 794 jobs at 79 locations, after seeing a shift of jobs between the two industries due to a classification change. Retail Trade is the third largest industry with 6,347 jobs at 473 stores. These three industries provide 27.9 percent of the region's jobs but have relatively low wages.

Despite losing 310 jobs in the past 5 years, manufacturing is still the fourth largest industry in Region 7E, with 5,148 jobs at 249 firms. Wages in manufacturing were over \$9,000 higher than in the total of all industries. Region 7E also has a high concentration of public sector jobs in educational services, with 4,193 jobs at 153 institutions – primarily at elementary and secondary schools, but also at junior colleges – and in public administration.

Twelve of the 20 main industries in the region added jobs since 2014, with professional and technical services growing by more than 78 percent. Substantial growth also occurred in construction, information, and accommodation and food services. In contrast, the region saw the largest decline in the past year in accommodation and food services, educational services and agriculture, forestry, fishing, and hunting (Table 14).

Table 14. Region 7E Industry Employment Statistics, 2019

NAICS Industry Title	2019 Annual Data			Avg. Annual Wage	2014-2019		2018-2019	
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)		Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	3,739	48,716	1,974,836	40,538	2,150	4.6%	351	0.7%
Health Care & Social Assistance	374	9,860	432,132	43,827	122	1.3%	68	0.7%
Accommodation & Food Services	299	6,475	136,349	21,058	1,420	28.1%	-71	-1.1%
Retail Trade	473	6,347	168,511	26,550	529	9.1%	99	1.6%
Manufacturing	249	5,148	254,212	49,381	-310	-5.7%	47	0.9%
Educational Services	71	4,765	202,169	42,428	-12	-0.3%	-64	-1.3%
Public Administration	153	4,193	205,099	48,915	324	8.4%	138	3.4%
Construction	628	2,900	171,915	59,281	756	35.3%	133	4.8%
Other Services	434	1,495	37,923	25,367	139	10.3%	34	2.3%
Professional & Technical Services	191	1,258	103,205	82,039	553	78.4%	25	2.0%
Transportation & Warehousing	167	1,204	47,887	39,773	160	15.3%	39	3.3%
Admin. Support & Waste Mgmt. Svcs.	156	1,001	46,821	46,774	-15	-1.5%	6	0.6%
Finance & Insurance	123	965	50,780	52,622	-3	-0.3%	-26	-2.6%
Arts, Entertainment, & Recreation	79	794	11,739	14,785	-1,610	-67.0%	-3	-0.4%
Wholesale Trade	112	728	33,338	45,794	44	6.4%	10	1.4%
Information	42	588	23,670	40,255	132	28.9%	-12	-2.0%
Agriculture, Forestry, Fish & Hunt	55	352	11,155	31,691	-54	-13.3%	-39	-10.0%
Real Estate & Rental & Leasing	97	266	7,488	28,149	-2	-0.7%	-43	-13.9%
Utilities	21	255	23,147	90,773	5	2.0%	3	1.2%
Management of Companies	8	82	5,235	63,842	-27	-24.8%	2	2.5%
Mining	7	39	2,062	52,861	3	8.3%	7	21.9%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. Nearly one-quarter (23.9%) of workers in the region were 55 years or older, compared to 21.6 percent statewide and just 17.3 percent in the region one decade earlier. In contrast, the percentage of teenaged workers was falling, and while wages were going up for younger workers, the number of hours worked was going down (Table 15).

As noted above, wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-fulltime jobs in industries like retail trade and accommodation and food services, these two age groups enjoyed the fastest percentage increase in wages from 2008 to 2018. Wages were highest for workers between 45 and 64 years of age, and males worked more hours than females, though the gap was narrowing.

Table 15. Workforce Demographics by Age Group and Gender, Total of All Industries, 2008-2018

Region 7E	Percentage of Workers		Percent of Workers, Minnesota		Median Hourly Wage		Median Hours Worked (Per Qtr.)	
	2018	2008	2018	2008	2018	2008	2018	2008
Total, all ages	100.0%	100.0%	100.0%	100.0%	\$16.33	\$13.50	336	377
19 years & under	9.4%	10.6%	6.1%	7.5%	\$10.27	\$7.27	122	133
20 to 24 years	9.2%	10.4%	10.3%	11.6%	\$13.18	\$10.45	251	288
25 to 44 years	38.3%	38.7%	42.9%	42.7%	\$18.37	\$15.27	401	424
45 to 54 years	19.2%	23.0%	19.1%	22.5%	\$19.96	\$16.02	427	463
55 to 64 years	18.1%	13.3%	16.7%	12.6%	\$18.42	\$15.66	414	435
65 years & over	5.8%	4.0%	4.8%	3.1%	\$14.92	\$11.86	180	211
Male	42.5%	43.3%	49.1%	49%	\$18.08	\$15.50	398	438
Female	57.5%	56.7%	50.9%	51%	\$15.62	\$12.33	314	343

Source: [DEED Quarterly Employment Demographics](#)

EMPLOYMENT DIVERSITY

People of color account for 11.2% of the total population in Central Minnesota and hold roughly the same share of jobs, compared to the state overall where they amount to 20.6% of the population but only hold 14.9% of jobs. According data from the Quarterly Workforce Indicator program people of color held 30,859 jobs compared to 251,243 jobs held by White Workers. The number of jobs has increased roughly threefold since 2000 when People of color held just 5% of jobs (See Figure 17).

People of color have filled an additional 19,551 jobs since 2000 compared to 47,620 by White workers, amounting to 41% of all new jobs. Hispanic/Latino workers hold the largest number of jobs of the racial and ethnic minority groups with 11,134 jobs in 2019, a third of all minority held jobs. The next largest number of jobs held by a minority group was Black or African American, holding 8,564 jobs in 2019. The number of jobs held by this race has increased by 6,739 since 2000, amounting to a 369% increase (See Figure 18).

The agriculture, forestry, fishing, and hunting sector and administrative support and waste management sector have the highest share of non-White employment at 24% and 20%, respectively. Accommodation and food services and manufacturing also have 15% of jobs held by non-white workers. The largest numbers of non-White workers are employed by manufacturing (6,999 jobs) and healthcare and social assistance (5,796 jobs).

