



# Economic Development Success IN North Dakota



2019

# Why Invest in Economic Development?

## Diversifying the Economy

Diversification is critical to make sure North Dakota does not become economically dependent upon one or two industry sectors. With tight competition for capital, human, and other resources, it is important to focus on investments that diversify our economy so that the state realizes the benefits of the current activity for generations.

## Increasing Our Competitiveness

North Dakota is no longer just competing with other states, but rather competing on a global scale. Companies are under increasing pressure to automate and streamline processes to lower costs. North Dakota's business climate and primary sector support programs must meet the current challenges facing existing companies and be attractive to companies seeking expansion into the state.

## Growing from Within

Motivating individuals to engage in innovation and entrepreneurship is important for business development at the local and state level. Equal opportunities for successful entrepreneurial business development exist statewide regardless if you are a rural community or an urban center. Supporting an attractive and vibrant entrepreneurial ecosystem is key to realizing the economic benefits of homegrown innovation.

## Meeting Growing Needs

A growing economy requires investment in essential community needs such as workforce, housing, childcare, community services, and quality of life amenities. In this time of unprecedented growth, it is critical that professional economic developers serve as the bridge between the economic development and community development needs of the state.

## Linking Industry and Education

Economic developers convene leaders and facilitate necessary discussions to make things happen. With today's growing workforce needs, economic development professionals serve a critical role of linking growing companies to education resources and research and development capacity. Investing in education creates an essential bond between industry and North Dakota's educational institutions.

## Enhancing Quality of Life

North Dakota has unmatched economic opportunity for industry and individuals. The state must support a quality of life that attracts and retains talent to maximize its growth potential.

## The Role of Economic Developers in Our Cities, Counties and Regions

- Serving as an information resource.
- Marketing the area.
- Fostering entrepreneurship.
- Facilitating business start-ups, retention and expansions.
- Attracting and introducing new businesses to the area.
- Linking business prospects with officials and prospective partners.
- Bringing interests together to ensure all needs are addressed.
- Linking prospects with gap financing sources.
- Tracking business project performance.

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# Table of Contents

- 4 **Bismarck-Mandan Development Association** Bobcat Acceleration Center
- 5 **Bismarck-Mandan Development Association** Two Track Malting Company
- 6 **Bowman County Development Corporation** Rise and Shine Daycare Expansion
- 7 **Carrington Job Development Authority** Duchessa Gelato
- 8 **Carrington Job Development Authority** Iron Fit Gym and Wellness Center
- 9 **Divide County Job Development Authority** Crosby Kids Daycare Center
- 10 **Garrison Area Improvement Association**
- 11 **Grand Forks Region Economic Development Corporation** Red River BioRefinery
- 12 **Greater Fargo Moorhead EDC** Dakota Specialty Milling/Roman Meal
- 13 **Hazen Community Development** Hazen Pioneer Apartments
- 14 **Hettinger County Job Development Authority** Dakota Western Bank
- 15 **Jamestown/Stutsman Development Corporation** Midwest AgEnergy's Dakota Spirit Bio-refinery
- 16 **Lewis and Clark Development Group** Quality Electric – Rural McClusky
- 17 **City of Mandan Business Development Department** Downtown Storefront Improvement Program
- 18 **City of Mandan Business Development Department/Lewis and Clark Development Group** Culver's Restaurant, Mandan
- 19 **McKenzie County Job Development Authority** McKenzie County Skills Initiative
- 20 **City of Milnor** Peterson Subdivision
- 21 **Minot Area Development Corporation** Industrial Park of Minot/BNSF Site Certification
- 22 **New Rockford Area Betterment Corporation** New Rockford Swimming Pool
- 23 **Red River Regional Council** Housing Rehabilitation
- 24 **Red River Regional Council and Michigan Job Development Authority**  
Wagon Wheel Bar and Grill/Horseshoe Saloon and Grill
- 25 **Red River Regional Council, Pembina County Job Development Association and Walsh County Job Development Association** Youth Entrepreneurship and Workforce Development
- 26 **Renville County Job Development Authority** Pinnacle Seeds
- 27 **Stark Development Corporation** Baker Boy
- 28 **Stark Development Corporation** Killdeer Mountain Manufacturing
- 29 **Stark Development Corporation** Stone Mill LLC
- 30 **Traill County Economic Development Commission** Degelman Industries USA
- 31 **Traill County Economic Development Commission** Hatton Community Club Apartments
- 32 **Traill County Economic Development Commission** Smith & Abell Properties
- 33 **Valley City – Barnes County Development Corporation**
- 34 **Valley City – Barnes County Development Corporation** Gaukler Family Wellness Center
- 35 **Valley City – Barnes County Development Corporation** John Deere Seeding Group Valley City & Malach USA
- 36 **Valley City – Barnes County Development Corporation** Preventice Solutions - Remote Heart Monitoring Services
- 37 **City of Wahpeton Community Development** Downtown Restaurants
- 38 **City of Wahpeton Community Development** Vacant to Vibrant
- 39 **Walsh County Job Development Authority** Walsh Grain LLC
- 40 **Walsh County Job Development Authority** Grafton Centennial Center
- 41 **Walsh County Job Development Authority** Heartland Eye Care, P.C.
- 42 **Walsh County Job Development Authority** Park River Dental
- 43 **Washburn Area Economic Development Association and NDSU Extension Service- Center for Community Vitality**  
Marketing Hometown America
- 44 **Washburn Area Economic Development Association** Tourism and Workforce Development
- 45 **Williston Economic Development** Flowcore Freshwater Management Systems
- 46 **Williston Economic Development** Stony Creek Rail Yard
- 47 **Williston Economic Development** Safari Trampoline Park



# • A NORTH DAKOTA CENTER FOR RESEARCH & INNOVATION

## • Bobcat Acceleration Center

• *Bismarck-Mandan Development Association*

### • PROJECT DETAILS:

The Bobcat Acceleration Center is an expansion of the company's long-time engineering presence in Bismarck-Mandan. The \$40 million facility now serves as Bobcat's North American headquarters for research, development and innovation. This is in addition to the company's manufacturing facility, less than a mile away, that employs approximately 700 people.

### • INCENTIVES USED:

Five-year new or expanding business property tax exemption. Discounted land from the City of Bismarck.

### • PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The acceleration center sits in the Northern Plains Commerce Centre (NPCC), a 243-acre, rail-served industrial park developed and owned by the City of Bismarck. Bobcat became the first tenant when it constructed the original manufacturing sequencing center. Bobcat then expanded that facility between 2013-2014 to become the acceleration center. When it opened, the facility employed approximately 140 people, primarily engineers. It has since grown to 200 employees and attracts Bobcat employees, suppliers, and customers from around the world.



## Two Track Malting Company

*Bismarck-Mandan Development Association*

### PROJECT DETAILS:

This local startup takes barley harvested from its family farm in central North Dakota and processes it into malt for the beer brewing process. This company is providing diversity to the local economy, adding value to an agriculture product, and generating new wealth for the community.

### INCENTIVES USED:

BND Flex PACE interest buydown with a local match made available through the Bismarck Vision Fund.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The malting facility is more than 9,000 square feet and the project created four new jobs. The company invested \$550,000 into the project with a public investment of \$39,000. The company is now selling to more than 70 breweries in more than 25 states. The sales outside the state and community generate new wealth for the state and community.

### SUCCESS:

Within 18 months of its initial startup, the company needed to expand capacity within its footprint. Since the first expansion, the company has again had to expand, increasing the facility's footprint by another 33 percent.



## Rise and Shine Daycare Expansion

*Bowman County Development Corporation*

### PROJECT DETAILS:

The project is expanding a daycare in the community of Bowman. The addition of more than 2,600 square feet will allow Rise and Shine Daycare to provide care for up to 10 more children. Rise and Shine Daycare is investing more than \$31,000 in the project and, due to the high need of childcare, the public investment has been \$93,750. The community will benefit from improved access to affordable childcare in the placement of additional workforce.

### INCENTIVES USED:

North Dakota Development Fund Childcare Loan Program.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

Childcare continues to be a crucial item of workforce cultivation and development. Creating and sustaining affordable childcare is one way to address the workforce needs of the county.

### NEXT STEPS:

Construction has just begun on the renovation and expansion. Families who receive service from Rise and Shine Daycare look forward to the efficiencies and additional safety that the expanded facility will offer.





