



# ANNUAL REPORT

2017

**TRAILL COUNTY**  
ECONOMIC DEVELOPMENT  
WE KNOW BUSINESS 

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[WelcomeTraill.com](http://WelcomeTraill.com)

# OUR MISSION

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

Dear Stakeholders,

We are pleased to report another strong year of economic growth and development in 2017. This past year, Traill County EDC began implementing its new strategic plan, which will lead us for the next five years. The core of the plan is a strong focus on existing Traill County businesses that are growing and, at times, to provide support when companies are at risk of downsizing or leaving. The plan also commits Traill EDC to playing a leadership role in longer-term strategies to ensure our communities can accommodate the business growth we are experiencing today and into the future. From housing and child care to education and quality of life, accomplishing our ambitious agenda requires intentional outreach to key businesses and organizations and the continued engagement of our partners and supporters.

A critical component of our strategic plan is the services and resources we provide to retain our existing industries. In FY17, 21 of Traill County EDC's client companies expanded, which highlights the importance of our business services. Through our business retention and outreach programs, we have been able to assist 89 companies. It is imperative we provide support and the necessary tools and resources for our businesses to continue to invest, thrive and grow in Traill County.

Overall, Traill County is well positioned going into FY18 to take advantage of the groundwork that already has been laid to attract additional employees for our companies, and to continue to be a catalyst for our existing industries as they look to expand into Traill County.

Finally, this report is one of our primary vehicles to acknowledge and thank the many individuals and businesses who contribute to our success and to the overall economic health of Traill County. Economic development is a team effort, and I want to personally thank the many partners who understand the important role economic development plays in our communities as we work hard to grow the tax base for the citizens of Traill County. Thank you for your support, involvement, advice and passion.

Melissa Beach



**MELISSA  
BEACH**

Executive Director

# OUR 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 businesses.

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# OUR VALUE

TCEDC brings together community leaders to support Traill County's economic development by aligning interests through productive relationships, open dialogue and advocacy that supports job growth and retention.



