



CEDS

Southwest Minnesota

Southwest Regional Development Commission





Introduction

Southwest Regional Development Commission (SRDC) is a planning and development organization representing nine counties, 163 townships, 81 cities, 34 unincorporated communities, and one tribal nation. Regional Development Commissions (RDCs) were established by Minnesota State Statute in 1969. The purposes of the RDCs outlined in the Regional Development Act are to assist in multijurisdictional issues, coordinate resources to meet jurisdictional needs, and coordinate planning activities within the specific regions.

SRDC’s Mission

Providing professional expertise and leadership to enhance regional opportunities.

SRDC is designated by the U.S. Economic Development Administration (EDA) as the planning organization for the Economic Development District (EDD) for Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, and Rock Counties of Minnesota.

What is the CEDS?

A Comprehensive Economic Development Strategy (CEDS) brings together the public and private sectors in the creation of an economic roadmap to diversify and strengthen regional economies. The CEDS analyzes the regional economy and serves as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, and identifying investment priorities and funding sources.

Every five years a new CEDS is submitted to the Federal EDA, with revisions updated annually. This regionally-driven planning process engages community leaders, leverages the involvement of the private sector, and establishes a strategic blueprint for regional collaboration to create an environment for economic resiliency and prosperity.

MADO & DevelopMN

DevelopMN is the result of a collaborative effort of the ten Economic Development Districts that make up the Minnesota Association of Development Organizations (MADO). DevelopMN was completed in 2016 and later

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updated in 2019. It was developed to align strategic economic development efforts throughout Greater Minnesota, and leverage resources at all levels for a greater overall development impact. DevelopMN identified four cornerstones for strong regions and communities that are a template for the organization of the Southwest Minnesota CEDS: Human Capital, Economic Competitiveness, Community Resources, and Foundational Assets.

Southwest Minnesota CEDS 2022-2027 Cornerstones

Human Capital: Developing, retaining, and attracting talent is critical for Southwest Minnesota to sustain and grow our businesses and communities. Tracking the characteristics of the labor force and the needs of employers and creating strategies for alignment between the two are the foundation for this cornerstone.

Economic Competitiveness: Making Southwest Minnesota an attractive environment for growth is critical to creating jobs, improving living standards and financing necessary public services. Economic Competitiveness requires communities to develop and link all available assets to support innovation and encourage business growth.

Community Resources: Southwest Minnesota communities seek to maintain their heritage and the assets that support them. Community Resources include topics that balance the preservation and improvement of local social, cultural, and natural assets that are critical for the future.

Foundational Assets: Southwest Minnesota communities require proactive and collaborative approaches to address infrastructure needs in a cost-effective manner. Managing the access to, maintenance, replacement, and growth of these assets are key to preserving and maintaining communities and providing growth opportunities. Foundational assets include above ground and below ground infrastructure such as transportation, water-wastewater, housing, and broadband.

Stakeholder Involvement & Public Engagement

SRDC identified public and private sector economic and community development leaders throughout the Region to participate in a CEDS survey. Survey data identified top concerns within Human Capital, Economic Competitiveness, Community Resources, and Foundational Assets. In total, the survey received a total of 84 responses from individuals across the region. The [survey summary can be found in the appendices](#).

The Region's Economic Development Vision

The southwest region conducts collaborative economic development efforts to be globally competitive, and attract and retain new and diverse residents, businesses, and investments. The region cultivates and promotes a unique culture that includes a high quality of life, preservation of natural resources, an educated and skilled workforce, and strong civic engagement.



SRDC facilitated two Cornerstone meetings that included an overview of the CEDS process, regional data, and developing achievable goals and strategies to build human capital, be economically competitive, preserve and enhance our natural resources, incorporate arts and culture in our community resources, and build or maintain our foundational assets. In total, the Cornerstone meetings gathered feedback from 36 individuals.

SRDC partnered with the Minnesota Department of Employment and Economic Development (MnDEED) on presenting information on our region’s economy and distinguishing features. Data shared led to a discussion on economic development priorities and projects in the region over the next five years.

The CEDS committee was active in reviewing and refining goals and strategies, and played an active role in the development of the action plan. The 13-member committee represents the main economic interests of the region, including public sector, private interests, non-profits, educational institutions, and community organizations. The committee further contributed to ensuring that the CEDS is a product that represents the region.

A 30-day public comment and review period occurred from November 1-November 30, 2021. A draft document of the CEDS was made available online on the [SRDC website](#) and paper copies were available upon request. The SRDC website, [Facebook](#), and [LinkedIn](#) were used to inform the region the draft CEDS was available for public comment.

The CEDS committee reviewed and provided a

resolution for the approval of SRDC’s 2022-2027 CEDS on December 6, 2021. [The resolution can be found in the appendices.](#)

The SRDC Board of Directors reviewed and provided a resolution for the approval of the 2022-2027 CEDS on December 9, 2021. [The resolution can be found in the appendices.](#)

The CEDS process was promoted through SRDC partners, economic and community development meetings, SRDC online platforms, website banners, and the CEDS page on the [SRDC website](#).

Regional Economic Resilience

Regional Economic Resilience is defined by a region’s ability to prevent, withstand, and recover from major economic disruptions or shocks to the economic base. Each cornerstone includes its own piece on economic resiliency. According to the EDA, shocks/ disruptions to the economic base of a region can manifest in three ways:

- Downturns or other noteworthy events in the national or international economy which impact demand for locally produced goods and consumer spending.
- Downturns in particular industries that constitute a critical component of the region’s economic activity; and/or
- Other external shocks (a natural or man-made disaster, closure of a military base, exit of a major employer, the impacts of climate changes, etc.).



Background Summary

Population, Employment, Educational
Attainment, Labor Force Participation





Background Summary

Population

The southwest region has been experiencing population decline since 1960. Southwest Minnesota was home to 115,589 people in 2019, comprising 2% of the state’s total population.

115,589
People in the Region

The southwest region is one of only three economic development regions (EDRs) to see a population decline from 2010 to 2019. The region lost 3,562 residents since 2010, a 3% decline. Nobles County was the only county in the region to see any population growth at 251 net new residents from 2010 to 2019, a 1.2% growth. Nobles County was ranked 36th fastest population growth in the state of Minnesota. Pipestone, Murray, and Redwood County saw the fastest population declines in the region, declining over 4.5% since 2010. These recent declines are part of a long-term trend in the region, which has been losing population since at least 1960.¹

In the southwest region over 20% of the residents are aged 65 years or older; this is in comparison to the 16.3% statewide average. The southwest region also has a lower percentage of people in their “prime working years” (25 to 54 year-old), but a slightly higher percent of school-aged children. The region is expected to lose up to 5,680 residents from 2020 to 2050, a 4.9% decrease, whereas the state of Minnesota is projected to grow 8.8%.¹

Population Pyramid, 2000-2019

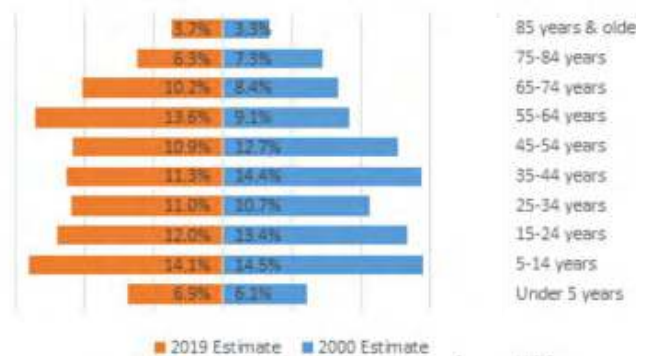


Figure 1: Southwest Minnesota Population Pyramid, 2000-2019¹

2050 Population Projections by Age and County

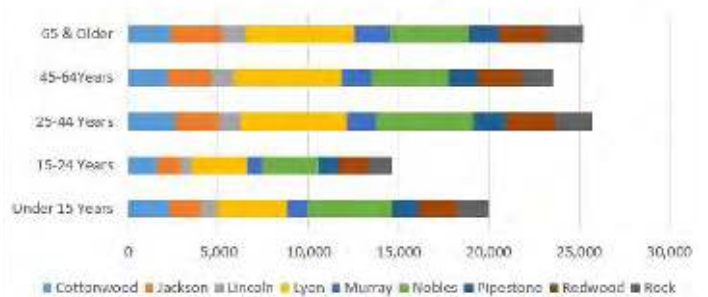


Figure 2: Southwest Minnesota 2050 population projections by age and county²

Population Change, 1960-2019

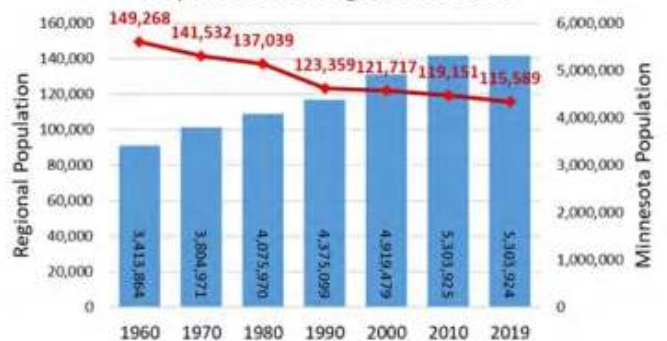


Figure 3: Southwest Minnesota population change from 1960 - 2019¹



Employment

The southwest region has a low unemployment rate compared to the national unemployment rate average. That being said, the region has typically been below the state unemployment rate average (figure 4) but has now recently fallen in line with the state average at 3.9%.⁴

As of 2020, the largest occupations in the region include office and administrative support, production, transportation and material moving, and sales positions. The region stands out for having higher concentrations of farming, healthcare support, production, transportation and material moving, installation, maintenance, and repair workers compared to the rest of the state.¹ The region is also known for its renewable energy production, including wind, solar, ethanol, and biodiesel.

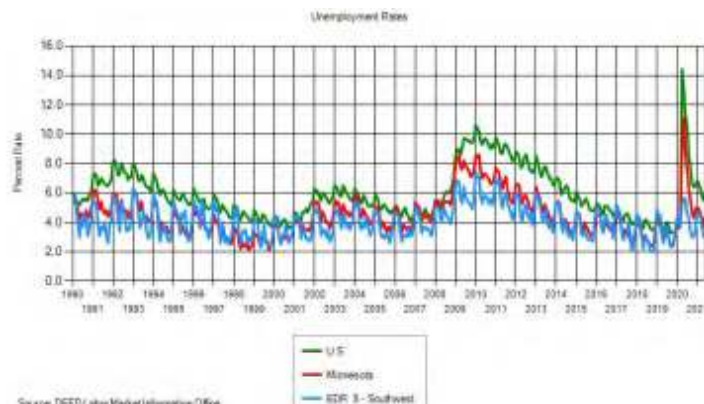


Figure 4: Unemployment rates of Southwest Minnesota compared to Minnesota and U.S. rates. ³

Educational Attainment

The southwest region has a lower educational attainment rate compared to the rest of the state, with only 30.8% of adults 18 years and older having attained a college degree. For the entire state of Minnesota, 43.7% of adults have attained an associate's, bachelor's, or advanced degree. The percentage of the southwest region's population aged 25 or older that has not completed high school is 10.41% (compared to 6.4% statewide). The region's population aged 25 or older that have earned a bachelor's degree or higher is 20.9%, compared to Greater Minnesota at 33.1% and statewide at 37.3%.⁵

Reflecting the region's industry mix, Southwest Minnesota also has a higher percentage of people with an associate's degree than the state.¹

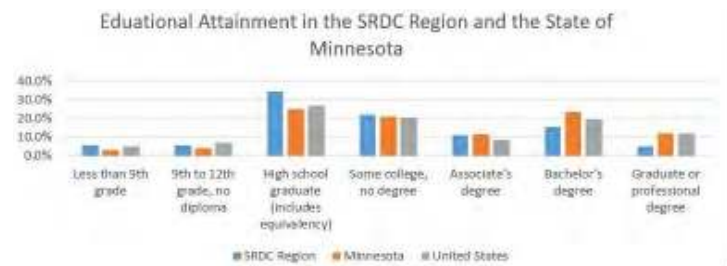


Figure 5: Educational attainment of Southwest Minnesota compared to Minnesota and the U.S.⁵

Labor Force Participation

Labor force participation is the proportion of people ages 16 and older who are either working or seeking work. Students, homemakers, retired individuals, and others not looking for work do not count as participating in the labor force. Southwest Minnesota's annual average labor force count was just over 65,000 workers through 2019. This is in line with the region's population decline. The region is down from a peak of 68,343 workers in 2001 and has lost around 860 workers since 2004. Previous jumps in labor force size coincided with recessions. The recent rise from 2014 to 2015 and in 2019 happened during better economic times. However, the labor force has been shrinking again in recent years and has been particularly exacerbated by COVID-19 pandemic.

The southwest region's labor force has seen a shift in composition over time. The region has seen an increase in workers aged 65 years plus and has seen declines in the number of workers aged 45 to 64 years. The region is expected to see an increase in the number of workers aged 20 to 44 years, and workers 25 to 54 years old are projected to continue to account for about 57% of the total workforce.¹

The labor market in the southwest region has become very tight, with only 1,834 unemployed workers actively seeking work in 2019. This statistic is down from a peak of nearly 4,000 workers in 2009 and 2010. According to US Census estimates, Minnesota had the third highest labor participation rate in the country at 69.7% (2018).¹



Figure 6: 2000-2019 Annual Labor Force Estimates¹



SWOT Analysis

Human Capital, Economic Competitiveness,
Community Resources, Foundational Assets



SWOT Analysis of Human Capital

Developing, retaining and attracting talent is critical for Southwest Minnesota to sustain and grow our businesses and communities. Tracking the characteristics of the labor force and the needs of employers, and creating strategies for alignment between the two are the foundation for this cornerstone.