Figure 17. Employment of People of Color in Central Minnesota

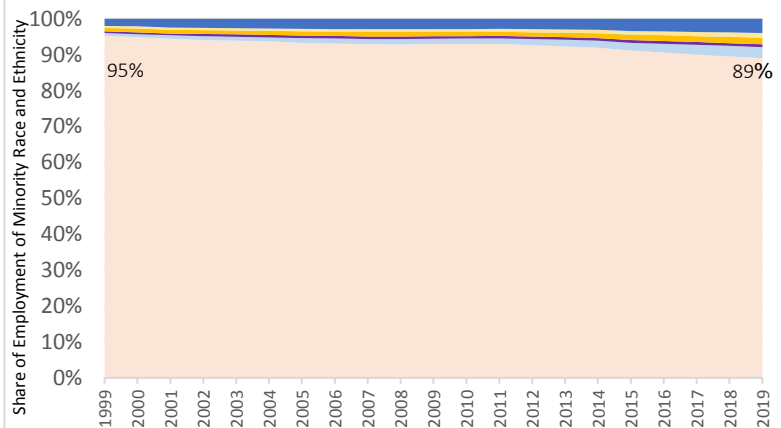


Figure 18. Employment of People of Color in Central Minnesota

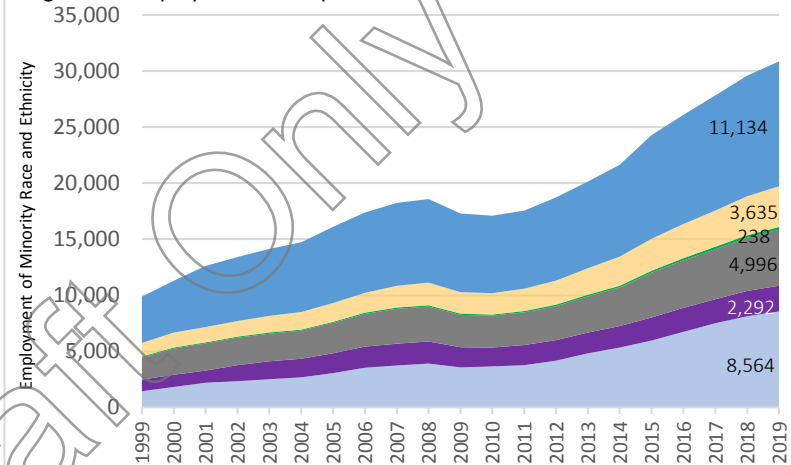
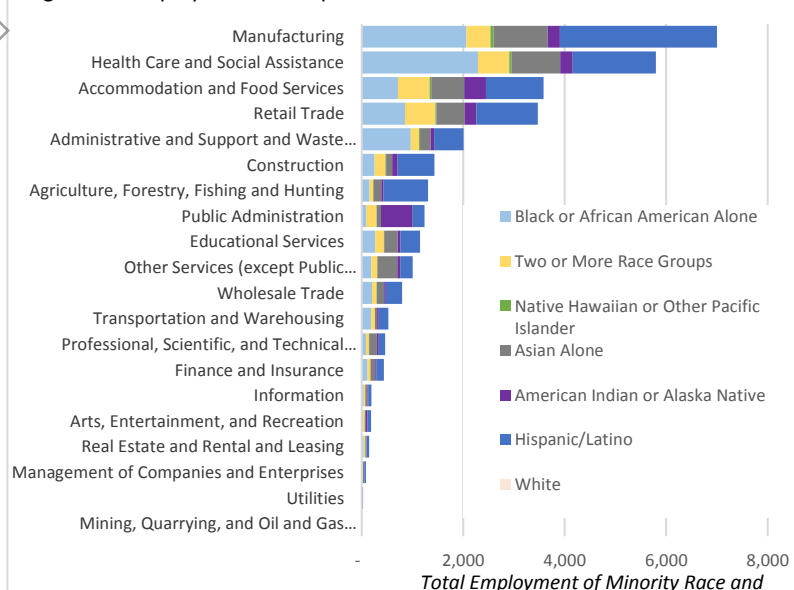


Figure 19. Employment of People of Color in Central Minnesota



Source: DEED, Census LEHD, QWI

INDUSTRY PROJECTIONS

As noted above, Central Minnesota is projected to grow 8.6 percent from 2016 to 2026, a gain of 26,629 new jobs, which would make it the fastest growing region in the state. The largest and third fastest growing industry is expected to be health care and social assistance, which may account for one-third (35.1%) of total projected growth in the region by 2026. The region is also expected to see significant employment growth in construction, manufacturing, public administration, and retail trade. Construction and professional and technical services were projected to be the fastest growing. In contrast, agriculture, information, and mining are all expected to suffer job cuts in the next decade (Table 16).

Industry	Estimated Employment 2016	Projected Employment 2026	Percent Change 2016-2026	Numeric Change 2016-2026
Total, All Industries	310,433	337,062	+8.6%	+26,629
Health Care & Social Assistance	47,461	56,807	+19.7%	+9,346
Manufacturing	41,361	43,677	+5.6%	+2,316
Retail Trade	35,825	37,842	+5.6%	+2,017
Educational Services	25,717	26,325	+2.4%	+608
Accommodation & Food Services	21,568	22,458	+4.1%	+890
Construction	16,522	20,503	+24.1%	+3,981
Public Administration	18,239	20,261	+11.1%	+2,022
Other Services	11,569	12,024	+3.9%	+455
Transportation & Warehousing	10,210	11,568	+13.3%	+1,358
Wholesale Trade	10,237	11,189	+9.3%	+952
Administrative & Waste Services	9,834	10,892	+10.8%	+1,058
Professional & Technical Services	6,961	8,372	+20.3%	+1,411
Finance & Insurance	7,341	7,521	+2.5%	+180
Arts, Entertainment & Recreation	5,562	5,683	+2.2%	+121
Agriculture, Forestry, Fish & Hunt	4,475	4,189	-6.4%	-286
Information	2,855	2,673	-6.4%	-182
Utilities	2,234	2,342	+4.8%	+108
Real Estate & Rental & Leasing	1,965	1,981	+0.8%	+16
Management of Companies	1,681	1,763	+4.9%	+82
Mining	336	267	-20.5%	-69

Source: DEED 2016-2026 Employment Outlook

NONEMPLOYER ESTABLISHMENTS

Region 7E was home to 10,770 self-employed businesses or “nonemployers” in 2018, which are defined by the U.S. Census Bureau as “businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS).” Unlike covered employment, Region 7E saw a steady decline in nonemployers over the past decade, responding to economic changes. In sum, the region lost 1,934 nonemployers from 2007 to 2018, a -15.2 percent decrease. Together, these nonemployers in Region 7E generated sales receipts of \$490.7 million in 2018 (Table 17).

	2018		2007-2018	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
Region 7E	10,770	\$490,711	-1,934	-15.2%
Chisago Co.	3,756	\$166,468	-539	-12.5%
Isanti Co.	2,632	\$118,655	-339	-11.4%
Kanabec Co.	983	\$51,112	-261	-21.0%
Mille Lacs Co.	1,671	\$71,457	-464	-21.7%
Pine Co.	1,721	\$75,725	-338	-16.4%
Minnesota	416,487	\$19,994,802	29,503	7.6%

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Unlike other parts of Greater Minnesota, agriculture is not a key industry in Region 7E, including 3,780 farms producing just under \$215 million in the market value of products sold in 2017 according to the U.S. Department of Agriculture. All of the counties in the planning region rank near the bottom in Minnesota in regards to the market value of products sold, with all five counties ranked between 69th and 75th of the 87 counties in the state (Table 18). Market value of products sold has decreased by 20 percent in 2012.

