

TRAILL COUNTY ECONOMIC DEVELOPMENT

WE **KNOW** BUSINESS



2016 ANNUAL REPORT



ACHIEVING IMPACT.

102 1st Street SW Hillsboro, North Dakota 58045 | WelcomeTraill.com

Mission

Our mission is to promote, encourage and assist business and community development.

Vision

Traill County Economic Development Commission will be a leading regional partner, providing growth opportunities for new companies, entrepreneurs, and expanding companies by delivering high quality services, sites, and talent to local, regional, national and international business.

Value

Traill County EDC brings together community leaders to support Traill County Economic Development by aligning interests through productive relationships, open dialogue, and advocacy that supports job growth and retention.

A note from our Executive Director



Thank you for entrusting our organization to support the growth and development of a very special place - Traill County. Our county continues to do well in both size and economic strength. Our rich farmland and ag resources, strong businesses, entrepreneurial success, productive industry, University and wonderful people have produced a great place to call home. The range in our communities, from manufacturers to the small start-ups; from unique restaurants to residents and visitors from around the world, gives us the edge with a fantastic quality of life.

Your county-wide economic development group is telling the Traill County story to the outside world; is helping small business startups with advice and support; is supporting development opportunities so companies grow and locate here; and we're creating environments for local investment in entrepreneurs. We strive to inform, collaborate and support a thriving community of creative doers and in the process, grow more ideas and opportunities. We hope you'll continue to join us in making our great county even better.

Melissa Beach

About Traill County EDC

Traill County Economic Development Commission (Traill County EDC) leads the County's business attraction and retention efforts, and is the point of contact for people seeking local assistance with site selection, marketing, demographic information and business resources. Our organization also manages a fund for business financing which enables us to participate in gap financing for business startups and expansions.

Traill County EDC is a coun-

ty-funded organization, functioning as a job development authority. The organization is allowed a maximum of four mills as determined annually by the Traill County Commission.

The organization is governed by a board of directors of no less than ten members and no more than twenty members, representing communities and specific sectors in Traill County. The board of directors is appointed by the Traill County Commission.

