



The EDACENTER

at the University of Minnesota Crookston

The EDA Chronicle-July 2015

www.edacenter.org

Volume 5, Issue 7

Events of Interest:

August 11

- Intro to SBIR/STTR Programs: Federal Funding for Innovations with Commercial Potential seminar will be held at the Minnesota State University, Alumni & Foundation Center in Mankato from 9AM to Noon. The event is free but please register by August 7. For more information, please go to <http://z.umn.edu/vcv>

August 13

- EDAM Webinar: Tips from the Trenches-Employee Retention and Attraction will be held from Noon to 1:15PM. Registration is free for EDAM members and \$25 for non-members. For more information and to register, please go to <http://z.umn.edu/xe7>

August 13 or 14

- DEED is hosting an Unemployment Insurance Seminar in two locations: Willmar (Aug. 13) from 1-4:30PM and Montevideo (Aug. 14) from 8:30-Noon. For more information and to register, please go to mn.gov/deed/events/UIS/.

September 8-11

- National Business Incubator Association will be hosting its 25th Training Institute in Orlando Florida. **Early bird registration with a reduced rate ends on July 31.** For information and registration fees, please go to <http://z.umn.edu/xe8>.

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A Note from the Director of the EDA Center

Dear Friends,

On July 9th, I was pleased to host Lee Shirey, who is the Minnesota liaison from the Economic Development Administration in Chicago. Lee's a busy guy. While he was here, he visited our colleagues in regional development organizations across the state, and he covers the states of Michigan and Wisconsin as well.

It is important to him that we in Minnesota know about funding opportunities are available for Minnesota, so I'll help him out here by sharing a little information. In talking with Lee, I was especially interested to think about connections between the types of programs and services we can deliver from the University EDA Center that might assist in leveraging funds to meet needs in Minnesota.

Lee broke out the categories of EDA funding in four ways:

1. There are public works grants that fund infrastructure needs. These are driven by private sector needs, so even when the product is a public structure there has to be evidence that business owners want and need these investments. Business Retention and Expansion programming offered by University EDA Center partners are the means by which business needs for investments can be unearthed and quantified in a community.
2. There are Economic Adjustment grants. These step in for both "acute" needs (i.e., economic emergencies) and work in areas with chronic needs. They provide revolving loan funds, startup funds, economic gardening, and entrepreneur development support. For these grants, emergency economic impact analysis such as was

recently conducted about [avian flu](#) can support applications for funds with a thorough assessment of the economic hit. Moreover, the Center for Rural Entrepreneurial Studies (CRES) can support entrepreneurship in rural communities by partnering "with classes at UMC to integrate projects of regional entrepreneurs and small businesses into course work. Participants in this program will receive valuable consulting services provided by UMC students and faculty." For more information about CRES please go to www.umccres.org.

3. Planning grants are available for any eligible applicants.
4. And finally, local technical assistance grants can provide communities in need with long-term assistance to repair economic leakages, address economic diversification and affect supply chains. Communities with long-term technical assistance needs might consider a University EDA partnership to inform their plans, decision and community organizing.

There is much that higher education, the public sector, non-profit organizations and business communities can do to support each other. The trick is to leverage each other's strengths as we leverage the available resources. To get more information about EDA funding opportunities, visit <http://www.eda.gov/funding-opportunities/>. And to hear any more about the activities you read about in this newsletter, just give me a call or shoot me an email: jhoeltin@umn.edu; 612-625-8233.

Sincerely,

Joyce Hoelting, EDA Center Director

EDA Center Presentations in Sebeka

In April of 2015, The EDA Center at the University of Minnesota Crookston sponsored a project requested by the City of Sebeka. What resulted from this project was two presentations covering various concepts related to online marketing. Rachel Lundbohm, a Marketing Lecturer and Director of the Center for Rural Entrepreneurial Studies at the University of Minnesota Crookston and Nikki Vetsch presented on *Search Engine Marketing, Search Engine Optimization, & Website Development* to members of the Sebeka community. The three topics covered included: search engine marketing, search engine optimization, and website design.

Search engine marketing refers to the promotion of websites by increasing visibility in results of search engine results. When internet users use search engines it will go all over the web, index web documents/pages found, process the user queries, and return ranked results from the index in a search engine results page (SERP).

The types of searches discussed included: directory listings, organic/search engine optimization (SEO), pay per click (PPC). Advertising using SEO and PPC methods utilize keywords. The development of these keywords are important in marketing because it helps potential users find you (so choose wisely!).

