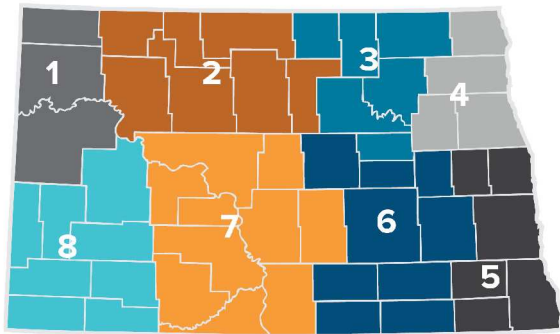


2022

ANNUAL REPORT



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Special Projects

OUR REACH IN 2022

\$12.7 MILLION in INVESTMENTS

79 PROJECTS & FUNDING REQUESTS

Involved MORE THAN 2,100 PEOPLE

LEADERSHIP MESSAGE



Dawn Mandt
Executive Director

The post-COVID-19 era has brought about huge shifts in jobs and markets. To meet these new challenges, we are transforming what we do so that we can better support this region in key areas.

To do so, we have added people and launched these new/expanded initiatives:

- **Destination Red River** - The regional team and enthusiastic community leaders helped consultant Roger Brooks develop a 212-page master plan aimed at growing our visitor industry. Now **Lule Naas of McVile** is leading the effort to move the plan into action on a part-time basis.
- **Housing Development** - All our communities need more affordable housing. To spark more development, we've hired **Lisa Rotvold of Hillsboro** to lead our efforts to find ways to help people and communities finance and build new houses and more.
- **Job Development:** Lule Naas has been hired as the Nelson County JDA director and Angelle French is the new Pembina County JDA director. Both of these experienced leaders are passionate about helping their counties thrive!

- Experienced RRRRC developer **Stacie Sevigny of Grafton** is now heading up our **Workforce Development and Attraction** initiative, working in partnership with North Valley CTC and area businesses. Additionally, we are working with a regional advisory group and will be launching a people attraction effort in 2023.
- **Entrepreneurship Development:** We are developing a regional business incubator with a shared-use kitchen & co-working space where people can find creative inspiration, community, and/or grow businesses that can be transplanted to area Main Streets. Construction begins in mid-2023.

All of these shifts were created and informed by the voices, needs, and desires of this region, as well as data and trend analysis. We've hired or shifted highly qualified, passionate staff. We seized once-in-a-lifetime opportunities to do so. We've wrapped it all into a Regional Resiliency Plan.

"Forward!" was the Board's directive to me 10 years ago as I assumed the role of Executive Director. "Great, buckle your seat belts," I said. "We have work to do!" We are grateful for the Board's vigor, wisdom, and passion for improving northeastern North Dakota.

Every day, we take steps forward to bring about a better future for the people in our region!

2022 Financial Report

BALANCE SHEET

Current Assets	
General Fund/Cash	\$409,762
Project Accounts	\$42,653
Revolving Loan Fund Checking & Savings	\$553,974
Total Current Assets	\$1,006,389
Other Assets	
Loans Receivable - Progress Fund	\$432,602
Loans Receivable - Red River RLF	\$111,629
Loans Receivable - Catalyst Fund	\$465,147
Total Other Assets	\$1,009,378
TOTAL ASSETS	\$2,015,767
Liabilities	
Current Liabilities	\$53,802
Long Term Liabilities	\$42,640
Total Liabilities	\$96,442
Equity	
Net Assets	\$1,264,989
Net Income	\$581,280
Retained Earnings	\$73,056
Total Equity	\$1,919,325
TOTAL LIABILITIES & EQUITY	\$2,015,767



79 funding requests assisted



2022 financial impacts:

\$8.3M: Funds assisted in securing

\$4.3M: Additional funds leveraged

\$12.7M: Total investment in region

STATEMENT OF DISBURSEMENTS (Operations)