FY16 Board of Directors & Staff

Officers

Chair: Rick Halvorson, City of Galesburg

Vice Chair: Ben Hershey, City of Buxton

Secretary/Treasurer: Roxanne Phipps, City of Hatton

Immediate Past President: Gary Nysveen, At Large

At Large: Kurt Elliott, Traill County Commission

Directors

Ken Nesvig, Traill County Commission

Mindy O'Connor, Mayville State University

Stuart Larson, Traill County States Attorney

Sen. Phil Murphy, District 20 Legislative Representative

Alana Gerszewski, City of Mayville

Scott Hovde, City of Portland

Greg Krieger, Traill County Townships

Neil Breidenbach, City of Reynolds

Paul Geray, City of Hillsboro

Staff

Melissa Beach, Executive Director

Jessica Spaeth, Project Coordinator

***"Great things in business are never done
by one person. They're done by a
team of people."
Steve Jobs***

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2016 Area Profile

2016 Area Profile

Trails County
2015

Trails County
2016

North Dakota
2016

POPULATION CHARACTERISTICS			
Population	8,014	8,030	757,952
Largest City	Mayville	Mayville	Fargo
Largest City Population	1843	1838	118,523
Median Age	41.4	41.3	35.9
Average Commute Time to Work (minutes)	21	20.7	17.2
EDUCATIONAL ATTAINMENT			
High School Graduate or Higher (percent of persons 25 years+)	91.9%	91.9%	91.7%
Bachelor's Degree or Higher (percent of persons 25 years+)	26.4%	26.4%	27.7%
INCOME AND POVERTY			
Population Below Poverty Level	10.1%	9.5%	13.5%
Median Household Income	\$53,641	\$54,960	\$57,181
LABOR FORCE AND UNEMPLOYMENT			
Labor Force (Pop. Over 16yrs+ working or seeking work)	64.8%	64.8%	69.3%
Unemployment Rate	2.8%	3.2%	3.3%
Average Hourly Wage (*Assumes 40 hour work week worked year round.)	\$18.92	\$19.78	\$24.15
Total Average Employment	3217	3221	418,137
HOUSING CHARACTERISTICS			
Housing Units	3817	3862	134,789,944
Owner-occupied housing unit rate	73.20%	73.20%	63.90%
Median Gross Rent	\$560	\$560	\$709
Households	3,278	3,278	299,638
Single Family Residential Building Permits	12		
BUSINESS ESTABLISHMENTS			
Business Establishments	291	293	24,848
EDUCATION POPULATION			
Central Valley School (K-12)	203	200	
Hatton Eielson School (K-12)	178	172	
Hillsboro School (K-12)	448	457	
May-Port CG School (K-12)	473	464	
Mayville State University	1,110	1,130	
LARGEST EMPLOYERS			
American Crystal Sugar			
Mayville State University			
Luther Memorial Home			
Sanford Medical Center			
Transystems Services			
May-Port CG School District			
Hillsboro Public Schools			
Hatton Prairie Village			
Trails County Government			
Data collected from Job Service North Dakota and US Census Bureau			

2016 Quick Facts

106
Clients

9
New
Businesses

11
Business
Expansions

16
Recruitment
Clients

15
Site Visits

14
Board
Members

23,293
Web Page
Views

6,658
Website
Users

+.20%
Population
Growth

47
Jobs
Created

Our Priorities

- + Retain and recruit employment opportunities
- + Market Trail County to encourage and enhance business and community development
- + Improve quality of life for those who call Trail County their home
- + Develop additional resources for economic development projects beyond tax levy

Regional Partnership

UAS Demo Day



Regional officials gathered on August 22, 2016 at the Hillsboro Municipal Airport to hear about the status of the first-in-the-world test of agricultural data collection using a large-scaled Unmanned Aerial System.

Elbit Systems of America and North Dakota State University are partnering to use a Research ND grant of \$350,000 to study agricultural uses for these unmanned aerial systems.

Elbit manufactures the Hermes 450 UAS, which is being used in the project. The flights are expected to be at varying heights up to 8,000 feet and using manned

chase planes to follow the Federal Aviation Administration's guidelines which do not yet allow UAS to fly beyond the line of sight.

Sen. John Hoeven (ND) and Rep. Collin Peterson (MN) were both in attendance to share their thoughts on what these advances in technology mean to the Red River Valley region and beyond.

Elbit, an Israeli company, has much experience in unmanned aerial uses - primarily in defense and commercial aviation.

Elbit president and CEO, Raanan Horowitz, is looking forward to additional research, which he thinks will be valuable to farmers,

allowing them to use the technology to make precise decisions for their crops.

Sarah Lovas, a Hillsboro farmer and crop consultant with Lovas Consulting and John Nowatzki, an NDSU Extension Service agricultural machine systems specialist, have been leading the project to assist with the future application of data. Beyond the agricultural application, Elbit is working with the University of North Dakota and Xcel Energy on a project to evaluate power lines.

This is a project of the Northern Plains Test Site in conjunction with Grand Forks EDC.

Business Assistance

Direct Loan Program

Client & City	Loan Date	Loan Amount	Balance	FT/PT
Buxton Daycare - Buxton	02/18/10	\$ 4,200.00	\$0.00	1/8
Paddlewheel - Hillsboro	12/10/08	\$ 2,800.00	\$0.00	0/0
Chad's Excavating - Mayville	02/20/13	\$25,000.00	\$7,187.50	4/3
Hillsboro Body Shop - Hillsboro	12/18/14	\$15,000.00	\$2,700.00	2/2
Hillsboro Economic Development	08/23/16	\$40,000.00	\$40,000.00	0/0
Maertens Welding & Machine - Hillsboro	09/02/16	\$13,000.00	\$11,822.35	0/3
Wallgren Morehouse/Tot Spot - Hillsboro	08/19/16	\$13,000.00	\$11,400.00	13/4
Totals			\$73,159.85	20/20

"In every success story, you will find someone who has made a courageous decision."