Finally, they discussed the topic of website development. Those who don't want to deal with the aspects of creating and maintaining the website can hire a web designer to design and host the site. Those who are technically savvy and want more control can use a content management system or pre-designed website service like GoDaddy and others. It is important to consider the goals of a website— increase sales, visibility, advertise, customer service, retain and grow customer base, build online community, and/or provide cost savings— and determine which are the most important. One aspect of website design they discussed is to keep in mind the seven

C's of evaluating websites as you design your own: context, content, community, customization, communication, connection, and commerce.

Some other things to keep in mind when it comes to website design is

- to keep content above the fold (line on webpage at the bottom of the monitor)
- consistency
- white space
- colors
- font

With the almost ubiquitous use of mobile devices, being compatible with mobile devices is critical. Websites may be designed to change layouts depending upon the type of device being used (Mobile Response Website). Their presentations included additional information related to cost and website design tips you may find useful. The presentation will be available on the EDA Center website in the coming weeks.

ATTENTION NORTHWEST MINNESOTA ENTREPRENEURS:

Applications for the 2016 IDEA Competition will be accepted starting September 1st, 2015. This competition gives ANYONE with a product or service idea the opportunity to turn

the idea into a reality. The IDEA Competition gives participants access to business development tools, a chance to get your product mentioned in the media, pitch to potential inves-

tors, professional services, and finally a chance to win \$10,000 in funding to get your idea moving. For more information please go to www.ideacompetition.org.

MMB Releases July Revenue and Economic Update

In The Minnesota Management and Budget Office (MMB) has released the July Revenue and Economic Update. For FY 2015, revenues totaled \$20.363 billion, which is \$555 million (2.8%) more than projected in February.

Individual income tax receipts for FY 2015 totaled \$10.4 billion, or \$369 million (3.7%) more than expected in February. General sales tax receipts totaled \$5.163 billion, or \$7 million (0.02%) more than expected in February. Corporate franchise tax receipts

totaled \$1.441 billion, or \$124 million (9.4%) more than expected in February. Other revenues totaled \$3.345 billion, or \$61 million (1.9%) more than expected in February.

The overall economic outlook for the U.S. has changed some since February. Macroeconomic consultant IHS Economics expects real GDP growth to be 2.2 percent for 2015, 3.1 percent for 2016, and 2.7 percent for 2017. Overall, this projection is lower than the projections in February, which were 3 percent for 2015, 2.7 percent

for 2016, and 2.8 percent for 2017 with a more optimistic projection of growth in 2016. Expectations are also weaker for 2018-2019. Currently, IHS expects 2.5 percent in 2018 and 2019 (compared to 2.6%, and 2.8%, respectively).

For more information, please go to <http://mn.gov/mmb/forecast/update/> to get the summary and complete report of the July Revenue and Economic Update.

2014-2015 Local Area Unemployment Statistics and Jobs Report

After seasonal adjustments, unemployment in June decreased to 5.3 percent in the U.S. and rose to 3.9 percent in Minnesota. Minnesota unemployment claims in June increased 1,582 to 16,868 when compared to May. Over the year unemployment claims decreased 2.2 percent when compared to June 2014.

Minnesota employers added 2,900 jobs in June. Five sectors posted job gains: Education/Health Services (3,200), Construction (2,600), Mining/Logging (1,800), Professional/Business Services (200), and Finan-

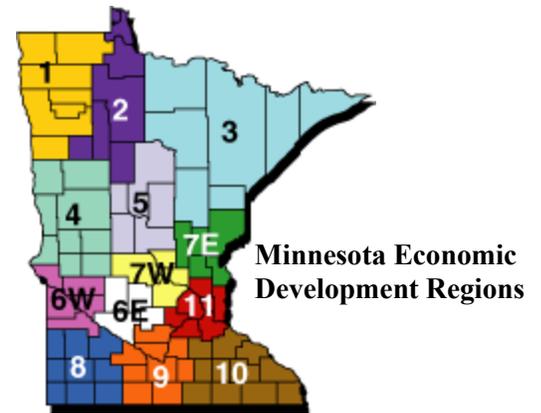
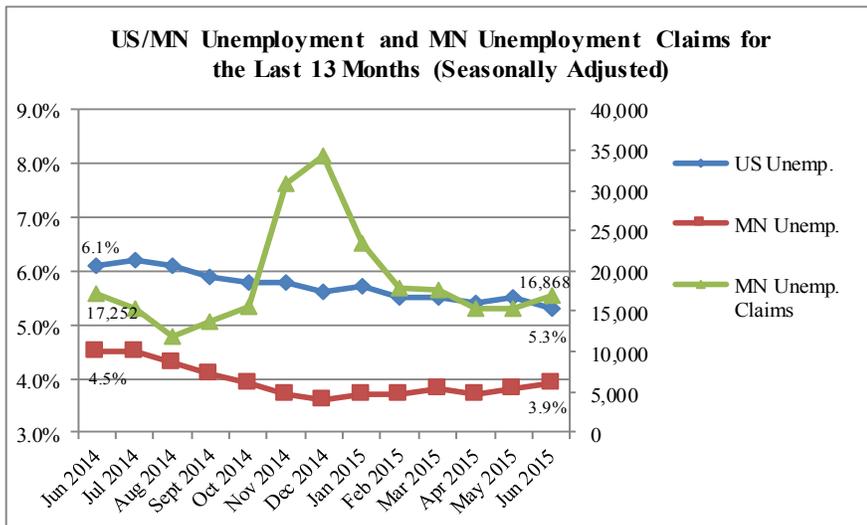
cial Activities (100). Manufacturing (-800), Trade/Transportation/Utilities (-600), Government (-600), Information (-500), Leisure/Hospitality (-400), and Other Services (-300) posted job losses in June.