# •• SWEETENING THE STATE WITH FARM-FRESH GELATO

## Duchessa Gelato

*Carrington Job Development Authority*

### PROJECT DETAILS:

Growing up on a dairy farm, young entrepreneur Maartje VanBedaf wanted to use her knowledge of dairy products to create gelato. She enrolled in Carpigiani Gelato University to learn to produce artisan gelato on her family's North Dakota dairy farm. The production line's location on their dairy farm allows milk from their cows to be pasteurized and turned into their delicious creations on-site. With the goal of one day investing in a dairy shop and on-farm creamery, VanBedaf began selling her product using an authentic Italian gelato cart at North Dakota events.

### INCENTIVES USED:

Agricultural Products Utilization Commission (APUC) matching grant.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

This new project has created several part-time jobs and provided a direct market for a North Dakota agricultural product.

### SUCCESS:

Duchessa Gelato hosted a kick-off tasting event for Carrington and has attended several events throughout the state (sometimes selling out of their product). They look forward to their vision of expansion unfolding.



# ••PROMOTING WELLNESS & WORKFORCE ATTRACTION

## Iron Fit Gym and Wellness Center

*Carrington Job Development Authority*

### PROJECT DETAILS:

Patrick Neumiller, a young entrepreneur with a passion for fitness and health, built a modern facility complete with personal trainers, nutritionist, strength and conditioning coaching, massage therapy, dance/yoga studio, cycling classes, smoothie bar, hot tub and tanning beds.

### INCENTIVES USED:

Carrington JDA's business development grant and Bank of North Dakota's Flex PACE program.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The public investment of \$85,000 created 14 jobs in a community of 2,000 people and aided the construction of an 8,000-square-foot facility.

### IMPACT TO THE COMMUNITY:

In addition to providing the local population the opportunity for better health and overall wellness, the social aspect of belonging to the gym aids in workforce attraction and retention. The new facility makes people want to come to or return to this small community to live and work, and benefits the "Consider Carrington" campaign and mission.

### SUCCESS:

Iron Fit has 420 members with an average of 100 visits per day. The facility is open 18 hours per day Monday through Friday and nine hours per day on Saturday and Sunday.





# MEETING WORKFORCE NEEDS THROUGH CHILDCARE

## Crosby Kids Daycare Center

*Divide County Job Development Authority*

### PROJECT DETAILS:

At a time of substantial growth in the community, childcare options were at full capacity and there was little interest from individuals wanting to start additional in-home daycares. A lack of childcare became a huge hinderance to attracting employees for healthcare, education and other vital fields. Divide County JDA worked with Crosby Kids Daycare to build a childcare center large enough to care for more than 90 children.

### INCENTIVES USED:

Payments in lieu of taxes, North Dakota Department of Commerce childcare grant.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

With private investment of more than \$650,000 and public investment of over \$635,000, the community was able to build a facility that can employ up to 13 staff members and aid in workforce recruitment.

### IMPACT TO THE COMMUNITY:

In addition to providing a much-needed service, the new daycare facility is located on land that housed an old bowling alley. The new facility is now handicap accessible, secured with a security system and has a 24-hour monitored sprinkler system installed, providing one of the safest places for the community's children to be cared for many hours of the week.



# .....SMALL TOWN INCENTIVIZES BIG CHANGES

## Garrison Area Improvement Association

### PROJECT DETAILS:

Garrison has been utilizing two local incentives over the past few years with great success: the nonprofit, government and local group project incentive program and the business improvement incentive program.

The purpose of the nonprofit, government and local group project incentive program is to provide local community development projects incentive and cost assistance with the construction of or improvement to facilities that will improve the quality of services, recreation facilities, or other public use facilities in the Garrison area. This incentive offers up to 75 percent of the improvement cost, not to exceed \$15,000.

The purpose of the business improvement incentive program is to provide Garrison area businesses an incentive to improve or expand. The incentive offers up to 50 percent of the improvement cost, not to exceed \$5,000. The Garrison Area Improvement Association determines grant amounts based on the impact to the community. The remaining project cost may be borrowed from a financial institution with GAIA providing a partial interest buydown on up to 25 percent of the project cost.

### IMPACT TO THE COMMUNITY:

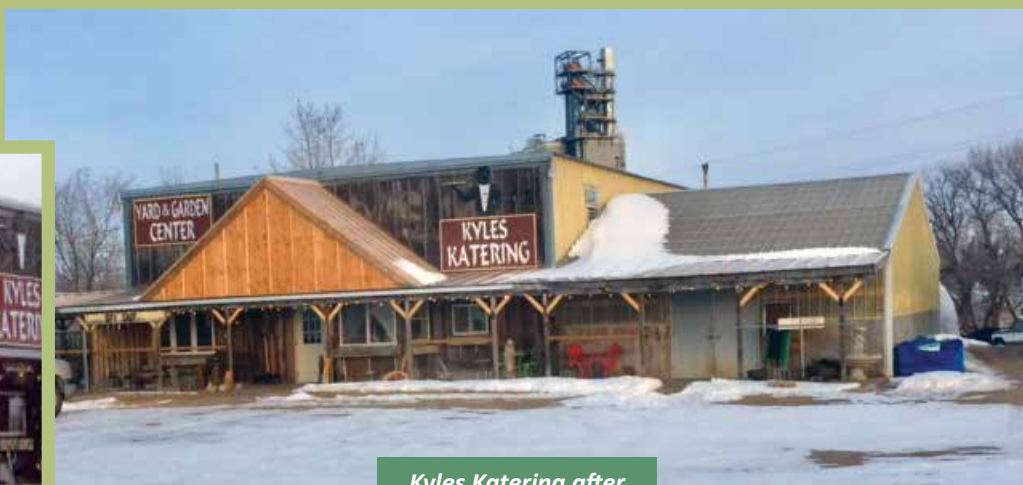
In 2017, four local businesses received a combined total of \$17,621 in business improvement grants. The program allowed a local boat shop to add new lighting and signage, a hardware store to convert a warehouse into retail space, a garden supply and catering business completed repairs and improvements to the parking lot and storefront, and a wedding venue added storage and event space.

Local nonprofits and government entities received a combined total of \$27,913 through the nonprofit, government, and local group project incentive. The North Dakota Fishing Hall of Fame was able to add an exterior lighted sign, Garrison Parks and Recreation added new bathrooms at Garrison City Park, and a local nursing home was able to renovate its entrance and patio and improve signage.

The overall impact to the community is an increased quality of life for residents, the attraction of tourists to the town and the retention of local businesses.



*Kyles Katering before*



*Kyles Katering after*

## Red River BioRefinery

*Grand Forks Region Economic Development Corporation*

### PROJECT DETAILS:

Red River BioRefinery LLC (RRB) is a 16.5-million-gallon-per-year, greenfield, next generation ethanol project. Its location in the heart of the Red River Valley, one of the most productive and fertile agricultural areas in North America, is near a number of significant food processors. RRB will use the processors' byproducts for the production of advanced bio-ethanol used for transportation fuel. The plant will also produce a solid byproduct that will be sold into the regional animal feed market. Construction on the 80,000 square-foot processing plant began in summer 2018. The plant will begin operation by fall 2019.

### INCENTIVES USED:

The Grand Forks Region EDC assisted in a public approval process of up to \$80 million in tax-exempt financing from the State of North Dakota. In addition to the bonding, a 5-year declining property tax exemption, a 5-year corporate income tax exemption, and a full state sales and use tax exemption on construction materials and processing equipment are being applied to the project.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The refinery will employ 25 people in highly skilled and technical positions. The estimated investment in the facility is up to \$80 million.

In addition to the direct economic benefits, the project brings key international relationships and efficiencies for other value-added agribusiness located in Grand Forks. The technology for the ethanol plant comes from Poland and due to this, the City of Grand Forks and the University of North Dakota are exploring sister-city and research relationships, respectively. Companies such as American Crystal Sugar, J.R. Simplot, and Philadelphia Macaroni will be supplying agri-waste from their operations to the ethanol plant, improving their business models and the community's waste stream.

### SUCCESS:

RRB is an example of success breeding success. A strong, existing agri-business industry was instrumental in attracting this new company, which identified advantageous synergies and, as a result, is investing in its product development here.

