



South Central Dakota Regional Council

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January 2019 NEWSLETTER

Welcome 2019!

2018 was a year of transition (slowly) for your Regional Council.

The SBDC program that we terminated at the end of last year has been supplanted by our Business Contact Program. Throughout much of 2018 we averaged one approach per week from an existing and/or potential business. In conjunction with our superlative SCORE (Service Corps of Retired Executives, ably lead by Dave Smette) and our new relationship with Community Action we are more fully serving an expanded number of businesses. There remains, predominately in Stutsman County, a feeling that there should be a relationship with SBA. Discussions along these lines continue and will be a focus in the new year. Our loan programs are in significantly better shape than in the past. There are no outstanding delinquencies that are not being addressed and several borrowers paid off their obligations ahead of schedule. We anticipate increased activity in our lending programs in 2019.

The financial position of the Council was and remains a top priority. We continue to apply ourselves to reducing costs and generating revenue. Staff size has been reduced to two full time positions and one part time slot. We are in the final stages of negotiations with LSS to extract ourselves from an impossible lease agreement and look to move in the immediate future at a savings in excess of fifty percent.

Service to our members is our primary focus and we are pleased to have created two new endeavors: Child Care Initiative and Façade Improvement that are being well received throughout our Region.

Child Care Initiative is coming up on its one year anniversary and we are pleased to report these milestones: 1. Our first project, TL Child Care in Valley City has made it through the review process (we hope to shorten this process) and has been funded, establishing 3 new positions and allowing 22 others to become employed. 2. Fettig Day Care in Napoleon has received funding from us and from the North Dakota Development Fund, creating 3 direct jobs and enabling 14 others to secure employment. 3. SCDRC was awarded a \$1,000 grant by the Oakes Area Community Foundation in support of our Child Care Initiative. We will be filing additional applications in the immediate future. 4. Two child care providers are working with us now. We expect this valuable program to gain further traction in 2019.

Façade Improvement Program is a very new effort for us. To date, we have received expressions of interest from two businesses, one in Oakes and one in Jamestown. This concept is in support of the Governor's Main Street Initiative but, in our case, is not restricted to any geographic area. All sixty cities in our region are eligible to participate. A word of caution: we are awaiting formal approval of the program from the North Dakota Division of Community Services. If there are program changes as a result of this process, we will notify you.

Business Contact Program is a new-ish effort for the Council. It formalizes much of the work that we do relative to our loan funds. Specifically, we have prepared a comprehensive tracking system that allows us to monitor all compliance and performance requirements of each loan. We also shall be physically visiting each borrower at least once a year. We anticipate that we will not only develop a more exact sense of each loan but also expect that we will generate new lending activity.

Community Development Block Grant (CDBG) programming remains a critical economic development component for us. In the past year and one-half we have implemented more than \$2.6 million in CDBG projects throughout our nine counties. CDBG remains one of the very few and most flexible methods available to our distressed cities for undertaking infrastructure developments. The Council remains steadfast in support of CDBG and infrastructure improvements.

Main Street Initiative is a cornerstone of the state's economic development approach. The SCDRC is an advocate of this concept. Our programming (child care and façade improvement) are in direct alignment with the Main Street Initiative and we shall continue to encourage cities to consider Main Street as a viable economic development thrust.

We continue to reach out to our member cities to lend support and to incorporate "best practices" in our economic development efforts.

Please feel free to contact us with your thoughts and needs. We are here to serve you.



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IMPORTANT UPDATE REGARDING CDBG

The January 10th, 2019 Public Needs hearing is CANCELLED- Until further notice

We have been advised by the State of North Dakota that changes to the State's Program Distribution Statement (PDS) may be forthcoming. Until the State PDS is finalized we cannot move forward with updating ours and/or hold our Public Needs Hearing. We remain committed to constructing our CDBG projects as soon as possible but are dependent upon the state to establish program guidelines. We will let you know when we can proceed.

In the interim, please feel free to utilize last year's pre application.

South Central Dakota Regional Council receives an Oakes Community Foundation Grant

The Oakes Area Community Foundation was established in 1998 with a challenge match from Frank Larson. Over the years, the local Advisory Committee has grown the foundation to over \$395,000 through gifts from current and former residents and local fundraisers held each summer and fall. Annually, the committee uses a percentage of the corpus to make grants to local community projects. The Foundation has already awarded over \$110,000 in grants.

North Dakota's Economic Development Success Stories Highlighted in New Booklet

From research facilities to manufacturing plants to small business expansions, childcare centers and affordable housing, economic development grows the state's economy and improves its citizens' quality of life. The Economic Development Association of North Dakota (EDND) has published a booklet to highlight successful economic development projects recently completed throughout the state. The book contains 44 stories, it shares projects that make EDND members most proud and have been impactful in meeting their communities' needs. The booklet can be downloaded at www.ednd.org.

Logan County Posts Nearly A 64% Increase In 3rd Quarter Taxable Sales & Purchases

Tax Commissioner Ryan Rauschenberger announced that North Dakota's taxable sales and purchases for the third quarter of 2018 were nearly \$5.610 billion an 18.17 % increase over the third quarter of 2017. This is the best result seen in several years. Logan County was one of the counties posting a huge gain of 63.84%.