# FY2017 BOARD OF DIRECTORS



**Ben Hershey**  
Chair  
Buxton Rep.



**Scott Hovde**  
Vice Chair  
Portland Rep.



**Roxanne Phipps**  
Sec./Treas.  
Hatton Rep.



**Ken Nesvig**  
Director  
County Commission Rep.



**Larry Young**  
Director  
County Commission Rep.



**Alana Gerszewski**  
Director  
Mayville Rep.



**Rick Halvorson**  
Director  
Galesburg Rep.



**Gary Nysveen**  
Director  
Hillsboro Rep.



**Greg Krieger**  
Director  
Townships Rep.



**Paul Geray**  
Director  
At-Large



**Neil Breidenbach**  
Director  
Reynolds Rep.



**Mindy O'Connor**  
Director  
Mayville State Rep.



**Jami Hovet**  
Director  
Mayville State Rep.



**Melissa Beach**  
Executive Director



**Jessica Spaeth**  
Project Coordinator



**Alyssa Short**  
Project Coordinator

## FY2017 STAFF

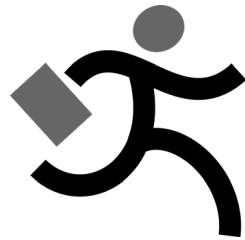
# 2017 COUNTY PROFILE

	TRAILL COUNTY 2016	TRAILL COUNTY 2017	NORTH DAKOTA 2017
<b>POPULATION CHARACTERISTICS</b>			
Population	8,030	8,030	755,393
Largest city	Mayville	Mayville	Fargo
Largest city population	1,838	1,858	115,800
Median age	41.3	41.4	37.0
Average commute time to work (minutes)	20.7	20.7	15.9
<b>EDUCATIONAL ATTAINMENT</b>			
High school graduate or higher (percent of persons ages 25+)	91.9%	92.2%	92.0%
Bachelor's degree or higher (percent of persons ages 25+)	26.4%	27.2%	28.2%
<b>INCOME AND POVERTY</b>			
Population below poverty level	9.5%	8.4%	10.7%
Median household income	\$54,960	\$55,764	\$59,114
<b>LABOR FORCE AND UNEMPLOYMENT</b>			
Labor force (pop. ages 16+ working or seeking work)	64.8%	66.1%	65.2%
Unemployment rate	3.2%	2.5%	2.6%
Average hourly wage (*assumes full time, year round)	\$19.78	\$19.33	\$22.66
Total average employment	3,221	3,335	366,817
<b>HOUSING CHARACTERISTICS</b>			
Housing units	3,862	3,880	366,941
Owner-occupied housing unit rate	73.2%	72.1%	74.0%
Median gross rent	\$560	\$563	\$736
Households	3,278	3,293	305,163
Single family residential building permits	13	17	3,981
<b>BUSINESS ESTABLISHMENTS</b>			
Business establishments	293	539	24,848
<b>EDUCATION POPULATION</b>			
Central Valley School (K-12)	200	195	
Hatton Eielson School (K-12)	172	178	
Hillsboro Schools (K-12)	457	497	
May-Port CG Schools (K-12)	464	486	
Mayville State University	1,130	1,140	
<b>LARGEST EMPLOYERS</b>			
American Crystal Sugar			
Sanford Health			
Luther Memorial Home			
Traill County			
Hatton Prairie Village			
Hillsboro Schools			
May-Port CG Schools			
Mayville State University			
Degelman Industries, USA			

Data collected from Job Service North Dakota and U.S. Census Bureau

# 2017 BY THE NUMBERS

**170**  
CLIENTS



**84**  
New jobs (of  
TCEDC clients)

**13**  
New  
businesses

**26** RECRUITMENT  
CLIENTS

**13**  
SITE VISITS

RECRUITMENT  
VISITS **15**

**1** DIRECT LOAN

**1** FLEX PACE LOAN

**26,952** webpage views  
**6,292** web users  
**6,117** new web users



**8**  
GRANTS



## 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



# BUSINESS PROFILES

## AnP HYDROPONICS

AnP Hydroponics' tomatoes are sold at grocery stores in Mayville, Hatton, Northwood and Larimore, and at local farmers markets. The Traill County EDC Board of Directors toured AnP prior to its May 18, 2017 board meeting.



Traill County natives Luke Pederson and Tyler Anderson first got into the greenhouse business in August of 2016, when they purchased the former Kost Hydroponics along Highway 200, across from Mayville's Island Park.

The duo was new to the industry, but quickly learned through trial and error which blend of chemicals and fertilizers to feed to the tomato plants using the greenhouse's irrigation system.

AnP's first bumper crop of tomatoes was available a few short months later, and the produce is available for sale year round from the greenhouse and in area grocery stores, including Miller's Fresh Foods locations in Mayville, Hatton, Northwood and Larimore. Pederson and Anderson also hawk their wares at local farmers markets during the summer and fall months, and they've contracted with Mayville State University to provide their fresh local produce.

They're able to continue growing tomatoes throughout North Dakota's long, harsh winters by heating the greenhouse with an outdoor wood-burning stove, and sometimes have to manually pollinate the tomato plants.

Pederson and Anderson have plans to expand their offerings, such as growing herbs in the greenhouse and other produce outside.

## HATTON GRANITE



Hatton Granite, North Dakota's oldest monument company, entered the granite countertop industry in recent years and business has been booming.

Blake and Jill Wamstad, owners of the Hatton Granite Countertop Division, travel throughout the country describing their small-town facility's business operations.

The Countertop Division has four full-time employees who use the company's state-of-the-art CNC equipment to do fabrication and installation work for both residential and commercial properties – and is looking to hire more.

Jill Wamstad, right, explains some of her company's countertop materials and offerings during a tour of Hatton Granite prior to Traill County EDC's Oct. 12, 2017 board meeting.

