

REGION 4 NORTHEAST NORTH DAKOTA **C**OMPREHENSIVE ECONOMIC **D**EVELOPMENT **S**TRATEGY 2024 to 2028

Table of Contents

01

Introduction Who We Are



Process

05

The Data Story

16

Economy

25

Housing



Evaluation



CEDS Overview



Cross-cutting Methods



Strategic Direction

20

Community Vitality

30

Workforce



Conclusion



REGION 4 CEDS | i

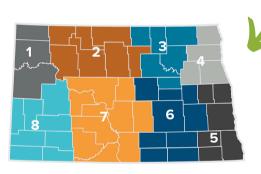
Introduction

Every five years, the Red River Regional Council leads the rewrite of the Region 4 economic development plan. This includes an in-depth data analysis and strategies to advance economic resiliency and prosperity in the region.

Who We Are

The Red River Regional Council (RRRC) is one of eight federally designated economic development districts in North Dakota. We are a quasigovernmental, non-profit organization that collaborates across sectors to plan for, develop, and support regional economic growth.





Our Vision

We envision a future where communities are strong, the region is thriving, and everyone can prosper.

Our Mission

We are committed to supporting the people, communities, and businesses in Region 4 to develop, plan for, and respond to opportunities and challenges that will bring about a resilient and vibrant region that benefits everyone.

CEDS Overview

This CEDS is a roadmap that will guide our work over the next five years, which will be adapted as needs and conditions change. It builds on the good work we've already done, and includes the following sections and key ideas.

In keeping with federal EDA guidelines, this CEDS responds to these questions:

- Where are we now?
- Where do we want to go?
- How will we get there?

Resources

This CEDS uses 2022 data, unless otherwise indicated, and draws from these and other sources:

- U.S. Dept of Commerce: EDA
- U.S. Bureau of Economic Analysis
- U.S. Bureau of Labor Statistics
- U.S. Census Bureau
- U.S. Department of Agriculture
- U.S. Federal Reserve
- StatsAmerica
- National Oceanic and Atmospheric Adm.
- N.D. Housing Needs Assessment
- N.D. Rural Housing Task Force
- N.D. Compass
- Job Service North Dakota
- N.D. Department of Transportation
- NDSU and UND
- Headwaters Economics
- Aspen Institute
- Western Governors' Association

Prosperity

Our work together supports prosperity & well-being. Prosperity means that people can meet their needs and save for the future.

Resiliency

Our work together supports the planning, businesses, and skills that will help our region get through tough times, and adapt to change.

Equity

Our work together aims to include everyone, and do more to give rural people and places a fair chance.

The Process

This plan is informed with significant outreach, public engagement and partner input between 2020-2023.

Public Surveys and Forums

- Workforce Attraction Survey and Focus Groups (2023) 650 respondents
- Destination Red River Plan Survey (2021-2022) 600 respondents
- Destination Red River Plan Forums (2021-2022) 300 attendees
- Workforce Solutions Focus Groups (2022-2023)
- · County and City Townhalls (2021-2022) 350 attendees
- Regional Local Foods Survey and Focus Groups (2021-2022) 50 people

Regional Partners

- Nelson County JDA
- Pembina County JDA
- Walsh County JDA
- Red River Comm. Housing Development Org.
- Workforce Advisory Group
- Regional Destination Development Team
- North Valley Career and Technology Center
- GF Career Impact Academy

Interviews

Interviewed 130 businesses

Public Review

In compliance with EDA requirements, the 2023-2028 CEDS was made available for public review and comment between December 1 and 31, 2023.

CEDS Adoption

The RRRC Board of Directors adopted this CEDS on Dember 20, 2023.

strength visitor-friendly strength visitor-friendly step-up educated-women co-create step-up educated-women action PEOPLE of the step-up shortage community-led improve workforce step-up of the step-up of t

Grand Forks Region EDCChamber of GF and EGF

UND Center for Innovation

Job Service North Dakota

NE Manufacturing Group

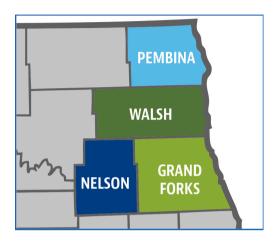
Minnkota Power Economic Development

NE ND Economic Developers Group

• CATCH

Region 4: Regional Description

Region 4 includes Grand Forks, Nelson, Pembina, and Walsh counties in northeastern North Dakota. The region borders Manitoba and Minnesota.



Major Features

- 41 communities; 4,818 sq. miles
- Shares 50+-mile border with Canada
- UND, Grand Forks Air Force Base, and Cavalier Space Force Base, and ND Life Skills and Transition Center

Industries

Concentrations in agriculture, health care, education, manufacturing, trade, and outdoor activities.

Population

- Region 4: 92,609
- Largest city: Grand Forks 58,867

Small groups, loosely connected, but united by a

common purpose lead to transformative change.

Greg Satell, author, Cascades

- 2nd Largest city: Grafton 4,186
- 39 small towns with 25 to 1,500 people

Lifestyle and Scenery

Combines rural living with a growing city in Grand Forks, offering three state parks lakes, rivers, farms, and the Pembina Gorge.

History

Located on lands historically belonging to the Pembina and Red Lake Bands of Ojibwe, and the Dakota Oyate. The Spirit Lake Reservation that borders Nelson County is home to 7,500 members of the Pabaksa, Sisseton, and Wahpeton bands. Around 2.4% of residents are American Indian or Native Alaskan, compared to 5% in the state.

The Data Story: People

Region 4 counties are undergoing significant demographic and economic changes, which have been intensified by the pandemic. The area's resilience depends on building capacity, diversifying local economies and improving collaboration between metropolitan and rural communities.

