



# The EDACENTER

at the University of Minnesota Crookston

The EDA Chronicle-June 2014

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## Events of Interest:

July 24

- EDAM: Wayzata Bay Center Redevelopment Project Event at the Wayzata Depot from 3-6PM. Cost is \$40 for EDAM members and \$50 for non-members. For more information and to register, please go to [http://www.edam.org/events/event\\_details.asp?id=431835](http://www.edam.org/events/event_details.asp?id=431835).

July 25

- CGLG Webinar: Doing Business in Eastern Europe and Turkey hosted by the Council of Great Lakes Governors from 9-10:30AM. To register for the webinar, please go to <https://www3.gotomeeting.com/register/971028006>.

July 30-31

- Thriving by Design II: Achieving Rural-Urban Economic and Community Health to be held at the University of Minnesota Crookston. For more information, please see page 4 of this newsletter.

August 14

- EDAM 2014 Summer Networking Event located at Cowboy Jack's in Minneapolis. For more information, please go to [http://www.edam.org/events/event\\_details.asp?id=403057&group=3](http://www.edam.org/events/event_details.asp?id=403057&group=3).

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## NEW EDA CENTER REPORT: Economic Impact of Federal Closure of Minnesota National Park Service Sites

Between October 1st and October 16th Wisconsin.

of 2013 the federal government experienced a shutdown of all non-essential services due to a congressional budget impasse. One of the many services affected by this shutdown was the National Park Service (NPS). According to the National Park Service, 7.88 million fewer visitors visited all NPS sites in October. This represents an estimated \$414 million loss in National Park Service spending across the United States. While the National Park Service report shows nationwide visitor and revenue losses (along with many of the larger individual parks) it does not isolate losses incurred at Minnesota NPS sites. The purpose of this economic impact analysis is to examine visitation and revenue losses at three of the NPS sites in Minnesota: Grand Portage National Monument, Pipestone National Monument, and Voyageurs National Park. The Mississippi National River and Recreation Area and St. Croix National Scenic River were not selected for this analysis for two primary reasons. First, both sites cover an expansive area which would make it difficult in isolating the economic impact to a community or small group of communities. Second, with respect to the St. Croix National Scenic River it would be difficult to differentiate the economic impact felt by Minnesota from the impact felt by

While the shutdown of NPS sites was brief, lasting from October 1st to October 16th, it is estimated Grand Portage NM and Pipestone NM (along with local communities) lost \$656,048 in revenues. With the recent change in visitor calculation at Voyageurs NP we could not determine lost revenues at that facility. Direct, indirect, and induced effects from the closure of all three NPS sites are estimated at \$1,104,000 with an additional estimated \$234,300 in lost wages and benefits from NPS site employees.

In addition to estimating the monetary impact of the temporary NPS closures, we interviewed 10 people with various responsibilities in the respective communities proximal to NPS sites. While they could not put a number on the loss of visitors, most of those interviewed indicated a reduction in visitation and resulting revenues. Some examples cited include a 33 percent reduction in lodging tax receipts for October, cars pulling up to closed sites then leaving, and smaller turnout for an annual event held during the time of the closure which would normally include participation of furloughed NPS employees.

With the economic impact felt by this brief closure of NPS sites, it would be beneficial for the affected communities

to be proactive on the chance that another budget impasse could occur when the current budget period ends. Ways communities could be proactive is to evaluate resources available to mitigate revenue losses. One way other states have addressed this is by temporarily funding NPS sites using state funds. Larger NPS sites like the Grand Canyon were to be funded for a short amount of time

(approximately 2 weeks) using state funds. Utah also agreed to fund NPS sites because “Utah’s national parks are the backbone of many rural economies and hard-working Utahans are paying a heavy price for this shutdown”.- Utah Governor Gary Herbert. The same can be said for the NPS sites within the state of Minnesota. The results of this exploratory study suggests that communities who

rely on tourism activity from a nearby NPS site should prepare themselves by making arrangements to accommodate the needs of tourists visiting their nearby national parks and monuments.

