



**Rural Development Council (RDC) and
Economic Development Foundation Joint Meeting
Great River Energy Building 1611 East Century Avenue – Ft Union Room with TEAMS connection
May 18th, 2021
9:30 a.m. – 12:30 p.m. - EDF and 9:30 a.m. – 1:00 p.m. - RDC**

RDC MEMBERS PRESENT	RDC	EDF MEMBERS PRESENT	EDF	GUESTS PRESENT
Jay Doan – in person	MEMBERS	Lyn James – in person	MEMBERS	Joshua Teigen – in person
Dawn Mandt – in person	ABSENT	Tom Campbell – in person	ABSENT	Sara Otte Coleman –
Teran Doerr - TEAMS	Senator Janne	Kevin Black – TEAMS	Linda Butts	in person
Shawn Kessel - TEAMS	Myrdal	Erik Diederich – TEAMS	Kyle Blanchfield	James Leiman – in person
Daniel Stenberg – TEAMS	Gwen Crawford	Bruce Gjovig – TEAMS	Pamela Schmidt	Maria Effertz Hanson –
Antoinette Heier - TEAMS	Carol Peterson	Tommy Kenville – TEAMS	Mike Seminary	in person
Lindsey Lipp - TEAMS		Megan Laudenschlager – TEAMS	Eric Trueblood	Ellen Huber – in person
KayCee Lindsey – TEAMS		Vicki Monson – TEAMS		Shawn Wenko – in person
Megan Laudenschlager – TEAMS		Kari Ness – TEAMS		Sherri Frieze – in person
Joyce Shining One Side - TEAMS		Paul Steffes – TEAMS		

CALL TO ORDER/WELCOME

Commerce Deputy Commissioner Shawn Kessel called the meeting to order on behalf of RDC Chairperson Doerr at 9:30 a.m., welcoming members and guests. Roll call was taken. EDF Chairperson James called the meeting to order at 9:35 a.m. Roll call was taken.

**ADMINISTRATIVE MATTERS
Approval of Minutes and Financial Report**

- Motion:** It was moved by Daniel Stenberg, seconded by Megan Laudenschlager to approve the Rural Development Council minutes of February 16, 2021. Motion carried.
- Motion:** It was moved by Tommy Kenville, seconded by Tom Campbell, to approve the Economic Development Foundation minutes of February 25, 2021. Motion carried.
- Motion:** It was moved by Kevin Black, seconded by Paul Steffes to approve the Economic Development Foundation Financial Report of \$91,474.26 as of April 30, 2021. Motion carried.

**Rural Development Council (RDC) Chair Report
Shawn Kessel on behalf of Chairperson Teran Doerr**

Shawn outlined various areas of RDC:

1. Purpose and history,
2. Networking with local communities,
3. Grant programs; Partners in Planning (PiP) and the Main Street Initiative (MSI)
4. Ecosystem Mapping,
5. ND New Development Budgeting Calculator. (ND2C)

Five Focus Areas for 2021 Along with Future Recommendations

1. Communicating the Value
2. Building Capacity
3. Stabilizing Rural Development Funding
4. Support Community Conversations
5. Invest in infrastructure, quality of life services, and high-paying jobs.
 - a) Communicating and developing strong networks between rural communities and regional and state leadership.
 - b) Advocating for opportunities in rural ND.
 - c) Providing resources and education to support smart, efficient infrastructure.

Economic Development Foundation (EDF) Chair Report

Chairwoman Lyn James

Lyn outlined various areas of the foundation”

1. Purpose and history,
2. Members and private sector representation
3. Membership by Region

Board Expectations and Path Going Forward

James Leiman

James has met with the Foundation and Rural Development Council members separately, educating them on the need to leverage their regions with the current trends, process thinking to develop a systems level approach. James discussed the future strategic planning for a path going forward.

