

Economic Recovery and Resiliency Strategies for the City of Minot, North Dakota

Technical Assistance Report



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

The Power of Knowledge and Leadership



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About IEDC

The International Economic Development Council (IEDC) is a non-profit, non-partisan membership organization serving economic developers. With more than 5,000 members, IEDC is the largest organization of its kind. Economic developers promote economic well-being and quality of life for their communities, by creating, retaining and expanding jobs that facilitate growth, enhance wealth and provide a stable tax base. From public to private, rural to urban and local to international, IEDC's members are engaged in the full range of economic development experience. Given the breadth of economic development work, our members are employed in a wide variety of settings including local, state, provincial and federal governments, public-private partnerships, chambers of commerce, universities and a variety of other institutions. When we succeed, our members create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions. For more information about IEDC, please visit www.iedconline.org.

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Introduction and Overview

The International Economic Development Council (IEDC) has been retained by the City of Minot, North Dakota, to assess economic recovery needs with a particular focus on downtown and its importance to the city's overall economic recovery and its social and community connectivity that was critically impacted by both the 2011 floods and the oil boom that followed. The expert panel will explore the question, "How does the City of Minot get businesses, citizens, and visitors to rethink downtown"?

To assist the city with its downtown revitalization goals, IEDC assembled a team of expert panelists, drawn from the IEDC membership and staff, and conducted a site visit on March 11 – 15, 2018. The team included the following members:

- Bryan Daniels, CEcD, President & CEO, Blount Partnership
- Kristen Fish, CEcD, Principal, Redevelopment Resources, LLC
- Jane Jenkins, President & CEO, Downtown Oklahoma City, Inc.
- Dana Crater, Senior Economic Development Associate, IEDC (staff)

In preparation for the site visit, IEDC compiled a background report for the panel, which is attached at the end of this report. This site visit report will share the strengths, weaknesses, opportunities, and threats facing downtown Minot as observed by the panel, provide a list of priority economic development needs for the city to focus on, and recommend strategies for downtown and the city to foster economic growth and resiliency. The objective of this report is to present realistic strategies while outlining implementation steps for the community.

Key Observations

The expert panel observed that the city of Minot has strong bones that position the community to compete and thrive in today's economy. Poised with solid economic drivers (such as Minot State University, Minot Air Force Base, the agriculture and energy industries), and high-quality infrastructure (including rail lines, the airport, and communication technology), Minot has the ingredients for a resilient economy. Downtown Minot is a diamond in the rough. Downtown possesses several strengths and has the potential to grow into a thriving district for the city.

Strengths

Diversified Economy

The City of Minot has a diversified economy that can withstand shocks. The agriculture and energy industries are expanding, with value-added agriculture companies, such as AGT Foods, and companies servicing the energy industry, such as Sky Slopes, locating in Minot. Trinity Health makes Minot the regional hub for healthcare. The North Dakota State Fair and Norsk Høstfest, the highest attended events in the state of North Dakota, are the base of the tourism industry. Minot State University and Minot Air Force Base provide the region with growing and stable economic drivers.

Downtown's Assets

Downtown Minot is ripe for redevelopment and growth into a regional destination. The M Building and the Trinity buildings, while requiring some maintenance, can attract new businesses or even a new industry to downtown. Combined with recently installed infrastructure and connectivity, downtown has the bones to attract quality jobs and workers. The waterfront and downtown gathering space with new restaurants, shops, small businesses, and apartments/condos help make downtown a place to go beyond the 9 – 5 p.m. workday. Both parking garages and on-street parking are an advantage to attracting residents, workers, and visitors to downtown.

Minot is a Regional Destination

Minot is the commercial, educational, and medical destination for many citizens in northwest North Dakota, eastern Montana, and portions of Saskatchewan and Manitoba. The North Dakota State Fair and Norsk Høstfest, smaller festivals, and sports and recreation tournaments attract visitors throughout the year. Several stakeholders commented about the active arts community and family-friendly attractions, such as the Wee Links, the planned children's museum, and Roosevelt Park Zoo. The vibrant downtown atmosphere, with assets such as the Little Chicago's pub passport, has the roots to attract talented workers and visitors.

A City Ripe of Growth

Minot has many of the ingredients needed to attract and grow jobs and talented workers. The new city council structure and recently hired city leaders, such as city manager Tom Barry, are poised to lead the city forward. The MAGIC Fund is a significant asset to incentivize economic growth in Minot. The BNSF Site Certification provides value to promoting the industrial park. There are several funding options for entrepreneurs and developers in Minot to start new businesses and redevelop existing buildings. Housing and hotel rooms are readily available to support the growth of new population. Finally, Minot's average age is getting younger.

Weaknesses

No One is Responsible for Downtown

There is no consensus on who is responsible for downtown and its redevelopment. Various combinations of the Minot Area Chamber of Commerce, Minot Area Development Corporation, City of Minot, and the Downtown Business Professional Association were mentioned to the panel without one clear champion. The splintering of downtown membership associations, including the Little Chicago Pub District and Downtown Business Professional Association, has led to overlapping events and a fractured image of downtown. The high turnover in the manager position at the Downtown Business Professional Association (which is now unfilled) challenges the organization to lead initiatives for downtown. Prospective businesses do not have one place to obtain reputable local data.

Downtown Closes Early

Downtown Minot has many great businesses and service providers. A frequent comment heard was the hours are rarely convenient for customers working traditional 9 a.m. to 5 p.m. jobs to shop downtown. For those businesses that are occasionally open late, the inconsistent hours make it difficult for customers to know if the business is open. A member of the IEDC panel witnessed this firsthand. Two women finished an activity downtown and came to a restaurant wanting dinner with a third friend coming to join them. The

hostess at the restaurant told the women that since it was a slow night, they closed the kitchen early and the bar already announced last call. The women had to go elsewhere. Several stakeholders stated that after attending a show at the university, there is nowhere to go out downtown to continue the evening. There is currently no place downtown for weddings and special events, despite having several attractive buildings that would be an excellent backdrop and encourage guests to spend time in local businesses before and after the festivities.

Downtown Lacks Community Partnerships

Festivals, tournaments, and cultural events are great opportunities to bring visitors to downtown Minot. Many local leaders indicated there was no partnership with organizers or hotels to promote and bring visitors downtown. For example, Minot State University is close to downtown and has thousands of potential customers to live, work, and play downtown. Currently, there is no partnership with the university to encourage students to live downtown, to encourage visitors to their arts and sports programs to go downtown after events, or to encourage businesses to stay open after students and faculty finish classes. Similar partnerships do not exist with the North Dakota State Fairgrounds, the Park District, and the city itself. During the North Dakota State Fair, buses transport fairgoers from the Dakota Square Mall. It is worth considering partnering to add a bus stop in downtown near the parking garages to encourage fairgoers to go downtown before and after their visit to the fair.

Support Organizations Are Fragmented

There are several organizations involved in economic development in the city and region working in silos. The separation has led to fractured funding, large boards of directors with overlapping members, and an inconsistent message for the community. There is a lack of trust between organizations, which contributes to minimum communication and collaboration. As the naysayers are organized, it is vital for the economic development organizations to be partners with a unified plan and shared messages.

Citywide Barriers to Success

The City of Minot has great potential but often misses opportunities by creating unnecessary barriers. Community partners do not meet to discuss how to collectively overcome the challenges that stand in the way of success. An example is the M Building and concerns over the repairs. The IEDC panel recommends stakeholders meet with a focus on “how can we do it” and to celebrate each other’s wins.

While there are already many strengths and opportunities within the city, there are several barriers that are holding it back from growing.

- There is no central place for entrepreneurs to learn about all the resources available to start a business in Minot. Entrepreneur service providers previously held breakfasts where they could learn about each other’s programs but currently do not meet regularly. A negative stigma exists in the city about accepting public assistance for starting new businesses and developments.
- The city limits continue to grow, yet several areas remain outside its boundaries, such as the state fairgrounds, and the city does not benefit from these tax revenues. Additionally, the city is currently around 48,000 in population. If the city can reach 50,000 residents, it can qualify for additional federal programs.

- In the future, the City of Minot will face capital project commitments that do not have a capital source identified. These liabilities will negatively impact the city's ability to grow and offer services. Historically, the two-cent city sales tax is structured so that 40 percent of the tax is marked for property tax relief. Subsidizing property taxes with sales tax weakens the financial health of the city and takes away funds that could be dedicated to capital commitments.
- Duplication of services within the city and county depletes resources that could otherwise be applied elsewhere. Separate library systems for the city and the county and independent parks authority and the city recreation department are two examples.
- Employers need workers who can work uninterrupted hours for a full workday. The lack of dedicated school buses interrupts parents' work days and productivity for businesses. The school system could work with the public transportation system to identify bus routes that benefit students and provide funding for those routes.
- The lack of a training or technical school limits the community's ability to train workers for entry-level and mid-skill jobs.
- Losing a major employer in the downtown will impact the small businesses and service providers that rely on their employees' patronage.
- The city, itself, has a history of being passive when it comes to leadership and coordination in economic development. While it deserves credit for significant initiatives, such as capitalizing the Magic Fund, the city, internally, does not have a clearly defined champion or go-to person or department to coordinate economic development efforts, which has contributed to siloed private and nonprofit groups.

Opportunities

Downtown is Prime for Redevelopment

The city has a unique opportunity to direct a vision for the downtown community. Though not starting from scratch, there are several directions it could take to encourage revitalization. The vacant buildings (such as the M Building and smaller buildings on Central Avenue) and soon-to-be-vacant Trinity buildings offer the opportunity for new tenants and major employers. The relocation of City Hall to downtown would offer the opportunity for city workers to walk to and support downtown businesses.

Growing the Entrepreneurship Ecosystem

Downtown is poised to become a hotbed for entrepreneurship in Minot. Grassroots entrepreneur organizations such as ConnectMinot and Success Depot chose to locate downtown. The Severson Entrepreneurship Academy at Minot State University has expressed an interest in starting an incubator in one of the vacant buildings. Another entrepreneurship anchor suggested for downtown relocation was the Center for Technology Education.

A Range of Available Financing Tools

Downtown Minot can consider several new financing tools that are available for the city to use to redevelop downtown. Minot's commercial historic district, roughly bounded by Soo Line RR tracks, Burdick

Expressway, and Broadway, is on the National Register of Historic Places. This designation allows property owners to receive federal historic preservation tax incentives or a historic preservation fund grant from the State Historical Society of North Dakota. There are several codes in the North Dakota Century Code that allow for financing tools to be developed by ordinance or resolution by a municipality, including a tax increment financing district as a tool for commercial or industrial property, a business improvement district, and a redevelopment authority.

Downtown's Growing Hip Factor

The energy among new downtown business owners is increasing its hip factor. The opening of new restaurants, bars, and renovated apartments and condos provide opportunities for downtown Minot to thrive in both the daytime and nighttime economies. Growing an entrepreneurial economy in downtown would further contribute to its hip factor, just as the hip factor can attract entrepreneurs. The redevelopment and reuse of several historic buildings provide the opportunity to attract talented workers and businesses to grow the downtown economy.

Bringing People Downtown

The Pub Passport, Magic City Market, and the new downtown gathering space are great starts to bringing people downtown. The Main Street initiative the city is considering would bring more people and economic vitality into downtown. There are opportunities for downtown businesses, Little Chicago Pub District, and the Downtown Business Professional Association to partner with the State Fair, Park District, City Auditorium, and university to coordinate programs to bring patrons downtown after events where their ticket provides a discount on the same day at select businesses.

Citywide Opportunities

The expert panel observed many leaders and organizations who care about Minot and want to be involved. There are great opportunities to bring these stakeholders together for open and engaging discussions to learn from one another and discover opportunities for collaboration to reduce duplicate programs, services, and requests.

The City of Minot and Ward County have the opportunity to collaborate and support one another in new directions.

The City of Minot is approximately 2,000 residents shy of becoming a Community Development Block Grant entitlement city. In reviewing the city boundary map, several areas were observed where the borders are jagged, creating holes and disconnected areas that may offer opportunities to reach the city's population goal.

With a new airport and a BNSF certified industrial park, Minot is fortunate to have substantial assets to market to site consultants, corporate real estate directors, and business leaders.

Threats

Acceptance of the Status Quo

Minot has a unique opportunity to transform downtown into a vibrant economy. If the community decides to do nothing and accept the status quo, they will set downtown on a path that will be harder and more costly to revitalize in the future. As Trinity Health moves to its new campus, if the city does not seize the

opportunity to utilize some mechanism, whether a redevelopment authority, BID, or the city itself, to work with Trinity to take ownership of buildings once vacated, there is the possibility the buildings will go to prospectors with little or no connection to the city. The M building is an example. There are several buildings in downtown Minot that have owners who are not maintaining their properties or occupying them to their greatest potential.

No Designated Champion for Downtown

Without a clear champion, there are varying opinions about who is responsible for downtown. The city has historically taken a hands-off approach. The pub owners have splintered from the downtown business association to create their organization. If there is no one looking out for downtown, it is challenging to revitalize and attract new businesses and residents. Several stakeholders referred to Minot Area Development Authority (MADC) and the Minot Area Chamber of Commerce to have responsibility for downtown, but their roles were not clearly defined.

Fragmented Support Organizations

Several organizations focus on economic development issues in Minot. New nonprofit organizations are created regularly due to bickering and splintering within and among organizations. This reaction leads to several organizations asking for investments or donations from a limited pool of funds, the same people being invited to participate on boards of directors or executive committees, and duplication of services. If this pattern continues, the funds and volunteers will become so stretched that they will not be able to donate or invest in the organizations, and the organizations will have to do with smaller budgets. Furthermore, as many of the organizations do not have clearly defined roles and responsibilities, several assumptions are made about who is responsible, leading to some opportunities, entrepreneurs, and businesses to fall through the cracks and possibly moving out of downtown or even Minot.

Incentives in Peril

Financial and non-financial incentives can be a powerful tool. Minot is fortunate to have the Magic Fund and state legislators who are supportive of the city. The incentives used in Minot are at risk by the lack of oversight and accountability. Further, the state legislature could decide to cut unused or underutilized programs.

The Magic Fund is a strong asset in attracting businesses. While it is immune from the increased state scrutiny on incentives, the Magic Fund is in jeopardy with a lack of clarity in the framework, the purpose and goals, and specific measurements of achievement.

Unclear Role of Minot Area Development Corporation

The Minot Area Development Corporation lacks a precise definition of its role and purpose. With a broad mission and vision, community leaders have conflicting expectations of the organization's purpose in the city. This confusion has contributed to the uncertainty of who the champions are for Minot's downtown and entrepreneurs.

Recommendations

A List of Priorities for Minot

The IEDC expert panel recommends the following list of priority action items for the City of Minot as their next steps moving forward. This list is further expanded in the recommendations section below.

