



# The EDA CENTER

at the University of Minnesota, Crookston

The EDA Chronicle-June 2013

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## Events of Interest:

Jun 19-21

- “Professional Advisor Seminar hosted by the Northwest Minnesota Foundation in Thief River Falls, Bemidji, and Crookston. MUST register by Jun 14th (\$35). For more information, please go to [http://www.nwmf.org/professional\\_advisor\\_seminar.html](http://www.nwmf.org/professional_advisor_seminar.html).

June 26

- “Free Trade Agreements: Unraveling the Complexities” Sponsored by the Minnesota Trade Office and hosted by St. Mary’s University of Minnesota from 8AM to 3PM. Advanced registration is \$45 with walk-in registration \$65. For more information and to register, please go to [http://www.positivelyminnesota.com/Business/Exporting\\_Trade/Calendar\\_of\\_Trade\\_Events/2013-6-26\\_Free\\_Trade\\_Agreements\\_Unraveling\\_the\\_Complexities.pdf](http://www.positivelyminnesota.com/Business/Exporting_Trade/Calendar_of_Trade_Events/2013-6-26_Free_Trade_Agreements_Unraveling_the_Complexities.pdf).

July 16

- “MDA Exporter Education Seminar” hosted by the Minnesota Department of Agriculture at the University of Wisconsin-River Falls from 8:30AM to 4:30PM. For more information please go to [https://web.foodexport.org/eweb/Pr ofilePage.aspx?WebCode=CSCEvent InfoSC&Site=MIATCO&evt\\_key=60779d90-718d-43c0-b262-1dc168ddd1a](https://web.foodexport.org/eweb/Pr ofilePage.aspx?WebCode=CSCEvent InfoSC&Site=MIATCO&evt_key=60779d90-718d-43c0-b262-1dc168ddd1a).

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## Welcome the New Director of The EDA Center at the University of Minnesota Crookston

As the incoming Director of the EDA University Center, I want to express my sincerest appreciation to Jack Geller for leaving a legacy of partnerships and quality research. It is upon this foundation that we look to build a new tomorrow for the communities of Minnesota. I may be jumping ahead of myself however. Let me first introduce myself.

My life has been a journey that has taken me from my small town roots across the country and has demonstrated to me the importance of understanding the context in which I live and work. It is with that history that I came to Minnesota in October of last year. I grew up in a small farming town in Utah. I attended Brigham Young University and received a bachelor’s degree in Sociology. I received a master’s degree in Sociology from Middle Tennessee State University and later a Ph.D. in Rural Sociology from Iowa State University. In 2000, I took my family to the Delta of Mississippi where I ran the Master’s of Science in Community Development program and ran two research centers, the Center for Community and Economic Development and the Center for Business and Entrepreneurial Research. In 2006, I moved to the University of Southern Mississippi where I ran the Master’s of Science in Economic Development program, headed the Center for Economic and Entrepreneurship Education, served as the Department Chair of the Department of Economic and Workforce Development, and started the Southern Entrepreneurship Program. I also served as the President of the Community Development Society, an in-

ternational association dedicated to promoting sustainable community development initiatives and practice. I have been married to my sweetheart Candy for over 20 years and we have six (yes six) amazing children.

I was approached in February of 2012 about a position as Associate Dean of the Extension Center for Community Vitality. I was offered the position in July of last year and came on board formally in October. Since that time, I have sought to identify opportunities for building communities throughout Minnesota. I met Jack Geller (also a rural sociologist from Iowa State) on one of my many visits across the State of Minnesota. I was deeply impressed with the work of the EDA Center and its partners. The University of Minnesota Extension has strong ties with the EDA Center and conducts collaborative projects with the EDA Center.

When I learned that Jack was leaving, I was deeply concerned for the future of the EDA Center and its work across Minnesota. Through numerous conversations with Jack, with Chancellor Fred Wood, and numerous others in the UM Crookston family, it was determined that a transition was needed that would build on the strength that had been built by the EDA Center team and its partners. Having lead several research centers and having considerable experience with EDA, I expressed an interest in forming a collaborative team with shared governance and input. To that end, it was determined that I would become the Director, that Kevin Cooper who resides on the UM Crookston campus would serve

as Associate Director, and that we would employ a leadership team that will work with partners across the State. It is our collective vision that the EDA Center should stay in Crookston and serve Greater Minnesota. To that end, we will work to insure that the foundation of excellence that has been built does not shake but is used to grow the work of the EDA Center to its fullest potential.