Revenue	
Grant / Project Administration	\$2,500
Loan Program Management	\$71,667
Grants	\$187,500
Contracted Services	\$137,246
County Contributions	\$133,524
Rent & Sponsorships	\$4,889
TOTAL REVENUE	\$725,338
Expenses	
Operating	\$104,755
Salaries & Benefits	\$443,836
Travel	\$8,390
Miscellaneous	\$1,380
Prof. Dev. / Conferences / Memberships	\$4,404
TOTAL EXPENSES	\$537,326

WHAT WE DO

OUR MISSION

The Red River Regional Council is a non-profit, quasi-governmental organization that serves as the federally-designated economic development district leader for Region 4, which includes 42 communities and the counties of Pembina, Walsh, Nelson, and Grand Forks in northeastern North Dakota.



"Sound of Music" musical at Frost Fire Park

OUR VISION

The RRRC brings together public and private partners to support business growth, revitalize main streets, and develop vibrant communities where people can live, work, play and prosper.

OUR BOARD

Chris Lipsh, President *
Local Development Corporations

Cynthia Pic***, Vice President
Kimberly Hagen**
Grand Forks County Commission

Dan Stenvold, Past President *
Walsh County Mayors

Mike Dunn, Treasurer *
Private Sector

Barry Wilfahrt *
Private Sector

Michael Helt**
Private Sector

Mary Houdek
Workforce Development

Bret Weber
City of Grand Forks

Steve Forde
Nelson County Commission

Lacey Hinkle
Pembina County Mayors

Amy Suda (Ernie Barta***)**
Walsh County Commission

Todd Whitman
Nelson County Mayors

Korrey Tweed**
Nelson County Soil Conservation District

Andrew Cull (Nick Rutherford***)**
Pembina County Commission

Jeremy Hughes (Gerald Uglem***)**
Grand Forks County Mayors

* Executive Committee
** Appointed in 2022
*** Completed term in 2022

1

BUSINESS & INDUSTRY

We work to revitalize main streets and create a more resilient economy through business growth.

2

WORKFORCE

We partner with our region's businesses, industry leaders, and educators to improve workforce attraction & retention.

3

COMMUNITY & DESTINATION DEVELOPMENT

We help communities attract & retain residents, visitors, and workforce by improving quality of life through place-making and destination development.

4

REGIONAL INNOVATION & PARTNERSHIPS

We work collaboratively with public and private partners to create transformative change for rural areas.

5

DISASTER PREPAREDNESS & RECOVERY

We help businesses and local governments with disaster recovery, prevention, and preparedness.



BUSINESS DEVELOPMENT

INVESTING IN LOCAL RECOVERY & GROWTH

2022 Catalyst Loan Fund Awards

Seven businesses were awarded loans totaling \$671,520 through the Catalyst Fund in 2022 as part of RRRC's efforts to assist with regional economic recovery following the COVID disaster.

In 2021, the RRRC established the \$1.26 million Catalyst Fund loan program using a grant from the US Department of Commerce Economic Development Administration.



Jackie Thompson and John Morgan, Morgan Printing, Grafton

Borrower	Location	Use of funds
Byrdie's Gift Shop	Grafton	Building acquisition, inventory
Morgan Printing	Grafton	Software, camera
DeMars Hardware	Grafton	Delivery truck, building purchase
Kern Family Dentistry	Grafton	Building acquisition
Golden Valley Veterinary Clinic	Park River	Working capital
J&A Repair, LLC	Hamilton	Working capital
Harvest Fuels	Walhalla	Equipment



Bob Thornberg and Brad Thornberg, Harvest Fuels, Walhalla



Justin French, J&A Repair, Hamilton



Dr. Nathan Kjelland and Britt Jacobson, Golden Valley Veterinary Clinic, Park River



Kerry and Carole DeMars, DeMars Hardware Co. dba Grafton True Value, Grafton



Roberta Ekman, Byrdie's Gift Shop, Grafton

NEW BUSINESS STARTS ON THE RISE

Storefront & improvement investments, business loans, pay off

New businesses are good for retaining people & the future of communities. Adding locally owned businesses to communities increases sales and attract more activity across all businesses in a community.