1. Create one unified community vision, strategy, and action plan for downtown. The plan should include a positive messaging campaign and strategies for the revitalization of existing buildings. It needs to be coordinated and connected with a similar unified overall citywide strategy.
2. Identify a person or organization as the champion of the vision and plan.
3. Develop a partnership or umbrella organization focusing on all economic development matters for the City of Minot.
4. Craft a five-year capital improvement plan for the city.
5. Structure an entrepreneurial ecosystem with a champion to bring together all the stakeholders and promote the programs and services available for entrepreneurs.
6. Work with Trinity Health to develop a transition plan for the buildings it is vacating in its move.
7. Pursue the possibility of ownership by the city or through a mechanism such as a redevelopment authority and identify a user and uses for the iconic M Building.
8. The city should undertake a lead role in both implementing strategies for the downtown and sustained citywide growth, especially defining and creating the means for resources necessary to carry out both strategies.

Establish an Economic Development Partnership

Minot is fortunate to have several nonprofit organizations and a municipal government working to drive economic growth and resiliency within the city. Minot Area Development Corporation, Minot Area Chamber of Commerce, Visit Minot, the Downtown Business Professional Association, and others are doing great work for their community. Each organization and the government are focused on their specific mission and vision for Minot and mostly function separately from one another. With laser focus and siloed functions, it is possible for essential strategies and goals to fall outside of all the partner organizations' missions. That is what is happening in Minot with the downtown revitalization and entrepreneurship ecosystem.

An economic development partnership organization that brings the key actors focusing on economic development under one umbrella would allow for greater collaboration and provide one leader for all economic development activities within the city. The partnership would allow for the individual organizations to maintain their boards of directors and missions yet would allow for a combination of their shared goals, the efficiency of their resources, and the ability to support areas that are currently not covered.

The IEDC expert panel is recommending an umbrella organization that includes a 501(c)6, a 501(c)3, a convention and visitors bureau, and a redevelopment authority. The IEDC panel recommends including MADC, Minot Area Chamber of Commerce, Visit Minot, and the Downtown Business Professional

Association in the partnership organization. Several times during discussions, it was indicated that responsibilities are split between the chamber and MADC. While already sharing physical space, the organizations would benefit from a formal partnership. In many communities, tourism marketing and events are often blurred with economic development and chamber marketing. Visit Minot stands to benefit from being a part of the umbrella organization with the cross-collaboration of marketing and administrative support. Given the director turnover for the Downtown Business and Professional Association, being a part of the economic development partnership organization may assist in talent retention in the position. The panel recommends that all employees of the partner organizations become employees of the partnership.

While the exact structure of the organization will be left to the city and economic development stakeholders to determine, the partnership should consider:

- Each partner organization should retain a smaller board of directors without a separate executive committee.
- Each partner selects two board of director representatives to participate in the partnership oversight committee. The oversight committee may also include a representative from other stakeholder groups, such as the city and county government and Minot State University.
- The partnership (perhaps named Minot Area Economic Development Partnership, Minot Area Partnership to use the acronym MAP, or Minot Area Economic Partnership (MAEP)) should have one president and CEO who manages all partnership programs, projects, and events. Each partner could have its own director.
- With many of the partners soliciting the same investors, the partnership should consider developing one set of investment opportunities with investments shared across the partnership.
- MADC should strengthen its mission and vision to determine if it focuses on:
 - attraction, retention, and expansion of large-scale projects and development tied to the land owned by MADC and other large tracts of commercially developable land;
 - attraction, retention, and expansion of all primary-sector employers, including attracting large employers to the vacant buildings downtown; or
 - attraction, retention, and expansion of all businesses, including the small businesses downtown.

The city needs to make a definitive policy statement, either designating a position or unit inside city government or the umbrella organization, as to the lead initiator and implementing source for all economic development activities.

- The partnership organization with the endorsement and support of the city should consider taking responsibility for the following strategies:
- Downtown redevelopment and placemaking
- Marketing/communication/messaging
- Business support

- Industrial development
- Entrepreneurship support
- Financing toolbox
- Small business revolving loan fund
- Downtown business improvement district
- Downtown incentive programs
- Tourism, conferences, and conventions
- Business retention and expansion
- Research coordination
- Workforce development

A collaborative, comprehensive organizational approach to economic development will provide Minot with leadership for economic recovery and resiliency.

Identify Peer Cities Outside of North Dakota

In the knowledge-driven economy, companies no longer focus on a specific city or region. They are looking across the country and the globe. For Minot to ensure it is competitive in the global economy, economic development and city leaders need to compare the city beyond the state borders. It is highly recommended to review how Minot compares to cities of similar size in other states and provinces. The economic development partnership may want to create a report card that scores Minot and selected peer cities on a set of metrics. These metrics can be used in marketing materials and as a motivator to reach or exceed peer cities. Furthermore, there are opportunities to learn about economic development programs and projects to replicate in Minot.

It is advisable only to select four or five cities as peers for comparisons. IEDC has developed a list of potential communities for the City of Minot to consider as peer cities. This list should be used as a starting point and expand with the city's metrics for identifying peer cities.

1. Brandon, Manitoba

Population: 48,859

Target Industries: Agri-Food processing, Health Care and Social Services, Retail Trade, Manufacturing (metals, chemicals and pharmaceuticals), Oil drilling and production

Higher Education: Brandon University, Assiniboine Community College, Robertson College, Manitoba Emergency Services College

Military Presence: Canadian Forces Base Shilo is an Operations and Training base of the Canadian forces, located 22 miles east of Brandon

Economic Development Organization: Economic Development Brandon

2. [Pocatello, Idaho](#)

Population: 54,746

Target industries: Aerospace & Defense, Alternative Energy & Fuels, Back Office/Call Centers/Data Centers, Bio & Pharmaceuticals, Food & Agriculture Related, Logistics, Warehousing & Distribution, Manufacturing, Metals, Retail, Technology/R&D

Higher Education: Idaho State University, Idaho State College of Technology

Military Presence: None; Mountain Home Air Force Base located on the Western side of Idaho

Economic Development Organization: Bannock Development Corporation

3. [Great Falls, Montana](#)

Population: 59,178

Target Industries: Agri-processing and Energy

Higher Education: University of Great Falls, Montana State University's Great Falls College of Technology

Military Presence: Malmstrom Air Force Base is located 0.3 miles from the City of Great Falls

Economic Development Organization: Great Falls Development Authority

4. [Grand Junction, Colorado](#)

Population: 60,210

Target Industries: Agriculture, Aviation and Aerospace, Energy and Renewables, Information and Creative Technology, Healthcare

Higher Education: Colorado Mesa University, Western Colorado Community College, Peace Officers Academy, Chez Lena, Intellitec Technical Trade College, Colorado Christian University

Military Presence: None

Economic Development Organization: Grand Junction Economic Partnership

5. [Medicine Hat, Alberta](#)

Population: 62,935

Target Industries: Agriculture and Greenhouse, Energy and Renewables, Advanced Technology and Manufacturing, Tourism

Higher Education: Medicine Hat College, Academy of Learning - Career & Business College, Cypress College

Military Presence: South Alberta Light Horse army reserve unit is stationed in Medicine Hat.

Canadian Forces Base Suffield is located 30 miles west of the city

Economic Development Organization: Economic Development Alliance of Southeast Alberta

6. [Cheyenne, Wyoming](#)

Population: 64,019

Target Industries: Government Services, Health Care, Hospitality and Tourism, Agribusiness, Distribution and E-Commerce

Higher Education: Laramie County Community College, Wyoming University

Military Presence: The Francis E. Warren Airforce Base is located just outside of the City's downtown core and is Cheyenne's second largest employer, employing over 4,000 people

Economic Development Organization: Cheyenne LEADS

7. [Missoula, Montana](#)

Population: 66,788

Target Industries: Life Sciences, Information Technologies, Manufacturing, Back Office & Creative Services, Forest Products & Renewables.

Higher Education: The University of Montana, Missoula College

Military Presence: None

Economic Development Organization: Missoula Economic Partnership

8. [Lethbridge, Alberta](#)

Population: 67,572

Target Industries: Supply Chain and Logistics, Agriculture/Agri-food, Manufacturing, Technology

Higher Education: Lethbridge College, University of Lethbridge, Red Crow Community College

Military Presence: None

Economic Development Organization: Economic Development Lethbridge

9. [Rapid City, South Dakota](#)

Population: 74,048

Targeted Industries: Energy – Extractive, Business Services, Health Care & Life Sciences, Financial & Insurance, Manufacturing – Metal Works, Manufacturing – Food Processing

Higher Education: South Dakota School of Mines & Technology, National American University, Western Dakota Technical Institute, Black Hills State University

Military Presence: Ellsworth Air Force Base is located 12 miles east of Rapid City

Economic Development Organization: Rapid City Economic Development

10. [Sioux City, Iowa](#)

Population: 82,872

Targeted Industries: Biotechnology, Alternative Energy, Food Processing/Value Added Agriculture, Advanced Manufacturing, Warehousing/Distribution, Data Processing, Call Centers, Insurance Services, Commercial Aviation

Higher Education: Briar Cliff College, Iowa State University Design West Studio, Morningside College, St. Luke's College, Western Iowa Tech Community College

Military Presence: Iowa National Guard Headquarters located 9 miles South of Sioux City

Economic Development Organization: Sioux City Department of Economic Development

Undertake Visioning and Strategic Planning for Downtown

With the infrastructure upgraded and the parking garages developed, two distinct assets for growth, the next step in the process is a downtown development plan. Without a strategic plan, as well as policies and programs to support this plan, downtown can be vulnerable to speculation or building uses that do not support the community's vision. This plan should be connected and coordinated with an unified, citywide economic development strategic plan.

Downtowns and main streets are an asset in attracting talented workers, entrepreneurs, and businesses leaders to communities. Minot is in a unique position with the opportunity to redevelop the downtown area

into a lively place where people want to live, work, and play. Nine years after Cedar Rapids flooding, the Wall Street Journal commented, “Cedar Rapids was able to use its disaster as a springboard into its future as a modern, more vibrant metropolis.¹” Though a smaller city, Minot can use its floods to move its downtown forward.

In 2005, Charles Leinberger authored a research brief titled “Turning Around Downtown: Twelve Steps to Revitalization.” Many of the twelve steps outlined in the brief would benefit downtown Minot in its revitalization journey².

The first step is imagining what Downtown Minot can become. Downtown Minot has good roots. Now it is up to the stakeholders to feed and care for it, helping it become a thriving center for commerce, tourism, employment, and living. The IEDC panel recommends the city assemble a steering committee of stakeholders, from diverse perspectives and roles in the community, to lead in coordination with the city an effort to envision the future of downtown. Diversity of perspectives is crucial in ensuring the committee represents all of Minot. This steering committee should be kept small, with no more than ten individuals, to remain manageable and allow all members to have equal input.

The steering committee will be responsible for facilitating visioning sessions and developing recommended plans. This strategic planning process will take some time. Before the visioning sessions with the community, the steering committee should research the downtowns of comparable cities, determine what works well, and discuss how this can be replicated within Minot. They should take a study trip to other communities, speak to their stakeholders, and learn from their experiences. Other stakeholders that are not part of the steering committee may be included as part of the study tour. However, members should understand that while there will be many best practices observed, not every idea will work for Downtown Minot.

It is also advisable to do research and gather data on what currently exists in Downtown Minot. Examples of the type of data that will be helpful include:

- a list of the current businesses in downtown
- the average size of the businesses
- average wages and benefits information
- the number and types of properties in downtown
- a list of vacant properties with size and relevant details
- number of residential properties and whether they are owned or rented
- number of residents in downtown with demographic information
- types of jobs residents have, where they travel to work, and way to work

A walking study of the downtown can also determine the condition of the buildings located there and provide observations that can be helpful in developing a vision.

¹ Raice, Shayndi. “How a Midwestern City Bounced Back Its Own Harvey” *The Wall Street Journal*, September 18, 2017. Retrieved from <https://www.wsj.com/articles/how-a-midwestern-city-bounced-back-from-its-own-harvey-1505736000>

² <https://www.brookings.edu/research/turning-around-downtown-twelve-steps-to-revitalization/>

As part of the research, it is helpful to have a series of focus groups or public forums for citizens to offer their vision and thoughts on the observations that have been collected. A short report summarizing all the research should be written to use in developing a strategic plan for Downtown Minot.

Using the research report, the next step for the steering committee is to develop a three- to five-year strategic plan for Downtown Minot, which ultimately should be a policy approved by the city. This plan should be used to guide the redevelopment and should include the following information: A Mission Statement and a Vision Statement.

- A mission statement and a vision statement
- A realistic appraisal of available resources, constraints, and opportunities
- Clearly defined goals and objectives accompanied by planned action steps
- A timeline for implementing goals and objectives
- Identified staff/partner responsibilities
- Quantitative performance metrics (when possible) for measuring success³

The vision statement and appraisal of resources, constraints, and opportunities should come from the research and visioning sessions. Many of the goals and action steps will come from the stakeholders, public forum and focus groups. The steering committee, with the support of the economic development stakeholders, should work on identifying action steps and a reasonable timeline for implementing goals. In considering the timeframe for action steps, it is essential to keep in mind items that are already determined, such as the dates Trinity Health plans to deliver the buildings to the city.

Performance metrics are an essential way to measure progress and build support for a project. When creating action steps for each goal, the IEDC expert panel recommends identifying ways to measure whether the goal is met and the outcome of the actions taken. Some examples of metrics for downtown may include the business mix, vacant storefronts, lease rates on commercial and residential properties, occupancy rate on residential properties, portion of the population residing downtown, and distance to critical goods and services (i.e., grocery store, vet, child care). Some organizations create a webpage for their downtown strategic plan and include a dashboard that demonstrates the progress of action steps and goals.

Develop a Marketing Plan

The City of Minot needs a citywide marketing plan, which includes a downtown strategy, and markets to both internal and external markets. Within the city, there needs to be a campaign informing residents about exciting things downtown and around the city, resources available to residents and businesses, including entrepreneurship support, and messages to promote quality of life in the city. These messages have the goal of retaining businesses and talented workers. Externally, the community needs a solid message that can be used to cross-market the community by all partners to promote Minot to prospective business owners, entrepreneurs, and tourists. These external messages will encourage investment and expansion into Minot. A marketing plan is similar to a strategic plan in that it has clearly defined goals and objectives that are

³ View appendix for guidance on developing a strategic plan with sections from IEDC's Strategic Planning Manual.

accompanied by planned action steps and a timeline for implementing the goals and objectives. The plan identifies the local partner responsible for the action step and includes performance metrics for that action step. It is encouraged to bring all economic development stakeholders together, in coordination with the city, when putting together the marketing plan as different stakeholders may have different goals. The marketing plan will be different from the strategic plan as it will focus on identifying target audiences and methods for spreading the message.⁴

Develop One Brand for Minot

“Destination Downtown Minot.” “Welcome to the Heart of Minot.” “Welcome to the “Magic City” of Minot, North Dakota.” “Partners in Progress.” “Relax and Enjoy Minot. We’re Ready for You.” “Discover the Magic’ of our hospitable city.” These are all taglines found on the Visit Minot, City of Minot, Downtown Business Professional Association, Minot Area Development Corp. and Minot Area Chamber of Commerce websites.