Minnesota added 41,602 jobs over the past year, which puts Minnesota's growth at 1.5 percent during that time. This is below the U.S. growth of 2.1 percent over the past year. Minnesota's labor participation rate is down to 70.6 percent (seasonally adjusted). Minnesota's labor participation rate continues to exceed the U.S.

labor participation rate which was 62.6 percent in June.

Unemployment for all of the EDRs increased or remained the same in June (unemployment numbers for EDRs are not seasonally adjusted). The Arrowhead region experienced the largest increase of unemployment at 0.6 percent.

Go to the DEED website; www.positivelyminnesota.com to view more employment and wage statistics.



2014-2015 Minnesota Unemployment by Economic Development Region (Not Seasonally Adjusted)

| Date | EDR1 | EDR2 | EDR3 | EDR4 | EDR5 | EDR6E | EDR6W | EDR7E | EDR7W | EDR8 | EDR9 | EDR10 | EDR11 |
|-----------|------|------|------|------|------|-------|-------|-------|-------|------|------|-------|-------|
| Jun 2014 | 4.4% | 6.4% | 6% | 3.6% | 5.4% | 4.6% | 4.3% | 5.6% | 4.5% | 4.1% | 4.5% | 4.4% | 4.5% |
| Jul 2014 | 4.3% | 6% | 5.5% | 3.5% | 5.0% | 4.2% | 4.1% | 5.2% | 4.2% | 3.8% | 4.2% | 4.1% | 4.3% |
| Aug 2014 | 3.7% | 5.2% | 4.8% | 3% | 4.5% | 3.7% | 3.6% | 4.6% | 3.7% | 3% | 3.6% | 3.5% | 3.8% |
| Sept 2014 | 3.2% | 4.9% | 4.5% | 2.9% | 4.3% | 3.4% | 3.1% | 4.4% | 3.5% | 2.9% | 3.4% | 3.3% | 3.7% |
| Oct 2014 | 2.7% | 4.4% | 4% | 2.5% | 3.9% | 2.9% | 2.7% | 3.8% | 3.1% | 3.4% | 3% | 2.9% | 3.2% |
| Nov 2014 | 3.1% | 5.3% | 4.5% | 2.9% | 5.2% | 3.3% | 3.1% | 4.8% | 3.5% | 2.5% | 2.9% | 2.9% | 3% |
| Dec 2014 | 4.7% | 5.8% | 4.7% | 3.8% | 6.1% | 4.1% | 4.2% | 5.3% | 3.8% | 3.5% | 3.6% | 3.2% | 3.1% |
| Jan 2015 | 6.2% | 7.2% | 5.9% | 5.1% | 7.7% | 5.4% | 6.5% | 6.8% | 5% | 4.6% | 4.7% | 4.3% | 3.9% |
| Feb 2015 | 5.9% | 7% | 5.9% | 4.9% | 7.6% | 5.3% | 5.5% | 6.7% | 4.9% | 4.6% | 4.6% | 4.2% | 3.8% |
| Mar 2015 | 6.1% | 7.2% | 6.1% | 4.9% | 7.5% | 5.4% | 5.9% | 6.8% | 4.9% | 4.5% | 4.7% | 4.3% | 3.8% |
| Apr 2015 | 5.3% | 6.2% | 5.6% | 3.7% | 5.8% | 4.1% | 4.2% | 5.2% | 3.8% | 3.4% | 3.8% | 3.4% | 3.4% |
| May 2015 | 4.4% | 5.2% | 5% | 3.4% | 4.8% | 3.7% | 4.6% | 4.5% | 3.6% | 3.2% | 3.6% | 3.3% | 3.4% |
| Jun 2015 | 4.8% | 5.4% | 5.6% | 3.6% | 4.8% | 4% | 4.9% | 4.7% | 3.9% | 3.6% | 3.9% | 3.6% | 3.7% |

News for You...