This is why new business starts are an important indicator of economic health.

New business starts had been declining in Nelson, Pembina, and Walsh counties for the past decade. However, that trend seems to be shifting.

The good news: area investments in improving communities & getting financing to businesses are paying off. More entrepreneurs started new businesses in 2021 than any year in the past 10 years!

The US Census tracks business applications for each county. Data for 2022 will be available in June 2023.

246 new starts
in 2021 in Nelson, Pembina, & Walsh counties

558 new starts
in 2021 in Grand Forks County

+26.8% more new businesses starting
than in 2020

WORKFORCE DEVELOPMENT

NEW FUNDING FOR ATTRACTION, CHILDCARE

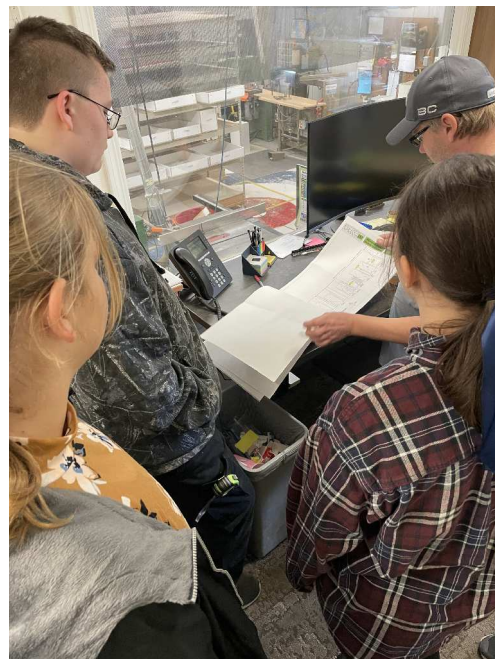
\$1.7 million directed to workforce development, marketing, training, & expanding childcare

The RRRRC organized a regional effort to win a \$1.7 million grant, which included matching funds from the JDAs in Nelson, Pembina, and Walsh counties, to launch a new Regional Workforce Impact Program (RWIP) aimed at addressing three of the region's biggest challenges: childcare, talent and workforce attraction, and future workforce development.

The RWIP initiative is part of a \$15 million fund invested into workforce recovery and development across North Dakota. The priorities for the RWIP effort were developed by a 16-member leadership team representing economic development groups, businesses, technical training centers, and workforce efforts in the region.

Here's how the RWIP grant will be used:

- \$1 million for seven licensed childcare providers in Walsh, Nelson, and Grand Forks counties, selected from proposals, to expand facilities and staff to care for 515 more children.
- \$499,700 to expand manufacturing and food processing training at the Grand Forks Career Impact Academy (\$299,700) and North Valley CTC (\$199,800).
- \$210,500 for talent attraction & development efforts.



New role focuses on workforce attraction & work-based learning

Thanks to grant funds from the state's Regional Workforce Impact Program (RWIP) and a partnership with North Valley Career and Technology Center, Stacie Sevigny, a 8-year developer with the RRRRC, has taken on a new, dual role -- serving as the RRRRC's Director of Workforce Development programs, and as North Valley's Work-Based Learning Coordinator.

Through RRRRC, Sevigny will lead and support the development and launch of a workforce attraction and retention initiative, partner with industry and stakeholders, and work to develop strategic workforce development goals and plans. The Rural Talent Attraction and Retention program also includes the development of a brand and a 5-year marketing campaign by AE2S Communications and RoleCall aimed at promoting the region and attracting workforce.

The total budget for this initiative is \$250,000. The funding included contributions from Nelson, Pembina, and Walsh county JDAs, as well as North Valley CTC.

At North Valley CTC, Sevigny will lead and support career exploration projects and events for youth in the region, including the many events for K-12 students; job shadowing, internship programs, and more that link students and businesses to create opportunities for work-based learning.