1. Desires to grow energy portfolio in the state; the ag sector, community development, tourism and marketing, and unconventional workforce constrains in the state.
2. Geo Fencing to pursue the workforce needs for ND.
3. Develop a systems level approach for communication channels to be more effective.
4. Community visits conducted by the Governor and staff soon.
5. Quarterly meetings with boards to articulate this vision and how to deliver on at cross sectional meetings.
6. Input gatherings from regions, locals, EDNDs and other regions for networking needs.
7. Partner organizations, locals, regions, EDNDs, moving forward to meet new metrics.

RDC Best Practices Report – Approval needed

Shawn Kessel

Shawn outlined the report that was sent to all council members, mapping the programs and initiatives of other RDCs across the country that are currently undertaken. Some RDCs are active, some entirely volunteer, and some do a wide variety of programming.

- Programming that would be within the ND RDC’s capacity and have an impact in an important area is listed as **“Pursue.”**
- Programming that either would have an impact but require significant resources OR doesn’t seem to quite fall in the scope of the ND RDC is listed as **“Consider Pursuing.”**
- Programming that would require significant resources and not have a large impact OR the programming that is already being done is listed as **“Do not pursue.”**

Shawn discussed how the staff of the RDC would create the “Action Plan”, how to pursue and achieve metrics. The best practices would be factored into the action plan, by creating the plan and pursuing the items identified by the council to pursue. RDC would conduct implementation by staff, economic development councils, community action program agencies, to move forward.

Motion: It was moved by Megan Laudenschlager, seconded by Lindsey Lipp to approve the Rural Development Council Best Practices Report. With no further discussion, the motion carried.

Commerce Staffing Updates/Org. Chart
MSI new hires - Maria Effertz Hanson
ED & F new hires – Joshua Teigen

Maria spoke of the two new hires for Community Development Liaison, hired under the ED&F Division, creating a braiding effect of economic development and community development. Along with the two new hires, a vacant energy developer position will be modified, to form a new job description for a renewable/value added energy developer. The visiting of communities will begin this summer, with those receiving funding for Partners in Planning grants and Vibrancy grants will be visited first.

Joshua spoke of the new hires in the ND Development Fund, along with a vacant position on the Finance Team within the Division of Economic Development & Finance. In closing, it was noted that the Commerce will host a Developer Day on September 23rd, for educating of local community developers across the state.

Legislative Updates
Commerce Leadership Team
Joshua Teigen, Bonnie Malo, Katie Ralston, Sara Otte Coleman

Joshua Teigen – Economic Development & Finance Division

- **SB 2018** Commerce Appropriations
 - **Unmanned Aerial System Test Site (UASTS)** – \$3M appropriated for operation of test site.
 - **Beyond Visual Line of Site (BVLOS)** - \$19M appropriated, that will flow through the Department of Transportation.
 - **Enhanced Use Lease** – Grand Sky – \$7M appropriated to go toward infrastructure development, no private investment is funded.
- **HB 1141** – LIFT Bill – \$15M appropriated this and last biennium. 18 investments were made. Application will be opening shortly with funds available July 1st. Dollars are for Intellectual Property in the state. High risk, high impact deals are done with these funds.
- **NDTO moved over to the Department of Agriculture.** The operations of the trade office moved, with retaining of the foreign direct investment (FDI), to be funded by the Commerce Momentum funds.
- **SB 2137** – Sales and Use Tax exemption for data centers – equipment purchased by data centers.
- **SB 2245** - Intermodal Facility in Minot Industrial Park. Legislation heavily debated on what to support. Funding provided to upgrade infrastructure to keep the facility operating.
- **HB 1425** – Legacy Fund bill - 20% of Legacy Funds (\$1.6B) investing in State of ND, ½ to fixed income infrastructure through the BND and the other \$800M to be invested in either private debt or equity in ND businesses. SIB has hired an asset manager to manage the additional \$800M. Commerce can be the source of the deal flow and be a feeder system for projects within the state.

- **HB 1452** – Clean Energy Authority – \$40M appropriated. The state realizing the energy industry is evolving, with the Ag economy slowly behind it. Commerce does not manage the dollars but can augment those dollars to hire an Environmental, Social, and Governance (ESG) Consultant, funded from the Commerce Momentum Fund.