Strengths

- Business-led workforce training & educational resource networks
- Educational attainment
- Quality, diverse K- 12 opportunities
- High schools that encourage further education
- Strong higher education institutions
- Influx of students from K-4
- Business and education partnerships and collaborations
- High number of self-employed individuals contributing to our economy



Weaknesses

- Workforce turnover as population ages
- Workforce supply does not meet demand
- Population out-migration
- Childcare shortage
- Lack of bus drivers
- Household income is significantly lower than the rest of Minnesota



Opportunities

- Integrating inclusive economic development strategies into COVID-19 recovery efforts
- Population and workforce expansion through immigration
- Employer investment in talent retention and attraction
- Utilizing retiree knowledge and experience
- Marketing quality of life and economic opportunity to millennials
- Promoting quality of life aspects (social, recreation, schools, infrastructure)
- Creating a culture for innovation and entrepreneurship
- Experiential learning through the SMSU Center of Innovation and Entrepreneurship
- College and career awareness programs
- Succession planning for small businesses
- Brain Gain phenomenon
- Career and technical education available to all high school students
- Outreaching local training and employment opportunities
- Remote/telework
- Flexible work schedules
- Good paying jobs without a bachelor's degree



Threats

- Funding shortfall for education/training
- Competition for human capital on the local, regional, and global scale
- Aging workforce
- Lack of trainers for customized training
- Shortage of specialized workers
- Trailing spouse employment opportunities
- Low unemployment rate causing few job seekers per vacancy
- Leadership turnover
- Implications of COVID-19 for mental health and substance abuse

SWOT Analysis of Economic Competitiveness

Making Southwest Minnesota an attractive environment for growth is critical to creating jobs, improving living standards, and financing necessary public services. Economic Competitiveness requires communities to develop and link all available assets to support innovation and encourage business growth.



Strengths

- Well-developed economic and business development networks providing technical and financial assistance to entrepreneurs, businesses, and communities
- Strong core industries include traditional resource-based industries and emerging industries
- Largest employing industries are manufacturing, health care and social assistance, and retail trade
- Technology advancements
- Business expansions and/or modifications due to e-commerce



Weaknesses

- Facing a severe workforce shortage
- Growth limited by workforce availability
- Wage and career advancement opportunities
- Perception of inflated cost of doing business in MN
- Current funding model for SBDC
- Businesses operating at status quo (i.e., 8 a.m. to 4 p.m.)
- Decline of downtown economies and buildings
- Availability to employer sponsored health insurance



Opportunities

- Culture of innovation and entrepreneurialism
- Challenge the business perception of Minnesota
- Increase awareness of the benefits of business in rural Minnesota
- Broaden access to start-up capital to encourage innovation
- Increase trade and development opportunities with neighboring states and Canada
- Capitalize on renewable energy to expand, create, and reduce costs of running business
- Utilize the knowledge and skills of retirees
- Utilize workforce centers and technology/ business incubators
- Linkages between industries and businesses
- Online sales
- Revitalize main streets
- Regional competitiveness initiatives



Threats

- Long-term labor force trends
- Lack of control over state and federal policies
- Natural disasters, including pandemic
- Resource based industries are susceptible to changes in the global commodity markets and energy prices
- Undiversified economies are susceptible to impacts from macroeconomic events
- Loss of community wealth due to Minnesota permitting, regulations and taxes
- Macro-economic trends influence local spending decision making
- Relationship building in an online business climate
- Lack of appraisers
- Industry driven workforce competition

SWOT Analysis of Community Resources

Southwest Minnesota communities seek to maintain their heritage and the assets that support them. Community Resources include topics that balance the preservation and improvement of local social, cultural, and natural assets that are critical for the future.



Strengths

- Diversity and abundance of natural resources
- Rich in non-profit/service agencies
- Public safety in rural communities
- Renewable energy/chemical development
- Leader in exporting power
- Art communities gaining strength



Weaknesses

- Perceptions of the health of rural communities
- Shortage of new and diverse emerging community leaders
- Lack of leadership succession
- Lack of growth defining community identities
- Gaps in mental health and dental services
- Lack of “welcome wagons”
- Long-distance commuting
- Lack of overnight accommodation for business and pleasure travel
- Arts and recreation are not a funding priority



Opportunities

- Place-making through arts and culture
- Electric vehicle charging infrastructure
- Empowering and encouraging new and emerging leadership
- Expand on tourism opportunities
- Community preservation and enhancement
- Racial diversification
- Regional branding
- Balancing economic, recreation, and aesthetic needs for natural resources
- Promote livability, public spaces, and identity
- Healthy community initiatives



Threats

- Less social cohesion
- Fear of diversification
- Reimbursement reductions for healthcare services
- Reduction in rural health care specialty services, facilities, and pharmacies

SWOT Analysis of Foundational Assets

Southwest Minnesota communities require proactive and collaborative approaches to address infrastructure needs in a cost-effective manner. Managing the access to, maintenance, replacement and growth of these assets are key to preserving and maintaining communities, and providing growth opportunities. Foundational assets include above ground and below ground infrastructure such as transportation, water-wastewater, housing, and broadband.



Strengths

- Productive land
- Rail service- Class 1, 2 and 3 railroads in region
- Capacity to interchange rail for national reach
- Existing road systems are safe and connect principal economic needs well
- Multi-modal transportation systems
- Broadband is recognized as a state-wide priority
- Lewis and Clark Rural Water System



Weaknesses

- Housing continuum (quality, affordability, availability)
- Lack of workforce housing
- Age of housing stock/value gaps
- Access to broadband regionally
- Failing ISTS and contaminated private wells
- Local markets for recyclable materials
- Disinvestment and deferred maintenance in public and private community facilities and infrastructure
- No commercial air services
- Limited access to Class 1 rail lines for competitive pricing
- Rail infrastructure needs revitalization
- Low appraisal values



Opportunities

- Encourage units of governments to collaborate on foundational assets
- Expand broadband/ fiber footprint in Southwest Minnesota
- Recycling and solid waste facilities
- Identify partnerships and resources to maximize infrastructure investment
- Develop public/private partnerships to identify solutions for housing challenges
- Shared services/ resources and intergovernmental cooperation
- Low cost of living
- Rail transloading
- Rail as regional and statewide economic development driver

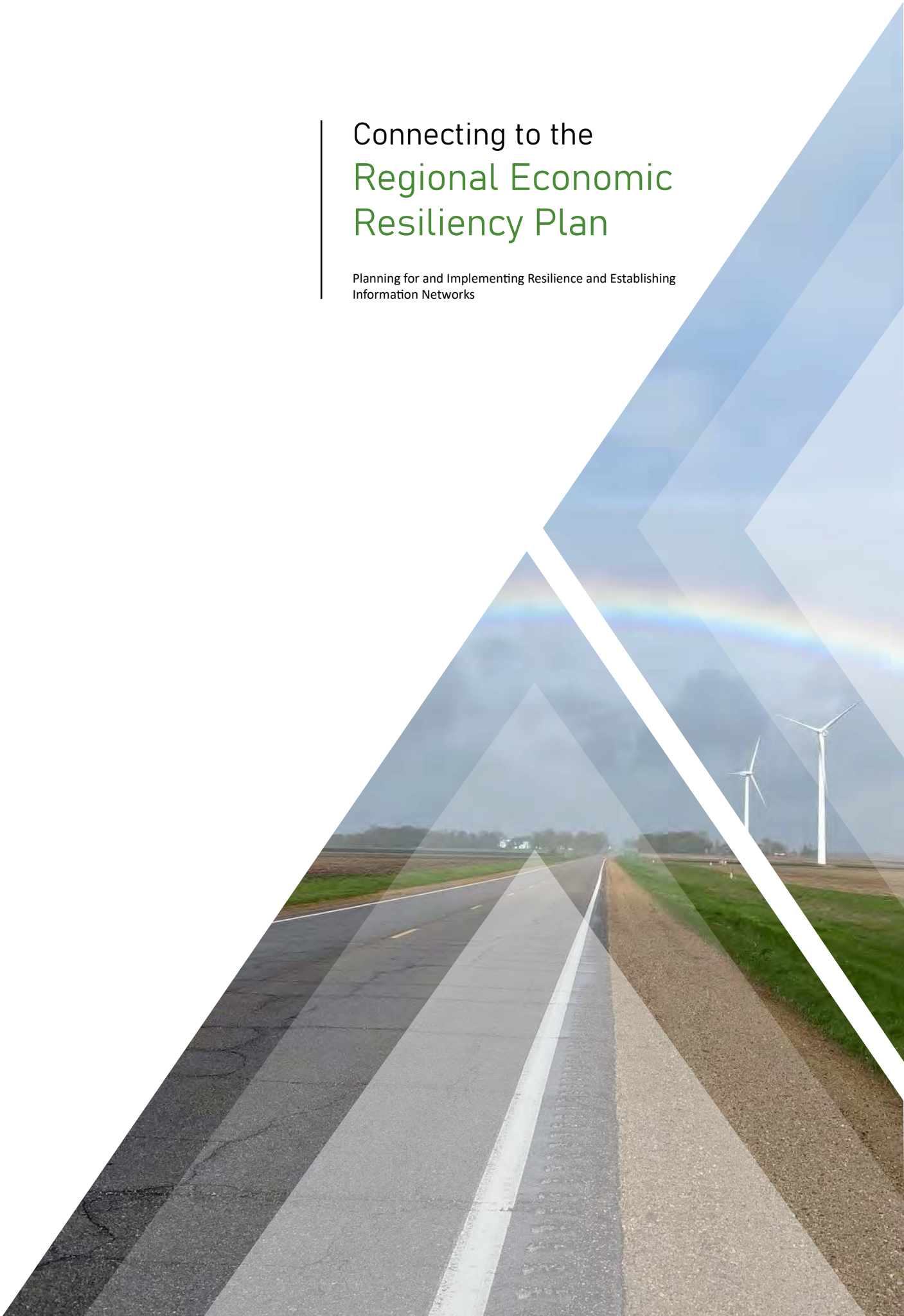


Threats

- Ability to meet return on investment for broadband and housing services
- Reductions in funding from public and private sources
- Valuation disparity for housing
- Tax forfeited properties and declining tax base
- Cost of infrastructure replacement and maintenance
- Added costs to adhere to regulations/ standards
- Rail condition and limited freight space
- Existing roads are deteriorating
- Reliance on out-of-region water sources
- Supply chain post-COVID
- Lack of available housing

Connecting to the Regional Economic Resiliency Plan

Planning for and Implementing Resilience and Establishing
Information Networks





Regional Economic Resiliency Plan

Regional economic prosperity is linked to an area's ability to prevent, withstand, and quickly recover from major disruptions or shocks, to its economic base. Economic resilience becomes inclusive of three primary attributes: the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether. Establishing economic resilience in a regional economy requires the ability to anticipate risk, evaluate how that risk can impact key economic assets, and build a responsive capacity. Often, the shocks/disruptions to the economic base of a region are manifested in three ways:

- Downturns or other significant events that negatively impact the demand for locally produced goods and consumer spending.
- Downturns in particular industries constitute a critical component of the region's economic activity.
- Other external shocks (a natural or man-made disaster, exit of a major employer, etc.).

With CARES ACT funding, SRDC has the capacity to become the focal point for post-incident coordination, information dissemination, responding to external inquiries, and leading recovery initiatives. SRDC's role would include:

1. Steady-state initiatives tend to be long-term efforts that seek to bolster the region's ability to withstand or avoid a shock.
2. Initiatives that are responsive to the region's recovery need following an incident.

SRDC supports but does not limit the following steady-

state economic resilience initiatives/services:

- Comprehensive planning efforts including hazard mitigation plans.
- Diversification initiatives that target the development of emerging clusters or industries that build on the region's unique assets and provide stability during downturns.
- Adapting business retention and expansion programs.
- Building a resilient workforce.
- Integrating geographic information systems (GIS) into planning efforts.
- Promoting emergency preparedness at all levels.

SRDC supports but does not limit the following responsive economic resilience initiatives/services:

- Pre-disaster recovery planning.
- Regular communication, monitoring, and updating of business community needs and issues.
- Rapid response communication.
- Planning efforts that address short, intermediate, and long-term recovery needs.

Planning For and Implementing Resilience

All communities must be able to recognize their vulnerabilities. Goals, strategies, and actions can mitigate the effects of an economic incident and support long-term recovery efforts. In addition to creating a regional economic resiliency plan, SRDC

will focus on components that will serve as the general framework for economic resilience in the region.

The plan contains three main work components: a market/demographic analysis of the region, a COVID-19 study, and an assessment of the region's strengths and weaknesses by county. These work components will accomplish the following objectives:

1. Identify opportunities and projects that further economic development by increasing the quality of life in a community.
2. Identify lands, communities, and resources that are especially vulnerable to economic disturbances, including COVID-19.
3. Identify supporting businesses and industries that complement already-present characteristics of the region.

The purpose of the Regional Economic Resiliency Plan is to strengthen our regional economy by connecting our strengths, protecting our vulnerabilities, and building a resilient future. This resilient future can take many forms that can include:

- Workforce contingency plans.
- Identifying business opportunities that complement regional characteristics and industries.
- Creating programs that support small to mid-sized business during times of economic shocks and disturbances.

Establishing Information Networks

In addition to creating a regional economic resiliency plan, SRDC has the capacity to facilitate active and regular communication between the relevant stakeholders and serve as an information hub by collecting data and convening the appropriate players to facilitate recovery post-disruption.

Economic resilience is integrated within the CEDS by planning for and implementing resilience through specific goals or actions, via our four cornerstones, to bolster the long-term economic durability of the region and to collaborate on existing and potential future challenges.



The Cornerstones

Call to Action, Context, Smart Goals,
Strategies, and Economic Resilience





Developing, retaining, and attracting talent is critical for Southwest Minnesota to sustain and grow our businesses and communities. Tracking the characteristics of the labor force and the needs of employers and creating strategies for alignment between the two are the foundation for this cornerstone.

