

**ECONOMIC DEVELOPMENT FOUNDATION
TEAMS MEETING
Thursday, February 25, 2021
1:30 - 4:00 p.m.**

Economic Development Foundation members present: Kevin Black, Kyle Blanchfield, Tom Campbell, Erik Diederich, Bruce Gjovig, Lyn James, Tommy Kenville, Vicki Monson, Pamela Schmidt, Mike Seminary, Paul Steffes, Eric Trueblood

Commerce staff present: Shawn Kessel, James Leiman, Joshua Teigen, Bonnie Malo, Katie Ralston, Maria Effertz Hanson, Michael Tolan, Sherri Frieze

Guest present: Jennifer Greuel, Connie Ova

WELCOME and ADMINISTRATIVE MATTERS

Chairwoman Lyn James called the meeting to order at 1:30 p.m. welcoming the Economic Development Foundation members and guests.

APPROVAL OF MINUTES and FINANCIALS REPORT

Motion: It was moved by Mike Seminary, seconded by Tom Campbell to approve the minutes of December 16th, 2020. Motion carried.

Motion: It was moved by Pam Schmidt, seconded by Bruce Gjovig to approve the financial report for \$91,796.93 as of February 25th Motion carried.

EDF Quarter 2 – Quarter 4 Meeting Dates

Upcoming board meeting dates were reviewed with the foundation with no discrepancies.

- **Q2 – May 18th – Joint meeting the RDC**
- **Q3 – August 17th**
- **Q4 – December 9th**

DEPARTMENTAL LEGISLATIVE and STAFFING UPDATES

Shawn Kessel – Deputy Commissioner - Commerce

SB 2018 Commerce bill – a 15% reduction was made in compliance with the Governor’s budget

- **Information Technology (I.T.)** unification process has been approved by the Senate.
 - 1 FTE from the Commerce budget line will move to the ND Information Tech. Dept., with contract stipulations back to Commerce.
- **HOME Program** to move to the Housing Finance Agency (HFA)
 - 2 FTEs from Commerce will move to the HFA
 - Federal funds of \$8 million will follow the program to HFA
- **Marketing/Tourism Division**
 - Recommendation from the Commerce budget of \$2 million for Tourism/Marketing; Senate approved an additional \$5 million and removed \$200 thousand in Tourism branding. .
- **Early Childhood Education Program**
 - The Department of Human Services will fund the program, no longer to exist in the Commerce budget.
- **AmeriCorps**
 - Reduction of \$200 thousand in Commerce budget; Senate restored the funding to the program.
- **BioTech Grant Program** – Program will move to the Ag. Department to fulfill their existing funding in this program.
- **Homeless Shelter Grants** – Reduction of \$175 thousand
- **Discretionary (Momentum) Funds** – Commerce recommended a \$600 thousand reduction, compliant with the 15 percent recommendation. No further reductions were made.
- **NDTO** – Recommendation of ND Trade Office to move to the Ag. Department.

Katie Ralston – Director – Workforce

- **Technical Skills Training Grant** – funding from the CARES ACT dollars used.
 - Funded 12 training programs
 - Matching funds of \$924 thousand was provided to training providers.
 - Displaced workers went back into the workforce in new trades; 180 graduates.
 - Request for \$1 million in matching funds in the Commerce budget – passed in Senate.
- **SB 2272 Career Builders** – skilled workforce scholarship and loan repayment program. Funding ask, with changes to the program and providing marketing dollars, need resources to promote throughout the state.
- **HB 1466 Early Childhood Education Program** – move to the DHS – can provide more support to the program.
- **SB 2198 Nursing Recruitment** – Did not pass in Senate. Possible language revision to the bill on the House.
 - Program is designed to entice ND nursing students to stay at facilities in ND .
- **Staffing Update**
 - Workforce Projects Coordinator new staff member to start March 15th.
- **Workforce Development Council (WDC) Toolkit**
 - Microsoft LIVE TEAMS event was showcased December 17th. The live recording, addressing workforce priorities is attached to the Commerce website <https://www.workforce.nd.gov/workforce/WorkforceDevelopmentCouncil/WDCToolkit/> and receiving many hits.

Bonnie Malo – Director - Division of Community Services (DCS)

- **HB 1394 CARES ACT Covid Relief Funds**
 - Commerce funding of \$8 million to be carried over to the next biennium
- **SB 2139 Neighborhood Zones**
 - To be become part of the Renaissance Zone, as a residential rehab program.
- **ND Homeless Program**
 - Funding of \$1.5 million, last biennium - was cut by \$169 thousand this session.
 - Provides funding to 34-36 shelters and providers.