- State population projections estimate the region will grow by 35% or more (25,970 new people) in the next 20 years, reaching nearly 120,000 by 2045.
- Challenges for rural areas: Residents age 65+ outnumber working-age adults.
- Trend: When older residents find housing alternatives, available homes attract younger families to communities.

	Population	 Region is growing (up 9.4%), including many small towns 18 of 41 small towns grew since 2010, most in Grand Forks and Nelson. Adults ages 30 to 54, and their children, moving to small towns. Growth leaders: City of Grand Forks and Nelson County. Since 1990: Grand Forks up 3.5%; Nelson, Pembina, Walsh down -25%.
	Age	 Region attracting prime-age adults, but biggest group: 65+ 25% rural residents are age 65+ vs 12.7% in Grand Forks County. 16% are ages 5 to 17 in all counties; but 6% vs 19% for 18 to 24 in rural. Dip to watch: All counties down 5% for ages 45 to 64 since 2012.
	Veterans	 Region has a high share of military and veterans 2,330 active duty personnel at Grand Forks and Cavalier bases. More than 5,400 veterans in region (12% of ND's 45,020 veterans). 9% of rural residents are veterans vs. 7% for state.
PEOPLE	Diversity	 Region's diversity has nearly doubled since 2010 16.5% identify a racial or ethnic background other than white Most diverse counties: Walsh and Grand Forks at 17.5%. 17% of ND residents identify as racially, ethnically diverse.
PEO	Health	 Health care access, health behaviors affect resiliency Access: 11% rural residents are uninsured vs. 9% for GF County. Isolation: 35% adults age 65+ live alone, among highest rates in US. Risks: Binge drinking rate (25%), suicide rates among highest in ND.

The Data Story: Workforce

People left rural counties for post-secondary education and higher-paying jobs, moving to ND's oilfields and the seven largest counties. The region's lower salaries and wages are a factor. Average pay is up 27% since 2019, but wages and incomes remain lower than state and U.S. averages. ND is the leading state for workforce participation in 2023 (70.5%).

 Average pay across all sectors is up 27% since 2019 Incomes remain below ND and US averages by more Income for minority households is 30% lower than we have a sector of the sector of th		 Wages and salaries rising, but lower than state, US Average pay across all sectors is up 27% since 2019. Incomes remain below ND and US averages by more than 20%. Income for minority households is 30% lower than white households. Region's poverty rate (13%) second highest; higher than state (11.5%).
	Labor	 Labor force shortages 10,002 in the labor force (age 16+) in Nelson, Pembina, Walsh. 37,333 in labor force in Grand Forks County. +2% for GF County; -5% Nelson, Walsh; -11% Pembina since 2012.
	Education	 Education levels up since 2010; women most educated 90% of adults age 25+, on average, have completed high school. Large urban-rural gap: 36% adults 25+ have college degrees in Grand Forks County vs. 24.5% for Nelson, 21.6% Pembina; 18.1% Walsh. 14% of adults 25+ have associate degrees, higher than ND, US.
Щ	Employment	 Employment -5% from 5 yrs ago; up 2% since 2021 37,021 employed in GF County; 9,683 employed in rural counties. 78% of women; 86% men over age 20 are working. 30% of employees live outside Region 4. 44% of people working in the City of Grand Forks live elsewhere.
WORKFORC	Unemployment	 Low unemployment spotlights labor shortage 2.2% regional average (2022). 5% is considered full employment. Rates in 2022 ranged from 1.9% (Grand Forks) to 3.4% (Pembina). 1,900 open jobs in October 2023; 4,000+ projected openings 2024-29.
WOR	Childcare	 Working families need more child care services 66% do not have the child care they need. Most pay 20% to 30% or more of income on child care. Costs above 7% of income meet federal definition of a cost burden. 551 new child care slots added in 2022-23.

The Data Story: Additional Factors

Some of the additional factors that impact workforce, communities and economic resiliency are low access to food, workforce shifts, educational and earnings gaps, and the expense of long commutes.

 USDA: Low access means rural resider grocery stores with fresh produce and 100% of Nelson County is a low-access 		 Counties designated as low-access to food USDA: Low access means rural residents drive 10 miles or more to grocery stores with fresh produce and fresh meat. 100% of Nelson County is a low-access area. Two rural grocery stores closed in 2023.
	Labor	 Foreign-Born Workers 720 H2A visa workers in 2023, up from 323 in 2021. H2A visa program allows ag producers to hire temporary foreign workers. Several sectors are quickly turning to foreign-born workers. ND established Office of Immigration in 2023.
TORS	ND Shift	 State's growth, labor supply shifted to a few counties Nearly 75% of ND's adults ages 25 to 54 are concentrated in seven of the 53 counties. This shift accelerated in the past decade. 70% of ND's population growth was in Cass, Burleigh and Williams Counties. Educated women net loss: Ages 20 to 29 for rural; 30 to 39 for Grand Forks.
L FAC	Equity	 Educational equity and gaps More Hispanic and Latino adults age 25+ have high school degrees in ND (83%), Grand Forks (90%), and Nelson (81%) than the US (71%). Gaps remain. Rates are lower in Walsh (66%), Pembina (71%).
ADDITIONAL FACTORS	Equity	 Gender earnings gap improving Women are earning more in 2022. Rural gender pay gap is closer to -20% in 2022 vs -25% to -30% in 2019. Women tend to have higher levels of education. Pay disparities suggest women are more likely to be underemployed or causing them to move.
ADD	50-mile+	 Twice as many 50-mile+ commuters as US average 20% of region's employees (8,200) commute 50+ miles to work. IRS 2023 travel rate 65.5 cents/mile: \$65/day for 100-mile commute. EPA: a car driven 500 miles per week generates 20,663 lbs. of C02.

The Data Story: Economy

There is a need for more variety among the industries and businesses that create the regional economy. The gross regional product (2021): \$6 billion. Grand Forks County share: \$4.6 billion (75%); Nelson, Pembina, and Walsh counties: \$1.4 billion (25%). The rural counties depend most on agriculture (24%) and manufacturing (14%).