Labor Force

Call to Action:

As Southwest Minnesota's economy evolves and becomes ever more global, it is confronted with the challenge of meeting the current hiring and skill needs of employers, while also preparing communities to expect expansion in both the lower pay service sector and higher pay technical and professional fields. The labor force for Southwest Minnesota's businesses has declined and is projected to continue that decline as a sizable percentage of the current workforce ages into retirement. Labor force availability is a critical concern to current business operation and is inhibiting growth in Southwest Minnesota.

Context:

Labor force participation is the proportion of people ages 16 and older who are either working or seeking work. Students, homemakers, retired individuals, and others not looking for work do not count as participating in the labor force.

The US Census estimates the southwest region had a labor force participation rate of 65.42% and a count of 62,053 workers in July 2021.¹ These numbers are still down from labor force participation rates pre-pandemic. The state of Minnesota had the third highest labor participation rate in the country at 69.7% (2018), an increase from 67.3% in 2015.¹

Smart Goal:

{ Increase labor force participation in Southwest Minnesota from 65.42% to 67.5% by 2027. }

Strategies:

1. Align education and workforce to meet current and future skill needs of employers.
 - a. Encourage employers to accurately reflect minimal job requirements within position descriptions and job postings.
 - b. Foster relationships between business and education.
 - c. Replicate models that include student and employer intervention.
 - d. Provide technical assistance to Lower Sioux Indian Community, as requested, during initial phases of their business incubator implementation.
 - e. Provide current labor force data to students and their parents.
 - Partner with community connectors to get current labor force data to students of color.

2. Expand the participation of mature workers, previously excluded workers (e.g., those with a criminal record), immigrants and refugees, those with health disparities and/or disabilities, and others to make up for the shortage of new workforce entrants.
 - a. Expand ESL training to reduce gaps in communication.
 - b. Work with employers to build an inclusive workplace, including but not limited to, utilizing local trained translators.
 - c. Create and encourage participation in citizenship classes.
 - d. Find alternative training options for individuals without a GED but who have an abundance of life experience.
 - e. Create training programs that allow individuals with a criminal background to participate.
3. Improve access to affordable, high quality childcare options.
 - a. Explore grant and loan programs to support childcare providers.
 - b. Support a family childcare mentorship program available to this region.
 - c. Educate the public on childcare provider requirements and early childcare education.
 - d. Support Parent Aware quality rating system.
 - e. Outreach to potential bilingual childcare providers.
 - f. Market legally non-licensed care (aka Care for Two).
 - g. Explore community retention initiatives to retain current childcare programs.
4. Build a regional/local talent pipeline to inform students about opportunities in the region and prepare future workers.
5. Create and sustain vibrant and healthy communities that attract and retain residents.
6. Promote and facilitate the creation of mentoring and leadership opportunities for youth, BIPOC communities, women, immigrants, refugees, and others facing labor market barriers.
 - h. Encourage involvement in childcare from employers and anchor institutions, and expand upon current models in the region.
 - i. Promote flexible work arrangements with businesses to allow employees to better meet personal or family needs.
 - j. Explore and encourage tax incentives for family childcare providers.
 - k. Work with regional providers to ensure that parents/guardians have access to information about available home and community-based service options.
 - l. Explore drop-in and overnight childcare options.
 - m. Support comprehensive childcare analysis opportunities as well as targeted community engagement efforts.





Educational Attainment

Call to Action:

As the size of Southwest Minnesota's workforce is projected to decline, increased worker skills will be critical to improving productivity and growing the economy. The region must increase educational attainment to create and retain a vibrant workforce.

Context:

The southwest region has 88.1% of adults (18 years & over) with at least a high school diploma, a lower percentage than the state's average high school completion rate of 93.9%. Within the southwest region, Nobles County has the lowest high school graduation rate at 76.3% and Lyon County has the highest at 92%. Southwest Minnesota also has a lower percentage of people with at least some college experience. The region has a higher percentage of people with an Associate's degree and a lower percentage of people with a Bachelor's degree or higher.¹

In contrast, according to the Minnesota Department of Employment and Economic Development (DEED), in 2020 in Southwest Minnesota, the typical education required for jobs was a high school diploma or less in 69.5% of cases, as compared to 64.2% statewide. Additionally, 16.4% of jobs in the region required a bachelor's degree. Collectively, 12.2% of jobs required a vocational award, associate's degree, or graduate degree.¹

Smart Goals:

1. Increase GED or high school equivalent education in the southwest region.
2. Increase the number of residents (ages 18-64) who have completed post-secondary education or training with a particular focus on certificates, technical degrees, and apprenticeships relevant to employment in middle-skill, living wage occupations, and those residents aged 25-44 with a bachelor's degree or higher, collectively, to 36% by 2027.
3. Reduce labor shortages to 30% or less for employment requiring post-secondary education, certificates, technical degrees, or apprenticeship by 2027. The regional average unemployment rate in Southwest Minnesota for those with college degrees and over is .96%.

Strategies:

1. Build and improve career and technical education opportunities for community members and high school students interested in careers such as manufacturing, health care, welding, transportation, etc.
 - a. Research programs that incentivize CTE.
 - b. Utilize available technology to offer high quality online classes.
 - c. Explore on-site training opportunities.
 - d. Provide opportunities that promote career laddering.

- e. Advocate for high school graduation requirements to allow for experiential learning credits.
2. Create, educate, and market career opportunities in the region.
 - a. Expose and educate high school students and their parents about career opportunities.
 - b. Encourage businesses to promote their job possibilities via tours, videos, social media, online sites (i.e., swmncareers), and job shadowing, including minimum education requirements and pay range.
 - Gather and distribute stories for regional marketing opportunities.
3. Collaborate on a regional level to create local talent retention and attraction programs, including welcoming communities' initiatives, that target the "brain gain" population of returners and newcomers.
4. Work to ensure that students and their parents know about relevant scholarships, tuition assistance programs, etc.
5. Align career goals with higher education options and costs.
6. Support local school initiatives aimed at reducing the achievement gap for all populations of students.

Economic Resilience in Human Capital

When Human Capital experiences a shock or a disturbance, the result depends on the demographic/industry affected, economic opportunities nearby, and other local resources. In Southwest Minnesota, shocks in Human Capital take on the following forms:

Population Loss or Stagnant Growth: Populations that do not grow with business production are unable to provide the workforce necessary for successful expansion. Communities that experience this trend are also less likely to attract entrepreneurs and other potential employers. When an employer leaves a community impacted by population loss or stagnant growth, former employees may be forced to leave the community for opportunities elsewhere, prompting more loss.

Rural Brain Drain: Rural brain drain is the phenomenon of college-educated or specially trained young adults that choose to leave their hometowns for amenities and economic opportunities in larger cities.

Aging Population: Employers in communities with an aging population often find it difficult to recruit workers at the same rate that their already existing workforce is retiring.

The SMART Goals aim to buffer against these trends by making investments into the existing and future labor force, by increasing the total number of labor force participants, increasing the percentage of labor force with the necessary education/training, and connecting those qualified workers to regional opportunities.

Organizations:

- Local government (cities, townships, counties, and municipalities)
- Local Chambers of Commerce
- Local EDA authorities and corporations
- MinnesotaWest Community and Technical College
- Southwest Minnesota State University
- U of M Extension
- Southwest Adult Basic Education
- Region 8 School Board
- Southwest West Central Service Cooperative
- Southwest Initiative Foundation
- LYFT Career Pathways
- CareerForce
- Southwest Minnesota Private Industry Council
- Minnesota Department of Employment and Economic Development

Cornerstone

Economic Competitiveness

Entrepreneurship & Innovation, Small Business Growth



Making Southwest Minnesota an attractive environment for growth is critical to creating jobs, improving living standards, and financing necessary public services. Economic Competitiveness requires communities to develop and link all available assets to support innovation and encourage business growth.

Entrepreneurship & Innovation

Call to Action:

The southwest region must embrace innovation and entrepreneurship to compete effectively in the global economy. To prosper, Southwest Minnesota must continue to support and develop new and existing small businesses.

Context:

The Stats America Index compares local performance to state and U.S. performance. It is calculated from four component indexes: human capital, economic dynamics, productivity and employment, and economic well-being.

With 100% representing the national average, the southwest region ranks 105.1% on the Stats America Headline Innovation Index, while the State of Minnesota ranks 116.9%. The southwest region ranks lower than the national average on human capital, economic dynamics and productivity and employment; however, it exceeds the national average on economic well-being.⁸

Smart Goal:

Based on Blandin Foundation's "Rural Pulse," increase the percentage of respondents who feel that their community works together effectively to address local needs by 5% by 2027.

Strategies:

1. Broaden access to capital to encourage innovation and entrepreneurship.
 - a. Offer financial literacy training which highlights the importance of credit scores and equity injection to a business acquisition.
 - b. Expand entrepreneur financing to, including but not limited to, crowd funding, angel investors, venture capitalists, and private investors.
 - c. Target some of these funds toward new Americans and other diverse populations.
2. Create networks of incubator, co-working, proof of concept and maker spaces.
 - a. Explore success models and distribute to interested communities for replication.
 - b. Create entrepreneur networking opportunities.
3. Develop, foster, and promote innovation and entrepreneurial culture.
 - a. Provide entrepreneurship development and support,

entrepreneurship programming, and entrepreneurship research.

- b. Identify, create, and engage in entrepreneurial-themed projects that help develop the entrepreneurial mindset and support established businesses and organizations.
4. Work with businesses to create successful communications strategies that help them build an online presence and grow their online sales through interactions and engagements with their target audience.
5. Support value-added linkages, equity investments, new uses for resources, and technological and market transformations in existing industries to diversify the economy.



Small Business Growth

Call to Action:

Small businesses, especially those in rural areas, have more limited access to capital sources than larger businesses. To prosper, the southwest region's small businesses must have access to information and the availability of more public and private funding.

Context:

According to DEED's Quarterly Census of Employment and Wages (QCEW), from 2016-2021, Southwest Minnesota has had a net increase of 259 private business establishments. 2019 was the only year during that period where Southwest Minnesota saw a net decrease (15 establishments).⁶ In 2019 the region accounted for 1.75% of the state's gross sales.²⁴

Smart Goals:

1. Increase the number of capital investment programs available to Small and Medium Enterprises (SME, small is considered 20 or fewer employees, medium is considered 21-50 employees) to allow growth and job creation for the southwest region.
2. Between 2016 and 2021 private businesses in the southwest region grew by 7.56%.⁶ Continue to increase private business

establishments in Southwest Minnesota by 5% or more by 2027.

3. Increase Southwest Minnesota's gross sales to account for 2% of the state's total gross sales. }

Strategies:

1. Increase awareness of regional business planning and financing options.
 - a. Create a regional resource of business planning and capital programs, including pre-venture, start-up, and established business services.
2. Utilize public-private partnerships to facilitate increased SME business lending.
 - a. Establish a tool kit of best practices for replication.
3. Establish new business programs to fill gaps in the capital market.
 - a. Expand business financing to, including but not limited to, crowd funding, angel investors, and venture capitalists.
4. Fully fund regional Small Business Development Centers at the state level.
 - a. Advocate for an ongoing commitment from the state to fully fund the Federal SBDC match requirements, and to allow for growth and additional services.

5. Expand and improve technical assistance for growers and producers and those involved in sustainable, organic and/or value-added agriculture by collaborating to achieve value-added agriculture action and outcomes, and convening meaningful educational and networking opportunities in this space.
6. Offer professional education and networking via the Southwest Economic Development Professionals group.
7. Provide grant writing and loan packaging services related to economic development.
8. Maintain a regional revolving loan fund for businesses.
9. Encourage shop local initiatives.
10. Increase the percentage of small businesses that are owned by new Americans and people of color by providing technical training and lending.
11. Provide technical assistance regarding Opportunity Zone funds to mobilize projects and promote this form of investment.
12. Expand upon current succession-planning services.
13. Encourage business growth and customer spending through welcome wagon efforts.

Economic Resilience in Economic Competitiveness

When the Economic Competitiveness in a region experiences a shock or disturbance, entrepreneurs are less likely to embrace innovation and take less calculated risks in local business ventures. In the southwest region, a shock or disturbance to regional economic competitiveness can take on the following forms:

A Decline in Lender Activity: Lenders in communities that are experiencing shocks to economic competitiveness are more hesitant with investing in local business ventures. When lenders are not closing loans and receiving payments, their revenue is impacted as well.

Closure of Businesses in the Community: When businesses close in a community, there is a loss of local competition, and if not intervened, that loss can escalate to a domino effect. Closures in local businesses also result in less money being spent within the community. If that business is a supplier to other local ventures in the community, the results of its closure can be devastating to a community.

Lack of Economic Diversity: Resilient business communities are often diverse in nature with several types of complementary businesses that support each other. The less diverse a business community, the more vulnerable it is to industry-related shocks or disturbances.

The SMART Goals aim to address these trends by promoting economic diversification and supporting entrepreneurial innovation in the region.

Organizations:

- Local government (cities, townships, counties, and municipalities)
- Local Chamber of Commerce
- Local EDA authorities and corporations
- Southwest Initiative Foundation
- Minnesota Department of Employment and Economic Development
- Small Business Development Center
- LYFT Career Pathways
- CareerForce



Cornerstone Community Resources

Social Capital/Equity & Inclusion, Arts & Culture,
Tourism, Natural Resources, Water Quality

Social Capital / Equity and Inclusion

Call to Action:

To achieve a more equitable economy and a more sustainable environment for all Minnesotans, every region of the state must act together to meet challenges, improve their communities, and transform their communities for the better. This can happen if residents believe that their civic participation, as an individual or as part of a larger group, can have an impact. To prosper, the southwest region must be committed to supporting and fostering inclusiveness of all community members in the southwest region.

