

# Annual Report

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## 2018



**TRAIL COUNTY**  
ECONOMIC DEVELOPMENT  
WE **KNOW** BUSINESS 

# Letter from the director

For the office of Traill County Economic Development Commission, 2018 held some changes and challenges. The most notable change was my taking the position of Executive Director. I am grateful for the opportunity and look forward to engaging the challenges of assisting in Traill County's continuing economic growth.

I also am grateful for the clear strategic plan, the solid foundation for any long term-success, and the fantastic amount of input and advice from the leaders throughout Traill County. The vision of Traill County business and community leaders has driven a culture of success and will continue to do so. The foundation of strong, long-standing local businesses, hands-on local government agencies and engaged community interests mixed with an entrepreneurial spirit is why Traill County functions like a large community with a small community feel.

Positioned equidistantly between two of North Dakota's largest markets, Grand Forks-East Grand Forks and the Fargo metro area, Traill County has some unique advantages.

The growth of the county is not without challenges, though. Some of the challenges are the same that the rest of the state faces. The 2 percent unemployment rate in Traill County is slightly lower than the statewide 2.4 percent unemployment rate. While it's certainly great for workers who are seeking employment and can find it easily, businesses in our cities sometimes have a hard time finding the people they need to maximize their efforts. Continuing into 2019, recruitment and retention of workers from our current market will certainly be a primary focus of our office. However, we also will continue to make efforts to attract new residents to Traill County to help boost population both from our immediate area as well as from a larger geography.

Another challenge that a growing population brings is the need for more housing. Existing housing projects have filled in nicely over the past few years; Riverwood Development in Mayville and Prairieview Development in Hillsboro are nearly full. Plans are being implemented to grow new developments across Traill County. Filling the needs of a flexible, economically and generationally diverse housing buyer or renter will need to be a priority for long-term population, and subsequently, business growth across the county. Of course, along with these housing needs, our schools, health care, businesses, parks and attractions will also have to grow to meet these ever changing needs.

We welcome the challenge and hope that the efforts we've started and continue to make positively affect the folks in Traill County both now and for years to come.



**Jim Murphy**  
Executive Director

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## Our mission

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

## Our vision

We 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.

## Our value

We bring 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.

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# 2018 Board of Directors



**Ben Hershey**  
Buxton  
Chair



**Paul Geray**  
At-large  
Vice Chair



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



**Scott Hovde**  
Portland  
Director



**Larry Young**  
County Commission  
Director



**Alana Gerszewski**  
Mayville  
Director



**Rick Halvorson**  
Galesburg  
Director



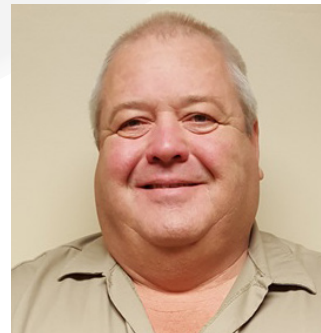
**Gary Nysveen**  
Hillsboro  
Director



**Greg Krieger**  
Townships  
Director



**Jami Hovet**  
Mayville State  
Director



**Les Amb**  
County Commission  
Director

## 2018 staff



**Jim Murphy**  
Executive  
Director  
Sept. - Dec.



**Melissa Beach**  
Executive  
Director  
Jan. - Aug.



**Alyssa Short**  
Project  
Coordinator



# 2018 county profile

	TRAILL COUNTY 2017	TRAILL COUNTY 2018	NORTH DAKOTA 2018
<b>POPULATION CHARACTERISTICS</b>			
Population	8,030	8,075	760,077
Largest city	Mayville	Mayville	Fargo
Largest city population	1,858	1,820	122,359
Median age	41.4	41.0	35.2
Average commute time to work (minutes)	20.7	10.0	8.8
<b>EDUCATIONAL ATTAINMENT</b>			
High school graduate or higher (percent of persons ages 25+)	92.2%	92.5%	92.2%
Bachelor's degree or higher (percent of persons ages 25+)	27.2%	26.1%	28.9%
<b>INCOME AND POVERTY</b>			
Population below poverty level	8.4%	9.9%	9.2%
Median household income	\$55,764	\$60,952	\$61,285
<b>LABOR FORCE AND UNEMPLOYMENT</b>			
Unemployment rate	2.5%	2.0%	2.4%
Average hourly wage (*assumes full time, year round)	\$19.33	\$21.08	\$24.65
Total average employment	3,335	3,424	419,892
Percentage of employees who work from home	n/a	5.3%	4.80%
<b>CHILD CARE</b>			
Percentage of child care needs met	54.0%	46.0%	29.0%
Average annual cost - home programs	\$7,159	\$7,075	\$6,956
Average annual cost - center/group programs	\$7,243	\$7,454	\$7,700
Highest annual rate - home programs	\$9,360	\$7,757	\$9,196
Highest annual rate - center/group programs	\$9,100	\$9,100	\$10,068
<b>HOUSING CHARACTERISTICS</b>			
Housing units	3,880	3,848	374,657
Owner-occupied housing unit rate	72.1%	73.5%	63.3%
Average monthly mortgage payment	n/a	\$1,152	\$1,326
Median gross rent	\$563	\$575	\$775
Households	3,293	3,310	305,163
New single-family homes built	17	18	3,411
<b>EDUCATION POPULATION</b>			
Central Valley School (K-12)	195	188	
Hatton Eielson School (K-12)	178	180	
Hillsboro Schools (K-12)	497	489	
May-Port CG Schools (K-12)	486	486	
Mayville State University	1,140	1,184	
<b>LARGEST EMPLOYERS</b>			
American Crystal Sugar	Hillsboro Schools		
Sanford Health	May-Port CG Schools		
Luther Memorial Home	Mayville State University		
Trail County	Transystems		
Hatton Prairie Village	Degelman Industries USA		