	Number of Farms	Market Value of Products Sold	State Rank
Region 7E	3,780	\$214,252,000	11
Chisago Co.	821	\$52,838,000	69
Isanti Co.	805	\$48,673,000	70
Kanabec Co.	624	\$29,832,000	75
Mille Lacs Co.	707	\$43,931,000	72
Pine Co.	823	\$38,978,000	73
Minnesota	68,822	\$18,395,390,000	

Source: 2017 Census of Agriculture

Upon request, this information can be made available in alternate formats for people with disabilities by contacting Luke Greiner at 320-308-5378 or at luke.greiner@state.mn.us



DEVELOP
MN

2019

Comprehensive
Development Strategy for
Greater Minnesota



MADO

Minnesota Association of Development Organizations

Overview

The DevelopMN Plan

This plan is the result of a collaborative effort of the members that make up the Minnesota Association of Development Organizations (MADO). It was developed in order to align strategic economic development efforts throughout Greater Minnesota, and leverage resources at all levels for a greater overall development impact.

Two decades into the 21st century, communities in rural Minnesota continue to face challenges and opportunities as they chart their economic future. Minnesotans live in an economy driven by innovation demands. Responsive regions nurture their workforce, support a culture of entrepreneurship and encourage strong and diverse communities. For rural Minnesota to succeed, there is a need for a credible collective voice that can create and propel an economic agenda at the local, state and federal levels. MADO members are committed to providing that collective leadership for Greater Minnesota.

DevelopMN is a common framework for regional economic development. It identifies strategies to address the special challenges and opportunities of Greater Minnesota. This initiative will enhance and support economic development efforts on all levels and engage local, regional, state and federal partners. Collectively, MADO and its partners will set a higher standard for what constitutes effective rural economic development in Minnesota.

DevelopMN as Statewide Community Development

The strength of each region in Minnesota depends to a great extent on the strength of every other region in the State, whether rural, urban, or somewhere in between. Our goal is a resilient, inclusive Minnesota and DevelopMN, focusing on the vast geography outside the Twin Cities metropolitan area and identifying the areas where we see our greatest potential to aid in realizing that goal. By expanding the diversity of job opportunities, cultivating entrepreneurs, providing access to safe and affordable housing, and developing employment training that meets the needs of businesses, DevelopMN builds on regional assets and fosters vibrant, healthy communities. Stronger communities have a stable social infrastructure that provides the full range of opportunities for engaged citizens including lifelong education, fitness activities and arts experiences. Preserved and protected natural resources also help strengthen communities.

To accomplish all of this, businesses and individuals need support to create, develop and expand. This ranges from providing educational opportunities for employees to develop new skills to offering financing options that support sustainability, diversification and expansion. And finally, strong businesses and communities need a well-developed and maintained infrastructure, including water, sewer, communications and transportation systems.

A Rural Economic Development Collaborative

While DevelopMN was created through a collaborative effort of the ten Minnesota Regional Development Organizations (RDOs), each RDO will partner with a host of local, regional, state and federal partners for the plan's implementation. In fact, many of the initiatives listed here are already priorities for some of these partners, and it is through these collaborations that meaningful economic change will continue throughout rural Minnesota. The non-RDO areas of the St. Cloud Quad Counties and the 11 counties of Southeastern Minnesota were able to participate in the development of this framework to ensure their areas had representation and a voice in this project.

DEVELOP
MN

2019

Acknowledgments

MADO would like to thank all the individuals and organizations who have given their time to share their vision for Greater Minnesota. It was a unique regional collaboration that brought together many team members to make this document possible. MADO would also like to specifically thank the following organizations for their significant financial contributions to the plan development since the first iteration in 2016:

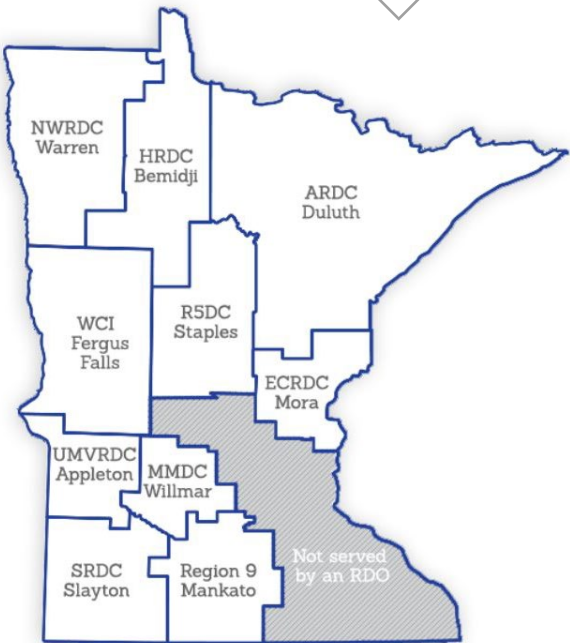
- Blandin Foundation
- Bush Foundation
- Minnesota Department of Employment and Economic Development

A Vision for Greater Minnesota

Greater Minnesota will have vibrant communities with outstanding place-based amenities and will encourage innovation, attract and retain a talented workforce, and provide economic opportunity for all.

What is MADO?

Minnesota Association of Development Organizations (MADO) is comprised of 10 Minnesota Regional Development Organizations (RDOs) whose purpose is to promote and create economic prosperity in Greater Minnesota. This is accomplished through alignment of a strong network of RDOs, the communities they serve, and the federal and state agencies that share their commitment.



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The Evolution of DevelopMN

Greater Minnesota has significant economic opportunities across the state. Regions throughout Greater Minnesota share many assets and challenges but, historically, have lacked the intentional alignment needed to take advantage of shared priorities and maximize the use of resources. This lack of coordination led to a limited voice in creating effective development policy based on regional priorities.

In 2014, MADO began working on a Greater Minnesota development strategy, eventually named "DevelopMN." DevelopMN establishes the strategic framework for coordinated action by MADO, the communities they serve and the federal and state agencies that share their commitment. In this spirit, MADO strives to promote and create economic prosperity in Greater Minnesota through alignment of a strong network of ten Regional Development Organizations.

It took two years to develop the first edition of DevelopMN, published in 2016. After agreeing on the four cornerstones of economic prosperity (See page 5: human capital, economic competitiveness, community resources and foundational assets), MADO staff met regularly, collecting, reviewing and analyzing information from a variety of sources.