I will close with an insight that highlights a core guiding principle of my approach in my life and work: the power of storytelling. While I was studying at Iowa State University, I was privileged to participate in a research project that worked with Ojibwe families in Minnesota and Wisconsin. We conducted numerous meetings in the tribal communities. In one of these meetings over dinner, I asked an Ojibwe elder one evening to share with me some of his back-

ground and of his heritage. He shared some of the stories of their greatest successes, of their challenges, and of how they became the Anishinaabemowin, the first or original people. He said that the elders tell the stories so that those who don't know can know and so that they can be Anishinaabemowin. You see it takes an understanding of who one is to understand what one can become. It was an honor to learn from him and I was forever changed by the experience.

The time is now for all of Minnesota to work to understand and to tell its collective story. Just as I have been shaped by every place that I have lived and served, so too are the communities in Minnesota affected by every person and group that shaped their collective pasts. One of the main goals of the EDA Center team is to work with Minnesota communities to discover and to tell their sto-

ries, to discover where they are now, and to build a future for generations to come. These efforts will happen through collaboration and by working to shape the future of Minnesota's communities. Success will be defined at the local level so the EDA Center team will work with its current and future partners to identify opportunities for development. We look forward to embarking on building Minnesota's future together.

Please feel free to contact me or a member of the University of Minnesota Crookston EDA University Center directly if you have questions about the work that is currently ongoing or about opportunities to partner with the EDA Center. We look forward to hearing from you.

*You may contact Brent at [bdhales@umn.edu](mailto:bdhales@umn.edu) or 612-626-8256.*

## U.S. Bureau of Economic Analysis Releases 2012 State-by-state GDP Growth: Minnesota Ranks 5<sup>th</sup>

In a new report on U.S. and state economic growth, the Bureau of Economic Analysis (BEA) indicates the real gross domestic product (GDP) is continuing to grow. The U.S. GDP grew by 2.5 percent in 2012, which is higher than GDP growth in 2011 (1.6%). GDP growth in the U.S. has improved dramatically since 2009 when GDP was actually down 3.3 percent. Durable-goods manufacturing, finance/insurance, and wholesale trade contributed the most to U.S. growth (contributing 0.55, 0.28, and 0.27 percentage points to the overall GDP growth, respectively). Government and agriculture, forestry, fishing, and hunting exhibited smaller GDP when compared to 2011 (each subtracted 0.04 percentage points

from real GDP growth).

When analyzing GDP growth by state, 49 states exhibited GDP growth in 2012. Of those 49 states, 42 of them grew at least 1.1 percent. Leading the way is North Dakota, which exhibited a 13.4 percent growth. Texas is second with 4.8 percent growth, followed by Oregon (3.9%) and Washington (3.6%). Minnesota tied for fifth with California at 3.5 percent growth. Connecticut was the only state which exhibited a decrease in real GDP (-0.1%).

Minnesota's GDP has also grown considerably since 2009. In 2009, Minnesota's GDP was down 3.5 percent before rising 2.8 percent in 2010 and rising only 1.6 percent in

2011. Real estate, rental and leasing, durable-goods manufacturing, and finance/insurance industries contributed the most to Minnesota's GDP growth (contributing 0.83, 0.66, and 0.63 percentage points to the overall GDP growth, respectively). Not all industries in Minnesota exhibited growth in 2012. Mining, utilities, other services, and educational services saw smaller GDP when compared to 2011 (subtracting 0.05, 0.04, 0.02, and 0.01 percentage points from real GDP growth).