The southwest region must showcase and market what is available, whether it be shops, restaurants, cultural events etc. while at the same time trying to attract new amenities that can be brought to the region. This can be achieved through raising awareness and creating events.

Context:

Two of Minnesota's pre-eminent "Think & Do" tanks, Growth & Justice and OneMN.org, were created by the Thriving by Design Network to address issues of equity and inclusion. The result was a "[Minnesota Equity Blueprint](#)," a living document representative of the aspirations and concerns of citizens across all the communities in the state. The blueprint is a comprehensive, non-partisan, long-term plan for shared prosperity in a healthier community environment.⁹

"Rural Pulse," a Blandin Foundation research study which captures a real-time snapshot of concerns, perceptions and priorities, asked people in Minnesota if their community works together effectively to address local issues. The study shows more than four in five residents in Southwest Minnesota felt that they can make a positive impact on their local community and feel residents work together effectively.¹⁰

- 86% from Southwest Minnesota indicated "somewhat" or "strongly agree" that residents are able to work together effectively.¹⁰
- 82% across Minnesota indicated "somewhat" or "strongly agree" that residents can work together effectively.¹⁰

According to the study the most critical issues to address in the southwest region were said to be healthcare, jobs, economic development, affordable housing, drug abuse, mental health, barriers due to race, and the availability of childcare.

The Gini Index, a statistical measure from the World Bank, is intended to represent the income or wealth distribution of a nation's residents. Specifically, it measures how far a country's wealth distribution deviates from a total equal distribution. If

Southwest Minnesota communities seek to maintain their heritage and the assets that support them. Community Resources include topics that balance the preservation and improvement of local social, cultural, and natural assets that are critical for the future.

all wealth were equally divided among a country's citizens, this measure would be 0.00. In 2018, the Gini Index for Minnesota was 0.452 and the southwest region was 0.425. This can be compared to the average across the United States of 0.415 and Canada of 0.340.¹¹

Smart Goal:

Increase the percentage of respondents who feel that their community works together effectively to address local needs from 86% to 91% by 2027.

Strategies:

1. Actively recruit and nurture emerging community leaders.
 - a. Community leaders reflective of their community.
 - b. Promote general awareness of community opportunities to new residents.
2. Formalize community leadership networking groups for young professionals.
3. Enhance the knowledge and capacity of community leaders and educators through development opportunities.

4. Gather success stories from elementary, high schools, or businesses who have implemented a program to encourage volunteerism.
5. Promote welcoming community commissions and/or create inclusive community coalitions.
6. Find creative ways in reaching underserved communities.
7. Support implementation efforts as they pertain to the Comprehensive Community Planning efforts for the Lower Sioux Indian Community.
 - a. Work in partnership with the Lower Sioux Indian Community to research and pursue funding opportunities that support Community Planning efforts.



Lower Sioux Intergenerational Cultural Incubator



Arts and Culture

Call to Action:

Arts, culture, and placemaking contribute to the vibrancy of Southwest Minnesota's economy and quality of life. These approaches are also key in creating connections and providing opportunities for conversations to occur across culturally diverse populations.

Context:

The Minnesota Department of Employment and Economic Development (DEED) reported that the southwest region has a total of 420 jobs in the Arts, Design, Entertainment, and Media sectors, accounting for 0.8% of total employment in the region, compared to 38,540 jobs statewide, or 1.3% of total jobs.¹

Smart Goal:

{ Increase education and awareness to encourage opportunities that showcase diverse cultures and communities within the southwest region.

Increase employment opportunities in Arts, Design, Entertainment, and Media industries in Southwest Minnesota by 5% by 2027. }

Strategies:

1. Utilize arts-based place-making, including visual arts (such as art murals), performing arts, literacy arts, media arts, interdisciplinary, and/or multidisciplinary art, to improve affordable housing, downtown redevelopment, and public spaces.
2. Connect artists with resources they need to make a living and life in the southwest region.
3. Promote programs, such as artist-in-residence programs, that provide unique opportunities to create works of art in varied natural and cultural settings to reduce art deserts within the region.
4. Support and enhance arts and culture efforts through an increase of Legacy Act investments in the southwest region.
5. Help facilitate and create incubators for local artists and small businesses.

Call to Action:

Communities across the southwest region consider tourism to be an essential industry for economic development. To prosper, Southwest Minnesota must bolster and actively promote attractions and assets to become more economically competitive with greater Minnesota.

Context:

Travel and tourism make up a sizable portion of the leisure and hospitality industry. They create jobs and generate sales in every community in the southwest region. Traveler spending indirectly supports jobs in other industries such as financial services and printing. The leisure and hospitality industry in the southwest region generated \$169.7 million in gross sales in 2018 and 3,572 private sector jobs.² Although the COVID-19 pandemic has negatively affected the travel industry, according to the latest forecast from Explore Minnesota, it is anticipated that a release of pent-up demand will push domestic leisure travel back to pre-pandemic levels by 2022, and international travel levels by 2024.¹²

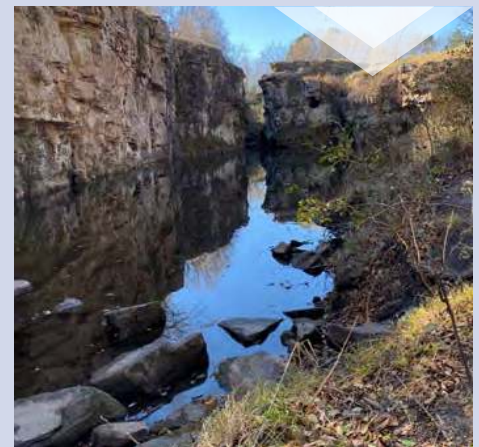
The region has five State Parks, one National Park, 10 nationally registered historic sites and 95 nationally registered historic structures. There are 38 county parks in the region that have potential touristic draw to amenities, natural habitats, campsites with electric/water hookups, Wi-Fi access, or recreational opportunities. Additionally, the region has the largest municipal park in the state, Ramsey Park in Redwood Falls.

Smart Goal:

Increase visitor spending in the southwest region by 5% by 2027.

Strategies:

1. Keep Minnesota travel experiences fresh and current by creating new restaurant and entertainment options, outdoor recreation, arts and cultural heritage experience, and amenities.
 - a. Partner with Chambers of Commerce and tourism organizations.
 - b. Explore niche opportunities within the region.
 - c. Identify gaps.
2. Explore regional efforts that showcase the area, including an app, group, or counsel to promote regional businesses and events.
3. Develop career paths in the tourism industry to attract and keep younger employees while staying competitive in pay and benefits to attract and retain employees.
 - a. Support soft skills training which could include topics such as communication, customer service, teamwork, flexibility, professionalism, and commitment.
 - b. Work collaboratively with higher education to promote internships with tourist-based businesses.
4. Educate residents on the value of a tourism economy.
5. Revitalize main streets by increasing shopping, restaurant, and entertainment options.





Natural Resources

Call to Action:

The southwest region is fortunate to have an abundance of natural resources that are essential to the economy. Strain on natural resources is on the rise, putting pressure on stakeholders to adapt. To prosper, Southwest Minnesota must solve multiple threats from ground-water overuse and contamination, invasive species, decline of natural areas, exploitation of natural resources and a loss of species.

Context:

In 2020, Conservation Minnesota estimated that hunters, anglers, and wildlife watchers contributed \$5.5 billion to Minnesota's \$15.3 billion tourism economy and accounted for one-fifth of the state's tourism jobs.¹³ As of the first quarter of 2021, Southwest Minnesota's natural resource industry provides 5,137 agriculture, forestry, fishing, and hunting jobs, and 265 mining jobs.⁶

As climate change and global interaction have become more prevalent, Southwest Minnesota has seen the rise of several non-native species, both aquatic and terrestrial, including zebra mussels, big head carp, silver carp, grass carp, large aspen tortrix, pine shoot beetle, and Emerald Ash Borer. In 2018, the DNR estimated that 7% of all lakes and 1,066 total bodies of water in Minnesota were considered "infested."¹⁶ These invasive species (and others) have a direct effect on water quality, fishing, forest production and human health.

In 2018, fossil fuel combustion accounts for 80% of greenhouse gas emissions and 98% of carbon dioxide emissions in the United States. The Center for Biological Diversity estimates that 4.1 billion metric tons are added to the atmosphere each year.¹⁴

In 2018, Minnesota ranked 11th in State-by-State renewable energy consumption and ranked 22nd in fossil fuel consumption. Minnesota's electric vehicle adoption rate ranks 23rd in the country at 0.24%.¹⁴

Smart Goals:

1. Achieve no net loss of wetlands/prairie lands.
2. Conduct five outreach events to educate consumers about electric and hybrid vehicles by 2027.

Strategies:

1. Identify and safeguard valuable natural resources and outdoor heritage through education, preservation, and conservation efforts.
 - a. Incorporate outdoor heritage and preservation strategies that draw connections between historic land-use and natural ecosystems, including agritourism, transportation (land, water, air) tourism, and flora/fauna tourism.
2. Generate comprehensive plans that address biodiversity, watersheds, wetlands, critical habitats, grasslands, agriculture, minerals, forest habitat, and migration corridors in the planning process.

3. Develop land-use plans that balance economic competitiveness/resilience with human well-being and natural amenities preservation.
 - a. Identify policies and procedures to understand how invasive species enter ecosystems and focus efforts on their reduction or elimination.
4. Support efforts on the reduction or elimination of invasive species.
5. Conduct project reviews for larger regional impact projects as requested for projects such as wind farms, livestock facility expansions, solar farms, housing, fire trucks, etc.
6. Reduce the region's carbon footprint.
 - a. Promote comprehensive energy audits which may lead property owners to reduce energy costs.
 - b. Promote the Property Assessed Clean Energy Program.
 - c. Implement on-the-ground solutions to help businesses find the right lights and save energy, including but not limited to gas stations and grocery stores.
 - d. Foster composting, recycling, and zero waste events.
 - e. Advocate for programs and policies that reduce the carbon footprint through
 - renewable energy and energy efficiency initiatives.
 - f. Promote and connect to resources for renewable energy and energy efficiency.
7. Advocate a program to educate and incentivize low-income households to purchase Electric Vehicles (EVs).
8. Support the purchase of electric & biofuel buses by transit operators and school districts.
9. Increase public EV charging infrastructure where it is most needed, including for diverse communities and rural areas.
10. Ensure that electrified and biofuel transportation efforts consider multi-modal transportation options, not just personal EVs.
11. Educate and ensure that electrified transportation efforts consider where electrification of public transportation could have the most positive impact on reducing particulate and other air pollutants—particularly in areas where high air pollution levels correlate with high percentages of people living in poverty and/or high percentages of BIPOC households or others who experience systemic inequities.





Water Quality

Call to Action:

Minnesota's water resources are world renowned and one of the most abundant and precious resources. On the one hand, human activities require increasing amounts of water for drinking water supply, for industrial and agricultural needs, and for aesthetic purposes. On the other hand, a high quality, ongoing water supply is necessary to maintain Southwest Minnesota's rich natural resource.

Context:

Although water may seem abundant in Minnesota, in the Land of 10,000 Lakes, water is a limited resource. The Lewis and Clark Regional Water System pulls water from out of state, while the community of Marshall pulls water from a neighboring county, through a twenty-seven-mile pipeline.

Monitoring suggests that about 56% of Minnesota's lakes and streams are impaired for conventional pollutants, which is comparable to impairment rates in other states. The Minnesota Pollution Control Agency delisted 103 (2010-2021) and since 2014 added 2,428 bodies of water to their impaired waters list of 5,766 listings, of which over 9% were located within the southwest region.³

The region is split by the geographic feature known as the Buffalo Ridge and is also part of the Missouri River Basin as well as the Minnesota River Basin and Des Moines River Basin. The Missouri River Basin in Minnesota is made up of four major watersheds—the Upper Big Sioux River, Lower Big Sioux River, Rock River, and Little Sioux River. The four watersheds

stretch from the South Dakota border near Lake Benton (Lincoln County) southeast to the Iowa border just west of Jackson (Jackson County). The southwest region of Minnesota has very fertile soils and has an important agricultural economy rich in crop production and livestock operations. Drinking water, aquatic recreation and aquatic life uses are compromised by high nitrate, bacteria, and turbidity levels. Lakes within the basin are very shallow.⁴

Smart Goal:

Achieve delisting of impaired waters in Southwest Minnesota on MPCA's baseline inventory by 2027.

Strategies:

1. Promote adherence to the federal Clean Water Act standards that presume a water body should sustain healthy aquatic life, recreation, and additional uses, such as drinking water (domestic consumption), industry, agriculture, navigation, and aesthetic enjoyment.
2. Advocate for stormwater management practices, especially in rural communities.
3. Identify critical ecosystems and promote conservation best practices.
4. Advocate the use of shoreline management and other best management practices to stabilize banks and reduce erosion.
5. Provide support and technical assistance to address failing rural water systems to safeguard public health and environmental quality.

Economic Resilience in Community Resources

When Community Resources experience a shock or disturbance, this can result in a decrease of the connected revenue streams and/or direct loss of said resource. In Southwest Minnesota, shocks in the Community's Resources take the following forms:

Loss of Community Facilities: When economic shocks or disturbance happen to the community, arts and recreation programs are the first to experience funding cuts. When this happens, there is a loss in social capital within the community.

Decrease in Outdoor Recreation: When these activities decrease there is a direct loss in revenue related to fishing and hunting licenses, equipment rentals, and other related revenue streams that are used to maintain those assets. These revenue streams help capture tourist spending in the region.

Degradation of Surface and Drinking Water: Degradation in surface and drinking water can have lasting impacts on the local and regional economy. Impacted water quality can limit economic growth in any community. Without adequate water supply, communities are less able to provide the utilities necessary to fight fires, provide business expansion, and attract new populations.