- The Department of Employment and Economic Development (DEED) and the University of Minnesota Extension provided data on current economic conditions, housing, population and social conditions in Greater Minnesota.
- MADO met with state and local economic development organizations, foundations, local governments, representatives of tribal nations, state and local elected officials, the business community, educational institutions and members of the public to review and discuss issues and opportunities.
- MADO synthesized the ten Comprehensive Economic Development Strategies (CEDS) that were developed by each of the Economic Development Districts.
- MADO reviewed best practices for economic development from the U.S. Economic Development Administration (EDA), the National Association of Development Organizations (NADO) and examples of statewide comprehensive plans compiled in other states.
- Economic resiliency—defined as an area's ability to prevent, withstand and quickly recover from major disruptions (i.e., 'shocks') to its economic base—is a key element to ensuring and preserving regional economic prosperity. While it is an important enough element to be identified as its own cornerstone, the approach recommended is that economic resiliency strategies be a consideration for carrying out the work identified in all four cornerstones.
- Additionally with diversity, equity, and inclusion, also important enough to be identified as its own cornerstone, the approach taken is that it be a lens applied to all the work identified in all four cornerstones. In DevelopMN 2019, it is addressed explicitly under the "community resources" cornerstone.

Cornerstones



Creating economic prosperity is a multifaceted process.

In Greater Minnesota, economic advantages historically included agriculture, natural resource extraction and low costs (inexpensive labor, low taxes, available land, etc.). Today, in a global economy, Greater Minnesota needs to place emphasis on sustainable industries, improving the quality of inputs and facilitating innovation as the driver of long-term competitiveness, growth and employment.

DevelopMN identified the following cornerstones as key components of strong regions and communities. When approached in a coordinated way, these cornerstones will help create prosperity in Greater Minnesota:

- Human Capital
- Economic Competitiveness
- Community Resources
- Foundational Assets

Human Capital

Developing, retaining and attracting talent are critical for Greater Minnesota in order to sustain and grow rural businesses and communities. Tracking the characteristics of the labor force and the needs of employers, and creating strategies for alignment between the two, is one aspect of this cornerstone. Another is forecasting the economy of the future and working with communities to ready a workforce that can thrive in a rapidly changing environment, particularly with respect to advances in technology.

Economic Competitiveness

Making Greater Minnesota an attractive environment for smart, sustainable growth is critical to creating jobs, improving living standards and financing necessary public services. Economic Competitiveness requires communities to develop and link all available assets to support innovation and encourage business investment.

Community Resources

Greater Minnesota communities seek to maintain rural values, their heritage and the assets that support them. At the same time, we respectfully acknowledge that Greater Minnesota was home to Native Americans long before new Americans settled it in the 19th Century. And we endeavor to welcome more new Americans as the 21st Century unfolds. Community Resources includes topics that balance the preservation and improvement of social, cultural and natural assets that are critical for the health and well-being of everyone, now and in the future.

Foundational Assets

Greater Minnesota communities require proactive and collaborative approaches/strategies to address infrastructure needs in a cost-effective manner. Managing the access to, maintenance, replacement and growth of these assets is key to preserving and maintaining communities and providing for growth opportunities. Foundational assets include above-ground and below-ground infrastructure such as transportation, utilities and water.

DevelopMN's plan is based on SMART goals. SMART stands for:

Specific: target a specific area for improvement.

Measurable: quantify or at least suggest an indicator of progress.

Attainable: assure that an end can be achieved.

Realistic: state what results can realistically be achieved, given available resources.

Time-related: specify when the result(s) can be achieved.



Human Capital Cornerstone

LABOR FORCE

Call to Action

As Greater Minnesota's economy evolves and becomes ever more global, it is confronted with the challenge of meeting the current hiring and skills needs of employers while also preparing communities to expect expansion in both the lower pay service sector and higher pay technical and professional fields. The labor force for Greater Minnesota's businesses has declined, and is projected to continue that decline as a large percentage of the current workforce ages into retirement. Labor force availability is a serious concern to current business operation and is inhibiting growth in Greater Minnesota.

Context

Labor force participation is the proportion of people ages 16 and older who are either working or seeking work. Students, homemakers, retired individuals and others not looking for work do not count as participating in the labor force.

According to US Census estimates, Minnesota had the third highest labor participation rate in the country at 69.7% (2018), which is an increase from 67.3% in 2015.

SMART Goal

Increase labor force participation in Greater Minnesota from 69.7% to 71.7% by 2021

Strategies

1. Align education and workforce development to meet current and future skill needs of employers.
2. Expand the participation of mature workers, previously excluded workers (e.g. those with a criminal record) and others to make up for the shortage of new workforce entrants.
3. Improve access to affordable, high quality childcare options to assist parents in joining the workforce.
4. Promote credit-based apprenticeships, internships, and on the job training as a workforce development solution.

EDUCATIONAL ATTAINMENT

Call to Action

As the size of Greater Minnesota's workforce is projected to decline, increased worker skills will be critical to improving productivity and growing the economy.

Context

The number of job vacancies in Greater Minnesota has increased to 60,400 (2018, DEED). These vacancies are primarily in the sectors of Health Care and Social Assistance, Retail Trade, Accommodation and Food Service, and Manufacturing. Of these job openings, 31.7% require post-secondary education and 37.7% require a license or certificate.

SMART Goals

1. Reduce labor shortages to 30% or less for employment requiring post-secondary education, certificates, technical degrees, or apprenticeship by 2025.

Strategies

1. Build and improve career technical education opportunities for high school students interested in careers that cannot be automated, such as the skilled trades or health care.
2. Create local talent retention and attraction programs, including welcoming communities initiatives, that target the "brain gain" population of returners and newcomers.
3. Support local school initiatives aimed at reducing the achievement gap for all populations of students.
4. Increase the circulation numbers at regional libraries as a proxy for increasing adult literacy and engagement in lifelong learning.

Economic Competitiveness Cornerstone



ENTREPRENEURSHIP AND INNOVATION

Call to Action

Greater Minnesota must embrace innovation, calculated risk-taking and entrepreneurship in order to compete effectively in the global economy.

Context

The Stats America Innovation 2.0 index tracks regional performance of the five component indexes important to entrepreneurship and innovation. These include Human Capital and Knowledge Creation, Business Dynamics, Business Profile, Employment and Productivity, and Economic Well-Being.

In 2016, Greater Minnesota's average headline index score is 87.1, compared to an 88.35 average for the state overall and an 85.55 national average. With 100.0% representing the national average, Greater Minnesota ranks 91.8 on the Stats America Innovation Index and the State of Minnesota ranks 105.8.

SMART Goal

Improve Greater Minnesota's Stats America headline index from 87.1 to 89.1 by 2021.

Strategies

1. Broaden access to capital to encourage innovation and entrepreneurship.
2. Target some of these funds toward new Americans and other diverse populations.
3. Create networks of incubator, co-working, proof of concept and maker spaces.
4. Establish and expand entrepreneurship education programs in K-12 schools.
5. Maintain and expand renewable energy production incentives.
6. Invest in value-added opportunities from agricultural and forest products.