A comet with a star pointing left, three arrows pointing northeast, a comet with a star pointing right, a pinwheel, and squares with musical notes and silverware in front of it. These are logos of the same five organizations. Overall, there is a lack of cohesion between the economic development stakeholders branding and marketing. It appears as if they are marketing different cities.

Successful branding is supposed to attract investment, tourism, and talent. Branding is not only about attraction; it is for expansion and retention of businesses and people within a city.

In the long term, a branding strategy must enhance growth and prosperity for the city. Good branding cultivates a craving to visit for vacations, meetings, conferences and other events. Branding ought to make a city important to the outside world and attract notable personalities. More importantly, it creates a desire to visit the city, not only for the people present, but future generations. Having a unified branding strategy across all of Minot’s economic development stakeholders reinforces a connection with multiple markets.

The citywide branding strategy is not a stand-alone initiative but one that aligns with its strategic and marketing plans. In creating the citywide brand, the stakeholders should:

- Establish a working group to lead the citywide branding activities

Columbus, Ohio

The City of Columbus Ohio decided to brand the city to develop a single narrative to present to both its local and external audience. In addition, the city needed to enhance its economic development by attracting businesses, tourists, talent and encouraging graduates to live and work in the city. Locally, the city stakeholders wanted to build community pride where residents can become ambassadors and spread the Columbus story. After several dialogues and research that involved citizens, organizations, businesses entities and other selected participants, it was discovered that two community features stood out—Columbus was ‘open and smart.’ Using the city’s branding, a single logo was developed—columbUS. The capitalization of the US stands for their position in the United States but also for their openness to unity. Columbus has developed a Brand Columbus webpage, which includes resources about Columbus, promotional language, logos, pictures and videos, and a branding guide.

⁴ A list of steps in developing a marketing plan from IEDC’s Economic Marketing and Attraction Manual has been included in Appendix B.

- Define a brand objective
- Undertake an analysis of currently used brands
- Engage all partners in the community
- Define an overall brand message
- Define target groups and messages for each core group
- Explore messaging through wayfinding signage
- Generate marketing resource, promotional materials, and communication mediums
- Educate residents to be able to answer questions about the city or direct to appropriate department
- Launch and implement brand strategy

Market Downtown to Different Segments

It is equally important to market the city to citizens and local businesses as it is to attract site consultants, corporate real estate directors, and talented workers to Minot. The messages should be a coordinated effort across different partners within Minot and align with goals established in the marketing plan.

Many of the new jobs created come from the expansion of businesses already in the community. Marketing messages to local business owners should focus on keeping them informed of the resources available to help their businesses grow in the community, potential local suppliers and customers, and celebrate their contributions to the city.

Entrepreneurs are an equally vital market for the city. A webpage and networking events are excellent ways of providing information to entrepreneurs about available resources and opportunities.

Citizens are a third market segment for the city. The availability of skilled workers is often a key factor in businesses' location decisions and is an important ingredient to sustain and grow the local economy. Many local businesses also rely on these citizens as customers. A marketing campaign to citizens has the goal of promoting the quality of life assets and special events offered by the downtown. Newspaper articles, local newsletters, or blogs highlighting downtown businesses are another strategy to encourage residents to support downtown.

As David Berzina, CEcD, wrote, “it’s also much easier for us to get a foot in the door with our prospects when they are already somewhat familiar with our city.⁵” Any visitor to Minot can be considered a prospect. The same assets can make an impression on where a person decides where to vacation can impact their decision on where to live, work and play. The visitor may be a future worker, entrepreneur, or business owner looking for a new location. Through partnerships with the tourism, recreation, and hospitality industries, the benefits of living and working in downtown Minot should be marketed to all visitors. From sports tournaments to state fair, visitors to medical patients and shoppers from Canada, a campaign should be developed to highlight downtown as a treasure to visit. Visitors spending money downtown helps to

⁵ David Berzina, CEcD, Fort Worth Chamber Update, Tourism Marketing and Economic Development Go Hand in Hand. <https://www.fortworthchamber.com/chamberupdate/tourism-marketing-and-economic-development-go-hand-in-hand/>

grow Minot's economy. Most of the businesses in the downtown are locally-owned small businesses. When visitors spend money at these businesses, money comes from outside the city and remains in the local economy.

Engage Site Selectors

Large and mid-size firms will often use a site selector to identify new locations. Site selectors are individuals who are professionals hired for their expertise in matching businesses to communities based on the businesses' requirements⁶. When site selectors contact an economic development organization, they will be inquiring for additional information to help their client make an informed decision on its new location. They often will not identify their client and will request discretion in the knowledge shared about the contact.

Minot Area Development Corporation, based on its purpose and structure, should be proactive in leading efforts to court and attract site selectors to the city, downtown, and the industrial park. But, it should be based on a coordinated effort determined by the delineation of roles within a strategic plan. For example, the entity determined to be the lead role for the downtown, itself, will work in coordination with MADC for any site selector focus on the downtown. A marketing and familiarization strategy with performance metrics should be developed to bring Minot to the attention of site selectors.

Site selectors will use various databases and the economic development organization's website to narrow their list of prospective communities for their clients. Many communities never know they were ever considered for a project if their website immediately eliminated them. It is crucial to have up-to-date and easily accessible data for site selectors on your website. Data should be no more than two clicks from the homepage. In its 2016 publication, *A New Standard: Achieving Data Excellence in Economic Development*, the Economic Development Research Partners, in collaboration with the Site Selectors Guild, presented an updated list of data types that site selectors seek from economic development organizations. The IEDC panel recommends using the report to update data available on the MADC website.

Most economic development organizations have a list of site selectors they target in their marketing efforts. Site Selection Directory (www.siteselectiondirectory.com) is a good search engine to identify site selectors and obtain contact information. The Site Selectors Guild has a list of 44 site consultants who are vetted by the group for membership.

The last session of the IEDC Annual Conference is a business location consultants⁷ forum, where a minimum of ten site consultants participate in a discussion on trends in the industry and answer questions from attendees. The list of site selectors participating is typically on the program page of the conference website in advance of the conference. One suggestion would be to contact the consultants in advance of the conference to see if a meeting can be scheduled.

In developing the list of site selectors, it is advised to review their websites and determine the industries they target. As an example, Buxton is a company that consults retailers, restaurants, and healthcare industry. They would not be a company to promote the industrial park.

⁶ Definition from IEDC's Economic Marketing and Attraction Manual 2016 version page 45

⁷ Site selectors are also known as site consultants and business location consultants.

Building relationships with site selectors is a central part of a business attraction strategy. Relationships can be built by sending them information about the community, going to their offices, or inviting them to Minot for a familiarization tour. A combination of all three of the above would be advisable, budget allowing.

When sending site selectors a marketing packet, keep in mind that site selectors receive promotional information and materials from communities around the globe. Be strategic in the assets promoted to site selectors who may not know about Minot. While there are many promotional pieces to send, the best initial approach would be to send a short promotional piece highlighting what Minot has to offer. Some items to consider including are the BNSF certified industrial park, a new airport with capacity, a university, and a young, talented workforce. Similarly, if one of Minot's economic development leaders travel to a city where one of the target site selectors has an office, contact their office to arrange a meeting. These visits are part of building a relationship with the site selector and keep them aware of the high-quality assets Minot has to offer.

A familiarization tour is when a community invites a select group of site selectors to show them what the city or region has to offer. It is advisable to invite only a small group on the tour to ensure the consultants receive personal attention. Here are eight tips to consider in developing the familiarization tour.⁸

1. Send an enticing invitation approximately two to three months in advance of the planned tour. The familiarization tour should last no more than two days and include a mix of business and fun, quality of life activities that are unique to Minot. One suggestion would be to invite the site selectors to come to spend a morning or afternoon at Norsk Høstfest or the North Dakota State Fair, after a day of business meetings.
2. Minot has a beautiful airport. Greet site selectors at the airport and take them to a hotel that is convenient and sets a good first impression. Similarly, take them to restaurants that are locally owned and have the owners stop by to share a good word. Suggestions include 10 North Main and the Starving Rooster.
3. Upon their welcome to Minot, provide a welcome basket with an itinerary, marketing materials, and map of the city with places on the itinerary highlighted. Include uniquely Minot items, such as the Little Chicago Pub Passport and snacks made from AGT Foods products, which represent the high quality of life and major employers.
4. The day of business meetings should include meetings with the Mayor and city council, Dr. Shirley, and CEOs of Minot's major employers.
5. A conference room in Minot looks similar to conference rooms in other cities. Be sure to plan time for tours to key sites, such as the industrial park and downtown. Use the tours to break up the meetings.
6. Quality of life can often be one of the key factors influencing a business' location decision. While the Norsk Høstfest or the North Dakota State Fair are good options to entice the site selectors to

⁸ These tips are based off Development Counsellors International (DCI)'s December 11, 2013 blog post "8 Tips for a Memorable Site Selector FAM Tour" <https://aboutdci.com/2013/12/8-tips-for-a-memorable-site-selector-fam-tour/>

Minot, it may also be advisable to consider an event in the air dome at Herb Parker Stadium or one of the performing arts programs at Minot State University.

7. While it is easy to want to cram as much into the one day as possible, it is also nice to allow for downtime for the site selectors to check their emails and return calls.
8. Send the site selectors home with a memento of the visit they can keep in their office or ship it to their offices if they are not heading directly home as a thank you. The souvenir should be something unique to Minot and does not necessarily need to be expensive. It might be something related to Minot's Scandinavian heritage if the visit was centered on Norsk Høstfest or something magical to promote Minot as the "Magic City". For example, lanterns are a smart gift to help them find their way back to the "Magic City" and one that they are likely to keep with them.
9. Build on relationships developed through the FAM tour. Send emails or make the occasional call to update them on all the good things happening in Minot.

Diversify Downtown Minot's Customer Base

Many of the businesses in downtown Minot are currently open only during the business day. The panel heard that there was nowhere open downtown after a show or event, that parents have nowhere to wait while children are attending extracurricular activities, and the university students do not often go downtown to shop. As downtown prepares to lose many Trinity Health employees, local businesses should find a way to retain customers who will now have to drive to the stores, instead of walking by during a work break or immediately after work. A proactive approach by the downtown associations and business owners will create a more resilient downtown.

A set of business assessments will help develop a stronger understanding of who are downtown's customers and how to attract residents who do not, or rarely go, downtown to do business. Furthermore, it will be possible to obtain data needed for retention, expansion, and attraction of businesses downtown.

The assessment of citizens visiting downtown businesses should include questions as to:

- when and why people go downtown,
- the types of stores and services they visit while in downtown,
- why they choose to shop, eat and play outside of downtown,
- the types of businesses they wish were downtown, and
- events or programs they wish to be downtown.

The downtown businesses should also receive an assessment on:

- the types of customers they attract and wish to attract,
- challenges they have doing business downtown,
- ability to be open at different times or days, and
- willingness to participate in programs to attract customers to downtown.

An organization or group that is independent of the downtown and the city government should take the lead in delivering and analyzing the assessments. By using an independent source, they are more likely to receive honest responses. The assessments should be delivered in a variety of methods to ensure diverse participation. Electronic surveys that can be shared through all types of media, including social media, would be the initial format. A second strategy is to conduct in-person surveys with local businesses who may not take the initiative to complete an electronic survey. Thirdly, conduct a series of focus group conversations, similar to those completed during the site visit, with market segments and businesses.

Information obtained through the assessments should be used to drive recommendations for the types of programs to develop and the types of businesses to recruit in the downtown area. One use of the data will be to determine when prime hours are that Minot citizens shop and dine.

The box stores and chain restaurants are typically mandated to remain open for set hours; often until 9 p.m. With stores in downtown closing at 6 p.m. or earlier, shoppers are not necessarily going to rush downtown after work when they can leisurely go to a box store. Similarly, after a show, event or evening class, they know Applebee's will not have closed the bar or kitchen early due to a slow evening. An effort needs to encourage businesses to have hours that meet today's customers' expectations and schedules. This initiative may mean Minot businesses close each afternoon for a 90-minute or two-hour siesta then reopen until 8 or 9 p.m., similar to how many restaurants close between lunch and dinner service. New hours would need to be promoted through a local marketing campaign.

Invest in Downtown to Drive Private Investment

City of Cedar Rapids' Mayor, Ron Corbett, said, "If you're not willing to invest, why would others?". If the City of Minot does not step up and take control of the future of its downtown, developments will end up in the hands of private businesses who may not have the best interests of the city. It is crucial for the city to take control of the buildings Trinity Health vacates and makes them available through a redevelopment authority, even though they come with initial financial burdens. Similarly, it is important to obtain ownership of the M Building. If properly planned,

Mesa, Arizona

In 2008, the City of Mesa, Arizona elected a new Mayor who wanted to diversify higher education offerings and bolster downtown Mesa. "Mesa's Economic Development Department sent more than 1,000 letters to a targeted group of schools: long-established liberal-arts colleges and universities that Smith described as "legacy" institutions. The letters described Arizona's lack of educational diversity and the potential Mesa saw for its downtown, and solicited schools interested in setting up branch¹ campuses here." Approximately a dozen universities and colleges expressed an interest, and five colleges opened campuses in Mesa in the 2013 – 2014 school year.

Benedictine University, a Roman Catholic university from Lisle, Illinois was one of the first universities to offer classes in the program. When Benedictine University opened in Mesa, it wanted to locate in downtown Mesa. In a joint venture with the City of Mesa, the university renovated the former Southside Hospital for \$10 million. The 65,000-square foot former hospital currently houses classrooms, nutrition and computer labs, faculty and administrative offices, a community room, chapel, cafe and spirit store². In 2017, Benedictine University graduated some of its first students who started as freshmen among the 142 degrees granted. The university has grown in Mesa and opened its first residence hall for 53 students in downtown.

¹Mesa's Downtown Colleges Confident about the Future. Cathryn Creno and Gary Nelson, The Republic | azcentral.com, Published 10:19 p.m. MT May 20, 2014 | Updated 9:14 a.m. MT May 21, 2014, <https://www.azcentral.com/story/news/local/mesa/2014/05/21/mesa-downtown-colleges-confidentfuture/9364119/>

²Benedictine University—Adaptive Reuse Project. <http://www.mesaaz.gov/business/economic-development/businessenvironment/education/benedictine-university-adaptive-reuse-project>

the return on investment can be greater than the upfront costs of maintaining the buildings. With ownership of these buildings, the city can direct future uses of the buildings in accordance with the downtown strategic plan. Furthermore, by having a strategic plan, it is possible to pursue additional grants to support critical updates needed for the buildings to support their new purpose.