# BUSINESS ASSISTANCE

## SMITH & ABELL PROPERTIES

The TCEDC board of directors approved its first Flex PACE loan in 2017, lending \$20,573.85 plus interest to help the owners of a Hillsboro commercial property with their building plans.

Brandon Abell and Adam Smith of Hillsboro asked the board for funds to buy down the interest on their Bank of North Dakota loan. The duo was seeking a bank loan with 50 percent of the necessary funds financed by Dakota Heritage Bank and the remainder by the Bank of North Dakota.

According to the terms of the Flex PACE program, principal and interest payments on Traill County EDC's loan are scheduled to begin in five years.

Smith and Abell are the first loan recipients in Traill County to utilize the Flex PACE program.

The pair planned to construct a commercial building on the outskirts of Hillsboro that would provide two part-time and six full-time jobs.

### FLEX PACE PROGRAM

Since its introduction in 2005, Bank of North Dakota's Flex PACE program has issued more than \$88 million to businesses across the state to help borrowers purchase property or equipment, or meet working capital requirements.

The program was developed to help communities provide assistance to businesses or individuals who don't meet the primary sector requirements of BND's PACE program.

Flex PACE provides interest buydowns for up to \$200,000 to businesses, \$300,000 for child care and \$500,000 for affordable housing.

The program requires a local match in the form of either a loan or grant, with the required percentage being set for each community by BND.

Nearly 500 North Dakota companies have repaid loans received through the Flex PACE program the past 12 years.

### 2017 TOURS

- Central Valley Bean – Buxton
- AnP Hydroponics – Mayville
- Hatton Prairie Village – Hatton
- Mae's Vintage Decor – Mayville
- Hatton Granite – Hatton
- Plummer House – Hillsboro

## BUSINESS ASSISTANCE

CLIENT - CITY (LOAN TYPE)	LOAN DATE	LOAN AMOUNT	BALANCE	FT JOBS	PT JOBS
Chad's Excavating - Mayville (Direct)	02/20/13	\$25,000.00	\$0.00	4	3
Hillsboro Body Shop - Hillsboro (Direct)	12/18/14	\$15,000.00	\$4,275.12	2	2
Wallgren Morehouse/Tot Spot - Hillsboro (Direct)	08/19/16	\$13,000.00	\$0.00	13	4
Hillsboro Economic Development - Hillsboro (Direct)	08/23/16	\$40,000.00	\$37,581.05	8	3
Maertens Welding & Machine - Hillsboro (Direct)	09/02/16	\$13,000.00	\$7,111.75	0	3
Hillsboro Café & Bakery - Hillsboro (Direct)	09/27/17	\$10,000.00	\$9,389.30	2	5
Smith & Abell Properties - Hillsboro (Flex PACE)	11/27/17	\$20,573.85	\$20,573.85	6	2
TOTALS			\$78,931.07	35	22



# JOB CREATION & DEVELOPMENT

## DEGELMAN INDUSTRIES USA

Degelman Industries USA showcases some of its equipment manufactured at the company's Hillsboro location alongside Interstate 29.



Degelman Industries, a Canadian farm equipment manufacturer from Regina, Saskatchewan, debuted its 27,300-square-foot distribution center and manufacturing plant in Hillsboro on Aug. 23, 2016.

The Degelman Industries USA facility at 105 S. Boeddeker Dr. was in the works for more than two years following an announcement in July 2014 that the company planned to relocate its U.S. distribution center from Minot, N.D., to Hillsboro.

Company officials indicated in 2015 that the Hillsboro site would be used exclusively for sales, service and parts distribution. However, company officials revealed in March 2016 that they planned to add manufacturing at the new location and hire as many as eight welders and a handful of other skilled workers.

Upon opening, the Hillsboro location was set to employ seven or eight employees up front, 20 production workers and another handful of sales staff, and shortly after the facility's grand opening crews began assembling land rollers.

Degelman Industries has continued to expand since then, adding 12 more jobs in 2017, for a total of 32 workers in Hillsboro.

Brudvik Law Office is a full-service general practice firm that has had a business presence in Traill County for more than 35 years.