SMALL BUSINESSES GROWTH

Call to Action

According to the Small Business Administration's 2018 report, 99.5% of all Minnesota Businesses are classified as "small" (having less than 50 employees) and make up a larger portion of businesses as compared to the metro region. In order to prosper, Greater Minnesota must support and develop new and existing small businesses.

Context

According to Quarterly Census of Employment and Wages (QCEW), from 2014-2017 Greater Minnesota has had a net decrease of 684 private business establishments. 2017 was the only year during that time period where Greater Minnesota saw a net increase (169 establishments). Gross sales increased \$2.6 billion in 2017 to \$101.6 billion.

SMART Goal

1. Maintain a net increase in business establishments in Greater Minnesota.
2. Maintain an annual increase in gross sales for Greater Minnesota businesses.

Strategies

1. Build a statewide resource of capital programs by utilizing public-private partnerships to facilitate increases in Small to Medium Enterprise (SME) lending, and establish new lending programs to fill gaps in the capital market.
2. Fully fund regional Small Business Development Centers at the state level.
3. Increase the percentage of small businesses who are owned by new Americans and people of color through technical training and lending.
4. Expand and improve technical assistance for growers and producers and those involved in sustainable, organic and/or value-added agriculture.
5. Increase understanding of Opportunity Zone funds and promote this form of investment.
6. Advocate for symmetrical broadband standards.
7. Promote transition and succession planning.



Community Resources Cornerstone

TOURISM

Call to Action

The leisure and hospitality industry is a leading producer of jobs in Greater Minnesota. Communities across the state consider tourism to be an essential industry for economic development, and actively promote the state's attractions and assets.

Context

Travel and tourism make up a large portion of the leisure and hospitality industry. They create jobs and generate sales in every county of Greater Minnesota. Tourism jobs represent all levels of employment, from important entry-level service jobs to high-paying executive positions. Traveler spending indirectly supports jobs in many other industries, as well, from financial services to printing.

According to ExploreMN, travel and tourism in Greater Minnesota generated \$4.55 billion in gross sales in 2017 and 99,981 full-and part-time jobs.

SMART Goal

Increase visitor spending in Greater Minnesota by 5% by 2021, to \$4.78 billion.

Strategies

1. Keep Minnesota travel experiences fresh and current by creating new outdoor recreation, arts and cultural heritage experiences and amenities, while maintaining existing attractions.
2. Develop career paths in the tourism industry to attract and keep younger employees while staying competitive in pay and benefits to attract and retain employees.

ARTS AND CULTURE

Call to Action

Arts, culture and placemaking contribute to the vibrancy of Minnesota's economy and quality of life. These approaches are also key in creating connections and providing opportunities for conversations to occur across culturally-diverse populations.

Context

Arts, entertainment and recreation employed 53,023 people in 2018 throughout Minnesota according to DEED. Greater Minnesota reported 15,494 arts-related jobs, comprising 1.5% of total employment, compared to 31,216 jobs in the Twin Cities, which is 1.8% of total jobs.

SMART Goal

Increase employment in arts, entertainment and recreation in Greater Minnesota by 5% to 16,270 by 2021.

Strategies

1. Utilize arts-based placemaking to improve downtowns and public spaces.
2. Connect artists with resources they need to make a living in Greater Minnesota.
3. Expand existing and create new artist-in-residence programs.
4. Support and enhance arts and culture efforts through an increase of Legacy Act Investments in Greater Minnesota.

Community Resources Cornerstone



EQUITY AND INCLUSION

Call to Action

Achieve a more equitable economy and a more sustainable environment for all Minnesotans in every region of the state.

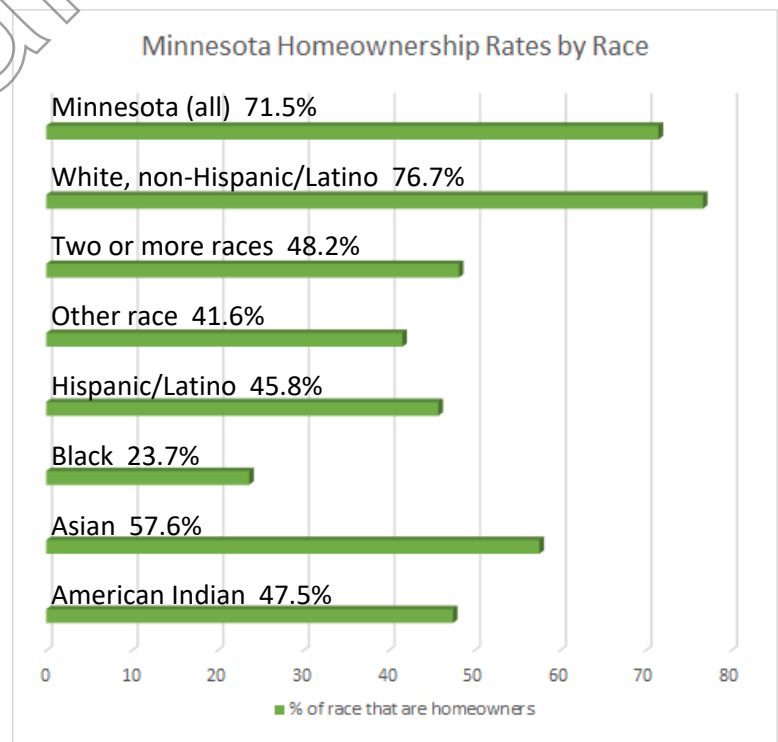
Context

Two of Minnesota's pre-eminent "Think & Do" tanks, Growth & Justice and OneMN.org, created the Thriving by Design Network to address issues of equity and inclusion. The result was a "Minnesota Equity Blueprint," a living document representative of the aspirations and concerns of citizens across all the communities in the state. The blueprint is a comprehensive, non-partisan, long-term plan for shared prosperity in a healthier community environment.

To learn more about the Minnesota Equity Blueprint, please visit the Thriving by Design website at <http://thrivingbydesignmn.org/minnesota-equity-blueprint/>

Some of the measures of inequality that MADO will work to improve include:

- Gini Index: a statistical measure from the World Bank, The Gini Index is intended to represent the income or wealth distribution of a nation's residents. Specifically, it measures how far a country's wealth distribution deviates from a total equal distribution. If all wealth was equally divided among a country's citizens, this measure would be 0.00. In 2018, the Gini Index for Minnesota was 0.452. This can be compared to the average across the United States of 0.415 (2016) and Canada of 0.340 (2013).
- Disparities in Homeownership: Long believed to be the greatest way to retain wealth, homeownership is an asset still out of reach for a greater percentage of people who do not identify as White/Caucasian. Out of all states, Minnesota ranks 44th in homeownership rates for people of color, as measured by the Prosperity Now Scorecard. While 76.7% of white Minnesotans were homeowners in 2018, that was true of only 40.8% of Minnesotans of color. 2019 estimates from the American Community Survey (US Census) provide a more detailed breakout by race-identified in the chart at right.