The strength and growth of our region's agri-business industry has happened because of the state's business-friendly tax and regulatory environment and targeted agribusiness incentives. Without a strong, existing agri-business operational footprint, we would not have been able to secure RRB's investment.





## Dakota Specialty Milling/Roman Meal

*Greater Fargo Moorhead EDC*

### PROJECT DETAILS:

Taking place over a seven-year period, this \$70 million project consists of property and facility upgrades, a new flour mill and the relocation of Roman Meal's corporate headquarters to Fargo. Dakota Specialty Milling and Roman Meal invested in North Dakota by purchasing real estate, building an addition, constructing a new building, renovating a building, adding equipment and upgrading infrastructure. The move and expansion will ensure this profitable, family-owned business will operate another 50 years or more.

The project provides a market for raw North Dakota ag products, which are turned into finished food consumption goods to be sold in state or exported. The expansion will increase the types of products manufactured in the state, increase production by 1,000 percent, and reduce energy use and waste by-products. The company will add both gluten-free and organic production lines, converting North Dakota grains into flour, cuts, blends, breads, crackers, cereal, cookies, drink mixes, energy bars, and chips.

### INCENTIVES USED:

Property tax exemption, corporate income tax exemption, sales tax exemption, new jobs credit from income tax withholding, and automation tax credit.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Dakota Specialty Milling and Roman Meal currently employ 85-90 people and will add 50 new jobs over the next few years. Increasing international markets through this project will further diversify North Dakota's economy and provide new opportunities for North Dakota raw ag production and crops. The increase in high-paying employment opportunities will increase state and local sales tax. The scale of this project has provided North Dakota with a positive international public image through Roman Meal branding.



## Hazen Pioneer Apartments

### *Hazen Community Development*

#### PROJECT DETAILS:

Hazen Pioneer Apartments provide an alternative for Hazen seniors to “age in place” in the community, with four of the 18 units built to be ADA compatible.

#### INCENTIVES USED:

North Dakota Housing Incentive Fund (HIF) grant, tax credits from local businesses and financial institutions.

#### PROJECT’S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

The \$2 million HIF grant was offset by \$1 million in tax credits from local businesses and financial institutions to create more than 15,000 square feet addressing the housing needs of the aging population.

#### IMPACT TO THE COMMUNITY:

The project involved tearing down an old hospital built in 1963 and using the existing footing and floor for the new facility. Cleaning up this area enhanced Hazen’s Main Street image and gives residents an opportunity to enjoy the nearby library, a newly established park and nearby businesses.

#### SUCCESS:

The facility opened November 2017 and new tenants have been moving in.



# .....OVERCOMING COMMUNITY BANK WITHDRAWAL

## Dakota Western Bank

*Hettinger County Job Development Authority*

### PROJECT DETAILS:

When Regent's community bank announced it was closing, the town was left without a financial institution, forcing businesses and residents to drive more than 45 miles for banking needs. Hettinger County's economic developer quickly began making contacts with credit unions and banks that might be interested in filling the need, resulting in Dakota Western Bank of Bowman opening a branch in the town.

### INCENTIVES USED:

Regent Development Corporation purchased the bank building, then sold the building to Dakota Western Bank for the purchase price with no closing costs.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

In addition to four jobs with an average annual wage of \$45,000, the new bank branch allows businesses to continue operating with ease and especially helps elderly residents for whom travelling for banking needs would have been a hardship.

### SUCCESS:

Community staples such as local banks keep small communities in existence. After Dakota Western Bank completed the process of updating and revamping the 1910 building, eager residents applauded its opening in March 2018.





## Midwest AgEnergy's Dakota Spirit Bio-refinery

*Jamestown/Stutsman Development Corporation*

### PROJECT DETAILS:

Midwest AgEnergy's Dakota Spirit bio-refinery, a \$155 million facility, opened in 2015, providing good-paying jobs to the community and a local market for farmers' corn.

### INCENTIVES USED:

New jobs training funds, community jobs incentive, value-added ag processing facility tax incentive, Agricultural Products Utilization Commission grant, rural electric cooperative grant.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The refinery consists of an almost 130,000-square-foot facility providing 43 jobs and impacting another 2,000 secondary jobs. Construction involved 180 on-site workers and 15 contractors. According to REMI modeling, in 2018, output from the facility is estimated to be more than \$259 million, with over \$38 million paid in salaries directly related to the expansion and \$66 million in tax revenues.

### SUCCESS:

\$75 million in public investment and \$80 million in private investment has led to the creation of 43 jobs with an average salary of \$68,500. The facility produces 75 MGY of ethanol, 200,000 tons of dry distillers grains and 1.8 MGY of distillers corn oil annually.

### WORKPLACE OF THE YEAR RECIPIENT:

Midwest AgEnergy received the "Workplace of the Year" award from the *Ethanol Producer* magazine this past summer in recognition of outstanding employment and management practices. The company focuses on peer-to-peer communication, cooperative problem solving and overall wellness. Midwest AgEnergy is committed to its employees and offers opportunities for growth and development while offering industry leading wages and benefits.



## Quality Electric – Rural McClusky

*Lewis and Clark Development Group*

### PROJECT DETAILS:

The Lewis and Clark Development Group's revolving loan fund helped Quality Electric, a woman-owned business, purchase assets and obtain working capital, in addition to assisting in loan refinancing with American Bank Center, to allow for the continued operations of the business.

Established in 2012 in McClusky, Quality Electric provides commercial, farmstead and residential electrical services to customers in the McClusky and central North Dakota. The business started with small projects, including panel upgrades on homes and electrical work when storms hit and destroyed incoming power to homes. Quality Electric then began trenching new underground electrical for homeowners who were no longer happy with overhead lines. Farmsteads came next, with multiple grain bin units wired and new services trenched in for farmers.



### INCENTIVES USED:

Lewis and Clark Development Group provided a loan for a portion of the financing needs.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

McClusky is a small rural community that has been without electrical contracting services for many years. Since Quality Electric was established, it has assisted in bringing residents' homes up to current codes and taught electrical safety in the community for children to senior citizens. By having an electrician available, the community of McClusky has improved its ability to serve its citizens.

# MAIN STREET BUILDINGS RECEIVE FACELIFT

## Downtown Storefront Improvement Program

*City of Mandan Business Development Department*

### PROJECT DETAILS:

The City of Mandan used its Downtown Storefront Improvement Program to add momentum to its downtown revitalization process by leveraging private investment in improvements.

### INCENTIVE DETAILS:

Storefront funds are provided in the form of a forgivable loan for up to 50 percent of the investment in rehabilitating a building façade. The maximum started at \$10,000 and was increased to \$30,000 in 2013. Interest-free loans are pro-rated and forgiven over 5 years. The source is a portion of sales tax revenue set aside annually for economic development.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

The exterior appearance of a building is the initial point of interaction between the business operating within and a potential customer. The program has helped improve the physical character of downtown Mandan for businesses, residents and visitors, all of whom are customers. Building vacancies are diminished, new businesses are operating in the area and property values are increasing.

### IMPACT TO THE COMMUNITY:

The program has helped improve the appearance of Mandan's Main Street and central business district, thereby strengthening community image and interest in locating businesses in the area. The program has helped the community secure new independent restaurants and retail businesses and has also helped retain existing businesses.

### SUCCESS:

The program is effectively stimulating investment by downtown businesses and commercial property owners to improve the appearance of their buildings. A total of 44 commercial projects have been completed since the program began in 2006 with \$609,000 awarded as matching funds for slightly more than \$2 million in improvement projects.



*Store fronts after improvements.*



*Store fronts before improvements.*



# .....SURVEY SAYS: MORE RESTAURANTS

## Culver's Restaurant, Mandan

*City of Mandan Business Development Department/Lewis and Clark Development Group*

### PROJECT DETAILS:

The City of Mandan launched an initiative in 2016 to help foster the expansion of existing restaurants and recruit new restaurants to better provide Mandan residents with nearby options. Long-time residents Sammi and Han Ji Wu and Paula Grosinger saw an opportunity to open a Culver's restaurant in Mandan. Working with the City of Mandan, lead lender Vue Credit Union, Bank of North Dakota and Lewis and Clark Development Group, they were able to bring the project to fruition.