Brudvik expanded into Hillsboro in late 2015, purchasing the offices of longtime Hillsboro attorney Stuart Larson. The firm planned to remodel the interior of the downtown office building on the corner of Main Street and Caledonia Avenue and add more offices, with much of the work being completed in 2017.

In 2015, Brudvik had offices in Mayville, West Fargo and Finley, as has since expanded beyond Hillsboro to Grand Forks, Grafton and Cavalier, all in North Dakota, and Chandler, Ariz., with 10 lawyers representing the firm.

The Hillsboro office was open full-time with two employees on staff. The number currently stands at four, bringing Brudvik Law Office's total Traill County employment to 10.



## BRUDVIK LAW

Brudvik Law Office, based in Mayville, recently renovated its historic downtown Hillsboro office building.



# COMMUNITY DEVELOPMENT



## MAYVILLE NATURE TRAIL

This Goose River shoreline in Mayville is the location where a floating dock will be installed to create a safe, accessible fishing area near the Mayville Nature Trail. The dock will include a handicap-accessible ramp and cable safety railings.

## LOOKING BACK

Trail County EDC has seen many successes as we look back on the last 10 years. From business expansions to main street renovation projects, our businesses continue to thrive. Our communities continue to develop amenities for an improved quality of life. These are just some of the many highlights:

- **Grant funding.** This included grants for businesses and organizations such as Hatton Eielson Museum, Identity Preserved Ingredients and Cummings Ag Inc.; websites for Mayville-Portland, Hillsboro and Trail County EDC; and city signage in Galesburg, Clifford, Hatton, Buxton and Portland.
- **New business loans.** Loans were given to help fund new business ventures for Hatton Granite Countertops, Inc., Chad's Excavating, Inc. in Mayville and Hillsboro Body Shop, Hillsboro Cafe & Bakery, Maertens Welding & Machine and Tot Spot Child Care Center in Hillsboro.
- **Site location assistance.** Trail County EDC has assisted several companies with locating sites in Trail County, including Degelman Industries USA and Dollar General in Hillsboro and Dollar General, Shopko and Casey's General Stores in Mayville.

Other key activities included the Trail County Housing Study, Renaissance Zone and infrastructure development in Hillsboro, the formation of young professionals groups in Mayville and Hillsboro and the promotion of job openings, commercial properties and homes for sale or rent throughout the county.

Trail County EDC worked with the Mayville Park Board and Mayville State Science Club on a \$48,445.95 grant awarded by the Outdoor Heritage Fund to create a recreational and educational nature trail and fishing area in Mayville.

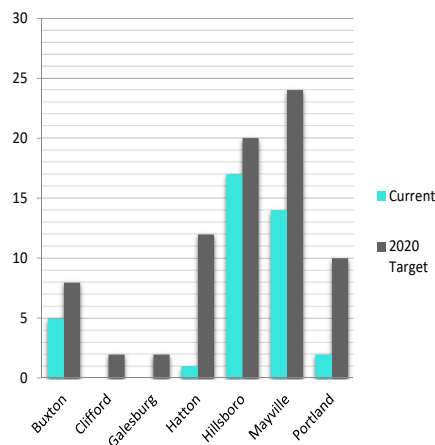
The .75-mile unpaved trail can be used by hikers and also will be used by Mayville State University and area K-12 schools as an outdoor classroom for teaching students about soil, native grasses, wildlife and conservation.

Also included in the project's overall \$97,305.51 costs are a parking lot, handicap accessibility, restrooms and a fishing dock. Project organizers also secured a \$13,500 Garrison Diversion grant and a \$15,000 May-Port Economic Development Corp. grant, with the remainder contributed by the park board and in-kind donations.