*For the full BEA report, please go to [http://bea.gov/newsreleases/regional/gdp\\_state/2013/pdf/gsp0613.pdf](http://bea.gov/newsreleases/regional/gdp_state/2013/pdf/gsp0613.pdf).*

## 2012-2013 Local Area Unemployment Statistics and Current Employment Situation

After seasonal adjustments, unemployment in April dropped from 7.6% to 7.5% in the U.S. and 5.4% to 5.3% in Minnesota. Unemployment claims in April rose 557 to 20,435 when compared to March. Over the year unemployment claims increased 3.8% when compared to April 2012.

Minnesota employers cut 11,400 jobs in April. Information industries (600) and Education/Health Services (600) were the only industries to experience

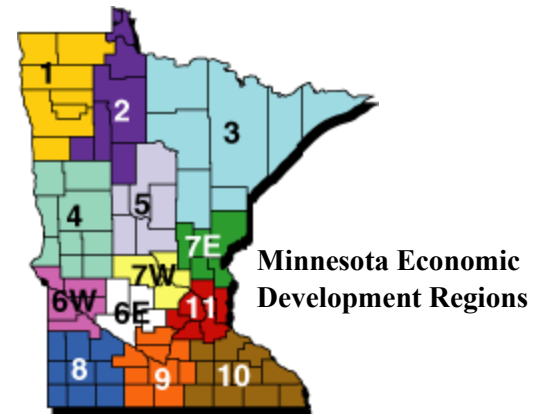
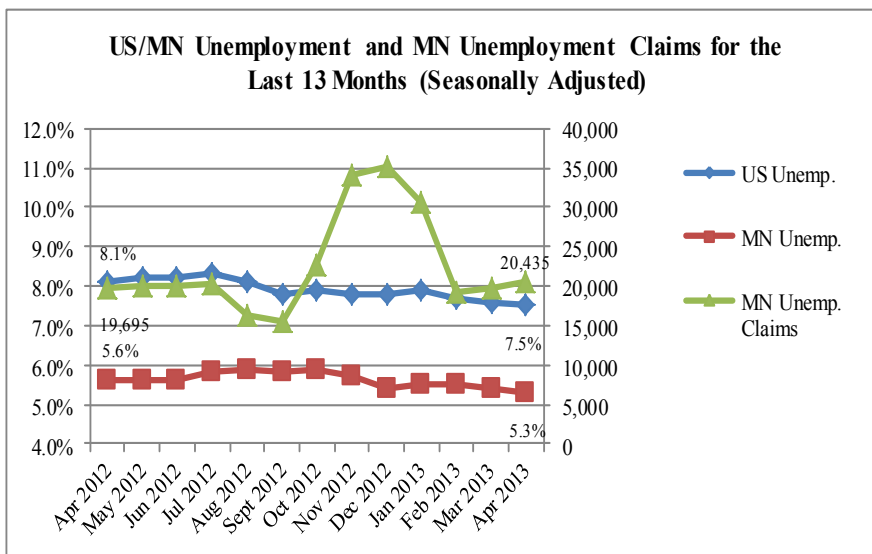
job gains in April. Mining/Logging added no jobs in April. Trade/Transportation/Utilities (-5,700), Government (-2,000), Leisure/Hospitality (-1,900), Manufacturing (-1,100), Other Services (-900), Professional/Business Services (-500), Financial Activities (-400), and Construction (-100) posted job losses in April.

Minnesota drops to 1% growth with 26,400 additional jobs over the past

year. The 1% growth in Minnesota is now well below the U.S. growth rate of 1.6% for the last 12 months.

All of the EDRs' unemployment rates dropped in April. Unemployment numbers for the EDRs are NOT seasonally adjusted.

Go to the DEED website; [www.positivelyminnesota.com](http://www.positivelyminnesota.com) to view more employment and wage statistics.