As the regional hub for medical care in Northwest North Dakota, one of the Trinity Health Buildings would be a good match for a health and wellness training program offering a certificates or associate degrees. The IEDC panel recommends the economic stakeholders group in Minot recruit a private college willing to open a satellite campus and/or work with MSU, itself, in establishing a satellite campus. Several private colleges and universities offer satellite campuses for two-year programs.

Develop an Innovation Center in Downtown

One of the more recent trends in economic development is the idea of innovation districts. Many innovation districts are in major metropolitan centers around the world and are in collaboration with research universities, companies, and startups. Examples include Boston, Philadelphia, Pittsburgh and Oklahoma City. Smaller cities are developing their innovation districts, neighborhoods, or corridors without being anchored by a research university or hospital. Instead, their city leaders are leveraging the idea of an innovation district to drive collaboration among stakeholders, including government, higher education, and businesses, to drive discussions and actions toward better placemaking and innovation.

Minot has several groups working with entrepreneurs. As was discovered on Wednesday morning, there is a need to bring back the monthly or quarterly meetings or breakfasts to share information on their programs and discover areas where they may collaborate with one another to best support entrepreneurs locally. The entrepreneurship collaboration should consider including representatives from grassroots programs such as Connect Minot and Success Depot. An area for discussion may include strategies on how to raise awareness of the programs available to support entrepreneurs.

Community and city leaders need to determine how existing structures and networks can be used to drive innovation in downtown. For instance, the Center for Technology Education should go in one of the existing buildings. One of the great ideas the expert panel heard during the site visit was an idea by Hon. Chuck Barney in growing the Severson Entrepreneurship Academy at Minot State University to start an incubator in a vacant building downtown. In the building, the second floor would be an incubator, and the first floor would be a retail establishment run by students. The strategy would support entrepreneurs and

Schenectady, New York

Schenectady, New York received damage from Hurricane Irene and Tropical Storm Lee in 2011. A former department store turned into apartments received some water damage and was deteriorating. One local architect purchased the building and an abandoned fire station next door. Re4orm Architecture has proposed redeveloping the site to be “a center for food and beverage production and development, as well as labs and training facilities for culinary education. It will house Schenectady County Community College’s culinary and craft beverage lab space, an onsite incubator kitchen, an in-house retail brewery, eight tenant brewers (three start-ups, four established), a restaurant, a cooperage, tasting areas and a Taste NY retail store.¹⁹ The \$15 million project was awarded a \$2.9 million from the State of New York in a competitive process in December 2017 and are up for a grant from the county economic development authority. It is hoped the building will continue to encourage private investment in the neighborhood.

¹⁹From the Regional Economic Development Council Initiative proposal

students in a role downtown. A second idea expressed was the need for a commercial kitchen where entrepreneurs can share space and equipment. One of the commercial kitchens in the Trinity Health Buildings may be able to be transformed into a culinary incubator. (See Appendix to learn more about culinary incubators.)

Startup Sioux City

Startup Sioux City is a collaborative initiative dedicated to the economic development of Sioux City, Iowa, particularly small business development and entrepreneurship. Beginning in 2012, Startup Sioux City was created after an economic development report addressed a need for more innovators to fill then-vacant storefronts and offices in Sioux City. Private and public interests came together, with the support of both Downtown Partners, a non-profit organization supporting business stakeholders and downtown development, and Mayor Bob Scott, to facilitate economic growth in the area through the Startup Sioux City initiative.

Behind this initiative stands a group of community and business leaders who believe it is the small businesses and startup companies that can revitalize and develop Sioux City. Startup Sioux City provides a web platform for seasoned entrepreneurs, business owners, local government representatives, and community leaders to share their experiences and resources with those developing small businesses and startups. In addition, the platform provides information on relevant events and presentations, capital fundraising partners, and state and local business development resources.

Startup Sioux City assists small business owners and entrepreneurs in better accessing statewide events and networks to help them achieve their development goals, with this increased access leading to a growing involvement from statewide organizations in the development of the Sioux City community. Through Startup Sioux City, entrepreneurs and investors are brought together, along with community leaders and others interested in entrepreneurship, to network and build relationships. By creating these relationships and utilizing valuable information located on the website and through community leaders, Sioux City has created an entrepreneurial environment that allows emerging businesses in Sioux City have a better chance of success.

Lethbridge, Alberta

Tecconnect is an innovation center located in Lethbridge, Alberta that acts as a communal space for entrepreneurial activities. Open since 2011, Tecconnect offers training, support and networking opportunities that connect start-ups with customers, influencers, and experts. In addition to the building, which has everything an entrepreneur needs to run a business--including conference rooms, boardrooms, breakout areas, high-speed Internet access, a kitchen and even a ping-pong table--Tecconnect also fosters innovation by creating an environment for entrepreneurs to come together and collaborate on new ideas. Since its inception, Tecconnect has incubated several successful startups in a variety of different industries. It has an open-door policy and a Technology Development Advisor onsite, so anyone with a new startup idea is welcome to utilize their services.

Retail popup spaces are a popular use of vacant storefronts in urban neighborhoods that allow entrepreneurs to test business ideas without having to commit to a long-term lease and expenses. In many cases, if the entrepreneur is successful in the pop-up space, they will consider opening a permanent location nearby. The city or new economic development umbrella organization could work with the owner of a vacant storefront to offer space on a trial basis. The owner benefits from the attention to the vacant space from prospective tenants and the ability to work with a trusted partner in the city. The city benefits from supporting local entrepreneurs and having one fewer vacant storefront in the downtown area. The entrepreneur benefits by getting to test out a business idea before taking on the risks of starting a new store. .

Placemaking is another recent trend in economic development that goes hand in hand with innovation centers. Placemaking is “the practice of creating or enhancing a community’s assets to improve its overall attractiveness and livability.”⁹ Downtown Minot has been active in placemaking with its infrastructure and streetscape upgrades and the planned gathering place. A façade grant program or a property tax moratorium are two financial strategies that can incentivize those private property owners who have been hesitant about making necessary updates to upgrade their property.

Public gathering spaces where residents and entrepreneurs can network are equally important. The planned gathering space and recreation trails along the river will provide valuable natural spaces for residents and business owners to gather. With the recommendation of merging the city and county library and moving the location to downtown, an opportunity exists to develop a public gathering space indoor, where independent workers can meet or work quietly side-by-side. Adding a coffee space or café into the library design could provide parents with a public space to hang out while waiting to pick up their children from an after-school program and provide students working on homework a place to take a

Third Places & Creative Placemaking

Often referred to as the “living rooms” of urban space, third places exist outside the realm of home life and work life. They are cafes, public parks and plazas, libraries, recreation centers, and more. They give people a reason to visit an area and encourage them to stay. To increase foot traffic in downtown, city leaders should look to underutilized third spaces. Simple additions such as park benches, public art and murals, and better landscaping can attract people to an area.

Creative placemaking--strategically shaping the built environment around arts and culture--improves public safety and brings people together. Urban furniture, such as movable chairs, water features, interactive art, and performance spaces bring people to an area and its surrounding businesses.

Community events are also important in bringing people downtown--festivals, performances, and other programs. Cincinnati activated the historic Fountain Square by adding a stage and holding a variety of community events for all ages. Salsa on the square, Cincinnati sports festivities, numerous concerts and other various events bring people downtown and encourage them to stay. Heat lamps and shade umbrellas make the space usable in all seasons, and a variety of seating arrangements facilitate social interaction. Light installations ensure that it is a usable, comfortable space at night, and surrounding restaurants provide food and drinks to enjoy. Focusing on these factors and others can build strong third places, connecting the first and second places and incentivizing travel between the two.

⁹ Definition from Place Matters: The Role of Placemaking in Economic Development by IEDC’s Economic Development Research Partners

break and socialize. One of the libraries in New Hanover County, North Carolina has a center for executive development attached which has room for nonprofit organizations in the county to use for meetings and training at no cost.

Drive Foot Traffic Downtown

Downtown has much to offer a diverse group of citizens and visitors, yet, is not always at the forefront of their minds to visit. While the Christmas tree lighting and haunted garage Halloween party bring people into downtown on specific days, some things can be done to drive traffic throughout the year.

The Souris River is an asset that many communities wish they had in their downtown. As the greenway is developed along the riverfront, the IEDC panel recommends developing programs that attract people to the greenway and the riverfront. One suggestion would be to develop a shop near the riverfront that rents kayaks or other sporting goods, encouraging a bridge between outdoor activities on the new greenway and the downtown area. Many communities host celebrations of their river and its impact on the community or in connection with the arts. Every October in Tyrell County, NC, there is a celebration on the Scuppernong River. The festival attracts over 10,000 people to a county with an approximate population of 4,000 and a city of 800. Their main street has an artist-in-resident program where art students from East Carolina University work in an open storefront studio and visitors can walk by and watch them work.

Developing a monthly set of programs and special events outside of holidays can also be a way to drive visitors to downtown during slow periods. Coffee and Cars currently meets in the Caribou Coffee parking lot. Could two blocks of a street in the downtown be closed one weekend morning a month for cars and coffee to shift into downtown? The conversations may continue into a local restaurant for lunch, or a participant may decide to purchase an item seen in a storefront. Similarly, there may be a yoga company interested in offering a free yoga class on Main Street. Putting holes, spread throughout downtown and sponsored and designed by major employers in Minot, may encourage citizens to come downtown to try their luck. The sponsors get publicity while the downtown receives the foot traffic of customers who are likely to visit shops and enjoy a meal or drink while there. During the summer months, weekly or biweekly live music on Main Street may attract visitors during evening hours.

Minot is active with cultural programs, sports events, and festivals. Downtown businesses could attract people after an event by offering a discount at downtown shops, restaurants, and pubs after a select program. The patron is encouraged to continue their evening in downtown, and downtown businesses know to stay open for additional customers. Marketing will need to take place at events to drive traffic into downtown. Restaurants and pubs that don't want to keep their full kitchen open after 8 or 9 p.m. may consider offering a limited post-show menu. Once patrons get used to coming downtown after a few shows or events, it may become more natural for them to think of continuing their afternoon or evening in downtown without needing encouragement with a discount.

For most people, it is a habit to research an unfamiliar city before visiting to discover what to do and where to eat and sleep. An interactive welcome webpage highlighting various businesses and sites to visit in downtown Minot could drive visitors to want to visit downtown. The webpage's audience is visitors to Minot and should focus on selling downtown. It should be a separate webpage from the Downtown Business Professional Association and any web pages developed for a downtown business improvement district or redevelopment authority. The development of the webpage may be done in partnership with a class at Minot State University to design the webpage, develop interactive features and perhaps even record

YouTube videos of business owners in downtown welcoming visitors. A link to the webpage should be shared with all organizations that work with festivals, sports events, and tourism to include in their welcome emails to participants for cross-promotional purposes.

By moving the Visit Minot visitor's information center into downtown, guests to the city may stay to explore downtown after picking up information from the visitors center.

Expand Minot's Financial Toolbox

Minot is fortunate to have several great tools to support its economic development effort. An education campaign is recommended to educate businesses and individuals on the benefits of purchasing, leasing, or making improvements in the renaissance zones and the opportunity zone. Regarding the Magic Fund, a working meeting of city leaders and economic development stakeholders should be held to examine how the Magic Fund has been used in the past and develop a framework for future uses. Clearly identified applications, goals, and measurements of achievement should be outlined in the framework.

Revitalizing downtown Minot, however, does not come without a price tag. There are several strategies the city can add to its financial toolbox to support downtown revitalization. Business Improvement Districts

Business Improvement Districts

Business Improvement Districts (BIDs) can be a great tool used to assist in developing a defined geographic area and comes with unique benefits. First, BIDs provide a steady source of money to encourage development. The benefit is valuable to consider when attracting developers to a city as these developers will want assurance that the community is committed to investing in itself. This district provides confidence to investors focused on their individual development when they see others investing in shared space. As more development projects commence as a result of a BID, this increased activity will increase the commercial property values within the districts. Secondly, BIDs provide an organizational structure for a district, which can lead to other benefits. Having an organized structure may encourage owners to invest more in the improvement of their businesses and storefronts and will improve competitiveness between businesses in the district. Thirdly, the money received from the BID can support

Hopkinsville, Kentucky

Hopkinsville, Kentucky implemented the Hopkinsville Downtown Incentives Program to revitalize their historic downtown area. With support from the City of Hopkinsville and local development and review boards, the city created a series of incentives targeted toward the development and re-development of historic Downtown Hopkinsville as a means of improving their downtown area and stimulating economic activity. Existing downtown businesses, as well as those looking to invest in a new business, are eligible for these incentives.

The incentives provided through the Downtown Incentives Program include a 50/50 Matching Grant Program, reimbursing half of the renovation expenses undertaken, up to \$20,000, as well as a "Let's Paint Downtown Hoptown" Program providing discounts on paint for painting projects and up to \$500 to reimburse any architectural services needed. The Hopkinsville Downtown Incentives Program also includes programs explicitly directed at development and financing, such as the Collateralized Loan Program providing short-term loans for renovation projects and a Preservation-in-Lieu-of-Taxes (PILOT) Program, which allows business owners to pay real estate taxes at the predeveloped assessed value for five years. Through their PILOT program, Hopkinsville "freezes" property taxes at their pre-developed level for a short-term period, encouraging both commercial and residential development in their downtown area.

activities in downtown including removing snow from sidewalks, safety and security, and an ambassador for visitors.

Typical BID activities provided to the district include marketing and promotion of district businesses, as seen in Raleigh, North Carolina as well as district maintenance and cleaning, seen in Boulder, Colorado. Rivers Fall, Wisconsin uses their BIDs to provide grants to businesses looking to improve their façade or add signage. In addition, BIDs may provide policy advocacy at the local and state levels for district business climate and small-scale capital improvements projects within the district.

Payment-in-Lieu-of-Taxes

Payment-in-Lieu-of-Taxes (PILOT) programs provide a direct incentive for recruiting new development. By decreasing costs for new businesses, businesses are incentivized to develop in a PILOT area. Secondly, tax abatements are easy to implement and are similar to other familiar mechanisms known to citizens, such as tax incentives, which may drive more support for the program. Thirdly, a PILOT program is the most direct way to counter urban tax disadvantages relative to suburban communities. Finally, if a building is already vacant, certain taxes are not being paid, and the local government is not giving up existing revenue by providing a PILOT program. St. Louis, Philadelphia, and Des Moines, for example, provide property tax abatement for both new construction and re-development in their cities.