### INCENTIVES USED:

BND Flex PACE, City of Mandan Restaurant Rewards sales tax rebate and interest buydown match, plus financing through the North Dakota Opportunity Fund, SBA 504, and Intermediary Relending Program for Mandan businesses.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

In a recent resident survey, respondents ranked more restaurants as the number one way to improve Mandan. A retail gap analysis also showed that Mandan's demand for restaurants outstripped the supply by several million dollars. The new restaurant has created 10 full-time and 45 part-time jobs since opening in September 2018.

In total, Mandan has seen the opening of seven new restaurants since beginning the Restaurant Rewards program.



# COMMUNITY-BASED WORKFORCE TRAINING

## McKenzie County Skills Initiative

*McKenzie County Job Development Authority*

### PROJECT DETAILS:

The McKenzie County Skills Initiative brings together job training programs, classes and services offered by the University of Mary, Williston State College, TrainND and the North Dakota Small Business Development Center. These services are offered at the new Roughrider Center in Watford City.

A sufficient and properly-trained workforce is one of the community's biggest needs. The Skills Initiative provides current and relevant training opportunities to those who live in the area, allowing them to stay and work in the community while furthering their education. Developing the program was a unique process as it used the power of collaboration to convene a diverse group of stakeholders and industry partners that otherwise wouldn't have had the opportunity to comprehensively discuss issues and brainstorm solutions.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The program addresses the region's changing workforce needs, both in oil-related and other fields. It provides relevant training for both current and future workforce in the community.

### SUCCESS:

The program launched in 2017 and provides an ongoing dialogue about the needs of the community. The model is flexible and can evolve to ever-changing workforce needs.



*Advisory group meets to organize the Skills Initiative.*



# .....PUTTING A ROOF OVER THEIR HEADS

## Peterson Subdivision

*City of Milnor*

### PROJECT DETAILS:

Milnor is 10 miles from the home of Bobcat, the largest manufacturer in North Dakota, and Sargent County has a constant demand for workforce. Due to the growth of Bobcat and other businesses, housing became a critical need for the community. Milnor did not have an area to expand or build housing, as its last subdivision was full. After multiple public meetings, a need for an area for homes and apartments to be built in the community was identified, but community officials did not find a developer for the project. City officials started a new housing subdivision by purchasing land on the north side of Milnor in 2015, working with Interstate Engineering in the planning and construction of a new subdivision.

The mayor, city council, auditor and economic development coordinator were instrumental in purchasing 32 acres of land on the north edge of the community and developing it into 49 lots with infrastructure (water, sewer, drainage and roads) at a cost to the public of approximately \$1.1 million. An agreement with the City of Milnor and Sargent County Job Authority allowed a spec home to be built in the subdivision.

### INCENTIVES USED:

The project used a Bank of North Dakota infrastructure loan to cover the cost of water, sewer and streets.

Incentives for people to move to or build in Milnor are: up to two years credit for the minimum charge for garbage and sewer, one-year individual or family membership discount of \$100 at Lakeview Golf Course, one-year individual or family membership at Milnor's swimming pool, one-year individual or family activity pass at Milnor Public School, and up to \$500 applied to the installation of new sewer and water lines for a new home.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

The overall project started in 2015 and was completed in the summer of 2017. The first home was built in the subdivision shortly after. The impact to the community will be felt over the next 15 to 20 years. The previous subdivision was filled over a 15-year span with 15 homes and three apartment complexes with 28 residential units and garages.





# ···ALL ABOARD THE ECONOMIC DEVELOPMENT TRAIN

## Industrial Park of Minot/BNSF Site Certification

*Minot Area Development Corporation*

### PROJECT DETAILS:

The purpose of the Industrial Park of Minot (IPM) is to provide better jobs for existing community members, increase local population through job creation, and replace jobs lost through fluctuations in Minot's targeted sectors. The park is intended to diversify the local economic base by attracting primary sector businesses.

From a business attraction and retention perspective, IPM's goal is to position the community as a strategic destination for rail-served industries through decreased development time, increased speed to market and reduced upfront development risk for prospective tenants. The rail-served portion of the 800+ acre development recently received Burlington Northern Santa Fe Railway (BNSF) Site Certification.

### INCENTIVES USED:

Minot Area Development Corporation's MAGIC Fund (funded through 15% of a one-cent city sales tax).

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Originally intended to be a value-added agricultural complex, the 800+ acre development has transformed over the past eight years to diversify the area's economic development portfolio and increase the community's competitive advantage in attracting businesses.

Since 2010, MADC and its strategic partners have invested more than \$10 million in land improvements, track installation and environmental studies, with private investment of \$70 million. As one of 13 sites across the United States, and the only one in North Dakota, to receive this highly-coveted designation, IPM stands out as a choice location along the BNSF network.

### SUCCESS:

The park's anchor tenant, AGT Foods and Ingredients, opened a \$30-million, state-of-the-art facility in 2013 with 40 employees. AGT has since completed three expansions totaling nearly \$40 million and added more than 80 employees.



# .....PROVIDING LOCAL RECREATION OPTIONS

## New Rockford Swimming Pool

*New Rockford Area Betterment Corporation*

### PROJECT DETAILS:

The community's 1978 pool was in need of major repairs and renovations. It leaked and did not meet accessibility requirements.

Important features of the brand-new facility include a waterslide, diving board, kiddie splash area, ADA-accessible restroom and shower facilities, and a zero-entry pool access area. Sustained efforts by multiple organizations, the generosity of hundreds of donors and the support of the community made the project happen.

### INCENTIVES USED:

Property tax exemption, Land and Water Conservation Grant, Otto Bremer Trust grant, Garrison Diversion grant, and local and private grants.

### IMPACT TO THE COMMUNITY:

This project provides much needed recreational opportunities for the community including a a summer activity for children and adults and health benefits through classes such as water aerobics. It brought the community together through multiple efforts to raise money and plan the project. Financially, it is bringing in revenue from community patrons and visitors.



# KEEPING A ROOF OVER THEIR HEADS

## Housing Rehabilitation

*Red River Regional Council*

### PROJECT DETAILS:

The Red River Regional Council (RRRC) assists qualifying low- to moderate-income residents with health and safety issues in their homes at no cost to the homeowner. All homes are single-family and owner-occupied. The project assists residents with necessary items they would have been unlikely to be able to afford otherwise. Rehabilitation meets the U.S. Department of Housing and Urban Development (HUD) standards as well as local and state building codes.

### INCENTIVES USED:

The RRRC partners with local sources including the Pembina and Walsh county job development authorities and city and county governments. Federal funding sources include the Community Development Block Grant via HUD, Housing Preservation Grant via USDA Rural Development, and HOME Investment Partnership via HUD administered by Red River Valley Community Action Agency. Private sources include the Federal Home Loan Bank's Affordable Housing Program.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

In the last 13 years, the RRRC's housing rehab projects, in partnership with cities, counties, job development authorities and Red River Valley Community Action, have rehabilitated 129 homes in Grand Forks, Nelson, Pembina and Walsh counties. More than \$2 million has been invested in the region since 2005 through these projects.

### IMPACT TO THE COMMUNITY:

By focusing on the preservation, maintenance and improvement of the existing housing stock, these projects assist in addressing an important piece of economic and community vitality. Investment in existing housing stock is often the most viable option in addressing housing needs in the region. The projects also increase the market value of the homes and contribute to the overall betterment of the individual neighborhoods, community and county.



*After*



*Before*



## Wagon Wheel Bar and Grill/Horseshoe Saloon and Grill

*Red River Regional Council and Michigan Job Development Authority*

### PROJECT DETAILS:

After several years of rocky operations and ownership, the Michigan Job Development Authority (JDA) purchased, renovated and leased the operations of the Wagon Wheel Bar and Grill to sustain the sole restaurant in this small community of nearly 300 people. Some of the biggest barriers to the sustainability and success of the Wagon Wheel had been excessive utility costs, outdated equipment and turnover of ownership.

### INCENTIVES USED:

Economic developers secured public investment of \$206,300 in addition to private investment of \$126,637 from several partners including Polar Communications, a USDA Rural Development Rural Business Development Grant, the Red River Regional Council, the ND Department of Commerce Community Development Loan Fund, Nelson County JDA, Michigan JDA, the Michigan Mall Association and local donations.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

The Wagon Wheel Bar and Grill is the only restaurant in the City of Michigan. The closest cafés are located in Lakota, 11 miles away. Offering a full-service restaurant and bar that is open for extended hours (late afternoon through late evening) draws customers from a 30-mile radius around Michigan and brings more money back into the community.

