



# CEDS

Southwest Minnesota

Southwest Regional Development Commission



“A CEDS is a strategy-driven plan for regional economic development. A CEDS is the result of a regionally owned planning process designed to build capacity and guide the economic prosperity and resiliency of an area or region.”

This CEDS document is specific to the southwest region of Minnesota which covers the following counties: Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood and Rock.

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# SWOT Analysis of Human Capital

Developing, retaining and attracting talent are 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 1) manufacturing, 2) health care and social assistance, and 3) 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 includes 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 opportunities
- 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



## 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

- Promote livability, public spaces, and identity
- Healthy community initiatives
- 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

# The Cornerstones

Human Capital, Economic Competitiveness,  
Community Resources, Foundational Assets



# Cornerstone: Human Capital

## 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. 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), which is an increase from 67.3% in 2015. <sup>1</sup>

### 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. Fostering 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

<sup>1</sup> Minnesota Department of Employment and Economic Development, Region 8: 2020 Regional Profile, 2020

- 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 bi-lingual childcare providers.
  - f. Market legally non-licensed care (aka Care for Two).
  - g. Explore community retention initiatives to retain current childcare programs.
  - 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.
4. 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. Fostering 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.
5. 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.
6. Build a regional/local talent pipeline to inform students about opportunities in the region and prepare future workers.
  7. Create and sustain vibrant and healthy communities that attract and retain residents.
  8. Promote and facilitate the creation of mentoring and leadership opportunities for youth, BIPOC communities, women, immigrants, refugees, and others facing labor market barriers.

## 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 Southwest region must increase educational attainment to create and retain a vibrant workforce.

### Context:

Employers in Southwest region reported about 10,200 job vacancies in the fourth quarter of 2020, which was up about 2,435 postings compared to 4th quarter of 2019.<sup>2</sup> Despite the struggle to find workers – or maybe because of it – that was the fourth highest number of job vacancies ever reported in the region. In comparison, there were only about 7,700 unemployed workers available and actively seeking work, leaving less than one jobseeker for every vacancy. Across the first seven months of 2021, the region averaged just 8,700 unemployed workers, with the estimated number dropping below 7,000 in July.<sup>3,4</sup>

Prior to the pandemic, job vacancies had doubled in the 4th quarter of 2019 with over 4,000 vacancies, demand was highest in Health Care & Social Assistance. The Southwest region had nearly 1,900 vacancies in Retail Trade, which was three times the amount in the 4th quarter of 2019. Manufacturing had about 725 vacancies, which was up 80 compared to 2019. In contrast, openings in Accommodation & Food Services were cut in half compared to the prior year, with just 764 vacancies as those customer-facing industries took longer to bounce back.<sup>5</sup>

### Smart Goals:

- Increase GED or high school equivalent education in the southwest region.
- 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 2025.
- Reduce labor shortages to 30% or less for employment requiring post-secondary education, certificates, technical degrees, or apprenticeship by 2027. Regional average unemployment rate in southwest Minnesota for those with college degrees and over is .96%.

<sup>2</sup> Minnesota Pollution Control Agency, Impaired Waters List, 2020

<sup>3</sup> Minnesota Department of Employment and Economic Development, QCEW, March 31, 2021

<sup>4</sup> Minnesota Department of Employment and Economic Development, Region 8: 2020 Regional Profile, 2020

<sup>5</sup> Minnesota Department of Employment and Economic Development, A Shallower Labor Pool in Southwest Minnesota, August 13, 2020

## 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 onsite 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 through infographics, etc.
  - b. Encourage businesses to promote their job possibilities via tours, videos, social media, online sites (i.e., swmncareers), 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 with school counselors 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 the Southwest Minnesota region, 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
- Minnesota West 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 and Innovation

#### Call to Action:

The Southwest region must embrace innovation and entrepreneurship to compete effectively in the global economy. Although 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 & Employment however exceeds the National Average on Economic Well-Being.<sup>6</sup>

#### Smart Goals:

- 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 2025.