Tax Increment Financing

The use of Tax Increment Financing (TIF) can provide many benefits. Within a TIF area, property owners will pay no more than the normal tax burden and, eventually, the property tax increment will be returned to the tax rolls. TIFs provide the funding needed for development without impacting the current tax base. With no increase in property taxes, citizens may be more likely to approve of this funding method and may even see additional spillover benefits, such as increased property values as a result of the development. TIF bonds are not typically counted against the jurisdictions debt caps, and when bonds are repaid, the government will receive the benefit of higher tax revenues. The incremental tax revenues can eventually be reinvested back into the targeted redeveloped areas or can also be directed to finance bond debt that does not require a referendum.

Tax Increment Financing is a self-funded mechanism to encourage development. TIFs help to stimulate overall private development, especially in redevelopment areas, without adding debt to the general levy. As state and federal funding become sparse, TIFs provide a more reliable source of funding and using TIFs allows the city, to invest directly into targeted areas which have the most need or most potential. In addition to direct funding, TIFs can be used to provide matching grants for redevelopment projects, partial financing of private development ventures, and funding for the acquisition of real property and site preparation. Finally, TIF areas can also be utilized as a performance-based benefit if the developer is returned a portion of the amount of the increment.

Revolving Loan Fund

A revolving loan fund (RLF) is a fund which is loaned out, and the principal plus interest is returned to the pool to be loaned out again. The concept is the fund will continue to grow with the interest payments. The administration fees can be used to cover expenses of operating the fund. RLFs can be used for a variety of purposes including supporting entrepreneurs and encouraging redevelopment of blighted land and vacant

buildings. The purpose of an RLF is to provide gap financing for businesses and projects that may not be attractive to conventional lenders. IEDC recognizes that the city secured HUD approval to use \$800,000 in CDBG-DR funds to establish a small business RLF in the downtown. The IEDC panel recommends using

this initial allocation as leverage to pursue matching funds from several possible federal agencies including the US Department of Agriculture and the Economic Development Administration as well as pursuing the means to use these funds to create a local Community Development Financial Institution, which can then access grant funds from the US Treasury Department to further capitalize a revolving loan fund. A grant from a foundation would be another resource to obtain initial funding.

Façade Grant and Loan Programs

Most businesses want their physical structures to be appealing to customers. They may need some financial assistance in the form of a grant or a low or no-interest loan to assist with façade improvements. At the same time, economic development stakeholders have an interest in controlling the façade design to keep in line with the aesthetics of downtown. By offering a small grant or loan to improve the façades downtown to owners, the economic development stakeholders can have an impact by encouraging businesses owners to revitalize their buildings in agreement with the stakeholder' vision. The program can outline what is an acceptable and not an acceptable use of the funds as a way to manage the design. There are some foundation and federal grant programs that can be used to provide seed funding for a façade grant or loan program. Some communities have worked with banks to contribute a seed investment and afterwards the program is funded through application fees and the interest income of the loans, similar to a revolving loan program.

Elgin County, Ontario

To encourage economic stimulation and growth, Elgin County, Ontario enacted the Elgincentives Community Improvement Plan, which includes within it a set of "Elgincentives," financial incentives designed to encourage private businesses and landowners to improve the quality of the county's key areas, including downtown, agricultural, lakeshore, and tourist areas. These incentives provide financial help to small business owners looking to improve and upgrade their businesses and storefronts.

Specifically, these incentives are broken down into several grant and rebate programs which allow the county to provide funds to business and landowners to facilitate the improvement, development, restoration, and redevelopment of businesses and land within these areas. If granted, the county will provide up to 50% of the costs of the approved project, up to \$15,000, dependent upon the grant received. Grants provided within Elgincentives include funding for improved signage, maintenance, small-scale building expansion, outdoor art installation, the investigation of potential development projects, and additional bonuses for coordinated projects between multiple owners or tenants.

Case Example: Downtown Grand Junction, Colorado

Downtown BID

Grand Junction, Colorado, with the support of business and property owners within the downtown area, created the Downtown Grand Junction Business Improvement District. The funds collected through Grand Junction's downtown BID are used to fund marketing and promotions within the district. For example, until recently, the BID would provide free parking at metered spaces in the downtown area during the holidays, creating an additional incentive for customers to shop for holiday gifts within the district. The Downtown Grand Junction BID also hosts several events, such as a Downtown Restaurant Week and a Farmer's Market and Music Festival, to attract customers to the district.

Downtown Development Authority

Established in 1981 through a special election approval by the downtown property owners and businesses, the Grand Junction's Downtown Development Authority (DDA) began as a private sector initiative and was the first organization of its type in the State of Colorado. The organization is dedicated to enhancing the vitality of the Downtown community through investment and development.

Although the DDA differs from the Downtown Grand Junction Business Improvement District in regard to area goals and activities, both entities are governed by the same board. The board consists of nine members, appointed by the city council, serving four-year terms. Eight of the nine members must be a resident, business lessee, or property owner within the downtown area and a ninth member can be appointed by the city council that is above this qualification. The DDA host events such as the annual Art & Music Festival, annual Car Show, and the Thursday night Farmers Markets. It is also a member of the Downtown Partnership, a partnership between the Downtown Association, a member organization consisting of downtown businesses, the Downtown Business Improvement District, and the DDA.

Downtown TIF

The Downtown Development Authority (DDA) uses a TIF to fund economic development in the downtown area. In 2011, the DDA received approval allowing the issuing of bonds with a total of up to \$65 million over 20 years. These bonds are used to finance improvement projects and economic development efforts that help to promote the vitality of the downtown area and the businesses within. Property taxes from all new (incremental) development are used to pay off the bonds over time.

Horizon Drive BID

The Downtown Grand Junction Business Improvement District is not the only BID in Grand Junction. The city also has a Horizon Drive Business Improvement District, a BID enacted to revitalize what is dubbed the "Gateway to Grand Junction." The activities of the Horizon Drive BID focus on security, physical improvement, and beautification, and revitalization.

Historic Tax Credits

Historic tax credits are a good tool for rehabilitating historic buildings. With historic tax credits, eligible projects receive a twenty percent credit on their federal income taxes. The Minot Commercial Historic District and the Minot Historical Industrial District are on the National Register of Historic Districts. With this designation, rehabilitation of historic buildings within these districts for income-producing purposes is eligible for these tax breaks. An awareness campaign on the eligibility of these buildings should be considered to promote the rehabilitation of historic properties within these districts.

Community Development Block Grants

The U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) can be used by communities for land acquisition, land preparation, infrastructure development, and historic renovations. CDBG grants can be employed with the HUD Section 108 loan program. The HUD section 108 loan program offers loans that can be paid back over 20 years, borrow up to five times greater than the amount of the community's CDBG annual value, and are insured by HUD.

Minot nearly qualifies to be a CDBG entitlement community with a population of 47,822¹⁰. Cities need to have a population of 50,000 to be eligible. In looking at the map of Minot's city borders, there are several areas along the current border or holes within the city limits that may be annexed to increase the population to the 50,000-population requirement. (The panel recommends including the North Dakota State Fairgrounds as part of the next annexation to benefit the city from the tax contributions.)

United States Department of Agriculture Business Grants

The city, itself, does not need to add any more funds than is currently made available for economic development but, rather, more clearly define the deployment and uses of current funding levels and create the means to pursue other funding sources, especially among federal agencies. For instance, while the city remains below 50,000, it is an eligible community to secure grants from the US Department of Agriculture (USDA) business grant programs to add resources and funding to support small businesses, the creation of incubators, and related development activities.

The USDA can provide several grant opportunities for communities. Their Rural Business Enterprise Grants assists communities in financing and facilitating the development of small and emerging private business enterprises located in areas outside of the city. The Rural Business Opportunity Grants promotes sustainable economic development in rural communities with exceptional needs. Rural Community Development Initiative Grants can be used for economic development projects including providing technical assistance to sub-grantees on strategic planning.

The benefits of a USDA grant include that they do not require repayment and there are no interest or tax implications that will come from the receiving a grant. The business grants provide the opportunity for communities to fund a specific set of projects with a larger budget, which often is difficult to fund through other avenues, and receiving the grant often leads to positive public exposure which may later increase

¹⁰ United States Census Bureau population estimates, July 1, 2017.

private investment. Finally, there is no limit to the number of grant programs a community may use within a given year, allowing communities continually to apply for multiple funding opportunities.

Build and Strengthen Partnerships

Minot's economic development stakeholders, in coordination with the city, could be working towards one common goal. Several groups within the city, county, and region are doing similar work, even overlapping in some aspects. However, there are several items that are dropping between the cracks because there is no group stepping up to take leadership. It is necessary to regularly share information about programs that are offered, explore opportunities to partner on projects and programs, and assist one another when problems arise. Through these collaborations, it is possible to save resources and develop new ideas.

To help keep attendance high at these stakeholder meetings, schedule them for a regular standing time, for example the third Thursday of each month at 2 p.m. In the beginning, the agenda can start with everyone going around the room sharing a three-minute overview of any projects or programs they are working on, any areas where he or she may need support from partners and posing any questions that need information that may be helpful to his or her work. After everyone has a chance to give their three-minute update, then an appointed moderator can pose open discussion on any of the issues that were brought up during the meeting and need to be followed up from a previous meeting. The moderator can rotate through the group, so there is not one person who controls the meetings. Eventually, the format and frequency of the meetings may change as stakeholders collaborate with one another. Agree on a set of mutual goals and keep them in front of participants at all time, directing the conversation back to how each entity can participate to achieve pieces of stated goals. In addition to rotating the meeting moderator, it would also be constructive to rotate the meetings to the various venues of the stakeholders. The city, itself, should also have a lead role in supporting and coordinating stakeholder meetings to assure the sustainability of this effort.

Reduce Overlapping Services

The City of Minot has several financial obligations in the near future. It is highly recommended to find strategies to dedicate funding to meet those obligations. As mentioned in the observation section of the paper, there are several overlaps of services within the city and county where combining may reduce the resources needed.

Minot cannot afford to continue subsidizing property taxes with sales taxes. The current sales tax collected can become dedicated funds for upcoming financial obligations.

The school system should subsidize public transportation within the city. As students are one of the primary groups using the public buses, by offering financial support for the public transportation system, the school would have the opportunity to have an input on the routes and time schedules that best meet the students' schedule. The lack of school buses in Minot interrupts the work day for parents across the city. The collaboration between the school system and the public transportation system would allow for the best transportation service to be available during those school hours, without impacting the workday.

Develop a single library system for all of Ward County including the City of Minot. There may be a joint contract for services for the city and county to merge their operations into one library system. It may determine that one of the Trinity Health buildings would make an excellent place to relocate both library services to start anew with space to house the bookmobile and drive traffic into downtown. With their ability to offer more than books lending, such as fast-casual eateries, maker spaces, and gaming, libraries are becoming centers of activities in many cities. In Marquette, Michigan, there was an entrepreneur that had a

pop-up Indian restaurant in the basement of the library which eventually moved into a restaurant space downtown. The Center for the Future of Libraries has a list of library best practices and trends at www.ala.org/tools/future/trends.

The combination of the parks authority and recreation department will help to maximize tax dollars within Minot. The combined parks and recreation authority or department would be able to share resources to offer more services and potentially work on larger projects. The citizens of Minot benefit from the fewer marketing materials and higher quality services. Beyond the cost savings from sharing administrative services and efficiencies, the parks authority and recreation department will be able to apply and attract sponsorships and grants jointly. The joint authority/department would have the ability to market their events and the community with shared resources.

Concluding Thoughts

Downtown Minot overall has strong assets and significant opportunities to be a thriving center of activity for the city. There are several recommendations outlined in this report to implement over an extended period and should be considered as part of the broader strategies for the whole city. It is important to keep in mind that with downtown revitalization, as with economic development, is a marathon that requires a team. Through teamwork and a strategic approach, the local government, with its economic development stakeholder groups, can drive downtown and the city forward towards getting citizens, businesses, and visitors to positively think of the downtown as a vibrant place to live, work, and play.

Appendix A. Recommendations checklist

□ Form an economic development partnership

- Establish a redevelopment authority
- Form an umbrella organization that includes a 501(c)6, 501(c)3, the convention and visitors bureau, and the newly formed redevelopment authority
- Establish an oversight committee
- Determine the role and goals of MADC in economic development
- Determine the role of the City in economic development

□ Identify Peer Cities

- Identify a set of metrics to measure Minot and the peer cities
- Select four or five peer cities for comparison
- Create a report card comparing Minot to its peer cities

□ Undertake Visioning and Strategic Planning for Downtown

- Assemble a steering committee to lead an effort to envision the future of downtown
- Research the downtowns of comparable cities
- Gather and review data on downtown
- Conduct a walking study of downtown
- Facilitate focus groups or a public forum
- Summarize findings in a short report
- Develop a three- to five-year strategic plan for downtown Minot
- Identify how metrics will be measured and reported

□ Develop a Marketing Plan

□ Develop a Citywide Brand for Minot

- Establish a working group to lead the citywide branding exercises
- Define an overall brand message
- Define target groups and messages for each core group
- Launch and implement a brand strategy

Market Downtown to Different Segments

- Marketing messages for business owners highlighting resources available to help them grow in the city, local suppliers and customers and celebrate contributions to the city
- Marketing messages to entrepreneurs on resources available and networking opportunities
- Marketing campaign to citizens promoting quality of life assets and special events in downtown
- Marketing campaign to visitors promoting the quality of life in Minot

Engage Site Selectors

- Develop a marketing and familiarization strategy with performance metrics for site selectors
- Update the data available on the MADC website for site selectors
- Develop a marketing list of site selectors
- Plan a familiarization tour

Diversify Minot's Customer Base

- Develop and conduct business assessments of customers and businesses
- Incorporate findings into the strategic plan for downtown
- Use findings to assist businesses to find hours that maximize customer demand

Invest in Downtown to Drive Private Investment

- Accept the buildings Trinity Health is offering
- Obtain ownership of the M Building
- Recruit a private college to open a satellite campus

Develop an Innovation Center in Downtown

- Bring back the monthly or quarterly meetings or breakfasts for entrepreneurship service provider partners
- Determine how existing structures and networks can be used to drive innovation in downtown
- Severson Entrepreneurship Academy: open an incubator in a vacant building downtown
- Develop a culinary incubator
- Establish a retail pop-up space

Drive Foot Traffic Downtown

- Develop programs that attract people to the greenway and into downtown at the riverfront
- Develop a monthly set of programs and special events outside of holidays
- Coordinate with businesses to offer a “continue the evening” discount program after special events
- Create an interactive welcome webpage highlighting various businesses and sites to visit in downtown Minot
- Move the Visit Minot information center into downtown