	GDP Most productive industries by county (2021) • Grand Forks: Government, Finance, Education • Pembina, Walsh: Agriculture, Manufacturing, Finance • Nelson: Agriculture, Finance, Wholesale Trade	
	Jobs	 Top employers, by industry (2022) Grand Forks: Health Care, Retail Trade, Accommodation & Food Services Nelson: Health Care, Wholesale Trade, Public Administration Pembina: Manufacturing, Agriculture, Public Administration Walsh: Health Care, Manufacturing, Agriculture
	Growth Industries	 Fastest growing industries, by GRP growth, since 2010 Grand Forks: Management of Companies (15%) Nelson: Professional and Business Services (85%) Pembina: Professional and Business Service (200%) Walsh: Manufacturing (200%)
	Growth Occupations	 Fastest growing occupations, by job growth, since 2017 Life, Physical, Social Sciences: 23% Computer and Mathematical Sciences: 21% Architecture, Engineering; Management: 20%
CONOMY	Emerging Industries	 UAS, Renewable Energy, Food, Outdoor Recreation Unmanned Automous Systems jobs: 1,200; 1,000+ projected in next 5 years. More than \$2 billion federal, state invested in UAS, renewable fuels in 2023. Regional food business center, incubator aimed at resilient food system. Growth and investments in visitor, outdoor recreation sector across region.
ECO	Businesses	More businesses: % Growth 2012 to 2022 • Grand Forks: 20% (2,545 total employer firms) • Nelson: 6% (175) • Pembina: -9.3% (379) • Walsh: -2.6% (515)

The Data Story: Infrastructure

The region's built environment creates the essential infrastructure to support and fuel communities, businesses, and the regional economy. There are multiple assets: transportation, schools, healthcare, broadband, UAS, international port of entry; however, barriers to housing construction and other needs challenge resiliency.

	Housing	 Aging, limited housing supply impacting growth 75% of homes owner-occupied in rural counties vs 48% in Grand Forks. Housing stock is newer in Grand Forks County due to disaster recovery. Since 2018: 1,124 residential construction permits issued in Grand Forks County; compared to 32 permits in Nelson, Pembina, Walsh combined. Shortage of builders: down 10% and in only 29 counties vs. 50 in 2012.
	Rural Equity	 Place-based inequities for rural places (2020-2021) Construction: \$230/sq ft in rural areas; \$207 in cities. Average home value in ND: \$246,786 Median home value: \$100,000 in Nelson, Pembina, and Walsh. Median home value: \$208,200 in Grand Forks County.
	Broadband	 Broadband services are strong; rural access growing ND is 4th in nation for broadband access; 98% of residents. Rural broadband access: 82% (+10% since 2017), higher than US (72%). Equity: Access increased 12% or more among minority households.
INFRASTRUCTURE	Education	 Education and training centers growing North Valley Career and Technology Center: \$9.4 million expansion. Career Impact Academy: New \$30 million center in Grand Forks. University of North Dakota (UND) expanding; campus renewal underway.
RASTR	Food	 Developing regional food system 532 Hill commercial kitchen, business incubator to develop and scale retail food businesses. Potential clients are women and/or minorities. North Central USDA Regional Food Business Center provides assistance for small and mid-sized producers in local food production.
	UAS	 Unmanned Aerial and Autonomous Systems Grand Forks Air Force Base, Cavalier Space Force Station. First in nation: GrandSky UAS business park; Northern Plains UAS test site, Vantis (Beyond Visual Line of Sight) network. UND; the HIVE tech accelerator; local and regional airports.

The Data Story: Climate and Capacity

The region's counties are experienced with disasters and have disaster plans. However, there is a mounting toll to frequent adverse weather events, from unrealized improvements to exhausted leaders, volunteers, and communities. Rural places need more support to develop the capacities that will help them develop resiliency. Resilience is the capacity of a community to plan for and withstand disaster -- and adapt to change.

	Climate	 Northern Plains climate, Red River of the North watershed Land and climate support productive agricultural industry, but weather patterns also bring extremes: Intense storms, cold winters, hot summers. NOAA: Red River Valley is one of the most flood-prone areas in the US. 	
	Disasters	 Frequent weather-related disasters Most federally declared disasters (32) in the state since 1993. Top events: Riverine flooding, strong winds, hail, freezing weather/ice. 3 floods, two severe storms, and one snowstorm since 2020 - in addition to the nation's pandemic disaster. 	
CAPACIT	Risks	 Future climate risks, impacts More than \$1 billion has been invested in flood prevention, increasing precipitation may challenge these efforts. Winter precipitation is projected to increase 10-15% by 2050; increased rain by as much as 20%; and more 105+ degree days in the summer. 	
ND CA	Losses	 FEMA: Estimated annual weather-related losses Grand Forks: \$25.9 million (\$342/resident) Nelson; \$2 million (\$667/resident) Pembina: \$5.9 million (\$950/resident) Walsh: \$9.7 million (\$923/resident) 	
AATE A	Capacity	 Rural Capacity Index: Measures of resources & resilience Higher scores = more resources, institutions, skills used to plan for, mitigate, and recover from disasters and climate change (0-100). ND is ranked near last in the US for rural development capacity. Grand Forks: 73 Nelson: 51 Pembina: 49 Walsh: 49 	
CLIN	Climate Inequity	 Equity for rural places is crucial The 5th National Climate Assessment concludes: Rural places that have frequent disasters are more vulnerable to climate change and adaptation inequities, programs can discriminate with administrative demands and costs while ignoring the realities of rural capacities and funding abilities. 	