### 2012-2013 Minnesota Unemployment by Economic Development Region (Not Seasonally Adjusted)

Date	EDR1	EDR2	EDR3	EDR4	EDR5	EDR6E	EDR6W	EDR7E	EDR7W	EDR8	EDR9	EDR10	EDR11
Apr 2012	5.8%	7.6%	6.7%	4.5%	6.8%	5.8%	4.8%	7.5%	5.5%	3.9%	5.0%	4.8%	5.0%
May 2012	4.8%	7.0%	6.4%	4.2%	6.1%	5.5%	4.6%	6.8%	5.3%	4.0%	5.0%	4.9%	5.2%
Jun 2012	5.1%	7.6%	7.0%	4.7%	6.6%	6.1%	5.2%	7.0%	5.7%	4.7%	5.5%	5.5%	5.8%
Jul 2012	5.2%	7.8%	7.1%	4.7%	6.6%	6.2%	5.2%	6.9%	5.8%	5.1%	5.7%	5.6%	5.9%
Aug 2012	4.8%	7.1%	6.7%	4.4%	6.3%	5.8%	4.9%	6.6%	5.5%	4.5%	5.3%	5.3%	5.7%
Sept 2012	4.3%	6.5%	6.2%	4.1%	6.0%	5.3%	4.4%	6.2%	5.2%	4.2%	4.9%	4.8%	5.4%
Oct 2012	4.1%	6.7%	6.1%	4.1%	6.2%	5.3%	4.4%	6.2%	5.1%	4.7%	4.9%	4.8%	5.3%
Nov 2012	4.5%	7.1%	6.5%	4.1%	6.9%	5.4%	4.2%	6.5%	5.1%	3.9%	4.6%	4.5%	4.9%
Dec 2012	5.7%	8.1%	6.9%	5.2%	8.1%	6.1%	5.4%	7.9%	6%	4.2%	5.2%	4.9%	5%
Jan 2013	8.1%	10.1%	8.4%	6.7%	10.2%	7.9%	7.4%	10%	7.6%	5.8%	6.7%	6.2%	5.8%
Feb 2013	7.1%	9.2%	7.7%	6.1%	9.3%	7.3%	6.5%	9%	6.9%	5.4%	6.1%	5.8%	5.3%
Mar 2013	7.1%	9.2%	7.5%	6%	9%	7.1%	6.4%	9%	6.6%	5.2%	5.9%	5.5%	5.1%
Apr 2013	6.5%	8.6%	7.1%	5.3%	7.9%	6.1%	5.7%	8.1%	6%	4.6%	5.3%	5%	4.8%

## The Line Media - *The Two-Wheel Entrepreneurs: Bike culture spawns businesses nationwide*

In many urban areas, the most efficient way of getting around is often times to use a bicycle. It is easier to maneuver and is cheaper than trying to drive around the city in a car (especially if you have to idle in traffic for an extended period of time). The Twin Cities have also expanded or developed bike trails across the city. One example of an urban bike trail within Minneapolis is the Midtown Greenway (<http://midtowngreenway.org/>), which is a 5.5 mile long trail along a former railroad corridor in south Minneapolis. With the expansion of urban bike trails, innovative entrepreneurs are attracting the patrons of such trails by providing urban cyclists with services. Two examples within

the Twin Cities are Cycles for Change (<http://www.cyclesforchange.org/>) and One on One Bicycle Studio (<http://www.oneononebike.com/>). According to Lee Chilicote, the Twin Cities is not the only urban area doing this.

In an article on The Line, Chilicote identifies other urban area entrepreneurs in cities like Cleveland, Ohio who are taking advantage of a new "bike Culture". In some instances these entrepreneurs are "repurposing" bikes made of steel instead of aluminum and carbon. As Chilicote points out, the steel bikes are much more durable and can withstand the pounding they receive in urban areas. Cleveland is not

alone. Other cities seeing a new trend in urban cycling are: Detroit, Philadelphia, Washington D.C., and Tampa.