Data collected from Job Service North Dakota, U.S. Census Bureau, Child Care Aware ND and nd.gov

# 2018 notable numbers



**232**  
clients



**18** new  
businesses



**2** Ren. Zone  
applications



**18**  
new homes



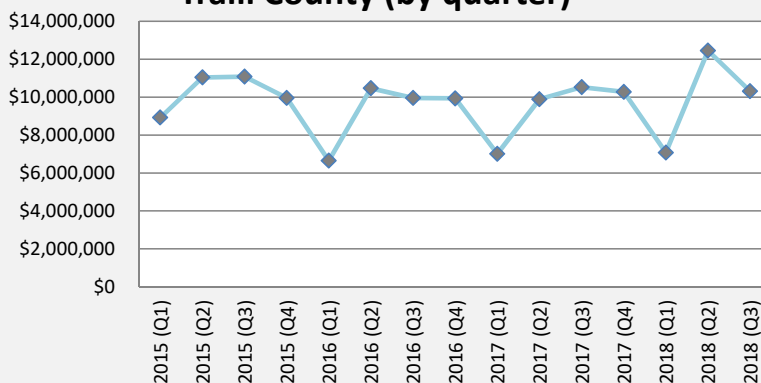
**55,506**  
webpage  
views

**\$85,800**  
grant  
funding



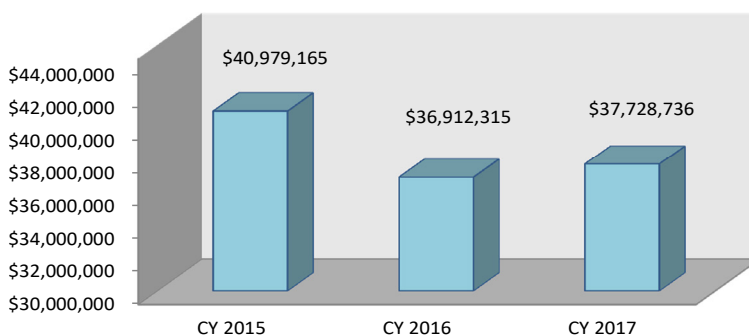
## Taxable sales

**Trail County (by quarter)**



\*Taxable sales for 2018 (Q4) are not yet available

**Trail County (by year)**



\*Taxable sales for 2018 are not yet available

## Our priorities

Retain and recruit employment  
opportunities



Market Trail County to encourage  
and enhance business and  
community development



Improve the quality of life for those  
who call Trail County their home

# Business profile: Hillsboro Cafe

Derek and Kate Ehnert, owners of the Hillsboro Cafe, had a busy year.

With help from a direct loan by Traill County EDC, the Ehnerts opened their downtown diner at 3 N. Main St. in Hillsboro in October 2017 after moving to the city from Plymouth, Minn.

The Ehnerts told the Hillsboro Banner that they have juggled staff, the cafe's hours of operation and time spent away from the business trying to find a work-life balance that makes sense.

"We have so much devoted here but we're trying to find that good balance where we go out and still have a life," Kate said, laughing.

The former accountant and 2000 Hillsboro High School graduate said the business' first year was challenging for the first-time restaurant owners because the cafe proved to be a bigger undertaking than the couple expected.

"We had about double the capacity of what we had counted on," Kate said. "But in terms of what the community needed, I think it was about perfect."

"I've had challenging jobs in the past but this takes the cake," she said.

The cafe filled a void in the community left by the closing of the Country Hearth Restaurant in 2015. Prior to the cafe's opening, Hillsboro had been without a full-service restaurant for nearly two years.

But business was steady in 2018; despite the draw of Minnesota's lake country during the warm-weather months, the restaurant saw steady business over the summer from locals and construction workers.

In June 2018, the couple increased the size of their downtown restaurant by taking over additional office space connected to the cafe.

The Ehnerts saw an opportunity to expand when The Idea Shop, which had offices at 6. W. Caledonia Ave., moved across the street to 15 W. Caledonia Ave.

The Idea Shop's former location and The Hillsboro Cafe were connected by a long hallway in the first floor of their L-shaped building.

Derek and Kate cleaned and repainted the advertising agency's former office, added tables and their own artwork on the walls and reopened the location as a second dining area.

The move bumped the restaurant's seating capacity from 40 to 70 guests.