Grand Forks, ND-MN Metropolitan Area 25 years after 1997 flood: Vibrant Community, Regional Economic Hub and Innovation Ecosystem

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2022 marked 25 years since the record-breaking 1997 Red River flood and the recovery process that has since transformed Grand Forks, ND and East Grand Forks, MN.

More than 50,000 people were displaced; more than 80% of homes were damaged or destroyed, and much of downtown Grand Forks was devastated by flooding and fire. The event caused over \$5.7 billion in damages to the Grand Forks-East Grand Forks area, bringing the total to more than \$9.5 billion in damages to the ND-SD-MN region (2023 dollars). It was the nation's worst flooding disaster until Hurricane Katrina in 2005.

With determination, vision, and passion from elected and community leaders, business owners, and many others, Grand Forks rebuilt. Along with new homes and community spaces, and an advanced flood control system, the city developed infrastructure and partnerships to shift its economy towards future-forward industries, such as unmanned aerial and autonomous systems (UAS). Grand Sky is the nation's first and only fully operational commercial UAS research and development park and ND is the leading state for UAS flight testing, training, and development.

The work of renewal and rebuilding toward a re-imagined future with an innovative and resilient economy is paying off. With the University of North Dakota, state and federal governments, the Grand Forks AFB, and existing industry as foundations, the strengths and opportunities in the Grand Forks innovation economy are being built, nationally recognized, attracting investments, and building economic resiliency and prosperity.

Grand Forks and region are interdependent

32,897 people employed in city of Grand Forks (2021)

> 14,485 (44%) employees live elsewhere

> > 2,545 Employers

19.8% % Growth since 2012

University of North Dakota Largest Employer

VENTURE INVESTMENT

#2

GROWTH IN VENTURE CAPITAL INVESTMENTS FOR ALL U.S. METROS SINCE 2009

HEARTLAND FORWARD (2022) INNOVATION HUB INDEX

#4

OF 10 TOP RANKED METRO AREAS IN LOW-POPULATION STATES

ECONOMIC INNOVATION GROUP (2022) BEST PERFORMING CITIES 2022

#181

OF SMALL CITIES BASED ON ECONOMIC RESILIENCE AND OPPORTUNITY

MILKEN INSTITITE & CENTER FOR REGIONAL ECONOMICS (2022)

Strategic Direction: Our Path Forward

Our region's work fits into these four priority areas:



Economy

Foster a resilient, generative, and equitable regional economy so that businesses, communities, and people can prosper.



Community Vitality

Foster vibrant, revitalized, inclusive communities through destination development, placemaking, and leadership growth.



Housing

Increase the supply of all housing options, so everyone has a place to call home, regardless of income or circumstances.



Workforce

Grow, attract, and retain workforce, talent, and entrepreneurs to fuel a prosperous and resilient regional economy.

Cross-Cutting Methods

Thread throughout the strategies, the following methods will be applied:

Communications

Strengthen regional communications to increase transparency, engagement, and spreading information; grow impacts by amplifying and showcasing positive outcomes. Provide frequent public information on metrics and progress.

Regionalism

Grow regional connectivity and positive impacts through creating broad awareness of regional challenges and opportunities; connecting leadership; collaborative planning and implementation; and uniting Grand Forks and small towns.

People-centric

Increase leadership capacity throughout the region through cultivating, inviting and equipping the next generation of leaders to become empowered to engage and co-own the community-enhancing process. Grow inclusivity.

Support small towns regionally

Widespread complex issues such as housing and workforce development and opportunities to grow tourism and entrepreneurship can be addressed when small towns unite as a region, leverage additional resources and professional expertise, experience and networks. Adapt regional systems to address individual and specific requests.

Increase rural capacity and funding

Secure long term, diverse public/private funding to increase both professional and volunteer rural development capacity and resources to be comparable to that of larger cities. Identify barriers and advocate for policy changes which limit or cut off funding to small towns.

Economy

Foster a resilient, generative, and equitable regional economy so that businesses, communities, and people can prosper.

SWOT Analysis

Strengths	Weaknesses	
 High-speed broadband Available buildings and sites Financial resources for businesses Multiple entrepreneurial opportunities 	 Overdependence on agriculture and manufacturing in rural counties Lower wages hurt workforce retention and attraction Low private capital investment Marketing is new, weak 	
Opportunities	Threats	
 Capitalize on emerging industries Grow and scale more businesses Develop more outdoor recreation infrastructure and businesses Grow regional food supply chain and local food businesses 	 Workforce shortage Housing shortage Frequent extreme weather events and costs of disasters Lack of building contractors in rural areas to support growth 	

Key Insights

- A shared vision for the region's future is in high demand.
- City of Grand Forks has the fastest growth in jobs, businesses, and population.
- Regional economy is also showing growth and job expansions.
- UAS and renewable energy industries are forecast to grow 10-fold.
- Grand Forks economy is growing and greater regional partnership is needed.
- Continued migration from rural to Grand Forks and other areas as wages are higher and more housing options available.
- Local challenges include leadership issues, capacity, and resource limitations.
- Strong leadership is essential for community and business prosperity.
- negative attitude in communities and among leaders are barriers to progress and are speeding up decline.
- Local and regionwide strategies for housing, destination development, and economic development are wanted and people also want to feel more connected to these.

Economy Action Plan

Objectives, Strategies, and Actions

1. Increase development of existing and emerging industries in the local and traded sectors.

Strategies			
Support initiatives that enhance existing businesses and help start and grow new ones among more sectors.	Support the development of a more resilient regional food system, including small producers, food businesses, and supply chain connections.		
Action Plan			
 Provide technical and financial assistance, support county and local development groups. Promote entrepreneurship opportunities and resources. Work with businesses, industry groups. 	 Launch 532 Hill regional business incubator and commercial kitchen to grow or expand businesses. Provide technical assistance as part of the North Central USDA Regional Food Business Center. 		