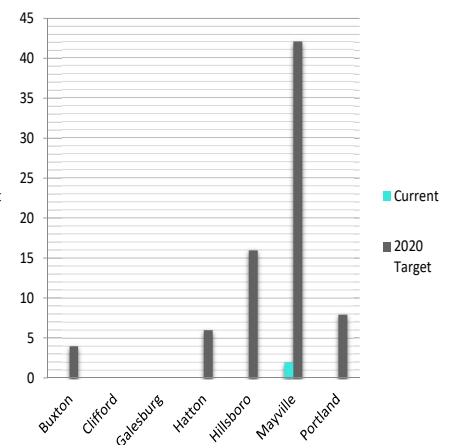
The first phase of the project is expected to be completed in fall 2018, with phase two to be completed in summer 2019.

## HOUSING UPDATE

Owner units per city

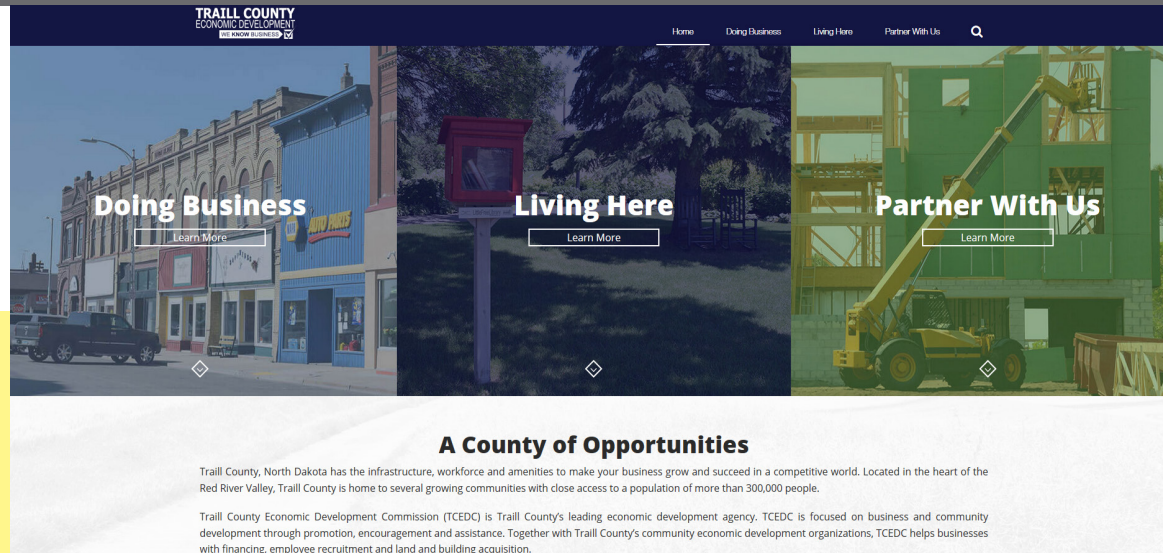


Rental units per city



# PUBLIC RELATIONS & MARKETING

## TCEDC WEBSITE



Traill County EDC staffers spent a portion of 2017 planning for and setting up a new website at [traillcountyedc.com](http://traillcountyedc.com). The commission's previous website didn't adapt well to mobile devices and was difficult to maintain and update, which were key factors in staffers selecting a proposal for a WordPress-based site created by Absolute Marketing of Fargo.

The new format of the website, which is intended to be more user friendly than the previous site, also allows for visitors to share content – such as job openings – more effectively across social media platforms like email, Facebook and Twitter.

The site was unveiled in November and staffers spent several weeks updating the site's content and personalizing the graphics to showcase more of Traill County's cities and amenities.