Expand Minot’s Financial Toolbox

- Develop an educational outreach program on opportunity and renaissance zones
- Develop a framework for the Magic Fund that outlines applications, goals, and achieved measurements
- Establish a business improvement district
- Consider the following tools
 - Payment-in-lieu-of-Taxes program
 - Tax Increment Financing district
 - Revolving loan program
 - Façade grant or loan program
- Filling in the holes in the city limits to achieve 50,000 in population

Build and Strengthen Partnerships

- Establish an economic development stakeholders group with regular meetings

Reduce Overlapping Services

- Discontinue subsidizing property taxes with sales taxes
- Develop a collaboration between the school system and public transportation system
- Develop a single library system for all of Ward County including the City of Minot
- Consider moving the new library system into downtown
- Combine the parks authority and recreation department

Appendix B. Partnership Organization Case Studies

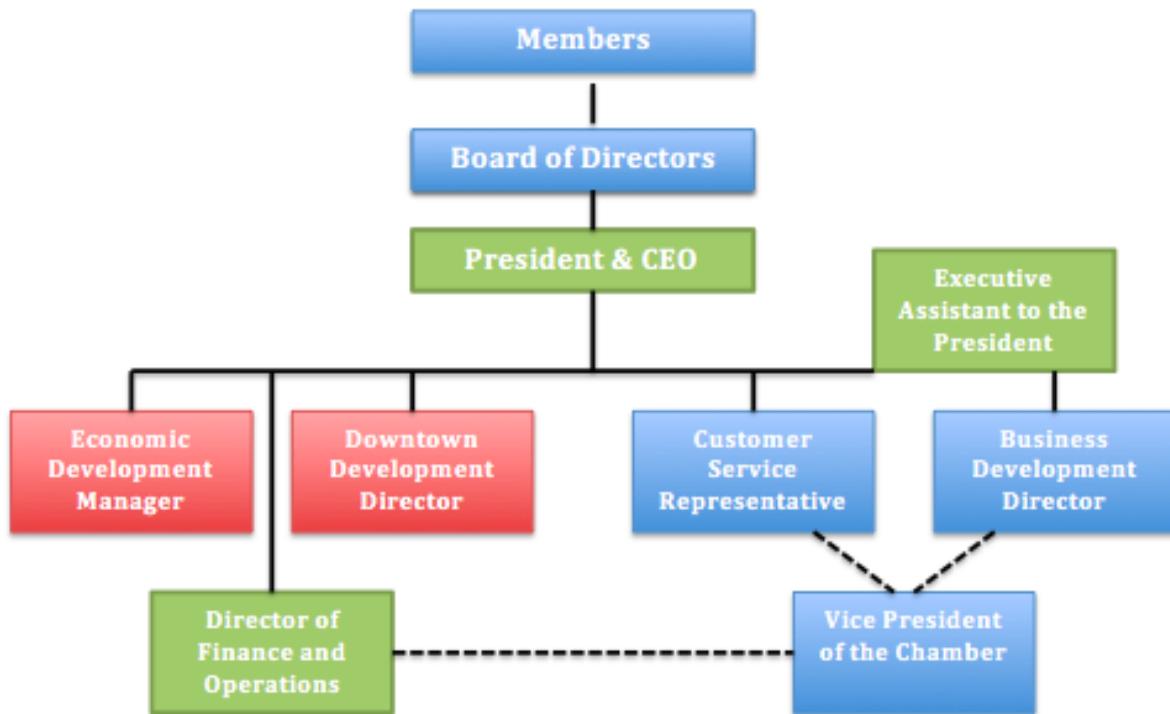
Case Study #1: Hot Springs Metro Partnership

The Hot Springs Metro Partnership is an IEDC Accredited Economic Development Organization that serves all of Garland County in Arkansas. As of 2016, the estimated population of Garland County was 97,477, and Hot Springs, the county seat, had an estimated population of 36,876. The partnership's mission statement is "to create economic opportunity by retaining, expanding, and attracting higher-paying jobs, expanding and diversifying [the Garland County] economy, increasing incomes and investment, and generating positive growth throughout the Hot Springs Region." The partnership synthesizes the similar and sometimes overlapping economic objectives of the Hot Springs Chamber of Commerce and the Downtown Hot Springs Initiative, Inc., and adds broader economic development goals for Garland County as a whole.

Organizational Structure, Leadership, and Employees

The Hot Springs Metro Partnership was devised to consolidate the economic development initiatives in Garland County and the Greater Hot Springs Chamber of Commerce into a single body. The resulting organizational structure is a body in which some duties are handled by the partnership staff, and others by chamber members. Each duty of the partnership, whether conducted by the partnership itself or by the chamber, is overseen by the president & CEO and the executive assistant to the president. Both of these positions are a shared responsibility of the partnership and chamber. Complete visualization of the organizational structure of the partnership can be seen below, wherein blue indicates chamber responsibility, red indicates partnership responsibility, and green is shared responsibility.

Hot Springs Metro Partnership Organizational Structure



Case Study #2: Blount Partnership

Located just south of Knoxville, Blount County is home to an estimated population of 129,929, its largest city being Maryville with a population of 28,151¹¹. The mission of the Blount Partnership is “to serve its members and stakeholders, and to promote economic growth and stability, foster community development, and enhance the overall quality of life in the region.” The partnership is comprised of four separate organizations, namely: i) the **Blount County Economic Development Board** ii) the **Blount County Chamber of Commerce**, iii) the **Smoky Mountain Tourism Development Board** and iii) the **Blount County Chamber Foundation**. The partnership was awarded the distinction of an Accredited Economic Development Organization in 2017 by the IEDC.

1. The **Blount County Economic Development Board** (the EDB) is the driving force behind new business recruitment efforts. The EDB is an agency that represents and is funded by Blount County, the City of Alcoa, and the City of Maryville. It is governed by its own board of directors. The EDB’s efforts are global in scope, working to attract both national and international companies. The EDB has offices in Europe, Yokohama, Japan, and Seoul, South Korea.

¹¹ U.S. Census Bureau, Population Division. (2018). *Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2017*.

2. The **Blount County Chamber of Commerce** has been a nationally accredited Chamber of Commerce and certified as a Five-Star Chamber of Commerce since 2001. Within the partnership, both the EDB and the Blount County Chamber of Commerce work to serve existing industries and help ensure a strong local workforce.
3. The **Smoky Mountain Tourism Development Authority** (SMTDA) works to attract tourism business to the area.
4. The **Blount County Chamber Foundation** is a 501(c)3 organization that performs charitable, educational, and scientific activities. The foundation is governed by its own board of directors. It had funded workforce development initiatives and served as an incubator for various startup non-profit organizations in the community that align with the Blount Partnership's five-year plan.

Organizational Structure, Leadership, and Employees

While sharing a unified brand, each of the organizations in the partnership maintains its own identity. The separation allows the EDB, the chamber, and the SMTDA to have their own board of directors and staff. The boards are high-level and engaged. The Joint Operating Committee brings together the board members of the EDB, the chamber, and the SMTDA, and is the executive board responsible for the political and policy direction of the partnership. It is composed of a chair, vice chair, and three representatives from the EDB, the chamber, and the SMTDA, as shown below.

Blount Partnership Joint Operation Committee

Chair

Vice Chair

Chamber Representatives:

Chair

Chair Elect

Past Chair

Economic Development Board Representatives:

Chair

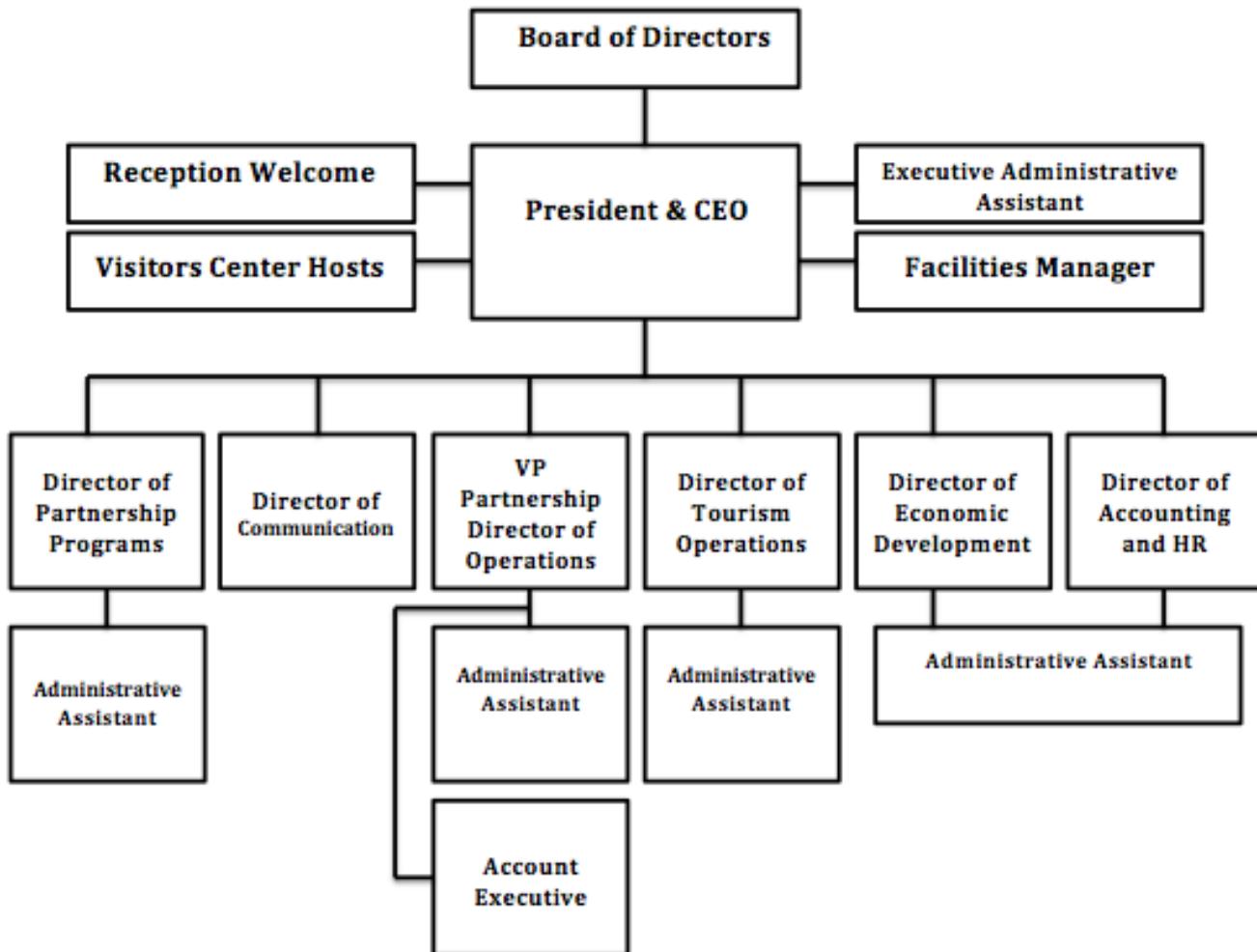
Vice Chair

Past Chair

Smoky Mountain Tourism Development Authority Representatives:

In addition to the Joint Operating Committee, the four organizations that comprise the Partnership share a professional staff, administrative support, IT services, and physical facilities. The President & CEO heads the Partnership and is responsible for the overall operations of the four entities it encompasses. He/she reports to the Blount Partnership Joint Operating Committee and all Boards of Directors, and it is, therefore, his/her responsibility to coordinate, direct, and implement the fiscal and general Board policy. The position is also responsible for the development and provision of physical facilities to accommodate the organizations, and for performing operational duties. Complete visualization of the Partnership's organizations structure has been provided below.

Blount Partnership Organization Structure



Case Study #3: Bowling Green Area Chamber of Commerce

The Bowling Green Area Chamber of Commerce is a Five-Star Accredited chamber that acts as the driving force for south-central Kentucky's business community. Located in Warren County, Kentucky, the Bowling Green Area Chamber of Commerce advocates for a favorable business environment and works to stimulate economic development for the city of Bowling Green and the surrounding region. With an estimated population of 67,924, Bowling Green is the third-largest city in Kentucky, and the Bowling Green Area Chamber of Commerce has proven itself invaluable for the city's development, even winning Chamber of the Year from the American Chamber of Commerce Executives in 2009.

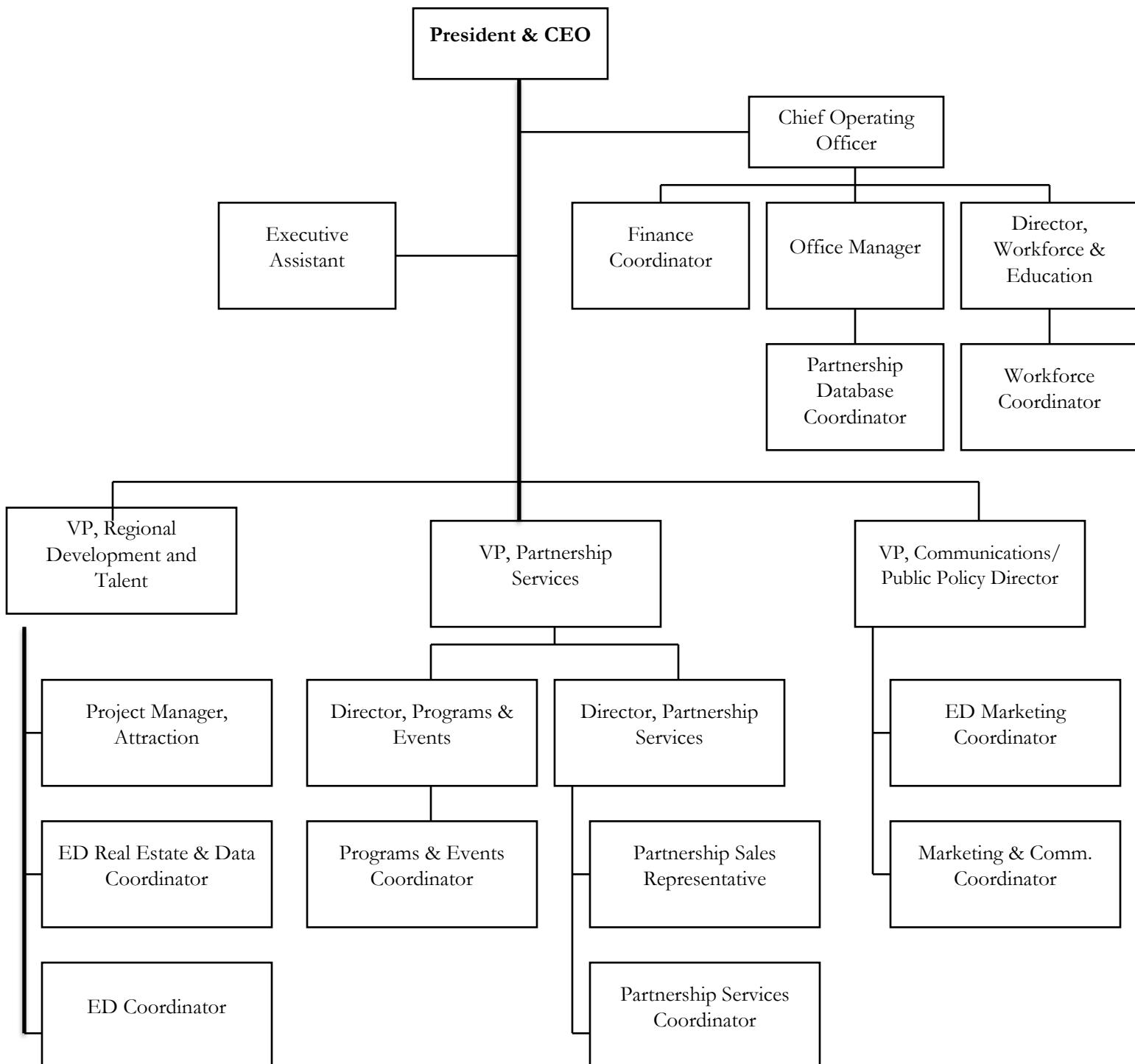
The chamber is a 501(c)6 non-profit corporation. It is the advocate for over 1,200 partners, and its primary goals are to promote growth and success in the business community for both its small businesses and large industries alike. It offers leadership programs, government relations projects, educational initiatives, and

other activities in support of the community. The chamber is governed by a board of 25 regular members and three ex-officio members.