### IMPACT TO THE COMMUNITY:

The Wagon Wheel Bar and Grill is a vital tenant in the Michigan Mall and imperative to the future of the entire facility. The community rallied around this project and provided more than \$82,000 in donations. Upgrades to the heating and cooling system and a new roof drastically cut utility costs of the 1970s facility.

### SUCCESS:

The project retained four jobs in the community and provides an important service to residents. The Michigan JDA continues to maintain ownership of the facility. The operations lease for the Wagon Wheel Bar and Grill was not renewed; however, in November 2017, the Michigan JDA hired a restaurant manager and changed the name to the Horseshoe Saloon & Grill. The business is cash flowing and, as an added incentive, the Michigan JDA has agreed to split end of year profits equally with the new business manager resulting in a win-win partnership.



## Youth Entrepreneurship and Workforce Development

*Red River Regional Council, Pembina County Job Development Association  
and Walsh County Job Development Association*

### PROJECT DETAILS:

This initiative is a partnership between the Red River Regional Council (RRRC), North Valley Career and Technology Center (NVCTC) and the Pembina and Walsh County JDAs. The purpose is to cultivate a new, innovative and highly skilled workforce and entrepreneurship pool. The initiative is strengthening partnerships between the business community, schools, educators, students and parents. Partners are helping expose students to an array of entrepreneurship and career opportunities in the Northern Red River Valley to combat a 70-year trend of population decline.

### INCENTIVES USED:

A USDA Rural Development grant and \$49,000 committed by the Pembina County JDA.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

The Pembina County JDA contracted with the RRRC to provide training, planning and technical assistance for 1,000 to 1,500 prospective young rural entrepreneurs annually from 22 school districts. This initiative built upon four successful, existing programs (Marketplace for Kids, MFG DAY, Explore NVCTC and Youth Entrepreneur Camp) with events and training targeting students in grades 3-12, providing direct application opportunities of Science, Technology, Engineering, Art, and Mathematics (STEAM) education and linking to entrepreneurship.

### IMPACT TO THE COMMUNITY:

Two FBLA teams received mentorship and coaching from the RRRC and Pembina County JDA. One of the teams laid the groundwork for a potential new pet boarding business in Grafton. The team conducted a feasibility study, secured a building from Grafton Parks and Recreation, and identified a potential manager.

### NEXT STEPS:

The next phase of this initiative includes a cooperative work experience program in partnership with the NVCTC. This will include assisting with internship match-making services between students and area businesses.



# CREATING AND RETAINING AGRICULTURE JOBS

## Pinnacle Seeds

*Renville County Job Development Authority*

### PROJECT DETAILS:

Pinnacle Seeds is a major agriculture business located within Bottineau County, right across the Renville County border. The business is a great asset to Renville County and the surrounding area.

### INCENTIVES USED:

The Renville County Job Development Authority (RCJDA) assisted Pinnacle Seeds in obtaining a Bank of North Dakota interest buydown. The RCJDA approved an interest-free loan to Pinnacle Seeds in the amount of \$42,857.14 for the local share of the buydown.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Pinnacle Seeds was able to expand its business, adding more jobs to the area and providing stability to those currently employed by the company. This project brings additional workers to the community and county, stimulating the local economy.

### SUCCESS:

The expansion retained 5-7 jobs and created 3-4 jobs.

## Bank of North Dakota Programs

Bank of North Dakota has a variety of programs available for economic-development-related projects, including:

- PACE Loan Program- The PACE Fund assists North Dakota communities to expand their economic base by providing for new job development. This program has two major elements: (1) participation by BND with a local lender in a community based loan, and (2) participation by the PACE Fund with the local community in reducing the borrower's overall interest rate.
- Flex PACE Loan Program- A feature of the PACE program provides interest buy down to borrowers that do not fit into the traditional definition of a PACE qualifying business.
- Accelerated Growth Loan Program
- Ag PACE Loan Program
- Beginning Entrepreneur Loan Guarantee Program
- Business Development Loan Program
- Commercial Bank Participation Loan Program
- Flex PACE for Affordable Housing Program
- Match Loan Program
- PACE Loan Program
- SBA Guaranteed Loan Purchase Program
- USDA Government Guaranteed Loan Purchase Program
- Venture Capital Fund



# BAKERY PRODUCTS FROM THE HEART OF NORTH DAKOTA

## Baker Boy

*Stark Development Corporation*

### PROJECT DETAILS:

Baker Boy has achieved steady sales growth since 1993 thanks in part to assistance received from the Stark Development Corporation and various state programs.

### INCENTIVES USED:

The BND's PACE and Flex PACE interest buy-down programs, automation income tax credit, sales tax exemption on manufacturing equipment, property tax exemption for new and expanding businesses, and five-year state income tax exemption. Over the years Baker Boy has secured over \$23 million in Flex PACE and PACE loans incentivizing over \$1 million of community share interest buydown funds.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Since the 1990s, Baker Boy has grown from 40 employees to 220 employees. State incentive programs helped enable this growth and often allowed Baker Boy to add more jobs than company executives initially envisioned when first applying for each incentive. The programs have also helped the company add nearly 100,000 square feet of space, which has helped in production of goods that keep jobs secure.

### IMPACT TO THE COMMUNITY:

Baker Boy has been able to create and maintain hundreds of jobs at competitive wages, which gives the Dickinson community a workforce opportunity not shared by other regional communities of its size.

### SUCCESS:

Baker Boy's growth, assisted in part with state incentive programs, has allowed it to continuously innovate and create better products for customers. This includes the creation of baked goods items that are not made anywhere else in the United States.



# .....AEROSPACE ELECTRONICS IN NORTH DAKOTA

## Killdeer Mountain Manufacturing

*Stark Development Corporation*

### PROJECT DETAILS:

Killdeer Mountain Manufacturing (KMM) invested in an addition to their Dickinson location to expand its square footage by more than 25 percent. KMM understands the value of all its North Dakota locations placing priority on providing stable and successful careers to the region. The high-reliability aerospace electronics contract manufacturing market is booming, and KMM wanted to bring more of those opportunities home. This new space has allowed KMM to secure more work and bid on many more exciting prospects for the future.

### INCENTIVES USED:

Partnering locally with Dakota Community Bank, this project benefited from the BND PACE interest buy-down program with a \$161,538 community share contributed by the Stark Development Council. Dakota Business Lending and Roosevelt Custer Regional Council also provided loans for the project.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

This project created 20 jobs, for a total of 285 employees in Dickinson, and increased the amount of aerospace electronics work in the state, diversifying the economy. KMM has additional lucrative contracts planned for the next several years that will add at least another 25-50 jobs.

### IMPACT TO THE COMMUNITY:

With the 20 additional jobs created, KMM is bringing about \$1 million per year in additional wages and benefits to the Dickinson area. KMM also provides opportunities for certified trainings in Lean Manufacturing, Six Sigma, and other areas.

### SUCCESS:

Through the funding for the Dickinson building addition, KMM was the first company in the United States to purchase and use a state-of-the-art robotic wire cutting and material handling machine. Because of the innovations coming from KMM employees and its additional space, the company has recently secured work on Boeing commercial aircraft through 2023 and on Boeing military aircraft through 2021. KMM is a leader in the high-reliability aerospace electronics contract manufacturing industry and remains strong in this highly-competitive global market.



## Stone Mill LLC

*Stark Development Corporation*

### PROJECT DETAILS:

Stone Mill LLC in Richardton has invested \$6 million in an additional 40,000-square-foot facility to house four additional processing lines and warehouse space to meet growing demands. The expansion more than doubles the current storage space.

### INCENTIVES USED:

Partnering locally with Dakota Community Bank, the borrower used the BND PACE interest buydown program with a \$73,878 community share provided by the Stark Development Corporation.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The project created three new jobs and retained 15 jobs with an average wage of \$24.15 per hour plus \$2.80 per hour in benefits. Many of the grains and oilseeds are locally sourced and provide the area farmers with an additional value-added step to the food and pet food markets.

### IMPACT TO THE COMMUNITY:

By creating three additional jobs, Stone Mill LLC is bringing at least \$168,168 per year in additional wages and benefits to the Richardton area.