We need regional collaboration. We need leaders who are economically progressive and support innovation. Invest in the future. (public survey comments)

Economy Action Plan

2. Strengthen connections between the growing Grand Forks economic ecosystem and small towns.

Strategies				
Grow connections between rural/urban leaders, businesses, and resource providers with a focus on bringing more capacity for growth to rural areas.	Develop and support efforts that expand connections and assist small towns closest to Grand Sky to prepare for impacts and opportunities.	Continue to strengthen regional connections to remove barriers to growth.		
Action Plan				
• Develop and support conversation, collaboration, and inclusion.	 Develop relationships and collaborative connections. Work with emerging industry, economic development leaders, and communities to assess needs and plan. 	 Develop a tool or process to identify growth needs to continually plan. Develop a 2050 growth plan for Grand Forks and surrounding communities most likely to be affected by projected growth. 		

3. Increase the capacity to equitable levels to support changing economy and rural needs.

Strategies

Establish sustained state and other funding for equitable rural economic development organizations, leaders, and projects

Action Plan

- Establish a coalition to develop annual state funding for regional councils.
- Continue professional development to support a shift in leadership roles utilizing best practices on co-creation and implementation.

Economy Action Plan

Assets and Efforts

Unmanned Autonomous Systems, Avionics, and Aerospace

The development of the unmanned aerial system (UAS) industry began in 2005 when the Grand Forks Air Force Base mission was realigned, received a Global Hawk mission, and entered a shared-use agreement with Grand Forks County. At the same time, the University of North Dakota (UND) began developing UAS-related aviation programs.

University of North Dakota Center for Innovation

Established in 2018 with EDA funding to support expansion in the autonomous systems innovation cluster in northeastern North Dakota, assist with the commercialization of autonomous systems innovations and develop a workforce for the sector through internships and other experiential learning activities. In 2022, CFI/UND received a \$1 million EDA grant with \$250,000 local match to conduct an Economic Impact Study and Commercialization Strategy for ND's Unmanned Aerial Systems network.

HIVE Technology Accelerator

HIVE, a technology accelerator to support start-ups, repurposes the former Grand Forks Herald building. Funded by \$1.1 million EDA funds and an equal local match, it will foster 139 new jobs. The HIVE is a collaboration between City of Grand Forks, UND, and other local entities.

Heartland Hydrogen Hub (HH2H)

The HH2H, a tri-state venture led by the EERC at UND, received a \$925 million award from the U.S. Department of Energy to establish clean hydrogen production sites. This project aims to reduce hydrogen costs, decarbonize agricultural production, and provide equitable investment opportunities, especially to disadvantaged communities.

GrandSky (600-900 new jobs)

Nation's first commercial UAS business and aviation park, located adjacent to Grand Forks Air Force Base, 20 miles west of Grand Forks. Has garnered federal and state funding. A partnership among the U.S. Air Force, Grand Forks County, and Grand Sky.

SkyRange Mission hypersonic missile testing program. (600 new jobs)

- \$500 million Department of Defense project announced in 2023.
- The facility is expected to be completed by 2027.

Satellite Test Center (240 new jobs)

• Announced in 2023. Space Development Agency allocating \$30 million for construction and \$325 million for ongoing operations.

Community Vitality

Foster vibrant, revitalized, inclusive communities through destination development, placemaking, and leadership growth.

SWOT Analysis

 Strengths Safe communities with culture, history, and arts Growing energy for change and collaboration In-migration of diverse people Regional collaboration initiatives Local business growth climate 	 Weaknesses Lack resources and capacity Lack of cultural diversity Negative and/or hostile reactions and attitudes toward change Shrinking and aging pool of volunteers
 Opportunities Become more visitor-friendly Growing tourism and recreational opportunities Capitalize on large attractions Advocate for equitable funding to grow rural capacity and amenities Showcase diversity with engaging experiences 	 Threats Repetitive disaster events Outside funding is available for plans but lacks for implementation - comparative urban efforts have adequate funding mechanisms to support long-term goals and impact funding with visitor and sales tax mechanisms not available for rural areas

Key Insights

- Requests for more local businesses that offer goods, services, and experiences.
- Want leaders with enthusiasm, energy, and a positive vision for the future.
- More development of outdoor and indoor amenities designed for all.
- Economic revitalization and beautification of Main Streets and communities.
- The region anticipates population growth.
- Nearly 50% of the region's 41 communities grew last decade.
- Business activity is growing.
- Regional tourism is recovering from pandemic impacts. Annual visitor spending increased per county in 2021; state parks saw record camping use in 2022.

Community Vitality Action Plan Objectives, Strategies, and Actions

1. Help communities and groups enhance placemaking and destination development.

Strategies		
Enhance regional visitor-friendliness and attraction by implementing the Destination Red River Plan.	Identify and support placemaking efforts involving arts, cultural, historical, natural, and other amenities and events.	
Action Plan		
 Create a network of community-level grassroots teams to implement plan locally. Collaborate with stakeholders and groups to leverage networks, grow resources, and execute regional marketing and public information initiatives. Develop sustainable funding for regional tourism staff. 	 Expand funding options and provide technical assistance. Strengthen communication and collaboration between placemaking efforts and destination development. Find ways to develop economic opportunities through placemaking. 	



Grafton Parks and Recreation Proposed New Pool Complex

Community Vitality Action Plan

Objectives, Strategies, and Actions

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2. Increase businesses and assets that attract visitors and improve quality of life.

Strategies

Support, expand, and grow the tourism, hospitality, and recreation industry.

Action Plan

- Support, grow, and market amenities, small and niche businesses, and experiences that develop the region into a unique and interesting destination.
- Support continued expansion of indoor/outdoor recreation and cultural amenities.