*For the full report please go to [http://www.edacenter.org/downloads/MN\\_NPS\\_Economic\\_Impact.pdf](http://www.edacenter.org/downloads/MN_NPS_Economic_Impact.pdf).*

## Minnesota Exports \$20.7 Billion Worth of Goods in 2013

The Minnesota Department of Employment and Economic Development (DEED) reported a 2 percent increase in exports between the 1<sup>st</sup> quarter of 2013 and the 1<sup>st</sup> quarter of 2014. This is less than the 2.6 percent growth in the U.S. during the same time period. Total exports for the 1<sup>st</sup> quarter of 2014 reached \$5 billion. Five of the top ten countries receiving exports from Minnesota grew in the 1<sup>st</sup> quarter. The top ten countries include: Canada (\$1.234 billion, -12%), China (\$523 million, -2%), Mexico (\$433

million, 49%), Japan (\$319 million, 23%), Belgium (\$250 million, 41%), Germany (\$215 million, 24%), South Korea (\$163 million, -4%), Australia (\$139 million, 24%), United Kingdom (\$136 million, -4%), and Philippines (\$132 million, -5%). Exports to all other countries totaled \$1.474 billion and decreased 2 percent.

Eight of the top ten product exports experienced growth in the 1<sup>st</sup> quarter of 2014 when compared to the 1<sup>st</sup> quarter of 2013. The top ten product exports include: MAchi-

nary (\$932 million, -7%), Optics/Medical Instruments (\$855 million, 7%), Electrical Machinery (\$641 million, 5%), Vehicles (\$447 million, 3%), Plastics (\$277 million, 15%), Food by-products (\$147 million, 5%), Aircraft/Spacecraft (\$112 million, -33%), Meat (\$102 million, 29%), Iron/Steel (\$78 million, 5%), and Paper (\$68 million, 4%).

*For the full Quarterly Report, please go to [http://mn.gov/deed/images/First\\_Quarter\\_Exports\\_2014.pdf](http://mn.gov/deed/images/First_Quarter_Exports_2014.pdf)*

## DEED Announces Workforce Training Grant Recipients

The Minnesota Job Skills Partnership Program is intended to provide for training of both new and existing employees of participating businesses. According to DEED, “Minnesota participating businesses must partner with an accredited Minnesota educational institution. Grants of up to \$400,000 are awarded to the educational institution to develop and deliver training specific to the business needs. A cash or in-kind contribution from the participating business must match grant funds on at least a one-to-

one basis”.

Recently DEED announced the awarding of more than \$3.3 million to The College of St. Scholastica and various Minnesota State Colleges and Universities (MnSCU) institutions. The grants will be used to train 4,482 current and new employees of the 34 participating businesses. In the announcement of the awards, DEED Commissioner Katie Clark Sieben stated “As we seek to address the future needs of our workforce in Minnesota, we are striving to better align

our current workers with the demands of our businesses. To date, the Minnesota Job Skills Partnership Program has trained over 260,000 Minnesotans, and will continue to provide support for the evolving needs of our businesses statewide”.

*For more information about the colleges and universities receiving training grants along with participating businesses, please go to <http://mn.gov/deed/newscenter/press-releases/newsdetail.jsp?id=466-134143>.*

## DEED Report: 2013-2014 Local Area Unemployment Statistics and Jobs Report

After seasonal adjustments, unemployment in May remains at 6.3 percent in the U.S. and drops to 4.6 percent in Minnesota. Minnesota unemployment claims in May dropped 648 to 16,505 when compared to April. Over the year unemployment claims decreased 12.4 percent when compared to May 2013.

Minnesota employers added 10,300 jobs in May. Professional/Business Services (4,100), Construction (3,800), Manufacturing (2,900), In-