### SUCCESS:

The new facility will be one of the most technologically-advanced seed processing plants in the world. Stone Mill is the largest organic flax processor in the United States and processes more than 30 million pounds of food product a year. With the new equipment purchased, the company will be the first to comply with proposed Food and Drug Administration regulations for controlling pathogens in ready-to-eat grains.





## Degelman Industries USA

*Trail County Economic Development Commission*

### PROJECT DETAILS:

Degelman Industries is a manufacturer of agricultural, construction and industrial machinery based out of Regina, Saskatchewan. The construction of Degelman Industries USA in Hillsboro was the result of Trail County EDC's intensive recruitment efforts to create jobs and bring more manufacturing facilities to Trail County.

Trail County EDC worked closely with Degelman Industries representatives not only to help recruit the company, but also to assist with the various incentives, land negotiations, workforce, housing and other needs. Although Degelman originally planned for the Hillsboro facility to focus on sales, service and parts distribution, the company expanded to include U.S.-based manufacturing shortly after its grand opening.

### INCENTIVES USED:

With the endorsement of the board of Hillsboro Public Schools, the Hillsboro City Commission approved a five-year, 100 percent property tax exemption on the building and an additional five years at \$1 per year.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Since the opening of Degelman Industries USA in 2016, the company has created 50 positions based in the county, up from the eight to 12 jobs originally estimated, with the potential for more job creation as the company expands. The company also constructed a \$4 million, 27,300-square-foot, state-of-the-art facility that will contribute to the City of Hillsboro's future tax base.

### IMPACT TO THE COMMUNITY

Degelman Industries USA has already had a tremendous impact in Trail County, specifically Hillsboro, and is exploring an expansion that could double the workforce and nearly triple the size of the current facility. In addition to creating well-paying jobs and bringing new families to the area, Degelman has provided job growth for other companies in Hillsboro, such as Total Ag Industries, which devotes 60 percent of its assembly workforce to Degelman projects.

### NEXT STEPS:

Degelman representatives continue to work closely with Trail County EDC to relay the company's needs and those of its workforce, such as the availability of housing and child care. As the cost of doing business rises across North Dakota's northern border, Trail County EDC is helping Degelman to navigate and use the various state incentive programs that make growth and expansion in Hillsboro attractive to the Saskatchewan-based company.



# COMPETING THROUGH RENOVATIONS

## Hatton Community Club Apartments

*Trail County Economic Development Commission*

### PROJECT DETAILS:

The Hatton Community Club was seeking help in financing updates to its low-income rental apartments, in the hopes of attracting new renters and retaining existing renters. Updates are made to these properties on an annual basis as units open up, but this project updated every one of the units to help keep Hatton's rental offerings competitive with those of neighboring communities. This project resulted in \$100,000 worth of renovations to all of the Hatton Community Club's 20 low-income rental housing units for the purpose of population retention and possible growth.

### INCENTIVES USED:

The project benefited from the Bank of North Dakota's Flex PACE program, receiving \$10,500 from BND toward an interest buydown and a \$3,500 loan from the Trail County EDC as the community share of the buydown.

### SUCCESS:

The project is just beginning, but the scope of the proposed updates has been widened due to the interest buydown that was available through BND and the Trail County EDC. Not only will the project help the Hatton Community Club retain and attract new renters, but the project will use local contractors to help build on the economic benefit to the Hatton community.



# .....SPREADING THE WORD ABOUT OPPORTUNITIES

## Smith & Abell Properties

*Traill County Economic Development Commission*

### PROJECT DETAILS:

The project resulted in the construction of a \$460,000 commercial building with space for a trucking company, rental space for an industrial company and additional commercial lots.

The primary purpose of this project was job creation, with a secondary goal of developing much-needed commercial rental space and lots in the Hillsboro area.

### INCENTIVES USED:

BND Flex PACE interest buydown program.

### IMPACT TO THE COMMUNITY

Hillsboro had a need for more commercial rental space and lots, and this project helped fill that need. An industrial business already has moved in to the property, resulting in additional job creation, and several other businesses are looking into the available commercial lots.

### SUCCESS:

This was Traill County's first Flex PACE loan in more than a decade. Aside from the project's obvious success as a commercial space, it also helped Traill County EDC spread the word about the program. Because bankers are becoming more familiar with Flex PACE, and because of the positive recognition this project received, Traill County EDC has since received multiple interest buydown applications from others seeking similar assistance to spur job creation, commercial expansion and housing updates.





## Valley City – Barnes County Development Corporation

### PROJECT DETAILS:

Valley City launched a local program to utilize the Bank of North Dakota's Flex PACE interest buydown program to provide financial assistance to new and existing businesses, and multi-family housing. The program is helping to create the best possible conditions upon which community growth can occur, improve the long-term outlook through investments, attract future investors, improve business succession, fuel the economy by capitalizing on the momentum created by economic development, increase community capacity to help companies recruit and retain talent, and assist with increased costs.

### INCENTIVES USED:

BND Flex PACE interest buydown program, payments in lieu of taxes (PILOT), North Dakota Housing Incentive Fund, and North Dakota Department of Commerce child care grant program.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The development corporation has assisted 63 projects with Flex PACE interest buydowns since 2013. Projects include 40 service or retail businesses, seven new multi-family housing projects (184 residential units), three multi-family housing rehabilitation projects (56 residential units) and three child care centers (97 news slots, 15 slots replaced). These projects have added 97 full-time employment equivalents and levied nearly \$50 million in private owner equity with \$6.2 million in public investment.

### IMPACT TO THE COMMUNITY:

Building renovations helped establish new businesses, expand existing businesses, and increase job opportunities, creating an overall improvement in quality of life for the citizens of Valley City and Barnes County.



*Mobility Plus, a physical and occupational therapy provider.*



*Blush Boutique*

# SAFE AND HEALTHY COMMUNITY GATHERING SPACE

## Gaukler Family Wellness Center

*Valley City – Barnes County Development Corporation*

### PROJECT DETAILS:

The 65,000-square-foot, two-story wellness center opened in October 2016. It was constructed to house Valley City State University's Department of Kinesiology and Human Performance, one of its fastest growing educational programs, along with a fitness center and offices of Valley City Parks and Recreation. The former recreation center was old, outdated, extremely limited in space and not handicap accessible. The new center offers a swimming pool with four lap lanes and zero depth entry, child watch area, walking track, multipurpose gymnasium, indoor playground, two cardio rooms, exercise area, locker rooms and private room with a kitchen and lounge area.

Partnerships include the establishment of the Sheyenne Valley Community Foundation in 2013 and the Wellness for All Program that provides parks and recreation programs at free or reduced rates to low income households. These programs assisted 76 individuals in 43 households as of April 2018. CHI Mercy Health utilizes the wellness center for cardio, nutrition counseling, therapy treatment programs and family violence education.

### INCENTIVES USED:

The State Board of Higher Education Challenge Grant, city sales tax, food and beverage tax, and county economic development funds. A total of \$7 million of public investment was used to leverage \$8 million in private investment.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

To be competitive as a community, Valley City needed a wellness center to attract and retain people and businesses and help the university in continuing to increase its enrollment. It further offers a safe and healthy social space, especially for youth experiencing personal or family difficulties.

### SUCCESS:

Membership reached 2,546 at the end of April 2018, surpassing the projection of 1,076 in a county with a population of 11,000.



## John Deere Seeding Group Valley City & Malach USA

*Valley City – Barnes County Development Corporation*

### PROJECT DETAILS:

John Deere Seeding Group and Malach USA are engaged in advanced manufacturing and both companies are hiring.

John Deere Seeding Group manufactures air seeders and tillage equipment exported to 23 countries. It employs 250 people as of May 2018 and is expected to add 70-75 jobs yet this year.

Malach USA is a metal fabrication company that manufactures products for equipment manufacturers in the transportation, construction and agriculture industries. The company recently hired 10 employees, reaching total employment of 50, with a minimum of another 10 needed.

New Malach customers and new product lines for John Deere are driving growth. These primary sector businesses are creating higher paying jobs and generating new wealth for Valley City and North Dakota, expanding the manufacturing base and economic diversification of the state.