3. Support small business development and initiatives that revitalize Main Streets.

Strategies		
Support small business growth through technical and financial assistance, peer-to-peer networking, and idea generation.	Identify ways to support women and minority entrepreneurs and micro and home-based businesses to scale and increase equity.	
Action Plan		
 Expand the rural entrepreneurship ecosystem and outreach to businesses. Integrate programming to encourage student-owned or -led ventures. Work with JDAs and communities on storefront improvements, Main Street infrastructure, technology, and projects. 	 Create a network to connect micro- and emerging entrepreneurs. Provide business, technical assistance. Develop communication and outreach. 	

Community Vitality Action Plan

Objectives, Strategies, and Actions

4. Grow capacities through leadership and volunteer development initiatives.

Strategies & Actions

- Share best practices on leadership and volunteer development to cultivate the next generation of leaders.
- Share information on elected positions, roles and responsibilities, terms, compensation, and host candidate forums.
- Support transparency and increase accessibility of public meetings.
- Create awareness around volunteer needs and opportunities.
- Support inclusive regional leadership development programs for all ages.

5. Grow philanthropy resources and investment.

Strategies & Actions

- Identify, connect, and advocate for philanthropic investment in regional capacity, groups, and projects.
- Encourage investment in small towns.
- Evaluate creating a regional community foundation to raise investment in rural challenges, ideas, placemaking, and capacity.

Rejuvenate main streets. Make it more fun. If we don't grow, we won't survive. I'd like to see our city leaders have ideas and support growth. Engage more leaders and groups in building. (public survey comments)

Community Vitality Action Plan Assets and Efforts

Destination Red River Plan Implementation

A destination development regional plan was developed in 2021 and 2022 and engaged more than 2,000 residents. The plan implementation will begin in early 2024 and will support, market, and strengthen the region's rural communities and businesses to become more visitor-friendly. The plan calls for community-level "Destination [Your Town] Teams" and 27 communities have committed so far.

Frost Fire Park Master Development Plan

Redevelopment of the region's ski and downhill bike park and amphitheater began in 2017. A state/EDA grant is supporting a master plan to guide the continued redevelopment. Roger Brooks, national destination development leader, will complete the plan by the end of 2023. The project was awarded a \$1.75 million state grant in late fall 2023 to support the construction of a new multi-season 500-seat amphitheater.

Pembina Gorge State Park, Campground

In 2023, the ND Legislature and Governor approved making the Pembina Gorge State Recreation Area into the state's 14th state park with an initial \$8 million appropriation. In 2024, construction will include underground utilities, roads, a 35-site campground, and six all-season, full-service cabins.

Placemaking and Public Art

In partnership with the ND Council on the Arts' statewide Arts Across the Prairie Initiative and led by a regional stakeholder group, the Region 4 sculpture will be installed on private property near the Dahlen Esker in Walsh County. James Peterson, Art Contraptions, Los Angeles, CA is the selected artist. The sculpture will reflect the ways that glaciers sculpted the region's topography. The project will be completed in 2024.



Housing

Increase the supply of all housing options, so everyone has a place to call home, regardless of income or circumstances.

SWOT Analysis

Strengths	Weaknesses
 Young people and people with college degrees are moving in Small town feel, safety Quality K-12 schools Access to quality healthcare and emergency services Shifting state and federal policies to invest in small towns 	 Aging population and lack of housing options Aging public infrastructure Long-term housing development Stagnancy in small towns New housing requires higher wages Housing stock is old Hotels are being used as housing
 Opportunities Increasing wages and remote work enhancing professional opportunities Growing travel and seasonal employees is an opportunity for unique housing 	 Threats Cost to develop new housing is higher in small towns Decreasing pool of contractors Overdependence on property taxes Lack of equity investment in small towns Frequent natural disasters

Key Insights

- Lack of housing availability impacts workforce attraction
- · Housing shortages are driven by limited new construction of all types
- Lack of options for seniors prevents them from placing their homes on the market
- Aging housing stock can deter possible buyers due to added cost and time
- Small-town barriers include higher costs, lack of contractors, costs exceeding appraised value, and lower wages
- A regional housing study based on projected job growth is needed
- Over half the homes in the rural counties were built before 1969
- Between 2018 and 2022, Grand Forks County had 1,124 residential building permits compared to 32 in Nelson, Pembina and Walsh Couties combined

Housing Action Plan Objectives, Strategies, and Actions

1. Increase capacities to develop housing.

Strategies			
Use the Red River Community Housing Development Organization (CHDO) to work with communities and region to increase development of rental units and single-family for-sale housing.	Partner with communities, organizations, and companies engaged in housing conversations, efforts, projects, and initiatives.	Develop a regional approach to solutions that are collaborative and adapted to each community.	
	Action Plan		
 Grow the capacities of the Red River CHDO: staff, training, technical assistance. Establish and train an inclusive and diverse board. Develop diverse, sustainable funding. 	 Create awareness and identify efforts. Become an established partner to support planning, and construction of single, multi-unit homes. 	 Develop regional, state, and national partnerships. Complete a regional, rural housing study and action plan. Support communities in adapting regional action plans and resources to implement locally. 	

More entry-level housing would attract workers. I'd like to see old buildings torn down. Open more lots for development. I'd love a fun downtown gathering spot. We need more living wage jobs. Need housing of all kinds. We need regional steering committees. (public survey comments)

Housing Action Plan

Objectives, Strategies, and Actions

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2. Expand supply of all housing types.

Strategies			
Assist communities with playing an active role to spur new housing.	Create and use funding tools to create affordability.	Identify public and private policy changes that are hampering development.	
Action Plan			
 Identify potential lots for single and multi-family units. Inform communities ways to encourage development through both non-cash and investment incentives. Identify policies that support or limit development. 	 Inform how to enhance affordability and fill gaps. Provide co-developer opportunities to share expertise. Develop financing support disadvantaged potential homeowners. Inform employers of roles to assist their employees. 	 Engage in groups actively working to identify and change limiting policies. Identify best practices from other areas as models for policy shifts. 	