Peter F. Drucker

Degelman Industries, USA Grand Opening *August 23, 2016*



Job Creation & Investment *Degelman Industries, USA*

Degelman Industries, Ltd, a Regina, Saskatchewan, Canada company, built and opened a new distribution center in Hillsboro.

Degelman Industries, USA, was open and ready for business on March 1, 2016. The facility is a fully stocked Degelman whole-goods, parts, sales and service center focused on providing Degelman equipment solutions for their USA customers.

Degelman products are shipped to this location - prepared as requested by their dealers and then shipped accordingly. Their Hillsboro location has removed their customs and brokerage concerns, making shipments to their USA customers more efficient.

Company officials shared their reasons for locating in Hillsboro including the location on Interstate 29 which provides ease of access for their partner shipping companies and a family friendly community for their employees amongst other things.

Shortly after the facility grand opening, Degelman Industries, USA opened in March 2016 in Hillsboro. Degelman officials announced their

plans to renovate their newly opened Hillsboro facility to include manufacturing in late November, 2016.

Degelman Industries, USA opened with approximately 8 full-time employees and as of November 2016 was at 21 full-time employees.



Job Creation & Investment

Dollar General Breaks Ground in Hillsboro & Mayville

Dollar General officials announced the development of two Dollar General stores in Traill County in 2016.

Dollar General is a discount store providing name-brand products including food, snacks, health and beauty, cleaning supplies, apparel, housewares and seasonal items.

Traill County EDC staff worked to assist the developer with acquiring the former Country Hearth restaurant lot in Hillsboro, and an undeveloped lot next to Shopko in Mayville.

Each store is expected to have 6-8 employees and open in the spring of 2017.

**DOLLAR
GENERAL®**



Photo courtesy of: Hillsboro Banner

Job Creation & Investment

Shopko Hometown Mayville

Shopko, a small-box retailer, opened in the former ALCO building on March 25, 2016. The retailer provides name-brand merchandise on a smaller scale to meet the needs of smaller communities.

MayPort EDC, the City of Mayville and Traill County EDC worked to research incentives for the property and the retailer after the November 2015 closing of ALCO.

Shopko has 20 employees on average including both full and part time.



Photo courtesy of: Jacobson Studio & Framing

Job Creation & Investment

Tot Spot Hillsboro



Little voices can once again be heard at Hillsboro's newest child care center. After a former center closed its doors, Traill

each classroom directly to parents via an app which includes meal, nap and other care updates, along with curriculum updates and photos.

Tot Spot also operates five child care centers in the Fargo-Moorhead area. The Hillsboro facility is licensed for up to 57 children and expects to employ 14-16 people.

Trail County Child Care Profile 2016

	2015	2016
Licensed Child Care Supply -	449	506
Potential Child Care Demand -	1,027	1,003
Children in County by Age (0-2) -	305	306
Children in County by Age (3 yrs) -	113	101
Children in County by Age (4-5 yrs) -	204	215
Children in County by Age (6-12 yrs) -	685	690
Total Children in County -	1,307	1,312

*Source: Child Care Aware of North Dakota

County EDC and Hillsboro EDC worked together to recruit a new provider to run another child care center in Hillsboro. Tot Spot Hillsboro opened on September 7, 2016, with 28 children enrolled.

Experience, expertise and technology are what Tot Spot promises Hillsboro, and what the EDC groups found most attractive about their experience. Their program incorporates daily technology updates from



Job Creation & Investment

AnP Hydroponics

Luke Pederson and Tyler Anderson purchased the former Kost Hydroponics facility in Mayville to begin their business AnP Hydroponics in August of 2016. Their first growing season was very successful, and their tomatoes are now available in local grocery stores. Pederson and Anderson are employed full time at their business.

Job Creation & Investment

Nine18 Photography

John Campbell purchased the former Reynolds Museum property and began renovating the facility in 2016. The 100 year old property will accommodate Campbell's photography business along with a place to showcase local art. Campbell is employed full time at his business.



Public Relations & Marketing

Shop Local Traill Campaign

Traill County EDC set out to make a splash in 2016, with marketing directed toward spending more dollars locally. The campaign, Shop Local Traill, had two primary goals - the first was to remind those living in the area to spend more of their money locally during the holiday shopping season. The second goal, was to inform the public on what the dollars spent locally mean to our local economy. Traill County EDC staff developed the ads which ran in local newspapers, radio and on social media.