Due to the critical nature of equity improvements, MADO has designed strategies throughout the DevelopMN document with an equity-focused lens.



Community Resources Cornerstone

NATURAL RESOURCES

Call to Action

Greater Minnesota is fortunate to have an abundance of natural resources that are essential to the state's economy. As Minnesota continues to grow, strain on natural resources is on the rise, putting pressure on stakeholders to adapt. Minnesota must solve multiple threats from groundwater overuse and contamination, invasive species, decline of natural areas, exploitation of natural resources and loss of species.

Context

In 2017, Conservation Minnesota estimated that hunters, anglers and wildlife watchers contributed \$5.5 billion to Minnesota's \$15.3 billion tourism economy, and accounted for one-fifth of the state's tourism jobs. Minnesota's natural resource industry provides 342,000 agricultural, 62,400 forest products, 11,000 mining and 48,000 fishing/hunting related jobs.

As climate change and global interaction have become more prevalent, Minnesota has seen the rise of several non-native species, including zebra mussels, spiny water flea, Eurasian Milfoil, West Nile Virus, and Emerald Ash Borer. These invasive species (and others) have a direct effect on water quality, fishing, forest production and human health.

In 2018 in the United States, fossil fuel combustion accounts for 80% of greenhouse gas emissions and 98% of carbon dioxide emissions. The Center for Biological Diversity estimates that 4.1 billion metric tons are added to the atmosphere each year.

SMART Goal

1. To reduce the carbon footprint, increase the number of kilowatt hours of renewable energy produced in Greater Minnesota from 11,607 in 2018 to 12,000 by 2021.
2. To preserve natural resources, reduce the spread of invasive species as determined by the MN Department of Natural Resources (DNR). In 2018, the DNR estimated that 7% of all lakes, and 1066 total bodies of water in Minnesota were considered "infested."

Strategies

1. Identify and safeguard valuable natural resources and outdoor heritage sites through education, preservation and conservation efforts. Incorporate outdoor heritage and preservation strategies that draw connections between historic land uses and natural ecosystems, including agri-tourism, mining/timber tourism, transportation (land, water, air) tourism, and flora/fauna tourism.
2. Generate comprehensive plans that address biodiversity, watersheds, wetlands, critical habitats, grasslands, agriculture, minerals, forest habitat and migration corridors in the planning process.
3. Develop land-use objectives that balance economic competitiveness/resilience with human well-being and natural amenities preservation.
4. Measure and report on environmental justice issues in Greater Minnesota.
5. Identify policies and procedures to understand how invasive species enter ecosystems, and focus efforts on their reduction or elimination.
6. Support and enhance stronger conservation efforts across all natural resources through an increase of Legacy Act investment in Greater Minnesota.
7. Explore incentives and expand renewable energy development.
8. Support efforts to monetize the carbon sequestration value of forests and fields and drive revenue to landowners and custodial agencies.



Foundational Assets

Cornerstone

BROADBAND ACCESS

Call to Action

Affordable high-speed internet is necessary to remain competitive in today's global economy. Many businesses and residents experience lack of access to reliable broadband at acceptable speeds and costs.

Context

Based on broadband maps provided by the Minnesota Office of Broadband in 2019, only 85.98% of the state and 68.43% of Greater Minnesota meet the current state minimum standard of download speeds of 100 megabits per second and upload speeds of at least 20 megabits per second.

SMART Goal

No later than 2026, all Minnesota businesses and homes will have access to at least one provider of broadband with download speeds of at least 100 megabits per second and upload speeds of at least 20 megabits per second.

Strategies

1. Advocate for broadband funding at both state and federal levels.
2. Advocate for a symmetrical standard (same speed for upload as download).
3. Create and leverage public and private partnerships to fund improved broadband access.
4. Develop an inventory for best management practices (BMP) to improve policies and procedures for broadband and deployment of broadband service in rural, sparsely populated and high-cost regions.
5. Ensure the collection of accurate data around served and underserved regions.
6. Promote an understanding of the importance of broadband to a community's infrastructure.

TRANSPORTATION

Call to Action

Minnesota's economy is healthy because of its economic diversity. It is composed of a rich array of business services, finance, and healthcare industries, as well as freight or trade-related industries such as agriculture, mining, and manufacturing. Trade-related industries are key drivers of the economy.

Context

In 2016, 40% of Minnesota's Gross State Product was dependent on freight-related industries, a higher percentage than many of its neighboring states. The Truck Travel Time Reliability Index (TTTRI) measures the consistency of commercial truck travel times on the interstate system, with 1.0 being the highest measure of reliability. Statewide, Minnesota's TTTRI value has remained fairly consistent at 1.43 in 2017 and 1.44 in 2018 on average.

SMART Goal

By 2021, decrease statewide RRRTI score to 1.40 or lower.

Strategies

1. Partner with MnDOT to help identify potential freight enhancement projects that have increased potential for a positive return on investment while also calculating the environmental costs.
2. Offer assistance to local units of government with planning and preparing needed documentation on the merits of freight infrastructure projects.
3. Explore the use of public-private partnerships (formal or informal) in helping to finance freight infrastructure projects. These actions may include needs determination and project development, as well as funding and implementation.



Foundational Assets Cornerstone

WATER-WASTEWATER INFRASTRUCTURE

Call to Action

Communities with low populations frequently struggle with the affordability of water infrastructure as they lack the economies of scale that help keep costs down in more populous cities.

Context

Over 94% of the cities on the MPCA 2018 Clean Water Priority list (PPL) are in Greater Minnesota. There are 368 projects listed statewide with total estimated project costs of \$606.8 million. In 2018, the Minnesota Public Facilities Authority awarded \$319 million in grants and loans to projects, leaving a gap of more than \$287 million.

SMART Goal

Reduce the gap between the amount of funding available for water-waste water infrastructure and the actual infrastructure replacement cost to \$100 million by 2030.

Strategies

1. Focus municipal infrastructure investments to support business development and affordable housing.
2. Facilitate dialog around right-sized wastewater infrastructure projects.
3. Encourage cities to develop capital improvement plans that are aligned with comprehensive plans and zoning/land use ordinances.
4. Collect and share best practices that demonstrate funding scenarios and solutions to update outdated and undersized systems.
5. Research environmentally and financially responsible options for very small communities.

In 2018, the MPCA estimates that over \$512.9 million in infrastructure projects are needed in Greater Minnesota.



Foundational Assets

Cornerstone

HOUSING AVAILABILITY

Call to Action

In 2016, rental vacancies were low across the state of Minnesota, and housing construction in Greater Minnesota has not kept up with current nor forecasted need. However, access to safe and affordable housing remains a basic need for all Minnesotans. Housing also plays a critical role in workforce attraction, which is critical for future economic growth of Greater Minnesota.

Context

According to data compiled by Minnesota Compass in 2018, 19.3% of homeowners were cost burdened and 46.2% of renters are cost burdened for a combined rate of 25.5%. A household is considered cost burdened when 30% or more of the household's gross income is dedicated to housing.