The SMART Goals aim to mitigate these trends by protecting natural resources, ensuring revenue streams that fund their maintenance and expansion, and maintaining natural resources.

Organizations:

- Local government (cities, townships, counties, and municipalities)
- Local Chambers of Commerce
- Local EDA authorities and corporations
- Southwest Health and Human Services
- U of M Extension
- Southwestern Minnesota Opportunity Council
- United Community Action Partnership
- Small Business Development Center
- Southwest Initiative Foundation
- Southwest Minnesota Housing Partnership
- Blandin Foundation
- Friends of Casey Jones
- Greater Minnesota Regional Parks and Trails Commission
- Regional DNR offices
- Minnesota Association of Soil and Water Conservation Districts



Foundational Assets

Broadband, Transportation, Transit, Active Transportation, Water-Wastewater Infrastructure, Housing Availability

Broadband

Call to Action:

Like electricity a century ago, broadband is a foundation for economic growth, job creation, global competitiveness, and a better way of life. Many businesses and residents experience lack of access to reliable broadband at acceptable speeds and costs. To prosper, Southwest Minnesota must have access to affordable high-speed internet that is necessary to remain competitive in today's global economy.

Context:

Rock and Lincoln County are the only two counties in our service area that are completely served via wireline broadband of at least 100M/20M. Many of our larger communities are considered underserved as they have wireline broadband of at least 25M/3M. With the exception of Rock and Lincoln County, most of our area, comprised of smaller communities and rural areas, is considered unserved.⁷

In 2015 the Federal Communications Commission decided connections of at least 25 Mbps download speed and 3 Mbps upload speed is considered high speed internet.¹⁷ With telecommuting becoming more prevalent than ever, expansion of broadband would attract new employees to the region.

Smart Goal:

It is a state goal that no later than 2026, all Minnesota businesses and homes have access to at least one provider of broadband with download speeds of at least 100 megabits per second and upload speeds of at least 20 megabits per second.

Strategies:

1. Advocate for broadband funding at both state and federal levels.
 - a. Advocate for modifications to the provider challenge component in Minnesota's Border-to-Border Broadband Development Grant Program that funds the expansion of broadband services to areas that are unserved or underserved.
 - b. Bridge the gap in access to broadband infrastructure dollars for rural communities.
 - c. Advocate for funding allocation directly to DEED's office of broadband development.
 - d. Ensure the collection of accurate data around served and underserved regions through internet speed tests.

Southwest Minnesota communities require proactive and collaborative approaches to address infrastructure needs in a cost-effective manner. Managing the access to, maintenance, replacement, and growth of these assets are key to preserving and maintaining communities and providing growth opportunities. Foundational assets include above ground and below ground infrastructure such as transportation, water-wastewater, housing, and broadband.

Transportation

Call to Action:

Southwest Minnesota's economy is healthy because of its economic diversity. It is composed of a rich array of business services, finance, and healthcare industries, as well as freight or trade-related industries such as agriculture, and manufacturing. Multi-modal transportation in trade-related industries are key drivers of the economy.

Context:

In the southwest region, county and state highways are a primary means for moving freight. MnDOT estimates that there will be \$18 billion in revenues available over the next 20 years to address more than \$30 billion in transportation needs, resulting in a funding gap of approximately \$12 billion. Funding gaps hinder being proactive with infrastructure maintenance and improvement.⁵

Smart Goal:

- Increase the percentage of the southwest region's good quality-rated roadways by 2027.
- Increase/maintain the county ten-ton network by 2027.

Strategies:

1. Work with partners to ensure regional input in local, state, and federal transportation plans, highway investment plans, modal master plans (includes bicycle, aviation, freight, rail, ports and waterway, pedestrian, etc.), etc.
2. Work with counties to identify freight generators and map a county network of freight routes.
3. Advocate for the expansion of passing lanes throughout the southwest region.
4. Maintain the local Functional Classification System.
5. Provide local planning assistance, including participation in SHIP CLT meetings to facilitate information on transportation projects.
6. Aid and provide technical assistance to district planning efforts related to upcoming Fiscal Year pre-scoping activities/worksheets.



Transit

Call to Action:

In the southwest region, transit will be increasingly important for access to services, jobs, and educational opportunities. To prosper, rural transit systems must respond to customer needs for high quality and customer-based service to meet demand.

Context:

The southwest region is served by two public transit systems, one of which covers eight of our nine counties. One of these transit systems has an active volunteer program.

Smart Goal:

Increase the level of transit system service in the region by 2027.

Strategies:

1. Work to ensure that long-range public transit policy decisions address future demographic shifts and needs.
2. Work with local partners to evaluate funding and service options to meet mobility and access needs of individuals. Support providing both public bus and volunteer driver programs to meet individual needs.
3. Participate in the Regional Transportation Coordinating Council (RTCC) to increase communication and coordination with transportation partners.
 - a. Build connections between public transit and other transportation providers.
 - b. Foster connections between transit systems and customers to increase transit riders. Connections could include but are not limited to providing appropriate, accessible, and easy to understand information.



7. Offer assistance to local units of government with their long-range planning to address transportation sustainability and action steps to reach identified goals.
8. Encourage state and local units of governments to use all available options that increase transportation funding, including but not limited to the Transportation Economic Development (TED) program.
 - a. Aid and provide technical assistance to applicants applying for transportation funding (i.e., TED applicants).
 - b. When turnbacks are considered, encourage roads to be reconstructed to appropriate standards, upon mutual agreement.
9. Advocate for a categorical exclusion for small general aviation airports in regards to airports GIS, runway expansions, etc.
10. Assist and provide technical support to local units of government for planning and preparing needed documentation on the merits of freight infrastructure projects.
11. Explore the use of public-private partnerships (formal or informal) in helping to finance freight infrastructure projects.
12. Invest in the optimization and maintenance of existing transportation systems and infrastructure, including roads and bridges.

Active Transportation

Call to action:

Active-living planning and implementation will help improve community health, livability, and social capital.

Context:

The Bicycle Friendly Community (BFC) program provides a roadmap to improve conditions for bicycling and guidance to create and implement a plan to better bikeable communities. Designations are given to communities, businesses, and universities as “Bicycle Friendly.” Of the 32 Minnesota communities listed as a Bicycle Friendly Community, Jackson and Marshall are located within the southwest region.¹⁹

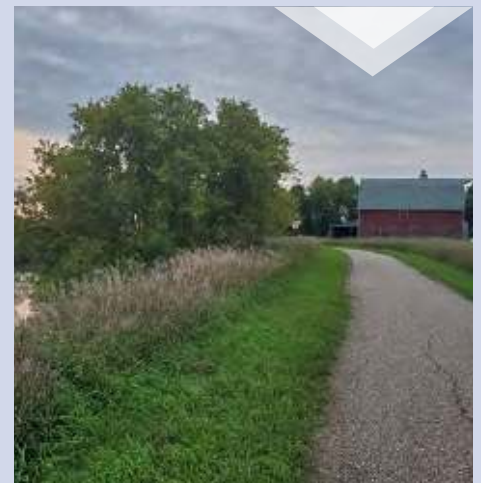
The Casey Jones State Trail, the region’s only state trail, is currently listed as a secondary status with the Minnesota Department of Natural Resources (DNR). Although there are several smaller county, city, and park trails in the region, there is a need to maintain, expand and add trails within the region to improve connectivity.

Smart Goal:

- Increase number of trail miles in the region by 15 miles by 2027.
- Update, maintain, and promote the Regional Trails Plan.

Strategies:

1. Work with state and local partners, including but not limited to SHIP, to coordinate efforts to develop and enhance regional bicycle and pedestrian systems.
 - a. Ensure that pedestrians and bicyclists are considered in future transportation infrastructure decisions.
2. Explore long-term funding mechanisms for the maintenance and improvement of bike and pedestrian infrastructure.
3. Promote E-Bikes.
4. Partner with the National Recreation and Park Association (NRPA) to help communities across the country consider/achieve the vision of Safe Routes to Parks.
5. Promote and expand Bicycle Friendly designation to communities, businesses and universities.
6. Work with state and local partners to support the expansion and maintenance of regional trail systems.
 - a. Update and maintain the Regional Trails Plan.
 - b. Support Rails to Trails.
 - c. Improve connectivity between trail systems.
 - d. Promote Wi-Fi at regional parks and trails.
 - e. Strive for the development of a strong regional trail system.
 - f. Facilitate the usage of trail counters.
7. Provide technical assistance to communities within the southwest region to adopt a Complete Streets policy.





Water- Wastewater Infrastructure

Call to Action:

Communities with low populations frequently struggle with the affordability of water infrastructure as they lack economies of scale that help keep costs down in more populous cities.

Context:

Over 10.7% of the townships and cities on the Minnesota Pollution Control Agency (MPCA) 2020 Clean Water Priority list (PPL) are in Southwest Minnesota. Out of the 233 projects statewide there are 25 projects listed within the region with total estimated project costs of nearly \$165 million. In 2018, the Minnesota Public Facilities Authority awarded \$319 million in grants and loans to projects, leaving a gap of more than \$287 million.¹⁵ Financial resources needed to improve water-wastewater infrastructure far outweigh availability.

Smart Goal:

{ Decrease the number of communities out of MPCA compliance by 2027. }

Strategies:

1. Assist local units of government in accessing sources of funding to maintain community infrastructure and other essential services, all of which support business development and affordable housing.
 - a. Facilitate dialog around right-sized systems (i.e., modest in design, scope, and cost) and regionalization options when considering wastewater infrastructure projects.
 - b. Encourage local units of government to develop capital improvement plans that are aligned with comprehensive plans and zoning/land use ordinances.
 - c. Work collectively with local units of government to obtain technical assistance in preliminary stages of development.
2. Share best practices that demonstrate funding scenarios and solutions to update outdated and undersized systems.
3. Research environmentally and financially responsible options for small communities.



Housing Availability

Call to Action:

Housing issues in the southwest region vary from community to community. In 2021, rental vacancies were low across Southwest Minnesota. Housing construction in Southwest Minnesota has also not kept up with current nor forecasted need. Access to safe and affordable housing remains a basic need for all Minnesotans. Housing also plays a critical role in workforce attraction, which is critical for the future economic growth of Southwest Minnesota. To prosper, tight rental and ownership markets, cost-burdened households, workforce and elderly housing shortages, homelessness, and low-quality and aging housing stock need to be addressed.

Context:

A household is considered cost burdened when 30% or more of the household’s gross income is dedicated to housing.

In the southwest region, 19.79% (ranged from 16.5% to 24.16%) of households are cost burdened, 15.68% (ranged from 13.03% to 19.28%) of homeowners are cost burdened and 32.02% (ranged from 25.71% to 42.53%) of renters are cost burdened as of 2021. According to data compiled by Minnesota Compass in 2018, 19.3% of homeowners in the state if Minnesota were cost burdened and 46.2% of renters were cost burdened, for a combined rate of 25.5%. Disparities are stark for BIPOC residents in all 87 counties of the state. Homeownership disparities are above 65% in every county in Minnesota with most over 90%.²¹

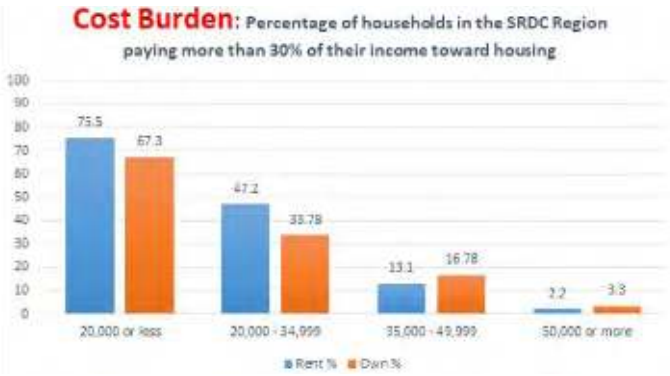


Figure 7: Percentage of households in the region paying more than 30% of their income toward housing²¹

Homelessness in the southwest region is still a pertinent issue. In 2018, on any given night, there was an average of 238 homeless people in the southwest region. Out of that average, 115 were children and 10 were seniors. The region has seen a 33% increase in homelessness since the year 2000.²²

A 5% or less rental vacancy rate is generally considered an indicator of a “tight” rental market. The Minnesota Housing Partnership is seeing indications that across Minnesota, the supply of rental housing is not keeping up with demand, for all but very high-income households. The problem is particularly serious in Greater Minnesota communities experiencing robust job growth.²³

Smart Goal:

Move toward equilibrium in local housing markets. Reduce the percentage of cost-burdened households in Southwest Minnesota from 20.28% in 2019 to 19% in 2027.

Strategies:

1. Advocate funding programs for demolition of vacant, unsafe, and dilapidated housing units.
 - a. Research successful housing demolition programs and consider replicating regionally.
2. Support comprehensive coordinated housing planning.
3. Increase the number of units rehabilitated or preserved.
4. Work with communities and businesses to address student and workforce housing shortages.
 - a. Include options that transition from rental to homeownership to stabilize workforce.
5. Encourage development of permanent supportive housing.
6. Collect and share best management practices around housing policy and financing.
7. Work collaboratively with the Southwest Minnesota Continuum of Care to track needs, secure financial resources, and coordinate regional goals to prevent and end homelessness.
8. Research programs that support feasibility studies and/or infrastructure for manufactured home planned developments in regional centers as a potential cost-effective housing option.
9. Promote energy-efficient homes for low-to moderate-income people.

Economic Resilience in Foundational Assets

Communities and businesses are unable to grow without the existence and maintenance of foundational assets in the region. When these foundational assets experience a shock or disturbance the cost of repair or initial installation is often costly, and requires multiple phases and routine maintenance by a designated party. In Southwest Minnesota, shocks or disturbances in foundational assets can take on the following forms:

Incomplete or damaged 10-ton roadway network: In Southwest Minnesota, there are places where businesses require the transportation of goods via freight on roadways that are not built for that traffic. When this happens, heavier vehicles can cause damage to the roadway. In turn, their roadways are more vulnerable to weather related disasters such as flooding and inaccessibility. This can lead to a disruption in the supply-chain.