#### 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,

<sup>6</sup> Stats America, Innovation Intelligence, October 1, 2021

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, including government economic development programs. 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 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 2016-2021 where southwest Minnesota saw a net decrease (15 establishments).<sup>7</sup>

### Smart goal:

- 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.
- Between 2016 and 2021 private businesses in the southwest region grew by 7.56%. Our goal is to continue to increase private business establishments in Southwest Minnesota by 5% or more by 2027.
- Increase gross sales for Southwest Minnesota businesses.

### 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.

<sup>7</sup> Minnesota Department of Employment and Economic Development, QCEW, March 31, 2021

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, 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 regional revolving loan fund for businesses.
9. Encourage shop local initiatives.
10. Increase the percentage of small businesses who are owned by new Americans and people of color through 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. Entice 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 risk in local business ventures. In the Southwest Minnesota 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 Business in the Community: When businesses close in a community there is a loss of local competition and if not intervened, 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 business 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 (Luverne and Worthington included in last CEDS, but we could expand to others)
- Local EDA authorities and corporations
- Southwest Initiative Foundation
- Minnesota Department of Employment and Economic Development
- Small Business Development Center
- LYFT Career Pathways
- CareerForce in Marshall and Worthington

## Cornerstone: Community Resource

### 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. The Southwest Regional Development Commission is committed to supporting and fostering inclusiveness of all community members in the southwest region.

The SRDC 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, created 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.<sup>8</sup>

"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.<sup>9</sup>

- 86% from southwest Minnesota indicated somewhat or strongly agree that residents are able to work together effectively.<sup>9</sup>
- 82% across Minnesota indicated somewhat or strongly agree that residents can work together effectively.<sup>9</sup>

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.

<sup>8</sup> St. Cloud Times, *One Minnesota Equity Blueprint Charts Path to Thrive Together*, February 1, 2019

<sup>9</sup> Blandin Foundation, *Rural Pulse Snapshot: Southwest Minnesota*, April 3, 2019

Gini Index: a statistical measure from the World Bank, The Gini Index 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 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 regions was 0.425. This can be compared to the average across the United States of 0.415 and Canada of 0.340.<sup>10</sup>

### Smart Goal:

Increase the percentage of respondents who feel that their community works together effectively to address local needs by 5% from 86% to 91% by 2025.

### Strategies:

1. Actively recruit and nurture emerging community leaders.
  - a. Community leaders reflective of 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.

## Arts and culture

### Call to Action:

Arts, culture and placemaking contribute to the vibrancy of 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:

According to The Minnesota Department of Employment and Economic Development (DEED) arts, entertainment, and recreation in 2018 employed 53,023 people throughout the state of Minnesota. 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 Southwest region; compared to 38,540 Arts, Design, Entertainment and Media sector jobs statewide, comprising 1.3% of total jobs.<sup>11</sup>

<sup>10</sup> LiveStories, Minnesota Gini Index of Income Inequality, n.d.

<sup>11</sup> Minnesota Department of Employment and Economic Development, Region 8: 2020 Regional Profile, 2020

### Smart Goal:

- The SRDC will increase education and awareness to encourage opportunities that showcase diverse cultures and communities within the Southwest region.
- Increase employment by 5% in arts, entertainment, and recreation in Southwest Minnesota from 1,254 jobs to 1,316 jobs 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.

## Tourism

### Call to action:

Communities across the Southwest region consider tourism to be an essential industry for economic development. The Southwest region 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.<sup>12</sup> Although the pandemic has negatively affected the travel industry in the latest forecast from Explore MN, 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.<sup>12</sup>

The SRDC region has 5 State Parks and 1 National Park as well as 10 nationally registered historic sites and 95 nationally registered historic structures in the region. 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:

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<sup>12</sup> Explore Minnesota, Tourism and the Economy Fact Sheet 2020, February 2020

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. 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. Minnesota should seek to create markets—which will not exist unless we create them—for these byproducts to reduce carbon emissions and support economic development as part of a circular economy.