3. Update existing housing; use new technologies

Strategies		
Develop community or regional rehab projects.	Use current technologies to increase efficiency and adopt innovation.	
Action Plan		
 Identify potential low/mod homeowners needing rehab Determine funding level and capacity, secure funds. Inform homeowners on options to save money. 	 Research and apply systems that enhance affordability. Identify innovative construction options to decrease timelines and address lack of contractor availability. 	

Housing Assets and Efforts

Housing Rehabilitation

Since 2005, the RRRC has led eight housing rehabilitation projects resulting in more than \$2.7 million rehabilitating 152 homes. In 2023, the RRRC applied to the Federal Home Loan Bank to support a regional rehabilitation project at nearly \$1 million with award announcements expected in late 2023.

Red River Community Housing Development Organization

In late 2022, the RRRC hired a housing development expert to lead the reactivation of the Red River CHDO, a 501(c)(3) nonprofit, to address housing shortages. The organization was established in 1996 but had been inactive for more than a decade.

North Dakota Rural Housing Task Force

In January 2022, the RRRC convened the ND Rural Housing Task Force to study impediments to rural housing development and identify a slate of recommended solutions. The following steps have been taken:

ND Housing Incentive Fund

Changes to HIF to increase rural housing funding: Between 2011 and 2021, HIF supported 3% of the 3,143 new housing units (and 6% of the \$106 million total investment) supported statewide were in small towns under 5,000 people.

Rural Renewal Workforce Housing

 A \$1.5 million pilot project established to help communities acquire and raze dilapidated properties, demolishing and provide green in-fill lots for new housing.

Workforce Grow, attract, and retain people and entrepreneurs to fuel a prosperous and resilient economy.

SWOT Analysis

Strengths	Weaknesses
 Strong work ethic, friendly, motivated Increasing in-migration Young and college-educated adults moving in Strong higher ed system Airport access 	 Workforce shortages Outmigration of working-age women Lack of young adults in rural counties Inadequate childcare Need more housing Need livable wages, growth options
Opportunities	Threats
 Increasing wages and remote work options create more opportunities Increase post-secondary connections for upskilling/reskilling employees Accelerate investments that make the region more attractive to talent Expand Grand Forks tech and innovation system with rural communities 	 Negative and/or hostile attitudes toward change Manufacturing and agriculture dependence Higher wages and housing elsewhere Rural areas relying on short-term grants for long-term initiatives

Key Insights

- Workforce shortages across all sectors; temporary employees are costly.
- Economic growth is spurring new companies and expansions creating a need for more than 4,000 new people within the next five years.
- Long-term regional workforce attraction campaigns are valuable and necessary.
- Stuck points are complicated and frustrating.
- The growth of new industries, especially in Grand Forks, is exciting.
- The workforce shortage is resulting in wage increases.
- Historically lower wages are prompting employees to leave for better-paying jobs.
- The demand for a professional, highly skilled, and specialty workforce will increase over the next five years in technology, automation, and UAS and energy sectors.
- Significant wage gaps and disparities related to gender and race.

Workforce Action Plan

Objectives, Strategies, and Actions

1. Address barriers to workforce retention and attraction, and support creative solutions.

Strategies			
Expand collaborative regional efforts to expand childcare services and meet childcare needs for working families.	Develop collaborative system(s) to support employers, foreign-born workers, and immigrants, and communities.	Identify and remove barriers, develop new approaches to attracting and retaining employees, and market the region.	
	Action Plan		
 Assess needs, impacts. Support collaborations and solutions. Support projects increasing availability and access, especially for women, minorities, and low-income parents. Expand funding options and technical support for businesses. 	 Develop a partner task force to assist with hiring, resettlement, cultural training, healthcare, training, housing, and integration. 	 Develop a regional study of needs, barriers, and target recruitment areas. Develop and support innovative approaches to attracting and retaining people with diverse skills and in-demand fields. Increase awareness and use of the ND Career Builders Program and other tools to attract recent college graduates. Continue to evolve workforce attraction marketing. 	

Get more childcare in the area. Need more jobs that pay higher wages. I have to commute 50 miles roundtrip. Need more investment in housing, parks and campgrounds, and create more hunting access. Would love our schools to be a top education location and expand technology centers for adult professionals and training for in-demand fields. (public survey comments)

Workforce Action Plan

Objectives, Strategies, and Actions

2. Expand learning pathways in high-demand fields and related to industry clusters.

Strategies		
Support expanding kindergarten-to-career pathways and include experiential learning that focuses on regional industry clusters and in- demand careers.	Increase inclusive student participation in career exposure activities, internships, and entrepreneurial opportunities, especially in emerging industries.	
Action Plan		
• Support efforts and partners aimed at future workforce development and job- based learning, including North Valley Career and Technology Center, Career Impact Center, other technical training resources and regional schools, communities, and businesses.	 Develop positive parent and community awareness. Grow opportunities in industry clusters, especially in agri-business, manufacturing, healthcare, autonomous systems, technology, the green and creative economies. 	

3. Grow capacity for sustained workforce initiatives.

Strategies			
Increase awareness of rural system inequities and advocate for sustainable investments.	Identify and support projects aimed at increasing the workforce.	Continue convening partners and stakeholders, research, plan, and implement solutions addressing workforce needs.	
Action Plan			
 Work collaboratively to develop sustainable funding, capacities for rural workforce initiatives from diverse sources. 	 Support regional workforce attraction marketing and initiatives. Support employer-led efforts. 	 Share success stories and communicate with region. Include diverse partners. Collaborate on system change. 	

Workforce Action Plan

Assets and Efforts

Regional Workforce Development Team

In 2022, a regional team of workforce development/attraction partners was launched to develop regional solutions to address workforce shortages.