Limited access to internet infrastructure: In Southwest Minnesota, internet access is geographically inequitable. Those with little to no internet access have less capacity to conduct business, access resources, and participate in public planning processes/initiatives.

Infrastructure needs/funding gaps: In Southwest Minnesota, many small rural communities that struggle with population loss or stagnant population growth effectively struggle with access to funds to make necessary repairs to their essential infrastructural needs. This can cause many needed investments to be postponed to a later date. When projects are pushed to a later date, communities must deal with potential greater cost of the project due to further physical degradation and inflation.

The SMART goals serve the resiliency of the region's Foundational Assets by the strategizing investments in infrastructure, matching services the population they aim to serve, and investing in the physical capital assets needed for business and population growth.

Organizations:

- Local government (cities, townships, counties, and municipalities)
- Local Chamber of Commerce
- Local EDA authorities and corporations
- Southwest Minnesota Housing Partnership
- Southwest Initiative Foundation
- Blandin Foundation
- Local parks and trails Friends groups
- Greater Minnesota Regional Parks and Trails Commission
- Minnesota Valley Regional Rail Authority
- Buffalo Ridge Regional Rail Authority
- Minnesota Association of Soil and Water Conservation Districts
- Regional DNR offices

The
Action Plan





Action Plan

This section lays out a framework to begin addressing each of the Four Cornerstone's strategies listed in the CEDS. The Action Plan identifies performance measures to gauge progress. This action plan framework allows for up-to-date strategy measurement and allows for partners and stakeholders to be identified when applicable.

Performance Measures: Each strategy is assigned at least one performance measure. Where possible, SRDC will use standardized state and federal data, and funding and assistance programmatic reports applicable to the region and communities to measure changes in regional performance.

The planning timeframe for the CEDS is five years with annual updates to review the Goals, Strategies, and Action Plan. Each strategy will be considered in progress or completed within the 5-year CEDS timeframe. In general, strategies will be completed within three general timeframes:

Short Term: Indicates a specific action or program that can or should be achieved within two years through specific, known actions.

Ongoing: A strategy that should be continuously implemented through multiple activities and projects that occur in a shorter timeframe.

Long Term: A strategy that will take multiple coordinated efforts over a longer period before results can be seen. Some of these projects extend beyond the 5-year CEDS window.

Funding and Budget: Specific dollar amounts are not attached to each goal or strategy item. The scope of this plan is five years with staff time as the anticipated greatest cost. SRDC plans to partner with other organizations and explore grant and cost-sharing opportunities to reduce duplicated efforts and lower costs.

Human Capital Action Plan

	Strategy	Performance Measurement	In Progress	Complete
Labor Force	Align education and workforce to meet current and future skill needs of employers.	Increase in skilled workforce.		
	Expand the participation of mature workers, previously excluded workers (e.g., those with a criminal record), immigrants and refugees, those with health disparities and/or disabilities, and others to make up for the shortage of new workforce entrants.	Expand workforce participation.		
	Improve access to affordable, high quality childcare options.	Increase in childcare within the region.		
	Build a regional/local talent pipeline to inform students about opportunities in the region and prepare future workers.	Increase number of students in educational programs that are linked to regional in-demand jobs.		
	Create and sustain vibrant and healthy communities that attract and retain residents.	Strengthen regional partnerships, number of investments in marketing and recruitment, number of new residents in the region, increase labor force.		
	Promote and facilitate the creation of mentoring and leadership opportunities for youth, BIPOC communities, women, immigrants, refugees, and others facing labor market barriers.	Mentoring and leadership opportunities created.		
	Progress in Labor Force:			

	Strategy	Performance Measurement	In Progress	Complete
Educational Attainment	Build and improve career and technical education opportunities for community members and high school students interested in careers such as manufacturing, health care, welding, transportation, etc.	Increase number of students in career and technical education programs that are linked to regional in-demand jobs.		
	Create, educate, and market career opportunities in the region.	Increase in labor force, number of new residents in the region.		
	Collaborate on a regional level to create local talent retention and attraction programs, including welcoming communities' initiatives, that target the "brain gain" population of returners and newcomers.	Talent is retained in work force, increase in labor force.		
	Work to ensure that students and their parents know about relevant scholarships, tuition assistance programs, etc.	Students are aware of relevant programs that reduce the cost of higher education.		
	Align career goals with higher education options and costs.	Students are pursuing educational options that align with their career goals.		
	Support local school initiatives aimed at reducing the achievement gap for all populations of students.	Achievement gap is reduced.		
	Progress in Educational Attainment:			

Economic Competitiveness Action Plan

	Strategy	Performance Measurement	In Progress	Complete
Entrepreneurship & Innovation	Broaden access to capital to encourage innovation and entrepreneurship.	Increase in business lending in region, Increase in use of RLFs, Business expansions.		
	Create networks of incubator, co-working, proof of concept, and maker spaces.	Increase options for SME business lending.		
	Develop, foster, and promote innovation and entrepreneurial culture.	Innovative programs available to fill financing needs, if needed.		
	Work with businesses to create successful communications strategies that help them build an online presence and grow their online sales through interactions and engagements with their target audience.	SBDC has adequate funds to maintain service.		
	Support value-added linkages, equity investments, new uses for resources, and technological and market transformations in existing industries to diversify the economy.	Diversification in Agriculture, increase in new products.		
	Progress in Entrepreneurship & Innovation:			

	Strategy	Performance Measurement	In Progress	Complete
Small Business Growth	Increase awareness of regional business planning & financing options.	Sustain professional networking opportunity.		
	Utilize public-private partnerships to facilitate increased SME business lending.	Increased funding and financing options.		
	Establish new business programs to fill gaps in the capital market.	Maintain gap lending options.		
	Fully fund regional Small Business Development Centers at the state level.	Increased local spending, businesses retained.		
	Expand and improve technical assistance for growers, producers and those involved in sustainable, organic and/or value-added agriculture by collaborating to achieve value-added agriculture action, outcomes and convening meaningful educational and networking opportunities in this space.	Increase in lending to new Americans and people of color.		

	Strategy	Performance Measurement	In Progress	Complete
Small Business Growth	Offer professional education and networking via the Southwest Economic Development Professionals group.	Increase number of projects utilizing Opportunity Zone funds.		
	Provide grant writing and loan packaging services related to economic development.	Increase availability of succession planning services.		
	Maintain a regional revolving loan fund for businesses.	Increase awareness/use of EDA programs, increase in awards.		
	Encourage shop local initiatives.	Increased business growth and customer spending.		
	Increase the percentage of small businesses who are owned by new Americans and people of color through technical training and lending.	Diversification of business ownership to new Americans and people of color.		
	Provide technical assistance regarding Opportunity Zone funds to mobilize projects and promote this form of investment.	Optimize use of Opportunity Zone funds.		
	Expand upon current succession-planning services.	Expansion of succession planning services.		
	Encourage business growth and customer spending through welcome wagon efforts.	Growth in businesses. Increased customer spending.		
	Progress in Small Business Growth:			

Community Resources Action Plan

	Strategy	Performance Measurement	In Progress	Complete
Social Capital / Equity & Inclusion	Actively recruit and nurture emerging community leaders.	Emerging community leaders are recruited.		
	Formalize community leadership networking groups for young professionals.	Young professionals' leadership networking group established.		
	Enhance the knowledge and capacity of community leaders and educators through development opportunities.	Community Leaders are better equipped.		
	Gather success stories from elementary, high schools, or businesses who have implemented a program to encourage volunteerism.	Success stories gathered and shared.		
	Promote welcoming community commissions and/or create inclusive community coalitions.	Welcome community commissions formed.		
	Find creative ways in reaching underserved communities.	Underserved communities are aware of community resources and services.		
	Support implementation efforts as they pertain to the Comprehensive Community Planning efforts for the Lower Sioux Indian Community.	Implementation of Comprehensive Planning efforts at Lower Sioux.		
Progress in Social Capital / Equity & Inclusion:				

	Strategy	Performance Measurement	In Progress	Complete
Arts & Culture	Utilize arts-based place-making, including visual arts, performing arts, literacy arts, media arts, interdisciplinary and/or multidisciplinary art, to improve affordable housing, downtown redevelopment, and public spaces.	Improve affordable housing, downtown redevelopment, and public spaces.		
	Connect artists with resources they need to make a living and life in the southwest region.	Resources are available and accessible to artists.		
	Promote programs, such as artist-in-residence programs, that provide unique opportunities to create works of art in varied natural and cultural settings to reduce art deserts within the region.	Creation/Expansion of artist-in-residence programs.		

	Strategy	Performance Measurement	In Progress	Complete
Arts & Culture	Support and enhance arts and culture efforts through an increase of Legacy Act investments in the southwest region.	Legacy Act investments increase.		
	Help facilitate and create incubators for local artists and small businesses.	Incubators for local artists and small businesses are available.		
	Progress in Arts & Culture:			

	Strategy	Performance Measurement	In Progress	Complete
Tourism	Keep Minnesota travel experiences fresh and current by creating new restaurant and entertainment options, outdoor recreation, arts and cultural heritage experience, and amenities.	Increase in options for shopping, restaurants, and entertainment.		
	Explore regional efforts that showcase the area including an app, group, or counsel to promote regional businesses and events.	Region is showcased via an app, group, or counsel.		
	Develop career paths in the tourism industry to attract and keep younger employees while staying competitive in pay and benefits to attract and retain employees.	Career paths are developed.		
	Educate residents on the value of a tourism economy.	Value of tourism economy known within the region.		
	Revitalize main streets by increasing shopping, restaurant, and entertainment options.	Increase in shopping, restaurant and entertainment options.		
	Progress in Tourism:			

	Strategy	Performance Measurement	In Progress	Complete
Natural Resources	Identify and safeguard valuable natural resources and outdoor heritage through education, preservation, and conservation efforts.	Value of natural resources and outdoor heritage identified and safeguarded. Policies and procedures identified.		
	Generate comprehensive plans that address biodiversity, watersheds, wetlands, critical habitats, grasslands, agriculture, minerals, forest habitat, and migration corridors in the planning process.	Comprehensive plans completed.		

	Strategy	Performance Measurement	In Progress	Complete
Natural Resources	Develop land-use plans that balance economic competitiveness/resilience with human well-being and natural amenities preservation.	Land-use plans developed.		
	Support efforts on the reduction or elimination of invasive species.	Reduction or elimination of invasive species.		
	Conduct project reviews for larger regional impact projects as requested for projects such as wind farms, livestock facility expansions, solar farms, housing, fire trucks, etc.	Project reviews conducted.		
	Reduce the region's carbon footprint.	Reduction in carbon footprint.		
	Advocate a program to educate and incentivize low-income households to purchase Electric Vehicles (EVs).	Enhanced education on EVs.		
	Support the purchase of electric & biofuel buses by transit operators and school districts.	Increased number of electric & biofuel buses purchased.		
	Increase public EV charging infrastructure where it is most needed, including for diverse communities and rural areas.	Availability to EV charging infrastructure more readily available.		
	Ensure that electrified & biofuel transportation efforts consider multi-modal transportation options, not just personal EVs.	Multi-modal transportation included in electrified & biofuel transportation efforts.		
	Educate and ensure that electrified transportation efforts consider where electrification of public transportation could have the most positive impact on reducing particulate and other air pollutants—particularly in areas where high air pollution levels correlate with high percentages of people living in poverty and/or high percentages of BIPOC households or others who experience systemic inequities.	Air pollution is reduced by use of electrified public transportation.		
Progress in Natural Resources:				

	Strategy	Performance Measurement	In Progress	Complete
Water Quality	Promote adherence to federal Clean Water Act standards that presume a water body should sustain healthy aquatic life, recreation, and additional uses, such as drinking water (domestic consumption), industry, agriculture, navigation, and aesthetic enjoyment.	Adherence to federal Clean Water Act standards.		
	Advocate for stormwater management practices, especially in rural communities.	Implementation of stormwater management practices in rural communities.		
	Identify critical ecosystems and promote conservation best practices.	Conservation best practices promoted.		
	Advocate the use of shoreline management and other best management practices to stabilize banks and reduce erosion.	Banks stabilized and erosion reduced.		
	Provide support and technical assistance to address failing rural water systems to safeguard public health and environmental quality.	Failing rural water systems addressed.		
	Progress in Water Quality:			

Foundational Assets Action Plan

	Strategy	Performance Measurement	In Progress	Complete
Broadband	Advocate for broadband funding at both state and federal levels.	Funding is available for broadband planning and implementation.		
	Advocate for a symmetrical standard (same speed for upload as download).	Same download and upload speeds in standards.		
	Create and leverage public and private partnerships to fund improved broadband access.	Increase in funding for broadband, increase in number of communities engaging in planning and implementation.		
	Promote an understanding of the importance of broadband to a community's infrastructure.	Increase in number of communities engaging in broadband planning and implementation.		
Progress in Broadband:				

	Strategy	Performance Measurement	In Progress	Complete
Transportation	Work with partners to ensure regional input in local, state, and federal transportation plans, highway investment plans, modal master plans (includes bicycle, aviation, freight, rail, ports and waterway, pedestrian, etc.), etc.	Regional stakeholder input is included within transportation planning efforts.		
	Work with counties to identify freight generators and map a county network of freight routes.	Improved transportation planning based on freight generators and routes.		
	Advocate for the expansion of passing lanes throughout the southwest region.			
	Maintain the local Functional Classification System.	Improved accuracy of decision-making based on the operational characteristics of a highway.		
	Provide local planning assistance including participation in SHIP CLT meetings to facilitate information on transportation projects.	Transportation projects informed and coordinated.		
	Aid and provide technical assistance to district planning efforts related to upcoming Fiscal Year pre-scoping activities/worksheets.	Increase in strategic investments.		
	Offer assistance to local units of government with their long-range planning to address transportation sustainability and action steps to reach identified goals.	Increase in number of LGUs with current Comprehensive Plans and Capital Improvement Plans.		

