



Itasca Economic Development Corporation Update

October 18, 2016

IEDC



helping create quality jobs

Recent business activity

- Small Business Development Center activity – 2016 YTD through August, 2016
 - Clients
 - Have assisted 115 businesses, over 820 consulting hours
 - Kinds of businesses: healthcare, services, products, food service, construction trades, and a few non-profits
 - General assistance / services we are providing
 - Cash flow analysis / pro forma P&L assistance / operational analysis
 - Business expansion / marketing / patents assistance
 - Helping the business owner think through how to transition the business (readying for sale)
 - Total Investments
 - Itasca County - \$4.5M (24%), compared to NE region - \$19.2 M in total
- Continue to help lead competitive rail initiative
- Continue to help regional team with Recharge the Range Initiative
- Hosted DEED visit on 10/12/2016 to 3 local manufacturing companies (Cohasset, Grand Rapids, Remer)

Workshops & training for businesses

- Social media training and website assistance
- Joint efforts with the Entrepreneur Fund
 - Be Strategic program, E-myth workshop, ...
 - Profit Mastery
 - Entrepreneur Meet-ups

"TACTICAL SOCIAL MEDIA SUMMIT FOR BUSINESS"
 Thursday, September 29th, 10:00 – 2:00 | Registration begins at 9:30
 Timberlake Lodge, 144 SE 17th St, Grand Rapids
 Lunch is provided | Cost is \$15 plus \$4.00 registration fee



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Register and pay on Eventbrite
<http://bit.ly/tacticalsocialmediasummit>

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Economic Gardening Program

- Characteristics of a small business that led to a successful engagement
 - Private business that has reached a critical mass
 - They want to significantly expand their geographic sales reach
 - They know their markets and customers but want more information
 - The CEO is willing to commit his time to the engagement and is willing to consider recommendations from the research
- Northland Machine is just finishing the program
 - Research identified lots of leads with excellent contact information on potential customers
 - Research suggested online enhancements (website and LinkedIn) which have helped them get connected
 - Overall good value, especially the leads, but their #1 question didn't get answered – additional or new markets for large machining

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Marketing project on “Why Itasca County”

- **GOAL:** Better define “Why Itasca County” from a business expansion / attraction perspective
 - APEX is leading the effort
 - IEDC is sponsoring the project under our contractual relationship with APEX
 - Small group has been assembled to help brainstorm and finalize deliverables
- **DESIRED OUTCOME:** Document information and rationale that partners / organizations can use for their own marketing purposes
 - APEX is creating drafts for our next meeting
 - We are considering a Community Profile for Itasca County as a potential deliverable to be updated periodically as needed

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Why Competitive Rail is Good for NE Minnesota?

- **Lowers costs to sustain and expand industry**
 - Reduced shipping costs for taconite, concentrate, limestone, paper and coal
 - Brings competitive alternatives to captive shippers

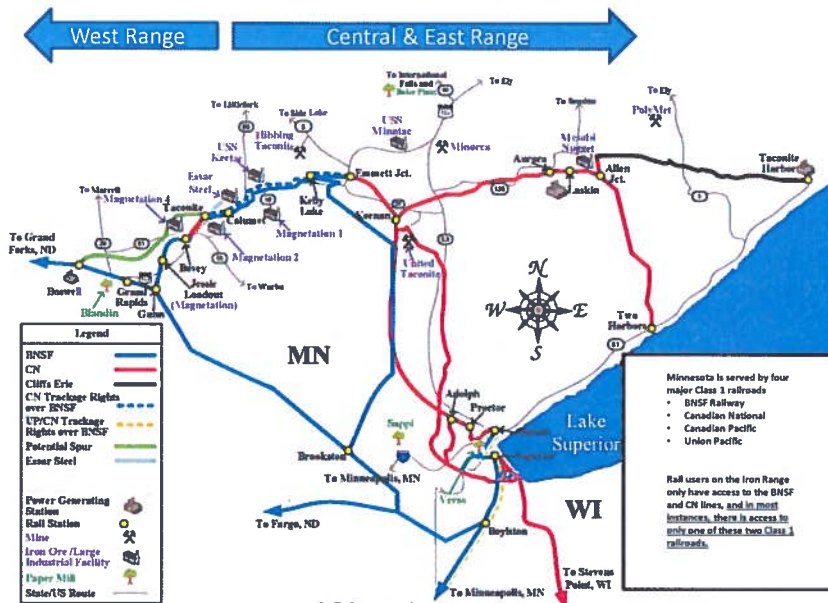
- **Improves service**
 - Infrastructure expansion reduces congestion
 - Expands transportation outlets/connections
 - Reduces road/truck reliance and associated wear-and-tear/safety concerns

Bringing rail competition to the Iron Range will provide economic benefits for the entire region.