### 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.<sup>13</sup> 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.<sup>14</sup>

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, Emerald Ash Borer etc. In 2018, the DNR estimated that 7% of all lakes, and 1066 total bodies of water in Minnesota were considered "infested." These invasive species (and others) have a direct effect on water quality, fishing, forest production and human health.

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

In 2018 Minnesota ranked 11<sup>th</sup> in State-by State renewable energy consumption and ranked 22<sup>nd</sup> in fossil fuel

<sup>13</sup> Conservation Minnesota, Conserving Land and Improving Outdoor Recreation, n.d.

<sup>14</sup> Minnesota Department of Employment and Economic Development, QCEW, March 31, 2021

consumption. Minnesota's electric vehicle adoption rate ranks 23<sup>rd</sup> in the country at 0.24%.<sup>15</sup>

### Smart Goal:

- Protect and preserve natural resources for continued responsible use. Achieve no net loss of wetlands/prairie lands and add programs and policies that reduce the carbon footprint through renewable energy and energy efficiency initiatives.
- Increase Minnesota's electric vehicle adoption rate from 0.24% to 0.30% by 2026.

### 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, mining/timber tourism, transportation (land, water, air) tourism, and flora/fauna tourism.
2. Generate comprehensive plans that address biodiversity, watersheds, wetlands, critical habitats, grassland, 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 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 dairy farms.
  - d. Foster composting, recycling and zero waste events.
  - e. Educate and promote electric & hybrid vehicles and other biofuels to reduce fossil fuel use and carbon emissions.
  - 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 & 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

<sup>15</sup> US Energy Information Administration, State Energy Consumption Estimates 1960 through 2018, Primary Consumption Estimates 2018

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 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.<sup>16</sup>

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 southeast to the Iowa border just west of Jackson. 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.<sup>17</sup>

### Smart Goal:

- Achieve delisting of impaired waters on MPCA baseline inventory.

### Strategies:

1. 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.
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.

<sup>16</sup> Minnesota Pollution Control Agency, Minnesota’s Impaired Waters List: 2020, February 25, 2021

<sup>17</sup> Minnesota Pollution Control Agency, Missouri River Basin Monitoring and Assessment Report, September 2014

## 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 the Southwest Minnesota region, 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

## Cornerstone: Foundational Assets

### 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. Affordable high-speed internet is necessary to remain competitive in today's global economy. Many businesses and residents experience lack of access to reliable broadband at acceptable speeds and costs.

## Context:

Except for Rock County, there are no 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. Most of our area, comprised of smaller communities and rural areas, is considered unserved as it has one county (Rock County) within the southwest region that has wireline broadband of at least 100M/20M.<sup>18</sup>

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.<sup>19</sup>

## 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 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.
  - e. Develop an inventory of best management practices (BMP) to improve policies and procedures for broadband and deployment of broadband service in rural, sparsely populated, and high-cost regions.
2. Advocate for a symmetrical standard. (Same speed for upload as download.)
3. Create and leverage public and private partnerships to fund improved broadband access.
4. Promote an understanding of the importance of broadband to a community's infrastructure.
  - a. Gather information regarding increased property values because of broadband.
  - b. Educate residents on capabilities of various speeds as it relates to telemedicine, tele-home care, home based businesses, etc.
  - c. With telecommunication jobs becoming more prevalent than ever, expansion of broadband would attract new employees to the region.

## Transportation

### Call to action:

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,

<sup>18</sup> Minnesota Department of Employment and Economic Development, A Shallower Labor Pool in Southwest Minnesota, August 13, 2020

<sup>19</sup> Federal Communications Commission, Broadband Speed Guide, March 11, 2020

mining, 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.<sup>20</sup>

**Smart Goal:**

- Increase the percentage of the southwest region’s good quality-rated roadways in the next 20 years and increase/maintain the county ten-ton network.