Economic Futures Workshop

Pennington County, Minnesota

Brigid Tuck, Senior Economic Impact Analyst, Presenter

Rani Bhattacharyya, Extension Educator, Presenter

Gabriel Appiah, Community Economics Intern

Liz Templin, Extension Educator, Program Manager

To learn more about the county's current economic situation and to explore opportunities for economic development, leaders from Pennington County participated in the University of Minnesota Extension's Economic Futures Workshop on Monday, July 13, 2015, in Thief River Falls, Minnesota.

Profile of the Current Economy

In 2014, there were 10,284 jobs in Pennington County. The number of jobs in Pennington County grew steadily between 2000 and 2014, posting an overall 28 percent increase in the period. The number of jobs in Pennington County declined in two time periods (between 2001 and 2002 and between 2008 and 2009), both of which are consistent with national recessions. However, the rate of job losses in Pennington County during both of those time periods was far lower than the rate across Minnesota. Further, the number of jobs in Pennington County has grown, post-recession, at rates that far exceed state growth rates. Growth in the number of jobs in Pennington County has also exceeded national and industry

trends.

analysis of industries

Ten industries were selected to be analyzed in Pennington County. The input-output model, IMPLAN, was used to conduct the analysis. The industries studied and discussed at the July 13th meeting were:

- Support Activities for Agriculture
- Transportation Equipment Manufacturing
- Poultry Processing
- Machine Shops
- Nursing and Residential Care
- Wholesale Trade
- Banks
- Retail Trade – General Merchandise
- Accounting, Tax Preparation, & Bookkeeping
- Amusement and Recreation

Exploration and Discussion of Industries

After reviewing the current structure of the Pennington County economy, attendees were divided into groups to explore the economic interdependencies of the selected industries. Each group was assigned two industries and asked to address the following four questions:

1. What surprises you about this information?
2. What information favors this industry in the region?
3. What information works against this industry in the region?
4. What could be done to support this industry in Pennington

County?

The small groups reported out to the full group their summary thoughts and considerations. (Notes from each industry discussion are provided in appendix one of the report).

Key Conclusions

Following the group discussion of each industry, the Pennington County workshop attendees took a straw vote on actions they could take to support industries in Pennington County. The actions selected for consideration were taken from the small group responses to question four above.

A common theme across all discussions was the need for workforce housing. All small groups mentioned increasing housing as a way to support industries in Pennington County. This is a known issue and the city council and county board are taking steps to address this need. Therefore, the selection of actions to support did not include housing.

Each attendee was invited to vote for up to two local action steps that could be taken to support local industries. The potential actions receiving the most votes were:

- Develop amenities to improve quality of life and attract new residents (14 votes)
 - Revitalize downtown (7 votes)
 - Build/develop a community center (6 votes)
 - Build/develop trails (1 vote)
- Increase the number of and support locally-owned and

- operated businesses (8 votes)
- Attract industries that support current industries (5 votes)
- Explore need for additional child care options for working parents (4 votes)

Action Steps

At the conclusion of the workshop, attendees completed a workshop evaluation which included identifying potential future actions based on the information presented. Action items included:

- Support housing. Support

- recreation improvement.
- Push transportation. Amenities.
- Be more involved in community issues/problems.
- Stay involved. Explore additional business options for me. Use connected data for my current business.
- Engage other industries in discussion of how we can support each other - growth toward the future of TRF.
- Work with EDA to address issue and how to support ideas.

The full report will be available on the EDA Center website in the coming days.

Tell us About News in Your Area

The EDA Center would like to collect information from the different regions in Greater Minnesota in an effort to highlight notable projects and events across the state. If you have any projects or events you would

like highlighted in future newsletters, please submit them to walke810@umn.edu prior to the 15th of August.



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The EDA Center at the University of Minnesota Crookston is one of more than 40 university centers nationwide, supported by the Economic Development Administration, U.S. Department of Commerce.

We conduct applied research, provide direct technical assistance and deliver educational programs development agencies that support the economy of economically-distressed rural communities throughout Minnesota.

EDA Center Staff:

Joyce Hoelting-EDA Center Director

Eddie Walker-Research Analyst/Editor



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