The Bowling Green Area Chamber of Commerce was also responsible for the organization the Bowling Green Economic Development Authority, Inc (BGAEDA). The BGAEDA is also a 501(c)6 non-profit corporation, whose responsibility is to provide resources with an economic development vision to seek and assist in establishing industrial parks and creating a term for ongoing development in the South-Central Kentucky area. The BGAEDA is governed by a board of 11 regular members and six ex-officio members.

Moreover, the Chamber is also responsible for the creation of the Bowling Areas Chamber Foundation in 2006—similarly a 501(c)3 non-profit corporation that allows the Chamber to raise tax-deductible contributions to conduct programs for the community, namely to foster education, training, and research to benefit the economic well-being of the workforce in the Bowling Green area. The Foundation is governed by a board of seven members.

Bowling Green Area Chamber of Commerce Organizational Structure



Appendix C. Adaptive Reuse: A Brief Overview

Adaptive reuse refers to the repurposing of old structures for new projects. Every city struggles with the question of how to handle aging or abandoned buildings, and this challenge is made even more complicated when these structures have historical foundations. Larger buildings like old warehouses and empty medical facilities can be particularly challenging to repurpose, as their scale and grandiose styling can make them difficult to adapt for smaller, modern projects. However, these spaces are ample with opportunities for productive uses. With the right strategies, they can be turned into successful drivers of economic development and community revitalization.

Advantages of adaptive reuse

The decision to repurpose existing buildings is not merely to retain its authenticity or appearance. Adaptive reuse is an attractive option because, in many cases, it is an economically, socially, and environmentally advantageous option for communities. The benefits of reuse can be summarized in four parts:

1. *Cost Savings.* Perhaps the most critical advantage of adaptive reuse is its cost-minimizing potential. It is often the case that the cleaning, demolition, and construction of new buildings results in spending that is in excess of the costs associated with preserving and repurposing existing buildings. As such, adaptive reuse projects represent a less expensive alternative to new construction projects. Of course, the careful cost-benefit analysis must be used to determine which option is the most economically viable, as each building and the needs of the community in which it resides are different. Nonetheless, if economical, the subsequent savings from adaptive reuse projects must also be considered as a considerable advantage. These extra funds can be directed towards mission fulfillment activities of the community for those reasons that motivated the redevelopment to occur. The new WK Rehabilitation Institute in Louisiana is an excellent example of how the cost savings of adaptive reuse generated extra financial resources for the community of Shreveport.
2. *Time Savings.* Among the principal benefits of adaptive reuse is the shortened timeframe of redevelopment. Working with the structures of older buildings can reduce the amount of time it takes for the project to become operational. This strategy means that the municipality can benefit from the tax revenues generated by the newly purposed building much quicker than if a demolition or relocation plan was followed.
3. *Sustainability.* Another straightforward benefit of adaptive reuse projects is that they are usually more environmentally benign than other alternatives. The destruction of existing buildings in lieu of new ones is harmful to the environment in two respects. First, the waste from the demolition of older buildings is an extra burden on landfills that must now accommodate for all that has been destroyed. Second, the construction of a new building requires a large sum of new resources and materials to become operational. Moreover, new buildings, if not occupying the same lot, require a new plot of land to be built that could otherwise be preserved for public use or even other, future uses. In other words, there is an opportunity cost in the form of natural resources, including land, for building from scratch when the structural integrity of an older building remains intact.

4. *Community Revitalization.* The repurposing of existing buildings is a unique opportunity to revitalize communities while retaining their cultural heritage. No matter the initial impressions of the building when it was first constructed, it is often significant to a community by its association to the past. As such, adaptive reuse projects not only provide immediate benefits in the form of the building's new functions but also by preserving the identity of the community. Moreover, adaptive reuse often motivates future efforts of community renewal in similar veins.

Recommendations and main takeaways¹²

Curate the team. When designing an adaptive reuse project, it is important to consider the best people for the team, which should include community stakeholders, architects, planners, managers, accountants, among others. Assembling a team with the right mix of talent and community knowledge is the first step to implementing a successful reuse project.

Know the community. Every community is different, and each project must be designed with a community's specific needs in mind. What are the community's demographics and culture? What is the economic climate? What types of businesses succeed or fail? What is the community missing? Only once these questions are answered should the project begin. Organizing meetings wherein members of the community can provide input or voice their opinions are beneficial in this regard.

Infrastructure rule. Adaptive reuse projects require full knowledge of the building and its limitations. The general approach should be to utilize what already exists as often as possible, and architects who are familiar with adapting historic infrastructure should be utilized for this purpose.

Understand all options. Once the most pressing needs of the community are identified, the relative importance of each option should be considered and weighed. Some options are more plausible than others given the infrastructure constraints of the building being repurposed. Moreover, one must always be cognizant of the economic benefits that each option would provide.

The history-function balance. Adaptive reuse projects are all about balancing new construction with the preservation of existing materials and structures. An overarching goal of reuse is to maintain the authenticity or essence of the existing building, but this should not come at the expense of the new building's primary functions. In a word, know what is worth keeping and what is not; this might require some innovative thinking and creative solutions to strike the right balance.

Think ahead. Ideally, the benefits of adaptive reuse should be sustainable over the long-run. This strategy implies that the project is designed such that the current and future needs of the community will be met. Try and think about how the community will look in ten years from now. What are the emerging trends? How is this project going to meet the demands that will arise at a later date?

¹² <https://www.gensler.com/research-insight/gensler-research-institute/new-life-for-hospital-buildings>

Adaptive Reuse in the Health Sector: Case Studies

Willis-Knighton Health System, Shreveport, LA¹³

The Willis-Knighton Health System began repurposing abandoned buildings in Shreveport, Louisiana, in the 1970s and has accomplished over 20 reuse projects. Its most recent venture repurposed the 150,000-square-foot Doctors' Hospital of Shreveport, which had decayed into noticeable blight in downtown Shreveport. In 2017, the WK Rehabilitation Institute opened in its stead -- an inpatient and outpatient center for physical and behavioral rehabilitation.

From the outside, the WK Rehabilitation Institute bears very little semblance to its previous form. In fact, the building is indistinguishable from a newly constructed building—both inside and out. Aside from the noticeable improvement in its appearance, the decision to repurpose the hospital had numerous advantages to the construction of a new facility, namely:

- *Cost Savings.* Adaptive reuse, in this case, resulted in an estimated savings of over 18 million USD (\$44.5 million vs. \$26 million). These savings represent resources that can be put towards patient care and mission fulfillment activities, as opposed to being used for the creation of new physical space for healthcare workers.
- *Sustainability.* The repurposing of the Hospital also translates to the conservation of new and additional resources/materials that would have been required to create the WK Rehabilitation Institute. Moreover, by averting demolition, the revitalization also avoided the excess burden on landfills that would have been required to accommodate the waste from the destruction of the hospital.
- *Community Revitalization.* Removing dilapidated buildings from Shreveport paves the way for future development. With the eyesore of the hospital out of the picture, the WK Rehabilitation Institute gives a previously unattractive area a new face, making an investment in the surrounding area more viable. Moreover, refurbishment conserves other highly prized locations to be used for other purposes besides medical facilities.

Old Cook County Hospital, Chicago, IL¹⁴

Located in Chicago's Westside, the Old Cook County Hospital is a sprawling, 1.2-million-square-foot, 464-bed hospital and architectural treasure. Now over 100 years old, the hospital, the appearance of which has landed it on the National Register of Historic Places, had fallen into a state of disuse and decay. For over 10 years, the building was left vacant without any productive use. Instead of unsuccessful proposals to demolish the eight-story historic building, a team headed by MB Real Estate Services devised a complete overhaul of the interior and plans to restore the building's historic façade while still preserving the cherished character of the relic. The four-phase plan will see the transformation of the building into a hotel that would contain up to 250 beds, as well as an apartment complex of 150 market-rate and affordable units. Subsequent stages include plans to introduce new retail, residential, and office space. In addition to the less

¹³ <https://blogs.biomedcentral.com/bmcseriesblog/2017/07/11/adaptive-reuse-of-buildings-in-the-healthcareindustry/>

¹⁴ <http://www.chicagotribune.com/news/ct-old-cook-county-hospital-kamin-met-0406-20160405-column.html>

tangible benefits of preserving a distinguished historical site, opting for adaptive reuse over demolition comes with numerous advantages:

- *Cost Savings.* An estimated 20-30 million USD would need to be budgeted to cover the costs of cleaning and demolition of the hospital alone. These costs represent both wasted resources and unwise use of public money. By preserving the building, the developers are also eligible to receive tax credits to help fund its refurbishment.
- *Meeting Community Needs.*
 - The new residential units would be of incredible service to the medical staff, including nurses, doctors, and students, all of whom work long and varied hours at the hospital, especially those who make long commutes each day. Moreover, the hotel would have merits for patients' visitors, who come from various locales across Illinois and beyond.
 - The Illinois Medical District has a somewhat glib scenery, mostly comprised of offices and medical facilities. The proposed residential units, and the retail spaces in particular, would have a rejuvenating effect on the area by transforming a transient, working district into an actual community with attractions and hospitality for residents and visitors alike.
 - *Sustainability.* In addition to the resources saved from the creation of a brand-new facility in the place of the existing hospital, the Landmarks Preservation Council of Illinois also predicts that reuse will prevent further encroachments on public parkland and open-air space in the area.¹⁵

Children's Hospital, Buffalo, NY¹⁶

The 600,000-square-foot Children's Hospital located in Buffalo, NY, has been a sprawling fixture of the Elmwood Village neighborhood throughout its history. Just last year, the relocation of the Children's Hospital was fully implemented, and the 125-year-old building was handed over to real estate developers who had the choice of demolition or reuse. Finally deciding on the latter, the latest plans to repurpose the Buffalo's Children's Hospital is an exemplary adaptive reuse project. The hospital and its surrounding structures and grounds will be reused to create more residential and commercial space for the community. Specifically, the old hospital's facilities will be converted into condos, apartments, townhomes, a grocery store, additional space for retail and restaurants, and new commercial officers. The main reasons to reuse the hospital are the following:

- *Cost Savings.* The costs of the project are estimated to be in the range of \$80 and \$100 million, whereas the previous demolition-heavy proposal from one of the lead developers

¹⁵ Landmarks Preservation Council of Illinois (2003). *A Reuse Plan for Cook County Hospital*. Retrieved from: <http://www.landmarks.org/wp-content/uploads/2016/08/COOK COUNTY HOSPITAL 2003 compact.pdf>

¹⁶ <http://buffalonews.com/2018/01/11/sinatra-ellicott-prepare-to-unveil-childrens-hospital-reuse-plans/>;
<http://buffalonews.com/2017/11/14/whats-next-for-former-childrens-hospital-site/>

was estimated to be \$161 million. That means, by conservative estimates, at least \$61 million will be saved by pursuing adaptive reuse.

- *Time Savings.* In the old plan to take the wrecking ball to the hospital’s towers, the timeframe for redevelopment was in the ballpark of three-to-four years—save any unexpected delays. By opting for adaptive reuse of the hospital’s existing structures, there is less time between the finalized plan and its implementation. The reduced construction time is not only good for government coffers, but also for local businesses who rely on community residents as customers. The reuse plans involve less disruption of the community than the previous demolition plans, but it is still a disruption nonetheless. The shorter timeframe these businesses have to endure, and the more residential units, the better.
- *Sustainability.* The previous plan by developer Sinatra would have required the disposal of a significant amount of waste in the city’s landfills due to the destruction of many of the hospital’s facilities. These would have been a burden on landfills and require further resources for the construction of the replacement buildings.

Appendix D. Financial Tools Definitions, Requirements and Procedures

Creating a Tax Increment Financing District¹⁷

Definition: Tax increment financing (TIF) subsidizes companies by refunding or diverting a portion of their taxes to help finance development in an area, or less frequently, on a project site. The most common implementation of TIF is when a government jurisdiction diverts future property tax revenue to pay for the redevelopment of a particular area or ‘district.’ Essentially, companies are incentivized to bring their business into the district because they can save money via subsidies issued by the local or state government. In turn, their business brings development into the area and raises the value of properties residing within the district; the increase in tax revenue from higher property values are then used to pay for the subsidies that had caused the redevelopment to begin.

Requirements:

1. Resolution from governing body that the area is blighted.
2. A public hearing is held on the proposal.
3. Filing of the approved plan with Department of Commerce Division of Community Services.
4. Annual report to Department of Commerce.

Procedure:

1. County auditor certifies original taxable value for each parcel of land.
2. County auditor certifies net change in taxable value for each subsequent year.
3. When the net value change is negative, the auditor applies levies for each of the taxing districts to the lost value.
4. When the net value change is positive, the auditor extends the mill levy rate against the incremental value as well as the original taxable value.
5. The taxes from the increased (incremental) value are credited to a special fund.
6. The county treasurer remits these increments to the state and each political subdivision with tax losses until these losses have been reimbursed.
7. When all tax losses are paid, these increments are remitted to the municipality as reimbursement for development or renewal costs (defined in N.D.C.C. § 40-58-20(8)(9)).
8. When these development costs have been paid, any remaining balance in the special fund is distributed to the state and political subdivisions in proportion to the previously reimbursed losses. .
9. Any surplus increments (determined by the governing body to exceed the cost of renewal activities) are transferred to the county treasurer for distribution to the state and political subdivisions with the power to tax property in the area.