The program also allowed Traill County EDC staff the opportunity to deliver over 125 packets of materials to

local businesses. Businesses were given the option to contribute to the campaign, which in turn, gave them additional publicity on the marketing materials, gave them promotional items for their employees and customers and provided educational materials as well.

It was a great time to remind our businesses that shoppers do not have to support our local businesses, but rather, should want to because of the great service and other ways they may stand out.

Overall, we felt the campaign was successful. Additional data collection will be done in 2017 prior to renewing a similar campaign.



LOCAL HOLIDAY SHOPPING LIST

DOING SOME HOLIDAY SHOPPING?
YOU'RE IN LUCK! WE HAVE MANY
LOCALLY OWNED BUSINESSES,
WAITING TO HELP YOU.
GIVE THEM A SHOT, TODAY!

- Fabric and Gift Card - Faye's Henhouse
- Oil Change - Paul's Hometown Repair
- Family Wall Hanging - Hillsboro Drug
- Custom Cutting Board - MC Decorating
- Antique Buffet - Uniquely Yours
- Weekend Stay - Hometown Inn
- Picture Frame - Mae's Vintage Decor
- Man Cave Wall Hanging - Hatton Granite
- Turkey - Miller's Fresh Foods
- Buns and Dessert - Soholt Bakery
- Pie and Veggies - Dale's Food Pride

IT TAKES YOU TO START THE TREND.

SHOP LOCAL.
EAT LOCAL.
SPEND LOCAL.
BE LOCAL.




DOES IT COST MORE TO SHOP LOCALLY?

	Local Prices in Traill County	Prices In Grand Forks
Quilted Northern Toilet Paper	\$6.99	\$10.29
Country Hearth Bread	\$2.49	\$3.99
Foldgers Coffee	\$8.99	\$7.99
Store Brand Eggs	\$1.09	\$0.98
Corn Flakes Cereal	\$2.50	\$3.99
Pampers Diapers	\$12.69	\$10.49
Cass Clay Butter	\$3.99	\$4.19
Cass Clay 2% Milk	\$5.45	\$3.29
Total Grocery Bill	\$44.19	\$45.21

Prices retrieved December 14th, 2016

IT TAKES YOU TO START THE TREND.

Public Relations & Marketing

Business Recruitment & Traill County EDC Branding

Traill County EDC began a locally focused business recruitment effort in 2016. A billboard was contracted on Interstate 29 just south of Hillsboro on the northbound side. Additionally, the billboard is highly visible from Highway 81. The recruitment effort includes a promotion of the shovel ready sites we have throughout the county

in many of our Traill County cities. We will continue to track the success of this effort using the campaign-specific domain name.



Traill County EDC worked to re-brand in 2016, after using its former logo for 6 years. Traill County EDC staff and the marketing committee worked on designs to better relate and market the county in a simplified way. The group wanted to update the colors and remove the intricate details of the former logo while making a strong statement.



City Signage Grant Program

Cities of Galesburg & Reynolds Develop New Signage

In an effort to assist cities with identification, beautification and branding, Traill County EDC renewed the City Signage Grant Program.

Two cities participated in the grant program, each developing their own signs and displaying in their

city.

The Traill County EDC City Signage Grant Program is a 50/50 matching grant up to \$1,000 for cities to improve city signage.

The cities of Reynolds and Galesburg were awarded funds to put up signs.



Services for Businesses

All services are provided free of charge to encourage business expansion, development and diversification.



Services for Communities

All services are provided free of charge to encourage business expansion, development and diversification.

- + Business retention, expansion and recruitment
- + Promotion of local businesses
- + Assistance with infrastructure projects
- + Community marketing and promotions
- + Grant writing for cities, businesses and non-profit organizations
- + Encouragement and support for inventors and entrepreneurs
- + Collaboration with county educational systems to ensure longevity and growth
- + Collaboration with county medical systems to assess needs and amenities
- + Assistance with beautification
- + Evaluation of housing needs and development



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