*For the online article please go to [http://www.thelinemedia.com/features/bikeentrepreneurs052213.aspx?utm\\_source=VerticalResponse&utm\\_medium=Email&utm\\_term=The+Two-Wheel+Entrepreneurs%3a+Bike+culture+spawns+businesses+nationwide&utm\\_content=%7bEmail\\_Address%7d&utm\\_campaign=We+Can+Grow+grows%2c+Bike+entrepreneurs%2c+Minneapolis+Creative+Index](http://www.thelinemedia.com/features/bikeentrepreneurs052213.aspx?utm_source=VerticalResponse&utm_medium=Email&utm_term=The+Two-Wheel+Entrepreneurs%3a+Bike+culture+spawns+businesses+nationwide&utm_content=%7bEmail_Address%7d&utm_campaign=We+Can+Grow+grows%2c+Bike+entrepreneurs%2c+Minneapolis+Creative+Index)*

## ANGEL TAX CREDIT UPDATE: 2013 Tax Credits Exhausted

The Minnesota Department of Employment and Economic Development (DEED) has announced all of the Angel Tax Credits for 2013 were exhausted as of May 9<sup>th</sup>. The Minnesota Legislature chose not to extend funding for 2013 when they concluded on May 20<sup>th</sup>. However, there will be \$12 million in tax credits available for 2014. DEED will

begin accepting applications for 2014 Angel Tax Credits in November. The Angel Tax Credit Program will end in 2014 unless the Minnesota Legislature extends the program beyond 2014. On January 24<sup>th</sup>, DEED won the Economic Development Association of Minnesota (EDAM) award for best economic development initiative for the Angel

Tax Credit Program.

*For more information about the Angel Tax Credit program please go to [http://www.positivelyminnesota.com/Business/Financing\\_a\\_Business/DEED\\_Business\\_Finance\\_Program/s/Angel\\_Tax\\_Credit.aspx](http://www.positivelyminnesota.com/Business/Financing_a_Business/DEED_Business_Finance_Program/s/Angel_Tax_Credit.aspx).*

## 2013 Tekne Award Applications Now Open

The Minnesota High-tech Association (MHTA) has announced applications for the 2013 Tekne Awards will be open from June 1st to July 15th. According to the MHTA, "The Tekne Awards honor those who play a significant role in discovering new technologies that educate, improve lifestyles and impact the lives and futures of people living in Minnesota and all over the world. This year marks the award's 14th year".

Tekne Awards will be given to organizations within 12 categories: advanced manufacturing, computer hardware & electronic devices, Edtech, STEM education & digital learning, innovative collaboration, healthcare delivery, mobile technologies, software, start up, impact on industry, agricultural technology, and safety & security. Five categories are new this year: STEM education & digital learning, healthcare

delivery, impact on industry, agricultural technology, and safety & security. The awards ceremony will be held on November 6 at the Minneapolis Convention Center.

*For more information about the Tekne Awards and to apply please go to <http://www.tekneawards.org/>.*

## Local Leaders Drive Rural Broadband

*By the Blandin Foundation on Behalf of the MIRC Coalition*

\$6.6 million project shows resources, local focus boost local use

GRAND RAPIDS, Minn. – Through the work of local leaders in dozens of rural Minnesota communities, more than 250,000 rural Minnesotans have been introduced to online resources to find jobs, continue their education and strengthen their businesses.

Connecting rural Minnesotans with tools they can use to plug into the benefits of broadband was a key goal of the Minnesota Intelligent Rural Communities (MIRC) project, a \$6.6 million broadband adoption and use project in rural Minnesota between 2010 and 2012. The project was funded through a \$4.8 million Broadband Technology Opportunity Program (BTOP) grant through the U.S. Department of Commerce as part of the American Recovery and Reinvestment Act (ARRA) and \$1.8 million in MIRC partner matches. Blandin Foundation administered the grant on behalf of the initiative partners.

Now complete, the MIRC project brought a network of resources and support to rural Minnesota individuals and communities—especially those unemployed and seeking employment, small businesses, coalitions of government entities, and local leaders. It leveraged resources of coalition partners to extend small business technical assistance and training, distribute refurbished computers to low-income families, train individuals and businesses, and create and deliver courses for knowledge workers.

A group of 11 rural “MIRC demonstration communities” received \$100,000 each to identify and implement nearly 100 projects that fit local broadband needs and helped communities boost their overall ability to participate in the Internet-based economy.

“Rural towns, cities and counties stand at the threshold of the broadband economy,” said Robert Bell, co-founder of the Intelligent Community Forum (ICF), who helped demonstration communities evaluate their broadband readiness.