## SHOP LOCAL TRAILL

### 10 Reasons to Shop in Traill County

- 1. SHOPPING LOCALLY CREATES JOBS** Shops in your town create local employment and self-employment. These people in turn, spend in the local economy.
- 2. LOCAL INDEPENDENT SHOPS INVEST MORE IN YOUR COMMUNITY** Local businesses are proportionally more generous in their support of local charities, schools, and community events. Supporting local shops means a financial contribution to your community.
- 3. LOCAL SHOPS SELL GREAT PRODUCTS AT AFFORDABLE PRICES** Some people get out of the habit of shopping locally and are then surprised by the range of products available.
- 4. SHOPPING LOCALLY SAVES YOU TIME AND MONEY** You travel less, saving on time and fuel.
- 5. SHOPPING LOCALLY RETAINS YOUR COMMUNITY** People don't like losing shops and services in small towns, but don't equate this with how they spend.
- 6. SHOPPING LOCALLY RETAINS YOUR DISTINCTIVENESS** Independent shops create distinctive shopping experiences and stock different products. Local businesses respond more quickly to the needs of local customers, stocking products to meet changing population needs.
- 7. INCREASED EXPERTISE** Shopping at a local store means you can get an expert opinion about the products you're purchasing. Local shop owners have to be experts in their field to compete. Use them - ask them questions and get advice about products.
- 8. LOCAL SHOPS ARE FOR EVERYONE** Most people can get to their local shops easily. This is especially important for the elderly, young people and others who rely on convenient transportation.
- 9. LOCAL SHOPS VALUE YOU** Evidence from numerous surveys show people receive better customer care and service locally. These businesses survive by their reputation and repeat business, which means you get a higher standard of service.
- 10. THEY'RE INVESTED** Local businesses are owned by people who live here, work here, and are invested in the community with much more than just their dollars.



**SHOP LOCAL.**  
**IT TAKES YOU TO START THE TREND.**

The Shop Local Traill campaign first was launched by Traill County EDC in 2016 with the intent of reminding shoppers of the importance of shopping locally.

The campaign had two primary goals: 1.) To remind those living in the area to spend more money locally, especially during the holiday shopping season; and 2.) To inform Traill County citizens about how those locally spent dollars actually impact the local economy.

Although Traill County EDC didn't have a marketing budget, staffers used social media to help spread the word about Shop Local Traill, and the commission asked newspapers to consider running ads at no charge if space was available.

Newspapers in Traill County were able to run seven large Shop Local Traill ads during the holiday season, helping to remind shoppers that every dollar spent at local businesses creates up to 3.5 times more local economic benefit than a dollar spent at a chain store.





# AWARDS & HONORS

Trail County EDC Executive Director Melissa Beach was presented with the Governor's Choice - Economic Developer of the Year award at the Economic Development Association of North Dakota fall conference Oct. 19 in Williston.

The award is given to individuals who have made a significant impact on the economic health of their community or region and presented to winners in separate rural and urban divisions.

Beach received this year's Governor's Choice award for rural areas while Matt Marshall, West Fargo's economic development and community services director, was honored in the urban division.

Beach was honored for her work focusing on business retention and expansion in Trail County, as well as Trail County EDC's Shop Local Trail campaign developed in late 2016.

She also has been an active voice in promoting the expansion of natural gas throughout the state.

"Both Economic Developer of the Year award recipients understand that a vibrant city center and business-friendly environment are essential to attracting and retaining the capital and workforce talent North Dakota needs to compete in a global market," North Dakota Gov. Doug Burgum said in a press release.

"We commend them for their leadership efforts, which align with our Main Street Initiative pillars of a skilled workforce for the 21st century economy; smart, efficient infrastructure; and healthy, vibrant communities," Burgum added.



Trail County EDC Executive Director Melissa Beach addresses EDND conference attendees after being named North Dakota's Economic Developer of the Year.

## BUSINESS & COMMUNITY SERVICES

### BUSINESSES

- Business & succession planning
- Financial projections & budgeting
- Purchase or sale of a business
- Loan packaging
- Feasibility studies
- Overcoming operational challenges
- Financing packages
- Group and individual training
- Marketing planning
- Fiscal hosting for grants

### COMMUNITIES

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

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



### COVER PHOTO

Gary Fuglesten, left, general manager at Central Valley Bean Cooperative in Buxton, poses with his son, Dan Fuglesten, the cooperative's marketing and sales manager. The Traill County EDC Board of Directors toured the facility prior to its April 20, 2017 board meeting.

(Photo courtesy Cory Erickson/  
Hillsboro Banner)