Rural Workforce Advisory Group

- **Vicki Ham**, Marvin Windows & Doors
- **Mary Houdek**, ND Job Service
- **Mariah Hall**, First Care Health Center
- **Crystal Beggs**, Leading Edge Equipment
- **Britt Jacobson**, Golden Valley Veterinary Clinic
- **Anna Halvorson**, Good Samaritan Center & NCJDA
- **Jerry Symington**, Woodside Industries
- **Kyle Halvorson**, Polar Communications
- **Lisa LeTexier**, Pembina County Memorial Hospital
- **Lori Zahradka**, North Valley Career & Technology Center
- **Wendy Maurstad / Chris Patullo**, American Crystal Sugar
- **Alayna Brown**, Northdale Oil Inc.
- **Jenny Dusek**, City of Grafton
- **Angelle French**, PCJDA
- **Lule Naas**, NCJDA
- **Dawn Mandt**, RRRRC

"This will be an excellent opportunity for us to get the word out about our region and attract individuals and families to Grafton and other area communities."

-- Vicki Ham, Marvin

VISITOR ATTRACTION

DESTINATION DEVELOPMENT PROJECT UPDATE

In 2022, the region's 42 communities and more than 2,100 people participated in surveys, workshops, and more as part of the Destination Red River Region initiative. The effort was led by a Destination Red River regional team and managed by the Red River Regional Council.

With help from Roger Brooks, one of the nation's leading destination development consultants, the Destination Red River initiative yielded a 200+ page, four-county Action Plan that provides a clear direction on how and what we can do to enhance quality of life and attract new people - both visitors and future residents.

Benefits of destination development:

- Increased retail and hospitality spending
- Promotes the best of what we have
- Attracts workforce & improves the quality of life for all

The Destination Red River Project received the [Governor's Main Street Award for Economic Diversification](#) for working together to address challenges and bring forward solutions that benefit the region.



At the Main Street Awards in October 2022: Governor Doug Burgum; Regional Team Members Kari Helgoe, Angelle French, Mike Duerre, Dawn Mandt; Shawn Kessel, ND Department of Commerce, and Lt. Governor Brent Sanford

More visitors and **more \$** in 2021

Efforts to improve communities, recreation, and local businesses are paying off. In 2022, North Dakota attracted 21.7 million visitors and saw three times more people traveling from Canada.

Visitors support and sustain local businesses. In 2021, visitors to Region 4's counties spent nearly \$252 million. Here's the breakdown:

- Nelson County \$3.35 million
- Pembina County \$12.56 million
- Walsh County \$10.08 million
- Grand Forks County \$226 million

Destination development attracts visitors who are potential residents. Increased retail and hospitality spending raises awareness of local products and services that will bring them back again. Here's how visitors spent their money in Pembina, Nelson, and Walsh counties in 2021:



Next Steps

Creating a Regional Brand

- AE2S Communications and RoleCall have been hired to develop a regional brand for visitor and workforce attraction. The marketing campaign will launch in 2023.

Creating Vibrant and Beautiful Communities

- The Regional Team is currently working to create resources to encourage and support local communities & businesses to take part in the Action Plan.

Creating an Online Presence

- In 2023, we will be helping our communities and businesses increase their online presence so they can be easily found by potential visitors.



SPECIAL PROJECTS

532 Hill wins funding



SCHEMATIC DESIGN CONCEPT 12/7/21
PAGE 1



The RRRC received EDA approval for a \$1.6 million ARPA grant matched with \$580,188 of non-federal funds for a kitchen and business incubator on Grafton's main street. The innovation center will revitalize an empty 10,000 sq ft building and aims to energize entrepreneurs, the community, and main streets through food, business, and the arts.

Construction and renovation are planned for later 2023.

The working name for the space is 532 Hill Kitchen and Co-Lab. The project will create the region's only commercial kitchen available to food entrepreneurs and community members. A licensed commercial kitchen is a critical resource that food-based entrepreneurs need to develop and scale businesses into the retail market.