### INCENTIVES USED:

North Dakota Jobs Training Program; automation tax credit; tax increment financing; Community Development Block Grant; Federal Highway Transportation, Community and System Preservation Program; and local economic development funds.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

This job creation has resulted in economic impact to other sectors of the economy. The companies provide financial support in workforce development and education, STEM through Valley City State University and quality of life efforts. The average annual payroll of John Deere and Malach is approximately \$12.5 million, generating an economic impact of well over \$60 million every year.

The companies have contributed to various community projects and organizations directly impacting education, recreation, health and quality of life. Examples include the Career and Technology Center, Wellness for All Program, Sheyenne Valley Community Foundation, STEM education, Backpack Program and more.



*Aerial view of the John Deere Building, with Malach in the background.*



# MONITORING PULSE OF ECONOMIC DIVERSIFICATION

## Preventice Solutions – Remote Heart Monitoring Services

*Valley City – Barnes County Development Corporation*

### PROJECT DETAILS:

Preventice Solutions is a remote heart monitoring company with centers located in Houston, Texas; Rochester, Minnesota; and southern California. Valley City is its fourth center that provides patient support, monitor support, verification and EKG monitoring. The company operates 24/7, providing real-time cardiology information to healthcare professionals.

Preventice is experiencing 25-30 percent growth per year. The company established the Valley City location to meet market demand, provide capacity and elasticity during disasters, and to access the quality, work ethic and productivity of Valley City's workforce. The establishment of a new company helped diversify the economy, create quality career opportunities, address underemployment, and bring new people into the community.

### INCENTIVES USED:

The following county economic development funds were awarded: \$125,000 for workforce recruiting and training, \$125,000 for equipment, furniture and set-up expenses, and \$66,160 for rent and miscellaneous purposes. Private investment of \$400,000 is expected to substantially increase in the next one to two years.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Preventice provided job opportunities for individuals with varying skill levels as patient support and monitor support representatives, verification specialists and EKG technicians. The company hired 25 people initially and will continue to add employees in the coming year. Preventice is located in the Regional Technology Center owned by the Valley City-Barnes County Development Corporation. Long-term, the company will outgrow the location and plans to construct a new building in the technology park.

### IMPACT TO THE COMMUNITY:

Increase in primary sector job opportunities, increase in wages with benefits, employment opportunities to help reduce the number of underemployed and commuters, purchase of products and services from local businesses and diversification of the economy.



## Downtown Restaurants

*City of Wahpeton Community Development*

### PROJECT DETAILS:

City of Wahpeton leaders recognize a diverse selection of downtown restaurants is needed for the city to be competitive in hosting events and tournaments. Economic developers worked with entrepreneurs and investors to open two new restaurants downtown, the Boiler Room and the City Brew Hall. The Boiler Room remodeled a vacant space on Main Street and City Brew Hall remodeled the historic former City Hall that had been vacant for a number of years.

### INCENTIVES USED:

Renaissance Zone property and state income tax exemptions, BND Flex PACE interest buydown program, sales tax grant, mini-match grant (private-public match for exterior building updates), and low interest loans

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The Boiler Room had a value of \$143,500 before the renovations and \$219,200 after renovations. City Brew Hall had a value of \$27,800 before the renovations and \$1.3 million after renovations. The two restaurants together created 38 new jobs.

### SUCCESS:

The two new restaurants generate restaurant tax funds to be used for community enhancement. Two vacant buildings are now restored, creating unique event spaces and bringing more visitors downtown during the evening hours.



*The Boiler Room*



*City Brew Hall*

## Vacant to Vibrant

*City of Wahpeton Community Development*

### PROJECT DETAILS:

When JC Penney announced it was closing the Wahpeton store, economic developers worked to find new tenants for the five buildings it occupied. JC Penney had been an anchor and main attraction in the community, bringing visitors downtown.

A North Dakota clothing chain, The Golden Rule, began leasing three of the buildings within a year and plans to purchase the properties in the future. Wahpeton Community Development Corporation, which had owned the buildings for many years, completed renovations and updated electrical wiring. The Community Development Corporation sold the fourth building to Action Realtors to be used as office space. The fifth building is in negotiation for a lease.

### INCENTIVES USED:

BND Flex PACE interest buydown program, low interest loans.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

Filling the buildings quickly kept sales tax revenue steady in a time of upheaval in Wahpeton's downtown. Securing a clothing store allowed residents to shop local and aided sales tax revenue. The new clothing store also created five new jobs. Public investment of \$47,000 leveraged \$420,000 in private investment. The new stores prevented vacancies downtown, stopped a potential decline of Wahpeton's downtown and provided a strong base for other downtown businesses to be successful.





# .....BRINGING GRAIN INTO THE 21ST CENTURY

## Walsh Grain LLC

*Walsh County Job Development Authority*

### PROJECT DETAILS:

The Walsh Grain LLC project involved the construction of a new 110-car shuttle loading facility in Park River. Each of four grain elevators in Walsh County involved in this project were approximately 100 years old and had become less effective in the ability to handle grain efficiently and cost-effectively, primarily due to increased crop yields and improved access to foreign markets. The new facility has the capacity to handle up to 10 million bushels of grain annually and provide local farmers another location to merchandise their commodities. The Walsh County Job Development Authority and the City of Park River provided direct loans as well as a portion of the interest buy down on the BND Flex PACE loan. The City of Hoople and the City of Edinburg contributed to the local share of the interest buy down.

### INCENTIVES USED:

Bank of North Dakota's PACE interest buydown program. The Walsh County Job Development Authority and the City of Park River provided direct loans as well as a portion of the interest buy down on the BND Flex PACE loan. The City of Hoople and the City of Edinburg contributed to the local share of the interest buy down. A public investment of \$8.47 million leveraged \$16.6 million in private investment.

### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

Walsh Grain continues to be a successful, thriving business and currently employs eight full-time staff with an annual payroll of more than \$500,000. The business also contributes significant real estate taxes to city and county entities. The elevator has developed new markets for local farmers and new markets for the local elevators, enabling the small-town elevators to be part of a new, more modern grain facility in which they share in the profits and efficiencies.

### IMPACT TO THE COMMUNITY:

The construction of the facility invested approximately \$21 million into the community and the total project cost was more than \$25 million. The business resulted in the creation of seven full-time and four part-time jobs.



# .....PROVIDING SPACE FOR COMMUNITY EVENTS

## Grafton Centennial Center

*Walsh County Job Development Authority*

### PROJECT DETAILS:

The Grafton Park Board, in conjunction with the Grafton Blue Line Club, replaced the front lobby of the Centennial Center with a spacious and modern area used for hockey and figure skating functions, as well as community receptions, business meetings and banquets. Many banquets and receptions were being held in other communities because of the lack of a large venue in Grafton. The project also replaced the 29-year-old ice plant with more efficient equipment. With the new ice plant, Grafton Parks and Recreation is able to have summer ice for weekend tournaments, hockey and figure skating camps, and private rentals. The arena can also be used for larger events, such as concerts and indoor summer auctions. The Walsh County Job Development Authority and the City of Grafton provided the local match for the Flex PACE interest buy down.

### INCENTIVES USED:

The project involved the coordination and funding participation from five entities including Choice Financial Group, the BND Flex PACE Program, the Grafton Blue Line Club, the City of Grafton and the Walsh County Job Development Authority. A public investment of \$743,500 leveraged \$793,500 in private investment.

### IMPACT TO THE COMMUNITY:

The Centennial Center brings many families from across North Dakota, western Minnesota and southern Manitoba for weekend tournaments, high school hockey and skating shows. These families use area lodging, restaurants, shopping and convenience stores and expand the local tax base. The additional opportunities provided by the facility will increase traffic into the community throughout the year, allowing local businesses to capitalize on those increased numbers.



# .....SETTING SIGHTS ON COMMUNITY GROWTH

## Heartland Eye Care, P.C.

*Walsh County Job Development Authority*

### PROJECT DETAILS:

The project involved the purchase and renovation of the Kensington Place Building and the relocation of an optometric practice in Park River. Owners Dr. Dori Carlson and Dr. Mark Helgeson recently decided to find new space to accommodate their growing business. Prior to this project, they had operated the business in two different locations and had twice remodeled and expanded. This new building renovation accommodates optical display needs and space demands for increasing diagnostic and treatment technology/innovation and provides better exam room flow. The Walsh County Job Development Authority and the City of Park River provided the local match for the Flex PACE interest buy down.