Joshua Teigen – Director - Economic Development & Finance (ED&F)

- **HB 1141 LIFT** – Funding from House for \$15 million. Will work to restore to the Governor’s recommendation of \$30 million. Many success stories have come out of LIFT funding from last biennium.
- **SB 2171 NDTO** - Bifurcation, not successful, possible move to the Ag. Department.
- **SB 2245 Intermodal Facility** – Minot Industrial Park, ROI and Economic Impact to Agriculture industry. Upgrades to the facility, bill addresses.
- **HB 1425 State Investment Board (SIB)** – Legacy Funds of 20% are to be invested in ND businesses.
 - This investment will be administered through the SIB. Currently the Legacy Fund dollars are managed by 32 asset managers. This bill will create a 33rd asset manager for the SIB to hire, for the investing of the dollars within the State of ND.
- **Staffing Update**
 - UAS Developer added to current portfolio – Cortnee Jensen
 - Main Street Initiative – 2 candidates to be interviewed
 - Community Developers – 2 candidates to be interviewed
 - Census Division – A future initiative is to have Commerce work with local developers on data and become more cohesive.

James Leiman – Manger of Strategic Operations – ED&F

- **Strategy Update**
 - Discussed strategy for moving forward with the House.
 - An impactful pitch will be needed with foundation members and legislators.
 - A hi - level approach broken down by weeks/days, and a conference committee plan to meet with legislators.
- **Environmental Social and Corporate Governance (ESG) – Clean Energy Plan**
 - Currently working with the EmPower ND Commission for a Request for Proposal (RFP) for an energy consultant, that has public/private. The ESG consultant will be able to help small to medium energy companies in ND, once the federal energy plan comes to fruition.

Shawn Kessel for Sara Otte Coleman – Director - Tourism

- **SB 2296 Charitable Gaming Bill** – Senate defeated.
- **SB 2144 Hunting and Land Posting** – Passed. All posting to electronic
- **HB 1298 Transgender Youth Sports** – Passed, sanctioning bodies of the sports, will be the subject matter experts.
- **Grant Updates – Round 1 & 2**
 - **ERG – Economic Resiliency Grants– Round 1**
 - **HERG – Hospitality Economic Resiliency Grant – Round 2**
 - **HERG PLUS – Round 1**
 - **Tourism Main Street Expansion Grant**

RURAL DEVELOPMENT COUNCIL (RDC) ANNUAL REPORT

Shawn Kessel

Shawn walked through the RDC Annual Report.

- **Partners in Planning Grant – Round 1 & 2**
- **Vibrancy Grant – Round 1 & 2**
- **Business Surveys early and mid COVID**
- **Rural Economic Survey** – elimination of economic development positions in rural communities
- **Economic/Community Development Ecosystem Map**
- **ND2C Tool** – Infrastructure calculator
- **Main Street Initiative Summit** – Scheduled for October 12th in West Fargo or Watford City.
 - Odd year in smaller community
 - Even year in Bismarck
- **Action Plans with 5 goals by the RDC**

MAIN STREET INITIATIVE (MSI) STAFFING UPDATE

Shawn Kessel

Two open positions exist within the MSI Team and interviews are currently being conducted.

ACTION PLAN 2021 UPDATE

Maria Effertz Hanson

Five objectives and actions that came from the Rural Development Council's Annual Report are:

1. Expand partnerships to bolster state marketing efforts to communities and regional areas across ND community outreach through economic/community developers
2. Implement targeted networking opportunities
3. Utilize existing communication channels to share information and learning opportunities
4. Expand partnerships to bolster state marketing efforts to communities and regional areas across North Dakota
5. Facilitate training sessions with subject matter experts

BEST PRACTICES REPORT

Michael Tolan

Michael highlighted the report that was conducted by the RDC

- Aim to study the programs and activities of other state RDC's
- Takeaways: MSI/Commerce/RDC already doing many of the best practices, with possible room to expand existing efforts

ND2C TOOL

Michael Tolan

Michael highlighted the excel spreadsheet calculator that is listed on the Commerce website. Currently the tool, is receiving feedback from local communities, regarding the usefulness of the tool. Also, preliminary conversations with the Department of Transportation are taking place on how to best use the tool to its full capacity.

- New tool to give communities a better sense of the long-term costs and benefits of new development
- Help communities weigh their options to avoid unexpected high infrastructure costs in the future
- Very customizable to reflect conditions of urban and rural communities
- Advanced version is available also for larger communities to better reflect costs of development

The ND2C Tool will help communities better understand the long-term fiscal impacts of new development to their communities. Users can input specifications that will give cost analysis for taxes, revenue, and maintaining infrastructure. The first draft of the beta version exists in an excel spreadsheet and a web-based application will be built soon

BOARD MEMBER TERMS

Members were informed of retiring members, committees, membership rules and the next steps needed to fill those seats. Committees include: Executive, Finance, Fundraising, Innovative, Nominating, and Policy.

It was discussed to have members reply to Chairwoman James, for their interest in serving on a committee(s). The nominating committee will meet to discuss the fulfillment of the committee seats before the next foundation meeting.

NEXT STEPS

May 18th is the next foundation meeting, with a planned joint meeting with the RDC.

ADJOURNMENT

MOTION: It was moved by Kyle Blanchfield and seconded by Tom Campbell to adjourn the meeting. Motion carried. Meeting adjourned at 4:00 p.m.

Lyn James

05.18.21

Lyn James
Chair

Date

Sherri Frieze

05.18.21

Sherri Frieze
Boards and Commissions E.A.

Date