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Conceptual Map of Projects



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Current status and next steps

- Most of the effort to date as been on the western part of the range
- Working towards finishing final engineering assessment report and application to the Surface Transportation Board
- Presentation scheduled for Wednesday, 10/19/2016 at the Laurentian Vision Partnership meeting
 - We need your help - need to identify champion(s) for central and east part of the range
 - Driver(s) for central and east part of the range
 - Work with established team on the west part of the range
 - Help determine feasibility of competitive rail for the east and central parts of the range

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2017 Connect Itasca / Paul Bunyan Fiber Expansion Grant Request

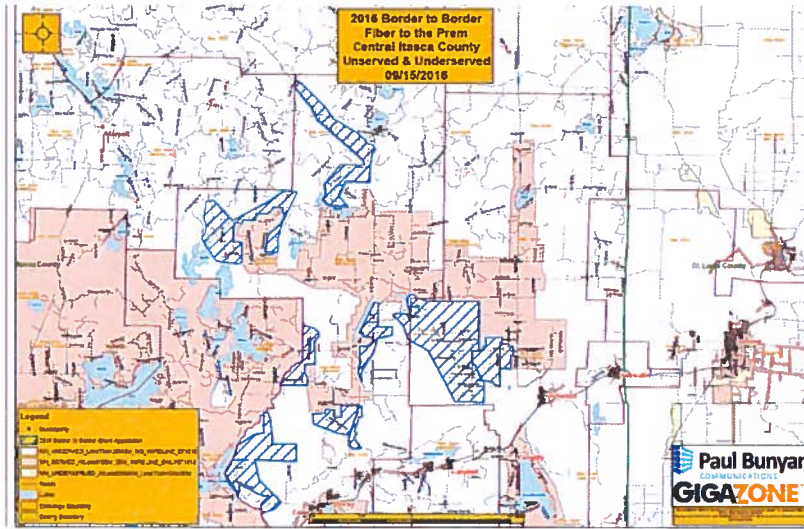
- Value to Itasca County
 - Area served is mostly unserved
 - Excellent financial leverage – Could attract over \$50 of public/private funds for every \$1 of Itasca county funds invested in the project
 - Would connect over 1,100 additional locations in Balsam and Harris Townships
 - Estimated to connect over 2,700 people in Itasca County
 - Grant request had over 50 letters of support from all over the county
 - Protest process exists for other providers planning to expand in area
 - If the grant is approved, all of the work will be completed by June, 2018

Paul Bunyan Fiber expansion project - 2017

Entity	Funding amount
Paul Bunyan Communications	\$2,385,492
Border to Border Broadband Grant	\$1,980,988
Itasca County	\$75,000
Total	\$4,421,480

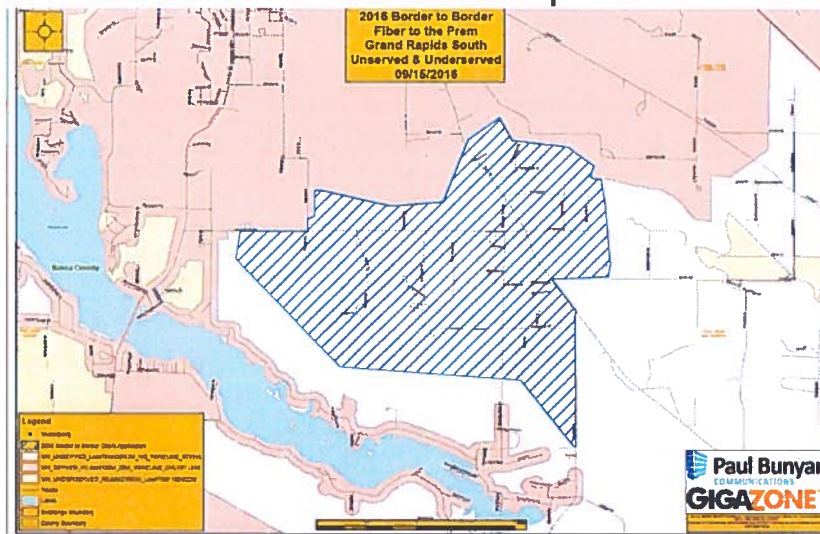
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2016 Fiber expansion / 2017 grant request Balsam, Nashwauk, Lawrence Lake, Arbo Township areas



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2017 grant request Harris Township



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