A 5% or less vacancy rate is generally considered an indicator of a "tight" rental market. Across Minnesota, The Minnesota Housing Partnership is seeing indications that the supply of rental housing is not keeping up with demand, for all but very high income households. The problem is particularly serious in Greater Minnesota communities experiencing robust job growth.

A 2018 report from the National Low Income Housing Coalition, based on the 2016 American Community Survey, shows that for every 100 low-income renters in Minnesota, only 43 units are available.

SMART Goal

Reduce the percentage of cost-burdened households in Greater Minnesota from 25.5% in 2018 to 23% in 2021.

Strategies

1. Provide more coordinated housing planning.
2. Advocate for funding programs for demolition of vacant, unsafe and dilapidated housing units.
3. Increase the number of units rehabilitated or preserved.
4. Encourage development of transitional and permanent supportive housing.
5. Collect and share best management practices around housing policy and financing.
6. Keep abreast of trends and opportunities for temporary family healthcare dwellings (Granny Pods and tiny homes).
7. Work with communities to address student housing shortage at college campuses.
8. Work collaboratively to track needs, secure financial resources and coordinate regional goals to prevent and end homelessness.

Conclusion

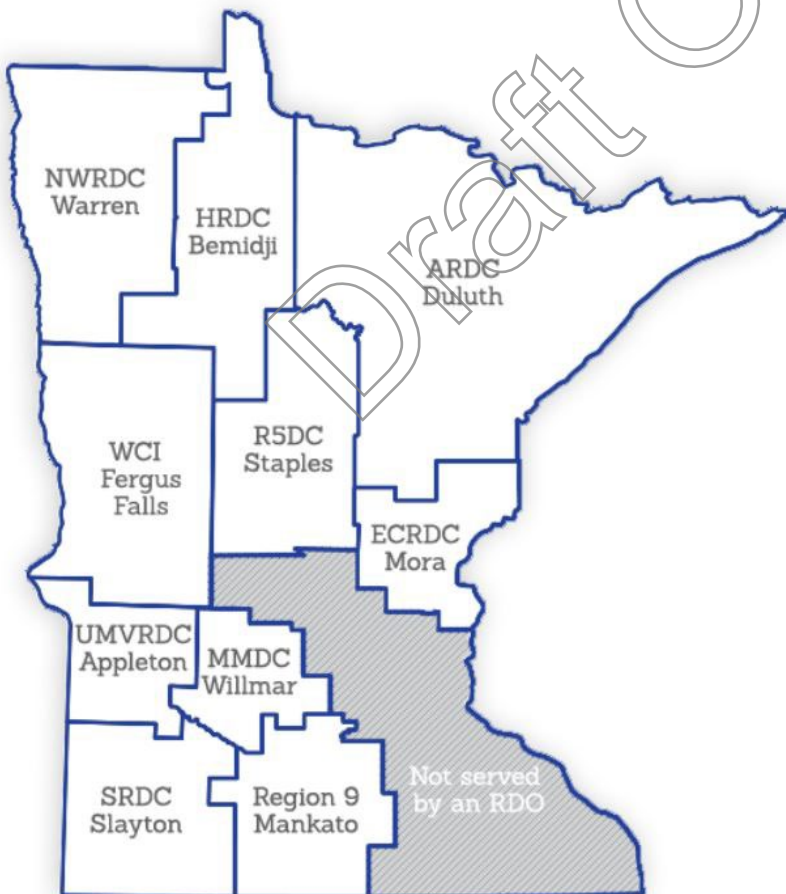
MADO Members

IMPLEMENTATION

The primary purpose of this plan is to unite public and private entities around a common vision for Greater Minnesota so that the entire state of Minnesota thrives. MADO's hope is that through this process partners can align workplans across state and local governments, nonprofit organizations, educational institutions and businesses.

MADO will review DevelopMN annually to assess progress, identify gaps and measure overall success of initiatives by the benchmarks listed throughout the document.

Lastly, MADO welcomes your participation and involvement. Greater Minnesota and, in fact, all of Minnesota is most successful when we all are involved. If you have ideas, or comments, please contact your local regional development organization listed on this page, or visit <http://www.mnado.org> for more information.



ARDC

221 West 1st St
Duluth, MN 55802
218-722-5545
www.ardc.org

ECRDC

100 S Park St
Mora, MN 55051
320-679-4065
www.erd.org

HRDC

403 4th St NW
P.O. Box 906
Bemidji, MN 56619
218-444-4732
www.hrdc.org

MMDC

333 SW 6th St, Ste. 2
Willmar, MN 56201
320-235-8504
www.mmrdc.org

NWRDC

109 S. Minnesota St.
Warren, MN 56762
218-745-6733
www.nwrdc.org

R5DC

200 1st St NE, Ste. 2
Staples, MN 56479
218-894-3233
www.regionfive.org

R9DC

3 Civic Ctr Plaza, Ste. 310
Mankato, MN 56001
507-387-5643
www.rndc.org

SRDC

2401 Broadway Ave, Ste. 1
Slayton, MN 56172
507-836-8547
www.swrdc.org

UMVRDC

323 W Schlieman Ave
Appleton, MN 56208
www.umvrdc.org

West Central Initiative

1000 Western Ave
PO Box 318
Fergus Falls, MN 56538
218-739-2239
www.wcif.org

Appendix E: List of Potential Economic Development Projects

The following projects were submitted by the local units of government of the region through our annual Comprehensive Economic Development Strategy (CEDS) Survey for inclusion in our regional CEDS. Not all projects are a match with EDA's funding priorities at this time, but do have an economic development focus, and were deemed important by their community. The CEDS Strategy Committee and East Central Regional Development Commission concur with the local units of government on their importance, and have included them as an appendage to the CEDS.

Chisago County

Harris

- 1) Industrial park expansion.
- 2) Work to upgrade local / regional trails system.
- 3) Upgrade water infrastructure to allow for looping to increase water pressure.
- 4) Redevelopment of downtown area.

North Branch

- 1) Make high speed internet available to all properties within the City.
- 2) Expand and improve water and sewer infrastructure in the Interstate Business Park.
- 3) Develop affordable workforce housing.
- 4) Construction of a rail spur in Interstate Business Park.
- 5) Develop and implement training for today's and future workforce.
- 6) Construction of an overpass or interchange at 400th and I35.

Taylor's Falls

- 1) Explore marketing opportunities to promote the municipally owned industrial park.
- 2) Promote and explore downtown commercial redevelopment.
- 3) Explore marketing opportunities to promote available commercial properties.
- 4) Work to expand recreational trail infrastructure.

Wyoming

- 1) Upgrade / expansion at Polaris facility
- 2) Upgrade / expansion at Rosenbauer - General Safety

Chisago County EDA / HRA

- 1) Develop infrastructure for Chisago County Business Parks.
- 2) Expand fast, reliable internet service within Chisago County.
- 3) Prepare a county rail plan focused on rail focused industrial property.
- 4) Develop affordable housing infrastructure per recently completed housing study.
- 5) Development of regional health care campus.