	Strategy	Performance Measurement	In Progress	Complete
Transportation	Encourage state & local units of governments to use all available options that increase transportation funding, including but not limited to Transportation Economic Development (TED) program.	Increased transportation funding.		
	Advocate for a categorical exclusion for small general aviation airports regarding airports GIS, runway expansions, etc.	Categorical exclusions available.		
	Assist and provide technical support to local units of government with planning and preparing needed documentation on the merits of freight infrastructure projects.	Documentation gathered for merits of freight infrastructure projects.		
	Explore the use of public-private partnerships (formal or informal) in helping to finance freight infrastructure projects.	Increase number of funded projects.		
	Invest in the optimization and maintenance of existing transportation systems and infrastructure, including roads and bridges.	Infrastructure maintained.		
	Progress in Transportation:			

	Strategy	Performance Measurement	In Progress	Complete
Transit	Work to ensure that long-range public transit policy decisions address future demographic shifts and needs.	Changes in funding and policy.		
	Work with local partners to evaluate funding and service options to meet mobility and access needs of individuals. Support providing both public bus and volunteer driver programs to meet individual needs.	Mobility and access needs of individuals met.		
	Participate in the Regional Transportation Coordinating Council (RTCC) to increase communication and coordination with transportation partners.	Transit communication and coordination improved.		
	Progress in Transit:			

	Strategy	Performance Measurement	In Progress	Complete
Active Transportation	Work with state and local partners, including but not limited to SHIP, to coordinate efforts to develop and enhance regional bicycle and pedestrian systems.	Enhanced bicycle and pedestrian systems.		
	Explore long-term funding mechanisms for the maintenance and improvement of bike and pedestrian infrastructure.	Funding available for bike and pedestrian infrastructure.		
	Promote E-Bikes.	Diversification of bike options.		
	Partner with National Recreation and Park Association (NRPA) to help communities across the region consider/achieve the vision of Safe Routes to Parks.	Vision of Safe Routes to Parks known.		
	Promote and expand Bicycle Friendly designation to communities, businesses and universities.	Increased designations.		
	Work with state and local partners to support the expansion and maintenance of regional trail systems.	Trails developed and maintained.		
	Provide technical assistance to communities within the southwest region to adopt the Complete Streets policy.	Complete Street policies adopted.		
	Progress in Active Transportation:			

	Strategy	Performance Measurement	In Progress	Complete
Water-Waterwaste Infrastructure	Assist local units of government in accessing sources of funding to maintain community infrastructure and other essential services, all of which support business development and affordable housing.	Increase in funding, increase in capital improvement plans.		
	Share best practices that demonstrate funding scenarios and solutions to update outdated and undersized systems.	Best practices collected and shared.		
	Research environmentally and financially responsible options for small communities.	Options for small communities identified.		
	Progress in Water-Waterwaste Infrastructure:			

	Strategy	Performance Measurement	In Progress	Complete
Housing Availability	Advocate funding programs for demolition of vacant, unsafe, and dilapidated housing units.	Increase in funding to communities.		
	Support a comprehensive coordinated housing planning.	Planning efforts improved and coordinated.		
	Increase the number of units rehabilitated or preserved.	Increase the number of units rehabilitated.		
	Work with communities and businesses to address student and workforce housing shortages.	Adequate student and workforce housing.		
	Encourage development of permanent supportive housing.	Increase the number of units developed.		
	Collect and share best management practices around housing policy and financing.	Best practices collected and shared.		
	Work collaboratively with the Southwest Minnesota Continuum of Care to track needs, secure financial resources, and coordinate regional goals to prevent and end homelessness.	Homelessness prevented and/or ended.		
	Research programs that support feasibility studies and/or infrastructure for manufactured home planned developments in regional centers as a potential cost-effective housing option.	Feasibility studies in progress.		
	Promote energy-efficient homes for low-to moderate-income people.	Increase the number of energy efficient homes.		
	Progress in Housing Availability:			

Acknowledgments

SRDC would like to thank all of the individuals and organizations who have given their time to share their vision for our region. Collaboration brought together many professional staff and community leaders to make this document possible.

The CEDS Committee is responsible for developing and revising the CEDS. The committee is comprised of private individuals and regional leaders that represent a broad range of constituencies in the region. The committee has demonstrated the capacity to undertake a collaborative and effective planning process. In addition to the CEDS Committee, interviews were conducted with a broad range of constituencies. Two CEDS cornerstone workshops and a regional data dive workshop also gathered input from the community.

CEDS Committee

Tara Onken (*Committee Chair*), *Housing*
Miron Carney, *Murray County Municipalities, Business Owner*
Elliot Christensen, *Lower Sioux Community*
Luke Ewald, *Health & Human Services*
Lori Grant, *Lyon County Townships, Education**
Sharon Hanson, *Local Government, Regional Resilience*
Roxanne Hayenga, *Higher Education*
Anne Johnson, *Regional Amenities, Tourism*
Tim Jones, *Workforce Development, Private Industry*
Brian Kletscher, *Renewable Energy*
Briana Mumme, *Child Care, Broadband*
Kevin O'Keefe, *Lower Sioux Community*
Dr. George Taylor, *Entrepreneurship*

CEDS Interviews

Sara Ackerman, *SW Mental Health Center, Mental Health*
Carrie Bendix, *CareerForce, Workforce Development*
Nick Brozek, *Environmental Resources*
Ally Carlson, *CTE Services*
Elliot Christensen, *Lower Sioux Community*
Becky Cswlovski, *CTE Services*
Karen DeBoer, *SMOC, Childcare*
Luke Ewald, *DVHHS, Regional Amenities*
Eriann Faris, *SWMNPIC, Human Capital-Students**
Christine Fischer, *SBDC, Succession Planning*
Cathi Fouchi, *MnDNR, Natural Resources, Tourism, Water*
Roxanne Hayenga, *MnWest, Higher Ed, Business Connections*
Richard Jorgenson, *CTE Programs*
Dan Kippley, *BRRRA, Rails*
Paul Langseth, *Townships, Higher Education**
Nan Larson, *AURI, Ag Diversification*
Amber Luinenberg, *MnWest, Higher Education*
Scott Marquardt, *SWIF, Childcare, Opportunity Zones*
See Moua-Leske, *Adult Basic Education*
Mary Mulder, *SWMNPIC, Recruitment, Regional Employment*
Briana Mumme, *Environmental Resources*
Kevin O'Keefe, *Lower Sioux Community*
Tara Onken, *Housing*
Andy Ourada, *CTE Programs*
Stephen Schnieder, *School Boards**
Liv Struve, *SBDC, SBDC Funding*
Jason Swanson, *MNRAAA, Aging, Labor Force*
Dr. George Taylor, *Center for Innovation & Entrepreneurship*
Justin Vorback, *SWMHP, Homelessness*

CEDS Cornerstone & CEDS Data Dive Workshops

Chad Adams, *Southwest Minnesota Housing Partnership*
Cathleen Amick, *United Community Action Partnership*
Gail Branger, *Private Industry*
Janet Bush, *Southwest Health & Human Services/SHIP*
Ally Carlson, *Redwood Area Schools, Education*
Miron Carney, *City of Slayton, Business Owner**
Jeff Carpenter, *City of Tracy EDA*
Nicole DeBoer, *Southwest Minnesota Arts Council*
Lauren Deutz, *City of Marshall EDA*
Anne Dybsetter, *University of Minnesota RSDP*
Luke Ewald, *Des Moines Valley Health & Human Services/SHIP*
Eriann Faris, *Southwest Minnesota Private Industry Council**
Christine Fischer, *Southwest Minnesota State University*
Brenda Freimuth, *Southwestern Mental Health Center*
Luke Greiner, *MnDEED*
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Dan Handberg, *Community Economic Development Associates*
Erik Hansen, *City of Tracy*
Joel Haskard, *Clean Energy Resource Teams*
Tom Hoff, *Southwest West Central Service Cooperative*
Angela Holmen, *Des Moines Valley Health & Human Services*
Lisa Hughes, *MnDEED*
Ali Joens, *Southwest Minnesota Housing Partnership*
Jeff Jones, *City of Pipestone*
Anne Johnson, *City of Redwood Falls*
Tiffany Knott, *Redwood County Townships**
Myron Koets, *City of Pipestone**
Stephanie LaBrune, *City of Tyler*
Molly Malone, *Murray County, Center for Regional Affairs*
Scott Marquardt, *Southwest Initiative Foundation*
See Moua-Leske, *Adult Basic Education*
Mark Mrla, *Private Industry*
Mary Mulder, *Southwest Minnesota Private Industry Council*
Briana Mumme, *Redwood Falls EDA*
Tom Nelson, *Community Economic Development Associates*
Lisa Onken, *Southwest Minnesota Housing Partnership*
Rose Patzer, *MinnesotaWest, Renewable Energy*
Molly Peterson, *Minnesota River Area Agency on Aging*
Shelly Pflaum, *United Community Action Partnership*
Vince Robinson, *Development Services, Inc.*
Holly Sammons, *City of Luverne EDA*
Stephen Schnieder, *Nobles County, School Boards**
Ted Stamp, *Southwest Center for Independent Living*
Bob Van Hee, *Redwood County**
Justin Vorback, *Southwest Minnesota Housing Partnership*
Shanda Walker, *Southwest Center for Independent Living**
Justine Wettschreck, *Murray County EDA*
Jill Wolf, *City of Adrian*

The SRDC Board and Full Commission also give input into the strategic direction of the Economic Development District. The Commission meets every other month, with Board of Director Meetings in between.

SRDC is organized under the Minnesota Regional Development Act of 1969, as amended (MN Statutes 462.38 et. seq.). The region was officially designated as a state development region by Executive Order of the Governor in Minnesota in 1973. The establishment of the Commission was in response to a desire of local units of government in Southwest Minnesota to band together to address problems of mutual concern or ones that transcend local government boundaries. The region includes 9 counties, 81 cities, 163 townships, 32 independent school districts, and one tribal nation.

Southwest Regional Development Commission Staff

Jay Trusty, *Executive Director*
Robin Weis, *Deputy Director*
Jason Walker, *Development Planner*
Rosemary Bruce-White, *Development Planner*
Jessica Welu, *Communications Specialist*
Elling Mann, *Development Intern*

SRDC Board of Directors

Myron Koets (Chair), *Pipestone County*
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Richard Peterson (Secretary), *Jackson County*
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Donna Gravley, *Cottonwood County*
Eric Hartman, *School Boards*
Dennis Klingbile, *Lincoln County*
Bob Van Hee, *Redwood County*

SRDC Full Commission

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JoEllen Benson, *Rock County Townships*
Bob Byrnes, *City of Marshall*
Miron Carney, *Murray County Municipalities*
Pam Cooreman, *Lyon County Municipalities*
Bill Crowley, *Murray County Townships*
Keith Elbers, *Rock County Municipalities*
Eriann Faris, *Southwest Minnesota Private Industry Council*
Lori Grant, *Lyon County Townships*
Donna Gravley, *Cottonwood County Commissioners*
Eric Hartman, *School Boards*
Tom Hoff, *Southwest Minnesota Higher Education*
Chris Hollingsworth, *Pipestone County Commissioners*
Dennis Klingbile, *Lincoln County Municipalities*
Tiffany Knott, *Redwood County Townships*
Myron Koets, *Pipestone County Municipalities*
Mike Kuhle, *City of Worthington*
Paul Langseth, *Nobles County Townships*
Jeff Moen, *Lincoln County Townships*
Nora Murphy, *Alternate: Lower Sioux Community*
Kevin O'Keefe, *Lower Sioux Community*
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Richard Peterson, *Jackson County Townships*
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Terry Quiring, *Cottonwood County Townships*
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Mic VanDeVere, *Lincoln County Commissioners*
Bob Van Hee, *Redwood County Commissioners*
Don Wachal, *Jackson County Commissioners*
Carol Wagner, *Jackson County Municipalities*
Shanda Walker, *Southwest Center for Independent Living*
Dennis Welgraven, *Murray County Commissioners*
Beth Wilms, *Health and Human Services*

The SRDC Board of Directors adopted the CEDS on December 9, 2021. The required public comment period occurred from November 1, 2021 to November 30, 2021. Documentation of public comments and verification of adoption is located in the Appendices.

Appendices

1. Resolutions
2. Survey Summary
3. Sources
4. Public Comment
Notice



RESOLUTION

**Authorizing Adoption of Southwest Regional Development Commission's
2022-2027 Comprehensive Economic Development Strategy**

WHEREAS, the State of Minnesota established the Southwest Regional Development Commission (SRDC) to work with and on behalf of the 9 counties (Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood & Rock), 80 cities, 163 townships, parts of 32 school districts, and 1 tribal nation to improve the economic conditions of the region; and

WHEREAS, the SRDC has been designated an Economic Development District (EDD) by the federal Economic Development Administration (EDA); and

WHEREAS, the EDA provides the SRDC with an annual planning grant to provide economic development planning assistance to local units of government and businesses; and

WHEREAS, the 2022-2027 CEDS was developed in 2021 that reflects the specific economic challenges and opportunities of the region and contains the key CEDS elements of vision, analysis, action plan, and evaluation; and

WHEREAS, an approved CEDS is a condition to qualify for grants for local economic development projects and the annual planning grant from the EDA; and

WHEREAS, the SRDC CEDS Committee has reviewed the draft CEDS and found that it accurately reflects the economic development objectives, goals, and needs of the region.