Bonnie Malo – Division of Community Services

- **SB 2018** Commerce Appropriations – the HOME program will be moving over to the ND Housing & Finance Agency, moving 2 FTEs and \$8M and current grants operating. Will be leveraged with other programs.
- **HB 1394** – CARES Act Covid Relief Funds – 1 last allocation of CSBG funds - small states did not get funds from federal government, and so this bill was created to come from the emergency commission. Including all of CARES fund for Commerce with federal funds for \$11M.
- **SB 2127** – Housing Incentive Funds – through HFA, received 9.5M. 10% of the funds need to be used for Homeless activities within the state. Public hearing will be heard for how to use the funds.
- **SB 2139** - Neighborhood Zone creation – to be part of the Renaissance Zone, - Failed.

Katie Ralston – Workforce Division

- **SB 2272** – ND Career Builders Program – created in last session, kicked off in September 2019 with no funding to market the program. One-time funding of \$2.25M each for scholarship and loan repayment along with funding for marketing. Employers can use the loan repayment incentive to recruit out of state talent, as well as in state.
- **SB 2175** – Military Personnel and Spouse Licensure Reciprocity – Commerce collected a report from all licensing boards that included in the previous legislative session bill. The report will be completed by Commerce by August 2022.
- **HB 1015** – Office of Management and Budget (OMB) – Funding for Career and Technical Centers. Through the OMB budget, \$70M was allocated for the facilities and programs, all requiring a 1:1 match.
- **HB 1466** – Early Childhood Education – This program was housed in the Workforce Division in the past and now will be moved to the Department of Human Services at the end of the fiscal year, June 30th.
- **Technical Skills Training Grant** – Started last year with Covid funds received \$1M matching grant and had funded 12 skilled workforce training programs. Received another \$1M this year, but funded through the leftover Covid Relief funds, with the need to use by the end of 2021. Looking to promote program with partners across the state.
- **Non-Resident Nurse Employment Recruitment Program** – Received funding last session, that helped facilities recruit nurses from out of state. \$320 thousand, matching grant are used to help entice nursing graduates and out of state graduates to stay in ND.

Sara Otte Coleman – Tourism Division

- **SB 2144** – Electronic or visible signage – Posting on hunting land. ND is the first state to allow electronic posting.
- **HB 1425** – Legacy Fund – We are one of the few states that does not have designated large-scale tourism programs for funding tourism infrastructure projects.

- **HB 1282** – Flexibility with alcohol sales at events.
- **HB 1298** – Transgender bill – was vetoed by Gov. Burgum
- **HB 1218** – Allows nonresidents to hunt the first week if they put their private land into PLOTS.
- **Commerce budget** – \$6.9M for tourism marketing was appropriated – one-time funding through CARES Act, spent by the end of December 2021.
- Dedicated dollars for other events, Frost Fire, event center grants, travel agent and tour operator grants, Burning Hills Amphitheater, motion picture production, along with other agency budgets that were funded for Tourism projects.
- **CARES Act Grants:**
 - HERG – PHERG grants have been wrapped up.
 - HERG – 1,132 applications, 966 awarded, Round 2 - 400 applications, 316 awarded.
 - HERG PLUS – 220 applications, 197 awarded, Round 2 – 68 applications, 39 awarded
- **New Grants to go out in June**
 - Travel Agent and Tour Operator Grant – June 1
 - Events, Venues and Support Grant – June 10

COMMERCE FUTURE BUDGET

Momentum Fund & Metrics

Commissioner Leiman

James gave an overview of ND’s future needs to grow the oil and agriculture industry in the circle of foreign direct investment, becoming carbon neutral by 2030 and moving forward with the Governor’s Office regarding foreign trade missions.

ADJOURN

Motion: It was moved by Tommy Kenville, seconded by Vicki Monson to adjourn the meeting for the Economic Development Foundation at 12:30 p.m. Motion carried.

ADJOURN

Motion: It was moved by Joyce Shining One Side, seconded by Daniel Stenberg to adjourn the meeting for the Rural Development Council at 12:30 p.m. Motion carried.