“They already have the sense of place their residents treasure. Through broadband services, they have the chance to add the richness and complexity of life that their urban neighbors have long enjoyed.”

Efforts like MIRC are one factor in Minnesota’s ability to boost rural broadband adoption and use. During MIRC, the collective growth rate in broadband subscriptions – one measure of adoption and use – was 10 percent across rural Minnesota. In the 11 MIRC demonstration communities the collective subscription growth rate ranged from 10.3 to 15.9 percent, helping those communities close the rural broadband adoption gap.

“The communities that experienced the fastest growth [in broadband adoption] reported higher percentages of awareness and participation in MIRC activities,” said Dr. Jack Geller of The EDA Center at the University of Minnesota – Crookston and lead MIRC researcher. “Such evidence allows us to conclude that overall, intervention works. It’s hard not to connect the

MIRC project ... as a contributor to Minnesota’s leading position in rural broadband adoption.”

Local leaders drive progress on broadband in rural communities. In MIRC demonstration communities, dozens of leaders gathered community members to plan and implement nearly 100 local projects, including:

- Boreal.TV in Grand Marais, a new local-access online video site that connects residents of and visitors to this far-flung northeastern Minnesota community with live video streaming of local activities from government meetings to local sports events.

- Lac qui Parle County in far west-central Minnesota created the Computer Commuter -- a mobile computer lab (retooled hotel shuttle bus) that brings free broadband access to communities in one of Minnesota’s most sparsely populated regions.

- The University of Minnesota Extension’s Center for Community Vitality (CV) conducted training for more than 2,400 small rural Minnesota businesses on how to use high-speed internet for marketing, sales and operations. Businesses that participated in training had a bigger digital presence than those who did not, according to CV’s follow-up research.

“Blandin Foundation is all about Minnesotans imagining, leading and growing vibrant, resilient, rural communities,” said Dr. Kathleen Annette, CEO of Blandin Foundation. “Though rural broadband faces challenges, local leaders are making inroads. ‘Plugging in’ to broadband allows the small businesses, gov-

ernment entities and individuals in communities from Worthington to Thief River Falls to Grand Marais to fully engage in the new global economy.

“We applaud and stand with rural leaders with the vision of a strong, connected future, who know that to reach their vision they have to do it themselves, but they can’t do it alone.”

For more information please go to <http://www.blandinfoundation.org/news/news-detail.php?intResourceID=8702>.

## DEED Awards Small Cities Development Grants and Training Grant for NewPage Duluth Mill Workforce

The Minnesota Department of Employment and Economic Development (DEED) has awarded 32 small communities grants totaling \$17.97 million to help renovate housing and commercial structures as well as improving infrastructure.

Cities receiving grants in the northwest region include: Hallock (\$745,016), Roseau (\$517,500), Viking (\$600,000), and Warroad (\$887,652). Cities receiving grants in the north central region include: Brainerd (\$715,000), Deerwood (\$295,200), Park Rapids (\$600,000), and Remer (\$332,500).

There is one city in the north region receiving a grant (Ranier-\$337,452). Lake County (\$908,880) and Silver Bay (\$425,250) are receiving grants in the northeast region. Cities receiving grants in the west central region include: Ortonville (\$552,000), Renville (\$590,080), Wheaton (\$471,000), and Wood Lake (\$546,000). Cities receiving grants in the south region include: Freeborn (\$979,500), Jackson (\$586,500), Janesville (\$494,300), Lincoln County (\$115,000), Owatonna (\$470,400), Trimont (\$690,000), and Worthing-

ton (\$596,477). Cities receiving grants in the southeast region include: Preston (\$471,250), Spring Valley (\$539,750), and Stockton (\$276,000).

DEED has also announced the awarding of a \$91,768 grant under its Minnesota Job Skills Partnership to train 105 NewPage Duluth Mill employees.

For more information on both grants please go to [http://www.positivelyminnesota.com/Newsroom/Press\\_Releases/Most\\_Current\\_Releases/index.aspx](http://www.positivelyminnesota.com/Newsroom/Press_Releases/Most_Current_Releases/index.aspx).



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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.*

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