¹⁷ <https://www.nd.gov/tax/data/upfiles/media/urbanrenewaltaxincrementfinancing.pdf?20180330094621>

10. The governing body will file an annual report with the Department of Commerce for each development plan or area under N.D.C.C. § 40-58-20(8)(9).
11. When all development costs are paid, the auditor will compute the mill rate for all taxes on the value of the development area.
12. The government may grant a total or partial tax exemption for the project.

Creating a Business Improvement District¹⁸

Definition: A Business Improvement District (BID) is a designated area wherein businesses agree to pay additional taxes for financing other projects within the boundaries of the BID. In other words, the BID is a government-sanctioned but self-imposed tax on business. BIDs are usually devised to provide services that benefit businesses within the BID that are being inadequately provided by the government. Examples include cleaning, construction or infrastructure improvements, and security, to name a few.

Requirements:

1. Business improvement districts may cover two or more separate property areas.
2. A detailed report from the city auditor.
3. The published resolution that improvements are necessary.

Procedure:

1. The governing body will designate a name and number for the district.
2. The city auditor will prepare a report on the nature, purpose, and feasibility of the proposal and estimate the probable cost.
3. The city auditor may prepare detailed plans, which must be approved by the governing body.
4. After the report has been filed and approved, the governing body will declare by resolution that the improvements are necessary. The resolution must be published once each week for two consecutive weeks in the official newspaper of the municipality.
5. Any protests within 30 days of the first publication will be heard by the governing body, which will determine their sufficiency.
6. If the owners of one-third or more of the property within the proposed district protest, the project shall not proceed.

¹⁸ <http://www.legis.nd.gov/cencode/t40c22-1.pdf>

7. All contracts under this chapter must be entered into in the name of the municipality and must be executed for the municipality by the executive officer and countersigned by the auditor. After the other party signs the contract, it must be filed in the office of the city auditor.
8. The city auditor will keep a complete record of all the proceedings in the matter of making any improvements.
9. Before adopting or rejecting any contract proposed, the city auditor must make a detailed statement of the estimated cost. If all proposals are not rejected, the governing body will award the contract to the person, firm, corporation, limited liability company, or other entity best-able to perform the work, upon the basis of cash payment for the work.

Using the Historic Tax Credit¹⁹

Definition: The Historic Tax Credit (HTC) is a federal tax program that incentivizes the rehabilitation and repurposing of historic or older buildings. To be more precise, the program has two tiers. The first tier applies to historic buildings that have made their way onto the National Register of Historic Places, and therefore deemed worthy of preservation for their historical significance. For these buildings, rehabilitation qualifies for a 20 percent tax credit. As for the second tier, a 10 percent tax credit is available for the rehabilitation of non-historic but older buildings that were put into service before 1936.

Requirements:

1. All income-producing buildings on the National Register of Historic Places, or who are eligible and planning to become listed within 30 months of claiming the credit, are eligible for the preservation tax incentive. Private residences are not eligible because they are not income-producing.
2. The rehabilitation must follow the Secretary of the Interior's Standards for rehabilitation.²⁰

Procedure:

1. Prospective recipients must submit an application to the Historic Preservation Division of the State Historical Society of North Dakota (SHSND) in Bismarck. Application forms are available from the SHSND.
2. The application consists of:
 - a. An evaluation of the building's significance, a description of the building's appearance, a statement of significance, and current photographs.
 - b. A project description, details of the planned work, and photographs of the building before any work has started.

¹⁹ <http://history.nd.gov/hp/taxfederalfaq.html>

²⁰ <https://www.nps.gov/tps/standards/rehabilitation/rehab/stand.htm>

- c. Photographs of the completed project (submitted after the project is finished).
- 3. The applicant must provide two copies of the application form and two copies of all supporting documents (i.e., plans, specifications, photographs).
- 4. The application should be submitted as early as is practical so that questionable proposals may be discussed.
- 5. The application should be submitted before bidding, but it must be submitted before construction begins.
- 6. If the project must end, it can be phased out over 60 months.

Appendix E. Culinary Incubator

An obstacle for culinary startups is often creating a space to prepare food and beverages that are compliant with the regulations for commercial food handling and production. Culinary or kitchen incubators were devised to solve these and related problems. By providing space in a shared-use kitchen for culinary professionals, chefs, bakers, brewers, and similar professions can rent (by the hour or daily) the necessary facilities and equipment to run their business without incurring the prohibitively steep initial costs of the culinary and beverage industry that obstruct entrepreneurs. This feature alone makes entering the market significantly easier for food and beverage startups. Moreover, in addition to kitchen rental, culinary incubators also extend services for entrepreneurs to successfully operate and grow their businesses. Specifically, incubators offer business development training and provide members with practical information regarding the other dimensions of the business, such as packaging materials and design, label printing, and distribution. Accordingly, incubators not only provide access to markets but also connect entrepreneurs with the networks they need to prosper in the food industry.

A great example of a successful culinary incubator is Union Kitchen, located in Washington DC. Union Kitchen defines itself more broadly as a “Food and Beverage Business Accelerator.” Beyond providing a shared kitchen, their members have the opportunity to rent the use of their production facility and retail stores (Union Kitchen Groceries). This membership model allows entrepreneurs to create, package, market, and sell their product in stores in an astoundingly short period. Within their programs, Union Kitchen guides culinary entrepreneurs from concept and launch all the way to multi-regional expansion using a tailored curriculum, networks, and a robust local ecosystem.

Culinary incubators are popular throughout the United States. Below is a short list of some of the successful culinary incubators across the country:

- Forage in Eau Claire, Wisconsin offers entrepreneurs a commercial kitchen space, a smaller prep kitchen, a dining room and storage. Beyond working with the culinary production space, this incubator also offers a pop-up restaurant space, cooking classes and a private space for weddings and other special events.
- En Saison in Galesburg, Illinois is West Central Illinois' only shared-use kitchen and business incubator available to anyone wishing to produce and market a food product. It is located within Galesburg's Sustainable Business Center.
- Common Wealth Kitchen Incubator in Youngstown, Ohio is an ongoing project started by Common Wealth Inc. Common Wealth is a non-profit community development organization that got its start in the housing market over 25 years ago. Today, their focus has shifted to include rebuilding the local food economy through farmers' markets, a food co-op, healthy food kiosks and now the kitchen incubator. All of these elements are part of the Lake-to-River Food Hub and will be tied together through a new branding campaign called the 30 Mile Meal, a program adopted from Athens, OH, aimed at increasing awareness of the availability of local food and creating a network between local growers and buyers.
- The Starting Block in Hart, Michigan is a nonprofit, regional economic development organization committed to small business development initiatives--for businesses just starting out, or companies

outgrowing their current facilities. The commercially licensed kitchens are always open and offer entrepreneurs an affordable rate to help grow their business.

- Moonlight Kitchens in Missoula, Montana is an incubator that offers two commercial kitchens and one workroom for rent with a focus on connecting to community with local farmers/ranchers through local cooks.
- Square One Rental Kitchen and Events in Fargo, North Dakota offers two licensed commercial kitchens that are available for rent on an hourly basis for both businesses and the public. Started by an entrepreneur who was renting kitchen space after hours from her employer in 2012, Square One also offers culinary classes and a seating area.

Appendix F. Cedar Rapids After Their 2008 Flood

In 2008, Cedar Rapids was among the most affected cities in the Midwest when a year of heavy snowfall and rain resulted in rising water levels and significant flooding. With 14 percent of the city inundated (10-square miles), including City Hall and a significant portion of its downtown core, the flood in Cedar Rapids displaced over 18,000 residents and generated an estimated \$6 billion in economic damages. In the face of the devastation, Cedar Rapids responded to the disaster with a recovery plan that has proven to be a remarkable success. The city has surpassed recovery, using the 2008 flood as a springboard for its transformation into a vibrant and bustling city center. Almost ten years later, the GDP of Cedar Rapids has grown 40 percent since 2007 (\$13 billion to \$18 billion), business has prospered, residential units have increased, and total property values have increased 18 percent. The case of Cedar Rapids, therefore, provides us with a blueprint for recovery that could be applied to other cities that were affected by similar disasters and are struggling with the redevelopment of blighted areas.

Restoring Investor Confidence

A significant objective of Cedar Rapid's recovery plan was to restore investor confidence in the city's core districts post-flood. To this end, the city initiated a buyback program for inundated and unsalvageable properties called the Voluntary Acquisition Program, which saw the city purchase over 1,375 flood-damaged properties for an average of 107 percent of their pre-flood value. Receiving funds from the Hazard Mitigation Grant Program (HMGP), the Community Development Block Grant Program (CDBG), the state, and the city, Cedar Rapids spent \$147 million to buy up and sell or redevelop blighted properties. To successfully attract new investment into the city, Cedar Rapids implemented its Flood Protection Plan to ensure that new developments would be protected in the event of a future catastrophe. The city thereby partitioned the 2008 floodplain into three areas, each serving its function to safeguard and instigate reinvestment into the area. Those areas include the following.

The Greenway: The Greenway covers the most proximate areas bordering the Cedar River, which were the most affected by the flood. Realizing the impending danger of rebuilding in these neighborhoods, the city instead decided to use these properties to create an open recreational space that would serve as a buffer zone while also encouraging new investment. Thus, the 130-acre Greenway Project was proposed: a sprawling, multi-use trail that connects three new riverside parks and includes amenities such as picnic areas, soccer fields, skate and dog parks, a botanical garden, disc golf course, fishing pier, canoe/kayak launch, and several open-air pavilions. The amenities and opportunities provided by the Greenway project will increase foot traffic downtown and attract private investment into the surrounding areas. Accordingly, the city expects property values to rise and revenues from property taxes to grow as a result of the investment into the green space. Cedar Rapids, therefore, shows us that accommodating environmental concerns into development is not just a precautionary measure, but is also a way to foster a greater sense of community and generate tangible economic returns to the city and its inhabitants.

The Construction Area: Situated just beyond the Greenway, the Construction Area is the second component of the Flood Protection Plan devoted to hazard mitigation. Although the green space acts as an essential buffer zone between the river and the city's infrastructure, it is not sufficient to protect against another flood of 2008's magnitude. As such, the city is in the progress of building the Cedar Rapids Flood

Control System: a network of floodwalls, levees, and gates that act to reduce the risk of flooding on both sides of the Cedar River. While several components of the system are still under construction, a considerable amount of progress has been made. Having secured almost \$300 million in public and private funds to date, the city has significantly reduced its flood risk since 2008. By 2033, Cedar Rapids expects a system to be in place that could handle the water volume that wreaked havoc in 2008, even despite the probability of such events occurring once every 500 years. Providing long-term security has been imperative for restoring confidence and attracting investment back into the city. Without such assurance, one can only assume that reluctance and fear of future disasters would have prevented reinvestment .

Neighborhood Revitalization Area: A major obstacle to attracting investment back into the city was that, due to a shortage of affordable workforce housing, there simply were not enough residents living in the city. Cedar Rapids capitalized on the flood as an opportunity to provide more affordable accommodation in the downtown neighborhoods. Those who were displaced by the floods, therefore, could relocate to lower risk areas, such as those offered by including new interim housing initiatives and the Hatch-Housing affordable renting project. Most notably, the city helped repopulate the neighborhoods within the 2008 floodplain via the ROOTS Homeownership

Initiative: a program that offered a 25 percent down-payment incentive for purchasing a home in the city's core districts. To date, over 428 properties have been resold, the proceeds of which go to repayment of disaster relief funds.

However, with the disaster all but forgotten, the private-sector was initially hesitant to reinvest in the downtown core. As such, the city itself played a significant role in paving the way for private investment. The construction of the NewBo City Market was an essential step in this process. Located in the New Bohemia District near downtown Cedar Rapids, the market replaced a series of former industrial buildings that were blighted by the flood. It now represents a dynamic public space for local artisans, food producers, and entrepreneurs to bring their product to market, and has led to a renaissance of new economic activity in New Bohemian and the neighboring Czech Village districts.

Moreover, the city also led the way when it rehabilitated a dilapidated hotel and created a \$138 million entertainment/convention center next door. These and other projects have served as neighborhood fixtures for continued investment into those areas most affected by the flood.

Incentives for Reinvestment

While the flood protection plan and public-sector investments fostered a more investor-friendly environment for new development to occur, Cedar Rapids also implemented several tax incentives that played an essential role in the city's reinvestment.

Tax incremental financing (TIF). Tax incentives provided through TIF measures have the primary drivers of reinvestment into Cedar Rapids. The city created "Urban Renewal Areas" wherein developers are given tax credits in return for bringing in particular investments into the core districts. For example, an agreement with developer Joe Ahmann in 2012 to construct the Fountains, a large-scale office building and retail space, saw Ahmann receive tax reimbursements of an estimated \$3.7 million on the condition that the building has a minimum assessed property value, generate and retain a hundred jobs, and devote a certain amount of square feet to green space by 2020. In other words, the tax breaks encourage businesses and corporations to invest, but also allow the city to leverage specific demands for the redevelopment of its core districts.

According to the city's figures, Cedar Rapids awarded \$82 million in tax breaks to 62 different companies,

thereby leveraging \$485 in private investment, creating 1,930 jobs, retaining 1,252 jobs, and generating an additional \$318 in anticipated property value between 2012 and 2016.

Iowa Brownfield/Grayfield Redevelopment Tax Credit Program. Developers receive tax credits for redeveloping brownfield/grayfield sites: properties that are abandoned, underutilized, or present risk of environmental contamination such that expansion or redevelopment is impeded. In other words, these are idle, blighted, or dilapidated buildings that can be both a community risk and an eyesore. With the help of the Cedar Rapids Metro Economic Alliance, many local projects have received funding from the Iowa Economic Development Authority (IEDA) as a part of the Iowa Brownfield/Grayfield Redevelopment Tax Credit Program. In 2016, four projects were approved to receive \$2.6 million in funding (25 percent of the total funding pool available in 2016) and seven projects for \$3.5 million in 2017 (32 percent of the total funding pool available in 2017).

Iowa Industrial Property Tax Exemption. A tax exemption for businesses graduated over five years on the value added by constructing/renovating industrial real estate.

Iowa Urban Revitalization Property Tax Exemption. A tax exemption graduated over ten years that provides an exemption from property tax for all or a portion of the value of new development or renovations on specific properties approved by the city council.

[Workforce Housing Tax Credits](#)

The Workforce Housing Tax Incentive Program (WHTIP) is a statewide program that focuses development in existing communities. Housing businesses utilizing WHTIP will produce a net increase in affordable housing units in their city of operation. In return, the IEDA can provide a sales-and-use tax refund and an investment tax credit based on qualifying new investment. WHTIP is further designed to encourage housing development where existing public infrastructure already exists – vacant lots, dilapidated properties, and mixed-use buildings, to suggest a few.