The space will also be a business incubator that offers technical assistance, business development programming, high-tech meeting spaces, community classes, events, pop-up stores, and co-working so that entrepreneurs can launch and grow their businesses. With retail spaces, including storefronts, 532 Hill will be a first-of-its-kind project for rural North Dakota.

Prairie Centre Architecture and Consulting of Park River and ICON Architecture have been assisting the RRRC.

Funding partners to date include EDA, RRRC, WCJDA, Marvin, City of Grafton, and Polar Communications.

Frost Fire infrastructure updates get underway

\$2.17 million federal Travel, Tourism & Outdoor Recreation grant matched with \$900,000 state grant awarded to the Pembina Gorge Foundation

The RRRC/PCJDA assisted the Pembina Gorge Foundation in winning a \$2.17 million federal Travel, Tourism, & Outdoor Recreation grant and a \$900,000 State grant to replace and expand snow-making infrastructure at Frost Fire Park. The federal funding was awarded through the American Rescue Plan Act (ARPA) and the EDA. This project will create 23 jobs.

While the park's outdated snow-making equipment meant no skiing in the 2022-23 winter season, getting the funding allowed the foundation to move ahead with these critical updates.

Founded as a family business in 1976, the facility was purchased by the nonprofit Pembina Gorge Foundation in 2017. Frost Fire is the only ski, bike, theatre, and restaurant in the Pembina Gorge, a uniquely rugged natural area, and is the only such recreation area for more than 150 miles in any direction, which makes it a keystone business for the region's growing tourism and outdoor recreation industry.

Placemaking Grant

The cities of Walhalla, Cavalier, and Langdon partnered with the Pembina Gorge Foundation to develop a master development plan for Frost Fire Park and the region. The project was awarded a \$100,000 EDA Placemaking Grant via the ND Department of Commerce. The goal of this project is to create a shared vision on the strategic build of the park that would either further differentiate or create excellence as magnets to the region - both for visitors and residents. Proposals will be solicited from qualified consultants in early 2023 with completion by September 30, 2023.

Arts Across the Prairie: Endless Sky - Dynamic Layers

With a goal of using art as a catalyst for community change, the North Dakota Council on the Arts launched a statewide, rural, large-scale public arts initiative entitled Arts Across the Prairie. This unique project will result in eight regional, rural installations that reflect the history, landscape, and cultural heritage as defined by a regional stakeholder group.

The Region 4 Stakeholder Group has created a vision for its art installation at the Dahlen Eskers near the Walsh/Grand Forks

County line on ND-32. The theme is "Endless Sky - Dynamic Layers." The group will solicit proposals from established artists with experience in large scale outdoor installations of public art whom will also teach future North Dakota arts in the outdoor installation process.

The NDCA is working with the RRRC and Grand Forks Public Arts Commission to facilitate the Region 4 project.

STAFF

Dawn Mandt, Executive Director
Dawn@redriverrc.com

Lori Estad, Office & Fiscal Manager
Lori@redriverrc.com

Stacie Sevigny, Regional Workforce Director
Stacie@redriverrc.com

Cheryl Osowski, Special Projects Coordinator (p/t)
Cheryl@redriverrc.com

Dr. Kendra Rosencrans, Resiliency Specialist (p/t)
Kendra@redriverrc.com

Florija "Lule" Naas
Destination Development Developer
Nelson County JDA Executive Director*
Lule@redriverrc.com

Angelle French, Pembina County JDA Executive Director*
Angelle@redriverrc.com

Lisa Rotvold, Housing Development Director
Lisa@redriverrc.com

* The RRRC has been contracted for professional services since the inception of both the Nelson County and Pembina County Job Development Authorities in 1991. Each is managed by a separate board of directors made up of leaders within the respective county. A separate 2022 annual report for each JDA is available at www.redriverrc.com.

CONTACT US



Postal Address

516 Cooper Avenue, Suite 101
Grafton, ND 58237



Website

redriverrc.com



Phone

701-352-3550



Facebook

@redriverregionalcouncil