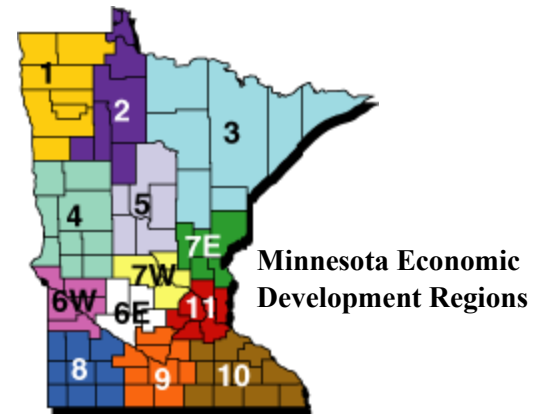
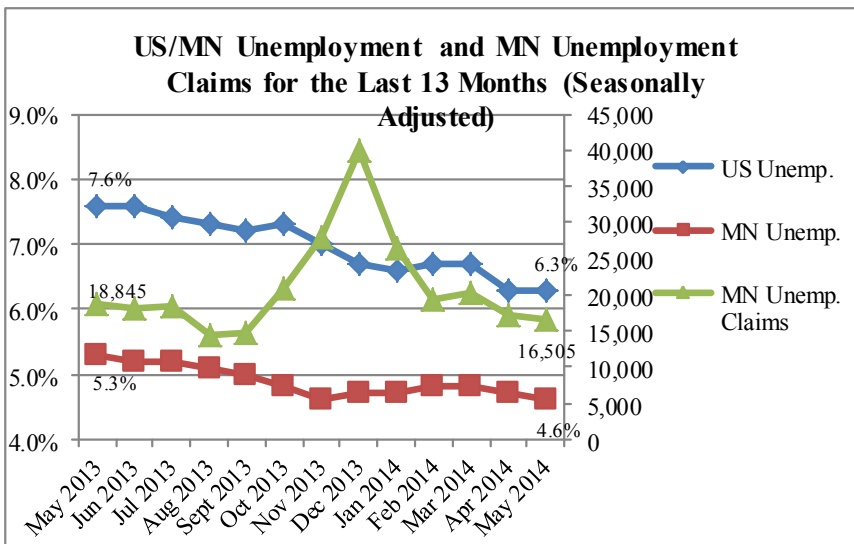
formation (900), Other Services (500), and Trade/Transportation/Utilities (100) added jobs in May. Government (-1,300), Leisure/Hospitality (-500), Financial Activities (-100), and Educational/Health Services (-100) posted job losses in May. Mining/Logging employment remained steady.

Minnesota has experienced 1.6 percent growth from 1 year ago with 45,617 additional jobs over the past year. This growth is still below the

U.S. growth rate of 1.8 percent over the past 12 months.

May unemployment for 12 of the 13 EDRs dropped when compared to April with the Seven County region unemployment remaining steady. The North Central region experienced the largest drop in unemployment at 1.6 percent.

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



### 2013-2014 Minnesota Unemployment by Economic Development Region (Not Seasonally Adjusted)

Date	EDR1	EDR2	EDR3	EDR4	EDR5	EDR6E	EDR6W	EDR7E	EDR7W	EDR8	EDR9	EDR10	EDR11
May 2013	4.6%	7.1%	6.7%	4.1%	6.3%	5.1%	4.9%	6.4%	4.9%	4%	4.7%	4.6%	4.7%
Jun 2013	4.9%	7%	6.7%	4.3%	6.2%	5.3%	4.8%	6.3%	5.2%	4.2%	5%	4.9%	5.1%
Jul 2013	4.9%	6.8%	6.5%	4.1%	6%	5.1%	4.8%	6%	5%	4.7%	4.9%	4.8%	5%
Aug 2013	4.4%	6.2%	6%	3.7%	5.6%	4.6%	4.5%	5.5%	4.6%	3.8%	4.4%	4.5%	4.7%
Sept 2013	3.9%	5.8%	5.7%	3.6%	5.4%	4.4%	4.1%	5.3%	4.3%	3.6%	4.1%	4.2%	4.6%
Oct 2013	3.4%	5.4%	5.3%	3.2%	5.1%	4%	3.5%	4.8%	3.9%	3.8%	3.7%	3.8%	4.1%
Nov 2013	4%	6.3%	5.8%	3.6%	6.3%	4.3%	3.7%	5.4%	4.2%	3.2%	3.8%	3.7%	4%
Dec 2013	5%	7.4%	6.3%	4.6%	7.5%	5.3%	4.7%	6.9%	5.1%	3.9%	4.5%	4.3%	4.2%
Jan 2014	7%	9.1%	7.4%	5.8%	9%	6.6%	6.8%	8.7%	6.4%	5.2%	5.8%	5.4%	4.9%
Feb 2014	6.5%	8.8%	7.4%	5.6%	8.7%	6.5%	6.3%	8.7%	6.3%	5.1%	5.8%	5.4%	4.8%
Mar 2014	6.6%	8.7%	7.2%	5.4%	8.7%	6.3%	5.9%	8.6%	6.3%	4.8%	5.6%	5.2%	4.7%
Apr 2014	5.3%	7.5%	6.3%	4.3%	6.9%	5.1%	4.7%	7.1%	4.9%	3.8%	4.5%	4.3%	4%
May 2014	4%	6.1%	5.8%	3.4%	5.3%	4.3%	3.9%	5.6%	4.1%	3.3%	4%	3.9%	4%

## The EDA Center's "Regional Round-up"

*Each month The EDA Center will 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](mailto:walke810@umn.edu) prior to the 15th of every month.*

### Northwest Minnesota

*By Linda Kingery*

#### **Thriving by Design II: Achieving Rural-Urban Economic and Community Health,-Crookston July 30-31**

Design is a process. It is a process by which designers create the physical artifacts that surround us in our daily lives and define our civilization. The results of the design process are meant to solve problems.