### INCENTIVES USED:

Bank of North Dakota's Flex PACE interest buydown program and Dakota CDC. A public investment of \$212,952 leveraged \$405,000 in private investment.

### IMPACT TO THE COMMUNITY:

Heartland Eye Care is a valuable business in the community, providing professional and caring optometry services and vision care products. This project helped retain 11 jobs and create one additional job. It also resulted in a modern and technologically advanced eye and vision clinic that is larger and more efficient than the original location with a higher taxable value. The business draws non-residents for health care and commerce and also generates sales tax revenue.





## Park River Dental

*Walsh County Job Development Authority*

### PROJECT DETAILS:

The project involved the construction of a new office building and the relocation of a dental practice in Park River. The building accommodates the space demands for increasing diagnostic and treatment equipment and provides better exam room flow. Park River Dental provides friendly, full-service dentistry to residents of Park River and many surrounding communities in a 10-county radius. The Walsh County Job Development Authority and the City of Park River provided the local match for the Flex PACE interest buy down.

### INCENTIVES USED:

Bank of North Dakota's Flex PACE interest buydown program and a five-year property tax exemption. Public investment of \$382,565 leveraged \$459,400 in private investment.

### IMPACT TO THE COMMUNITY:

Park River Dental is a vital resource within the community, providing professional and caring dental services and products. This project resulted in several impacts to the community and county, the first being the employment and livelihood of 12 area residents. A second impact is the pride of progress that comes with the new building and beautification, which encourages other businesses and homeowners to do the same. In addition, sales tax revenue is being generated and the building now has a higher taxable value.



# ...WHERE HISTORY WAS MADE AND YOUR FUTURE BEGINS

## Marketing Hometown America

*Washburn Area Economic Development Association  
and NDSU Extension Service - Center for Community Vitality*

### PROJECT DETAILS:

Marketing Hometown America is a guide developed by North Dakota State University, South Dakota State University and University of Nebraska extension specialists. They created the guide to lead communities in a deliberate discussion on the topic of marketing their community. NDSU Extension trained facilitators to lead the discussion by following the questions in the discussion guide given to each participant.

Facilitators use this guide to help focus discussion on the specific topic of community and not the other latest happenings in the community. Participants and facilitators have seen great things come to communities through its use. The unintended benefits are that people learn so much about the amenities in their community. Even citizens who have lived in a community for many years learn something new. People need to know about good things going on in their communities in order to promote them.

### SUCCESS:

Washburn Economic Development Association and NDSU Extension organized study circles in Washburn, asking residents to discuss focused questions on different aspects of the community. Facilitators asked participants why they chose to live in Washburn, what they like about the town and what the town needs to do to improve. Feedback ranged from small issues, like making sure new residents feel welcome, to larger issues like infrastructure and the dream of having an indoor swimming pool. The Washburn Area Economic Development Association used the input to develop a campaign titled, "Where History was Made and Your Future Begins."



*Jodi Bruns, NDSU Extension, presenting to the Washburn City Commission.*

## Tourism and Workforce Development

### *Washburn Area Economic Development Association*

#### PROJECT DETAILS:

Washburn has made great strides in community recognition, involvement and strategic planning for the future. The Washburn residents have been actively participating in community development and growth strategy meetings, and as a result, have challenged and encouraged current organizations to talk and plan for the future of Washburn together.

The original purpose of this project was to create a fresh, vibrant marketing campaign to draw tourists, visitors and new workforce/residents to Washburn. The campaign originated from the need to draw into the community the more than 50,000 visitors at the Lewis and Clark Interpretive Center and extend their stay by making them aware of the dining, shopping, overall amenities and activities that Washburn offers.

In utilizing a North Dakota Department of Commerce Partners in Marketing Grant, the community was able to create a marketing and workforce development campaign to draw workers and new residents to Washburn. Facilitators started with what the community is today, then moved on to ask current residents to envision and describe their vision for the future of Washburn.

#### INCENTIVES USED:

A \$16,000 Partners in Marketing Grant, along with \$5,000 from the Washburn lodging tax fund, launched the marketing program Washburn uses today. During the marketing development, a \$25,000 storefront grant from the City of Washburn sales and use tax was also formed to extend a 50/50 matching opportunity to the local businesses to “improve” their storefronts. This resulted from the identified need to update storefronts in the community.

#### SUCCESS:

Several other projects have evolved from the initial phase of the program. Additional amenities are being developed to help attract new members to the community, including a dog park, community garden, monthly community roundtable and a historic courthouse revitalization committee.





## Flowcore Freshwater Management Systems

### *Williston Economic Development*

#### PROJECT DETAILS:

Flowcore systems is one of several startup companies in Williston that aids the oil and gas industry in its efforts to reduce costs and increase efficiencies. Flowcore units provide precision chemical dosing and water management for treating fresh water being introduced to the well bore as a desalinization process or chemical carrier to reduce scaling, corrosion and bacteria. The process allows users to operate at a lower breakeven point for continued economic activity.

#### INCENTIVES USED:

The Williston STAR Fund customized its assistance for Flowcore. After set-up, Flowcore demonstrated an additional need of \$300,000 to fulfill orders. Working with its local lender, Tri County Development and the Williston STAR Fund, Williston Economic Development established a revolving line of credit for 12-months with a 3-month required payback period at the end of the loan term. Public investment of \$120,000 leveraged \$450,000 in private investment.

#### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The project provided five high-paying jobs to the community and is a great example of technological improvements and environmental stewardship in the oilfield. Aside from the oil and gas industry, Flowcore is evolving into applications for use in other sectors that can be applied commercially and industrially, and for consumer use as well.



# MEETING TRANSPORTATION NEEDS IN WILLISTON BASIN

## Stoney Creek Rail Yard

### *Williston Economic Development*

#### PROJECT DETAILS:

Red River Supply/Red River Oilfield Services, a longtime Williston-based business, invested \$1.5 million to create Stoney Creek Rail Yard in 2015. The 180-acre project is located within the City of Williston. The expansion included the purchase of a second locomotive and construction of two new facilities to meet the Williston Basin's growing transportation needs.

#### INCENTIVES USED:

Red River Supply/Red River Oilfield Services utilized the BND Flex PACE interest buydown program to add a second locomotive and two new buildings to the Stoney Creek Rail Yard.

#### PROJECT'S CONTRIBUTION TO ECONOMIC DEVELOPMENT:

The project created approximately 45 high-paying jobs while helping Williston businesses move products more efficiently in and out of the Williston Basin. The expansion also prevented companies from looking elsewhere for these services. The transload facilities help customers operate more efficiently by transferring materials to and from rail cars directly to trucks or storage. The rail yard continues to grow as it seeks new partnerships with other primary sector entities that do business in the Williston Basin.



## Safari Trampoline Park

*Williston Economic Development*

### PROJECT DETAILS:

This 25,000-square-foot facility will be a premier attraction in the Williston trade region. Safari Trampoline Park will house an indoor trampoline park, the state's largest ninja course, a dodge ball court, basketball hoops, an air pit, climbing wall and more. Owner Jawaid Surani has created fun attractions for family members of all ages.

### INCENTIVES USED:

The Small Business Development Center and Williston Economic Development worked closely with the owner to find the right financing tools for the project, eventually settling on the BND Flex PACE interest buydown program and a Small Business Administration loan. Private investment in the project totaled \$2.8 million.

### PROJECT'S CONTRIBUTION TO COMMUNITY DEVELOPMENT:

Safari Trampoline Park will provide much needed family entertainment in Williston. Over time, the owners may add mini golf, a go-cart track, food court and arcade. The attractions will help recruit and retain workers and their families by offering indoor entertainment options.

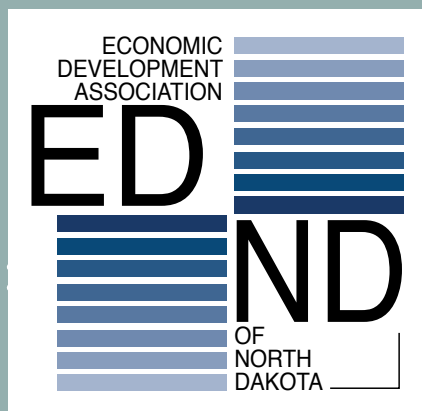




EDND represents more than 90 state economic development organizations, businesses and organizations on the front line of economic development efforts throughout North Dakota with a primary purpose to support the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life.

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