Isanti County

Braham

- 1) Undertake downtown revitalization
- 2) Undertake business expansion and recruitment efforts
- 3) Upgrade municipal infrastructure to allow for growth
- 4) Expand housing for workforce
- 5) Upgrade / expand parks, recreation and greenspace

Cambridge

- 1) Acquisition of 75 additional acres to expand the Cambridge Opportunity Industrial Park.
- 2) Acquisition of additional land for industrial park served by rail.
- 3) Construction of a 47,040 square foot spec building at Cambridge Opportunity Industrial Park.
- 4) Infrastructure development for Southeast Industrial Park
- 5) Development of a portion of the airport to accommodate airport related industrial companies.

Isanti

- 1) Development of a rail served industrial park.
- 2) Implement a downtown redevelopment plan.
- 3) Upgrade the mechanized sewer plant for business and residential needs.
- 4) Implement of economic development district #1.

Isanti County

- 1) Improve rural broadband internet access.
- 2) Work to create rail served industrial sites or regional rail industrial park.

Kanabec County

Mora

- 1) Trunk highway transportation enhancements.
- 2) Development and synchronization of marketing, tourism and social media efforts.
- 3) Development of recreational attraction opportunities.
- 4) Planning and construction of community facilities and adaptive reuse of existing buildings.
- 5) Development and implementation of commercial and residential revitalization plans.
- 6) Installation of fiber in Mora Industrial Park.
- 7) Construction of business incubator
- 8) Installation of industrial park signage.

Ogilvie

- 1) Upgrade municipal wastewater treatment plan to allow for growth
- 2) Upgrade road and street infrastructure and related underlying utilities to allow for growth.

Kanabec County EDA

- 1) Disperse CARES Act funds to businesses and nonprofits.
- 2) Develop emergency micro loan program.
- 3) Assist businesses navigate COVID relief programs.
- 4) Expand childcare capacity.
- 5) General business retention & expansion.

Mille Lacs County**Bock**

- 1) Construction of a new City Hall / Community Center.
- 2) Upgrading wellhead protection.

Milaca

- 1) Development of industrial lots
- 2) Construction of an incubator building with room for multiple tenants.

Mille Lacs County

- 1) Work to expand broadband internet availability in county for business, education and personal uses.
- 2) Undertake a Corridor Study of US Highway 169 for future commercial, industrial and housing opportunities.
- 3) Industrial Park and Commercial Building Expansion
- 4) Mille Lacs County Tourism Marketing and Economic Diversification
- 5) Upgrade and expand public buildings.

Princeton

- 1) Purchase of additional acreage and provision of infrastructure, including sewer, water, sidewalks and streets, to accommodate growing and new business
- 2) Undertake a transportation study and construction of a North / South collector on west side of City.
- 3) Upgrades to Riverside – Reibe Park including suspension bridge.
- 4) Upgrades to water / sewer and road infrastructure to allow for further development.
- 5) Support the creation of additional housing of all types.

Pine County

Askov

- 1) Upgrade water main infrastructure.

Bruno

- 2) Upgrade City Hall facility.
- 3) Upgrades to City's road infrastructure.

Henriette

- 1) Upgrade roads / infrastructure to allow for growth.

Hinckley

- 1) Develop a mixed-use business/industry incubator with both office and light industrial space for new and start-up businesses.
- 2) Development of an office space business incubator.
- 3) Redevelopment and revitalization of properties in the downtown area.
- 4) Development of retirement housing complex.
- 5) Develop a program to redevelop blighted properties.

Pine City

- 1) Redevelopment of parcel of property on Airport Road for inclusion in Technology park.
- 2) Expand Technology Park business park.
- 3) Expand the availability of workforce housing through the Hilltop Cottages project.
- 4) Summit Development Senior Living Housing Development.
- 5) Redevelopment of former Mill Site for workforce housing.

Pine Technical College – Pine City

- 1) Expanded footprint of Pine Technical & Community College by approximately 30,000 square feet to allow for manufacturing program space, increased lab space and new programs.

Rutledge

- 1) Upgrade park and open space infrastructure.

Sandstone

- 2) Expand water infrastructure (loop) to provide greater pressure to new Medical / Business Park.
- 3) Redevelopment of historic school building.
- 4) Library / OSAC / History Center development project.
- 5) Redevelopment of blighted housing and construction of new workforce housing.
- 6) Development of a daycare center.
- 7) Construct rail spur.

Pine County

- 1) Operate and enhance opportunities for entrepreneurs at the Technology Incubator / Co-working site at Pine Technical & Community College.
- 2) Explore opportunities for new technology / manufacturing incubators at various locations across Pine County.

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Appendix F - CEDS Strategy Committee Membership

Susie Brooks	Chisago County Private Industry
John Schlagel	Isanti County Private Industry
Loren Davis	Kanabec County Private Industry
Genny Reynolds	Mille Lacs County Private Industry
Glen Williamson	Pine County Private Industry
Joe Mulford	Post Secondary Educaiton - Pine County
Rebecca Perrotti	Workforce Development - Kanabec County
Carla Dunkley	Mille Lacs Band of Ojibwe - Mille Lacs County
Vacant	Chamber of Commerce

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Appendix G ECRDC Board Membership

ECRDC BOARD MEMBERS		
First Name	Last Name	Represents
Bob	Bollenbeck	Kanabec Co. Public Interest
Tish	Carlson	Isanti Co. Municipalities
Loren	Davis	Isanti Co. Public Interest
Dave	Dillan	Mille Lacs Co. Municipalities
Carla	Dunkley	Native American Rep
Kathi	Ellis	Kanabec Co. Commissioner
Linda	Evans	Mille Lacs Co. Public Interest
Gordon	Gullixson	Kanabec Co. Municipalities
Richard	Hansen	Isanti Co. Townships
Robert	Hoefert	Mille Lacs Co. Townships
Jeannette	Kester	Pine Co. Public Interest
Diane	Larkin	Chisago Co. Townships
Tom	Lawlor	Chisago Co. Public Interest
Carri	Levitski	Southern School Boards
John	Mikrot, Jr.	Pine Co. Commissioner
Scott	Moe	Northern School Boards
Ben	Montzka	Chisago Co. Commissioner
Dave	Patenaude	Kanabec Co. Townships
Genny	Reynolds	Mille Lacs Co. Commissioner
Peter	Spartz	Pine Co. Municipalities
Kevin	Stenson	Chisago Co. Municipalities
Jim	Swenson	10000+ Population
Terry	Turnquist	Isanti Co. Commissioner
Glen	Williamson	Pine Co. Townships

As of 12/21/2020

Appendix H Resolution of Adoption (PLACEHOLDER)

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