**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. Maintenance of 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 FY pre-scoping activities/worksheets.
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 be reconstructed to appropriate standards, upon mutual agreement.
9. Advocate for a categorical exclusion for small general aviation airports in regard to airports GIS, runway expansions, etc.
10. Assist and provide technical support to local units of government with 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.

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<sup>20</sup> MinnesotaGo, 20-Year State Highway Investment Plan 2018-2037, January 2017

## Transit

### Call to Action:

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

### Context:

Region 8 is served by 2 public transit systems, one of which covers 8 of our 9 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, including but not limited to, appropriate, accessible, and easy to understand information.

## 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. Minnesota ranks #1, with 105, in Bicycle Friendly Businesses (BFBs) and ranked #3 in the nation in 2019 as a bicycle friendly state. Currently there are 32 communities in Minnesota listed as a Bicycle Friendly Community, of which Jackson and Marshall are located within the southwest region, and 6 Universities listed as Bicycle Friendly Universities.<sup>21</sup>

Complete Streets is an approach to road planning and design that considers and balances the needs of all transportation users. It is about the basics: improving the transportation system's safety and functionality for all users. Its main premise is for people to get around safely and efficiently from point A to point B, using whatever mode of travel they choose.<sup>22</sup>

<sup>21</sup> Minnesota Department of Transportation, Minnesota State Highway Investment Plan, January 2017

<sup>22</sup> MinnesotaGo, 20-Year State Highway Investment Plan 2018-2037, January 2017

### Smart Goal:

- Increase number of trail miles by 2027.

### 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 National Recreation and Park Association (NRPA) to help communities across the country consider/achieve the vision of Safe Routes to Parks.
5. Promote Bicycle Friendly Businesses and Bicycle Friendly Communities.
6. Work with state and local partners to support the expansion and maintenance of regional trail systems.
  - a. Update Regional Trail 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.
7. Provide technical assistance to communities within the southwest region to adopt the 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 MPCA 2020 Clean Water Priority list (PPL) are in southwest Minnesota. Out of the 233 projects statewide there are 25 projects listed within the SRDC 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.<sup>23</sup>

### Smart Goal:

- Reduce the gap between the amount of funding available for water-waste water infrastructure and decrease the number of communities out of MPCA compliance by 2025.

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<sup>23</sup> Minnesota Pollution Control Agency, Minnesota's Impaired Waters List, 2020, February 25, 2021

## 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 unites 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, and housing construction in southwest Minnesota has not kept up with current nor forecasted need. However, 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 future economic growth of southwest Minnesota. Challenges that need to be addressed include tight rental and ownership markets, cost-burdened households, workforce and elderly housing shortages, homelessness, and low- quality and aging housing stock.

### 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 are cost burdened for a combined rate of 25.5%. Disparities are stark for BIPOC residents in all 87 counties. Homeownership disparities are above 65% in every county in Minnesota with most over 90%.<sup>24</sup>

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 238 people on average 115 of them were children and 10 were seniors. The SRDC has seen a 33% increase since the year 2000.<sup>25</sup>

A 5% or less vacancy rate is generally considered an indicator of a "tight" rental market. Across Minnesota, The Minnesota Housing Partnership is seeing indications that 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.<sup>26</sup>

<sup>24</sup> Minnesota Compass, Cost-Burdened Households, n.d.

<sup>25</sup> Minnesota Housing Partnership, 2021 County Profiles, n.d.

<sup>26</sup> Minnesota Department of Employment and Economic Development, QCEW, March 31, 2021

## 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 2025.

## 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 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, 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 unequitable. 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 regions 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 (Luverne and Worthington included in last CEDS, but we could expand to others)
- Local EDA authorities and corporations
- Southwest Minnesota Housing Partnership
- Southwest Initiative Foundation
- Blandin Foundation
- Friends of Casey Jones
- 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



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