Regional Workforce Initiatives

The region has two workforce attraction and development initiatives: GF Is Cooler launched and grown for nearly a decade and is which focused on Grand Forks County. Real.Good. Northeast ND was launched in 2023 focused on Nelson, Pembina and Walsh Counties.

Childcare Expansion

- In 2022, the Region 4/ND Department of Commerce invested \$1 million to expand facilities at seven licensed childcare centers in Walsh, Nelson, and Grand Forks counties, to provide care for 515 more children.
- Childcare continues to be a significant issue for working parents and is a barrier to workforce retention and financial equity, as the lack of childcare often impacts women more adversely.

Immigrant and Traveling Workforce Solutions

- Immigrant labor has been on a quickly increasing trend across the region particularly in agriculture, manufacturing, education, and healthcare. In 2023, the region had more than 700 seasonal agricultural workers.
- There is a new nonprofit entitled CATCH with a mission to resettle immigrants to small towns and the Legislature created a new Office of Immigration in 2023.

Experiential Learning and Career Exposure for K-12 Students

- For the past decade, North Valley has partnered with several development organizations to create a K-12 set of career exposure and entrepreneurship events and activities.
- Most recently, NV added student job shadow and internship programs with area companies, cities, and economic development organizations.

Workforce Training: Career and Technical Education Expansions

- A \$9.4 million expansion of North Valley is underway. The expansion will add infrastructure at the main campus in Grafton, and facility investments Park River and Minto, and a new learning site in Cavalier.
- The new \$30 million Career Impact Academy is under construction in Grand Forks.

Evaluation

This evaluation framework use specific, measurable outcomes to assess progress.

It answers the question: How are we doing?

To evaluate our collective progress on the strategies outlined in this CEDS, we have identified several key indicators and trackable outcomes that are relevant to our region and the changes we want to see over the next 5 years.

Key Indicator	Area	Specific, Measureable Outcome
Employer Establishments	Economy	 3% increase in employer firms in rural +5 in Nelson + 11 in Pembina +15 in Walsh 5% increase (125) in Grand Forks
Rural-urban collaboration & economic planning	Economy	 Vision 2050/UAS impact plan underway Economic, university, military, and industry leaders and rural communities, businesses within 60 miles of the Grand Forks AFB, city, as well as around Cavalier SFB are actively collaborating
Population	Community Vitality	 +1% in Nelson, Pembina, Walsh +5% growth in 20 small towns Younger age groups (18 to 44) increase
Destination Development	Community Vitality	 At least 50% of towns in each county are participating in Destination Red River Marketing and promotions are ongoing Secured sustainable funding for Destination Red River program, staff 25% increase in visitor spending in Nelson, Pembina, and Walsh counties
Rural Capacity	Economy Community Vitality	 Sustainable funding secure for RRRC Leadership, volunteer training set up Strategic Doing program started

Evaluation

Key Indicator	Area	Specific, Measureable Outcome
Small Businesses	Community Vitality	 5% increase in small businesses starts 5% increase in recreation, tourism- related businesses 3% increase in Main Street businesses
Food Access and Food Businesses	Economy, Community Vitality	 Food incubator is complete, in use 3 food businesses have launched 2 local food access solutions created Two additional kitchens in development
Housing	Housing	 Regional housing and action plan complete. 5 towns adopt local versions New housing construction in rural areas: 20 single homes; 5 multi-family units One climate-resilient technology used Sustainable funding secured for CHDO
Childcare	Workforce	• 50% childcare needs met in region
Employment and Labor Force	Workforce	 75% of 1,500 projected job openings in rural communities are filled 3% increase in labor force in rural counties; 5% increase in region Regional task force, partnerships, and community supports related to foreignborn workers, immigrants, and refugees are in place
Capacity	Workforce	 Regional workforce attraction initiatives and marketing/recruitment campaign has sustainable funding and staff More communities, business leaders are engaged in workforce efforts

Conclusions

The foundations built regionwide have positioned the region for growth into the foreseeable future. By working as a unified region, we will grow resiliency and prosperity with new and expanded industries, attract people, and continue to invest in attractive amenities.



We need more people

With an extraordinarily low unemployment rate, one of the highest workforce participation rates in the country, and a robust job growth forecast, we need to more people.



We need more housing

To support the forecasted growth, we need to address housing shortages, particularly in small towns where new development has been stagnant for many years.



We need to act regionally

We need to grow the interconnectedness, collaboration, and reciprocity between small towns and Grand Forks to rise together.

The future is bright in northeast North Dakota.

Many communities have invested in their schools, flood mitigation, healthcare, main streets, amenities, and growing new future-focused industries.

And even more, our people have a growing energy contributing to renewed community vitality.



With gratitude, we appreciate the dedication of our RRRC Team - Board of Directors, staff, and closely partnered organizations:

- Red River Regional Council Board of Directors
 - Chris Lipsh, EDCs, President
 - Mike Dunn, At-Large, Vice President
 - Mike Helt, At-Large, Treasurer
 - Dawn Mandt, RRRC Executive Director, Secretary
 - Kimberly Hagen, GF County Commission
 - Steve Forde, Nelson County Commission
 - Andrew Cull, Pembina County Commission
 - Amy Suda, Walsh County Commission
 - Jeremy Hughes, GF County Mayor
 - Todd Whitman, Nelson County Mayor
 - Lacey Hinkle, Pembina County Mayor
 - Dan Stenvold, Walsh County Mayor
 - Barry Wilfahrt, At Large, The Chamber GF/EGF
 - Mary Houdek, Job Service ND
- Dawn Mandt, Director, RRRC
- Kendra Rosencrans, PhD, RRRC Lead Researcher
- Lori Estad, Office/Fiscal Manager, RRRC
- Stacie Sevigny, Director, Walsh County JDA
- Lule Naas, Director, Nelson County JDA
- Angelle French, Director, Pembina County JDA
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