Yet, all of us have problems to solve, issues to address, or things to create. In this regard, we are all designers.

Designers have the benefit of formal training in the design process, allowing them a way of thinking that is best described as design thinking.

Design thinking:

- can be imagined as a method of applying *creativity to action*;
- seeks to identify creative and practical solutions to address specific issues and problems while attempting to achieve broader and holistic goals – an improved future condition;
- examines both present and future conditions, allowing simultaneous exploration of a problem and possible solutions; and
- can be applied to nearly any issue or problem.

Join us for a Rural Design Conference to explore design thinking and practice, applying the technique to specific issues on the rural landscape: nature-based recreation, food systems, and the role of Extension.

The Rural Design Conference is titled **Thriving by Design II: Achieving Rural-Urban**

**Economic and Community Health**, and it will be held **July 30-31, 2014 at the University of Minnesota Crookston.**

**Who should attend:** Community leaders, elected officials, and planners, especially those from rural and small urban areas, designers, and anyone interested in learning about the use of design and design thinking as a problem-solving opportunity.

**What you will get out of the conference:** You will gain experience in visualizing and using design to achieve, sustain, and strengthen community vitality across our region. By using design and design thinking techniques, you will help create, select, and frame ideas and goals that can inform Minnesota's community development.

Tracks available include nature-based recreation and tourism, food systems and Extension reconsidered.

Additional details and registration information is available on the [conference website](#).

## **RECAP: Symposium on Small Towns-Understanding Rural Migration: Myths, Trends, and Opportunities Exposed**

On June 4th and 5th, the Center for Small Towns at the University of Minnesota Morris hosted the Symposium on Small Towns. According to CST, the purpose of this symposium was to:

- Improving the dialogue surrounding migration research in rural areas.
- Exemplifying the ways communities are connected through migration.
- Informing the rural development industry of current strategies for recruitment and retention.
- Bringing the macroeconomic perspective of migration theory to the rural development industry.
- Exploring the role narrative language plays in recruitment strategies.
- Delineating the strategy differences between youth and adult



- recruitment.
- Developing a strategy to evaluate the effectiveness of recruitment and retention efforts.
  - Exploring common recruitment strategies between states.
  - Describing the economic impact of newcomers.
  - Exploring opportunities the upcoming baby boomer housing relocation may hold for growth.
  - Gathering experiences with place-based strategies; i.e. Land incentives, internships, alumni.

Some key points discussed included re-examining how we describe migration patterns we see to and from rural areas. Using Ben Winchester's 2009 rural migration study, we see out-migration of the 18-25 year olds from rural areas to metropolitan areas. Rea-

sons for this include looking for perceived better opportunities and pursuing education. Most point out this out-migration of the younger population indicates a "brain drain" from the area.

What this negative narrative does not account for is the in-migration of those in the 30-49 year old population is almost equal to the out-migration. What is different about this migration pattern is the 30-49 year old population is in their prime earning years. As Ben states in his study, "If rural America is losing high-school educated youth (the brain drain) and replacing them with those that at least have a bachelors, isn't this a Brain Gain?"

With that said, rural areas need to think more positively about the migration patterns as community leaders market their small towns. Ben makes three opportunities relating to de-

mographics. First, is focus on attracting and retaining immigrants. Second, hang onto new retirees by paying attention to their housing needs. Finally, provide affordable housing to the millennial generation who may have been priced out of the housing market in urban areas.

There will be a webinar on July 16<sup>th</sup> with further discussion of this "brain gain". For information relating to this webinar, please go to <http://www.extension.umn.edu/community/brain-gain/> or contact Ben at [benw@umn.edu](mailto:benw@umn.edu).

For Ben's complete study please go to <http://www.extension.umn.edu/community/research/docs/BrainGain.pdf> and

For more information and access to some of the symposium resources, please go to <http://www.morris.umn.edu/cst/symposium/>.



117 Dowell Hall  
2900 University Ave  
Crookston, MN 56716  
Phone 218.281.8251  
Email: [editor@edacenter.org](mailto:editor@edacenter.org)  
Website: [www.edacenter.org](http://www.edacenter.org)



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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:*

*Brent Hales-EDA Center Director*

*Kevin Cooper-EDA Center Associate Director*

*Eddie Walker-Research Analyst/Editor*