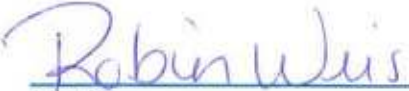
Adopted this 6th day of December, 2021

By:



Tara Onken
CEDS Committee Chair

Attest:



Robin Weis
SRDC Deputy Director

RESOLUTION

**Authorizing Adoption of Southwest Regional Development Commission's
2022-2027 Comprehensive Economic Development Strategy**

WHEREAS, the State of Minnesota established the Southwest Regional Development Commission (SRDC) to work with and on behalf of the 9 counties (Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood & Rock), 80 cities, 163 townships, parts of 32 school districts, and 1 tribal nation to improve the economic conditions of the region; and

WHEREAS, the SRDC has been designated an Economic Development District (EDD) by the federal Economic Development Administration (EDA); and

WHEREAS, the 2022-2027 CEDS was developed in 2021 that reflects the specific economic challenges and opportunities of the region and contains the key CEDS elements of vision, analysis, action plan, and evaluation; and

WHEREAS, input from residents, communities, businesses, and organizations in the region were solicited in order to ensure broad geographic representation; and

WHEREAS, an approved CEDS is a condition to qualify for grants for local economic development projects and the annual planning grant from the EDA; and

WHEREAS, the SRDC CEDS Committee has reviewed the draft CEDS and found that it accurately reflects the economic development objectives, goals, and needs of the region.

THEREFORE, BE IT RESOLVED, the Southwest Regional Development Commission approves the 2022-2027 CEDS as presented to the SRDC Board of Directors and is hereby authorized to execute such agreement and any amendments.

Adopted this 9th day of December, 2021

By:



Myron Koets
SRDC Board Chair

Attest:



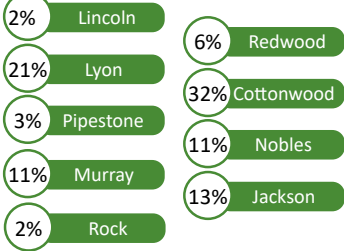
Jayme I. Trusty
SRDC Executive Director



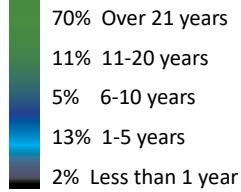
SOUTHWEST REGIONAL DEVELOPMENT COMMISSION

April 2021 CEDS Survey Overview of Results

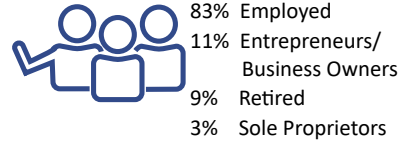
84
Responses



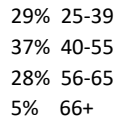
Respondents have lived in the region:



Respondents were:

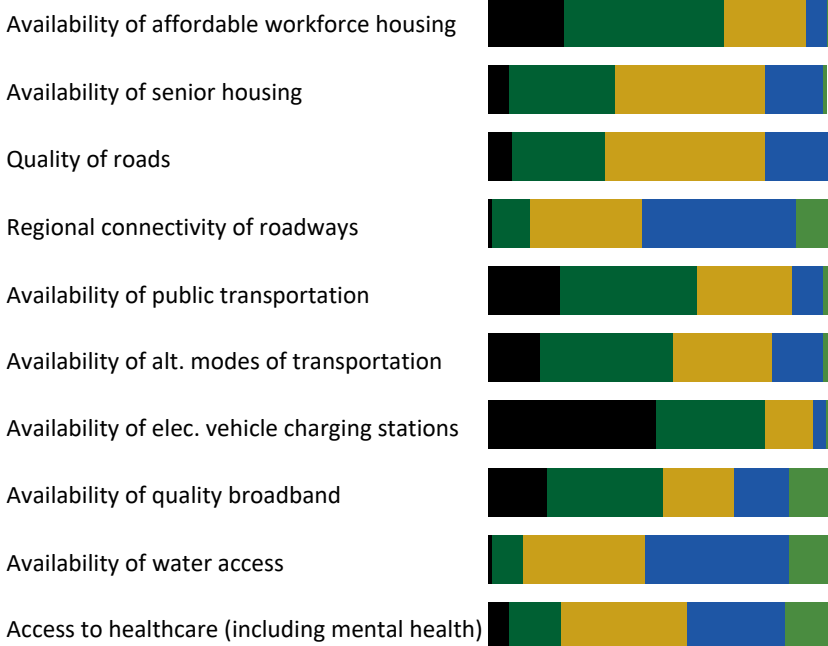


Ages:



FOUNDATIONAL ASSETS

Rated Components (A = Outstanding C = Average F = Needs Significant Improvement)

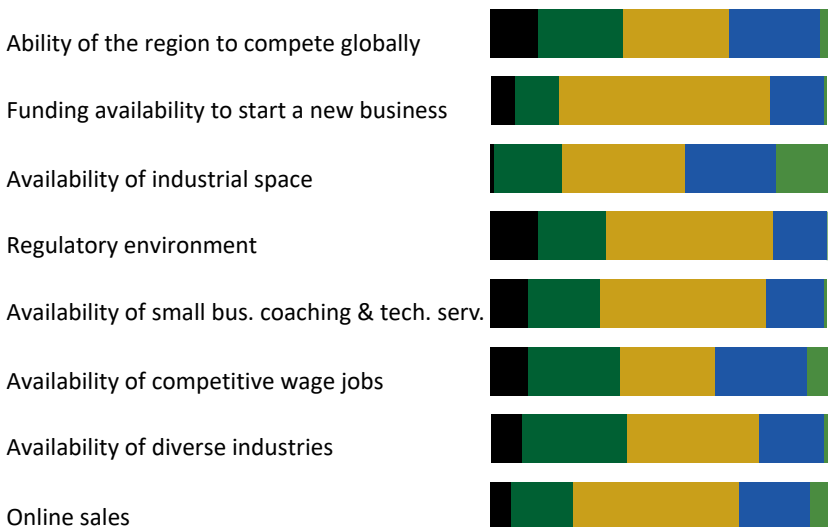


Top 3 Concerns:

- #1 Housing** 76% of responses
Availability of affordable housing (rental/sale), including:
 - 4 responses: senior housing
 - 2 responses: blighted/vacant properties
 - 1 response: accessible housing
 - 1 response: housing developments
 - 1 response: need for a regional plan/structure for housing
- #2 Transportation** 38% of responses
Including:
 - 14 responses: road/bridge quality/maintenance, cost of repair & MnDOT restrictions
 - 7 responses: public transportation & transportation to job hubs
 - 6 responses: alternative transportation
 - 2 responses: regional connectivity to roadways
- #3 Broadband/Service** 37% of responses
Need for reliable & affordable coverage, including:
 - 3 responses: cell phone & 5g coverage
 - 2 responses: service competition
 - 2 responses: high speed internet

ECONOMIC COMPETITIVENESS

Rated Components (A = Outstanding C = Average F = Needs Significant Improvement)



Top 3 Concerns:

- #1 Workforce/Jobs** 47% of responses
Access to a skilled workforce and/or access to jobs with competitive wages & benefits
- #2 Funding/Assistance** 29% of responses
Access to funding, coaching, and/or technical assistance for new business & to support current business growth
- #3 Workforce Housing** 20% of responses
Access to affordable and quality workforce housing, including proximity to jobs

■ F ■ D ■ C ■ B ■ A

Percentages rounded to the nearest percentile

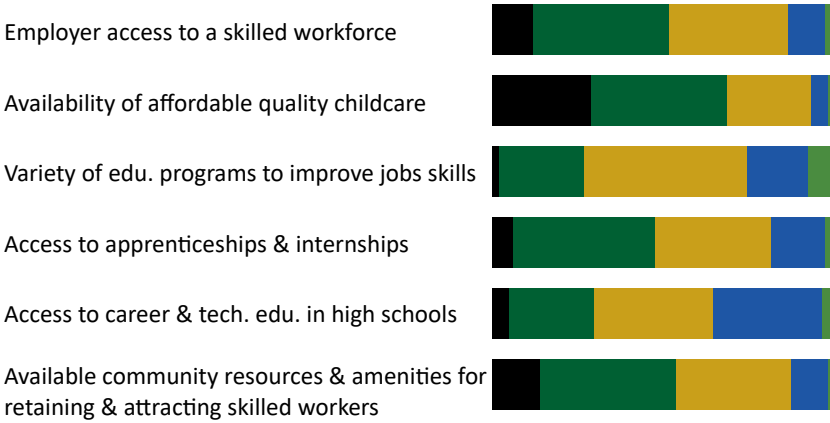


SOUTHWEST REGIONAL DEVELOPMENT COMMISSION

April 2021 CEDS Survey Overview of Results

HUMAN CAPITAL

Rated Components (A = Outstanding C = Average F = Needs Significant Improvement)



Top 3 Concerns:



#1 Workforce Shortage 47% of responses

Lack of skilled workforce at all skill levels, including:

- 6 responses: lack of competitive wages
- 2 responses: affect on companies expanding



#2 Younger Workforce 47% of responses

- 12 responses: Career readiness in high school & training/education not meeting workforce needs
- 10 responses: attraction/retention of younger workers
- 3 responses: access to internships/apprenticeships

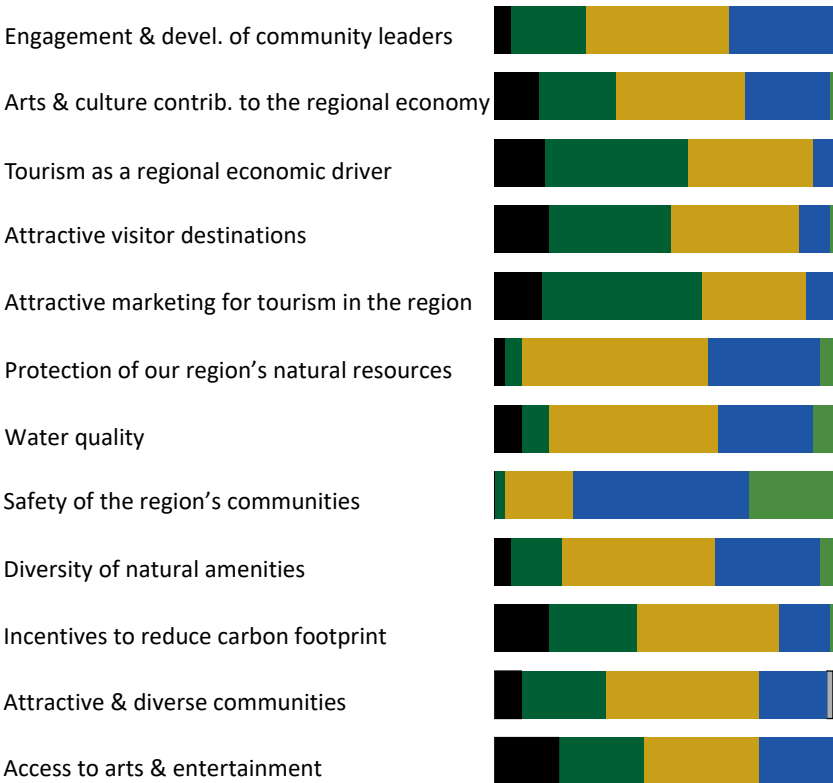


#3 Childcare 25% of responses

Lack of childcare/resources and regulations on childcare facilities

COMMUNITY RESOURCES

Rated Components (A = Outstanding C = Average F = Needs Significant Improvement)



Top 3 Concerns:

#1 Marketing/Promotion 59% of responses

Lack of skilled workforce at all skill levels, including:

- 5 responses: regional marketing efforts
- 4 responses: developing attractive communities & community pride

#2 Entertainment 41% of responses

Including:

- Stores/restaurants open after 5pm & on weekends
- More restaurants and more diverse attractions
- Entertainment that's not bars
- Support for the arts
- So many events are seasonal

#3 Leadership 27% of responses

Including:

- Development/diversity of new community leaders
- Aging of community leaders
- Engagement
- Low interest in community groups/organizations

Sources

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Public Comment Notice, Nov. 1, 2021

CEDS 30 Day Public Comment Period
November 1, 2021 by SRDC

Seeking Public Comment

November 1 – November 30, 2021
SRDC is holding a 30 day public comment period (Nov 1-30) on the draft 2022-2027 Comprehensive Economic Development Strategy (CEDS). Once finalized, this plan will be sent to the U.S. Economic Development Administration and will serve the nine counties of Cottonwood, Lincoln, Lyon, Jackson, Murray, Nobles, Pipestone, Redwood and Rock. The completed CEDS will serve as a roadmap to diversify and strengthen our regional economy.

[View the Draft 2022-2027 CEDS](#)

The public is encouraged to submit comments by November 30 through any of the following methods:

- Email srdc@swrdc.org. Please include "Comments on SRDC CEDS" in the subject line of your message.
- Mail your comments to Deputy Director, Southwest Regional Development Commission, 2401 Broadway Avenue, Stages, MN 56172. Please indicate "Comments on SRDC CEDS" on the envelope.
- Fax 507-836-8056. Please direct attention to Deputy Director on the cover page.
- Complete the public comment form below.

Contact Us

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CEDS 30 Day Public Comment Period
November 1, 2021
Seeking Public Comment November 1 - November 30, 2021 SRDC is holding a 30 day public comment... [\[Read More...\]](#)

Newsletter
Read the September 2021 issue of the SRDC Newsletter. In this issue, Meet our new Chairman, we're seeking your input on future activities and services, learn about Seed Grants, and more... Subscribe to our newsletter to keep up with the latest in SRDC news.

Upcoming Events

Southwest Regional Development Commission
Published by Jessica Welu · November 1, 2021 ·

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The CEDS can be reviewed on ou... [See more](#)

SEEKING FEEDBACK
SRDC is holding a 30 day public comment period (Nov 1-30) on the draft 2022-2027 CEDS and we want your comment! Submit your feedback online (swrdc.org) or by mail to our office.

[SUBMIT](#)

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