The space primarily will be used for overflow seating and large group gatherings. For example, the Hillsboro Kiwanis meet every Tuesday for lunch in the cafe's back room. The eatery also hosts the Hillsboro Business As-



Kate and Derek Ehnert, owners of The Hillsboro Cafe, expanded their downtown diner along Main Street in Hillsboro in 2018. They also increased their hours on weekdays, added biweekly Sunday brunches and started serving Friday night meals.

sociation monthly meetings during the lunch hour.

"On most days our dining room will handle the dinner rushes that we have," Kate said. "But now, with this additional space, we won't have to turn people away."

The cafe received a publicity shot in the arm when Grand Forks Herald columnist Marilyn Hagerty featured the restaurant in her "Eatbeat" column June 3. That outside exposure resulted in multiple visits from out-of-town guests to the cafe.

"We had at least four tables that flat out told us they read about the cafe" and decided to visit for the first time, Kate said.

In September, the cafe began opening Friday nights for supper. In order to cover the expanded hours, the restaurant at 3 N. Main St. started advertising positions for a handful of part-time servers and cooks.

Currently, the cafe has about a half-dozen part- and full-time staff, including the Ehnerts.

Kate said the couple plans to continue making improvements to better serve the community.

"People in town have been incredibly patient and gracious with us as we're learning from our little oopsies," she said.

"We're trying to learn as fast as possible and are doing the best job we can."

(Photo and some text courtesy of the Hillsboro Banner)





# Business assistance

CLIENT - CITY (LOAN TYPE)	LOAN DATE	LOAN AMOUNT	BALANCE	FT JOBS	PT JOBS
Hillsboro Body Shop - Hillsboro (Direct)	12/18/14	\$15,000.00	\$0.00	2	2
Hillsboro Economic Development - Hillsboro (Direct)	08/23/16	\$40,000.00	\$0.00	8	3
Maertens Welding & Machine - Hillsboro (Direct)	09/02/16	\$13,000.00	\$2,793.70	0	3
Hillsboro Café & Bakery - Hillsboro (Direct)	09/27/17	\$10,000.00	\$5,725.10	2	5
Smith & Abell Properties - Hillsboro (Flex PACE)	11/27/17	\$20,573.85	\$21,513.28	6	2
Hatton Community Housing - Hatton (Flex PACE)	02/19/18	\$3,569.00	\$3,569.00	0	0
Wellspring Community Coffee Connection - Mayville (Traill United)	07/19/18	\$1,000.00	\$888.92	0	2
<b>TOTALS</b>			<b>\$34,490.00</b>	<b>18</b>	<b>17</b>

## Flex PACE loan: Hatton Community Club

In early 2018 the Hatton Community Club sought help in financing updates to its low-income rental apartments, in the hopes of attracting new renters and retaining existing renters.

Updates are made to these properties on an annual basis as units open up, but this project updated every one of the units to help keep Hatton's rental offerings competitive with those of neighboring communities.

The project resulted in \$100,000 worth of renovations to all of the Hatton Community Club's 20 low-income rental housing units for the purpose of population retention and possible growth.

The project benefited from the Bank of North Dakota Flex PACE program, receiving \$10,500 from toward an interest buydown and a \$3,500 loan from the Traill County EDC as the community share of the buydown.

Not only will the project help the Hatton Community Club retain and attract new renters, but the project will use local contractors to help build on the economic benefit to the Hatton community.



These apartments along Washington Avenue in Hatton are among those being refurbished by the Hatton Community Club thanks in part to an interest buydown from Bank of North Dakota and Traill County EDC.

## What is FLEX PACE?

Since its introduction in 2005, Bank of North Dakota's Flex PACE program has issued millions of dollars 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.

# Community development

## Mayville Medical Honor Garden

After seeing a neglected green space near Sanford Mayville Medical Center, members of the Mayville High School Class of 1970 worked with the City of Mayville to launch a project to beautify the area by developing a small garden.

The garden, situated between two one-way streets, includes seating areas and low-maintenance landscaping featuring rock sculptures, plants, solar lighting and a “Doctor Is In” sculpture of a child who dreams of becoming a doctor.

The previously unused space provides a soothing area that can be enjoyed by neighborhood residents, as well as medical center patients, visitors and staff, while honoring members of the medical profession.

Traill County EDC worked with the Class of 1970 to apply for a Midco grant to be used to make the honor garden handicap accessible. The \$1,000 grant award was earmarked for the cost of removing the existing curb and sidewalk and constructing new cement ramps and a sidewalk to make the honor garden handicap accessible on both its east and west sides.

The Mayville Medical Honor Garden was dedicated June 21, 2018.

The previously unused space, above, was refurbished as the Medical Honor Garden, thanks to help from donors and volunteers.



## Buxton Park Board AARP grant



New playground equipment was installed in Buxton City Park. The park board received a \$2,000 AARP grant to put toward the cost of the equipment and its installation.

The Buxton Park Board was one of 26 recipients in North Dakota awarded a 2018 AARP Community Challenge grant to help communities make improvements.

Ben Hershey, Buxton's park board president, said the city received a \$2,000 grant that had been submitted by Traill County EDC.

The funds were used to purchase playground equipment the University of North Dakota no longer needed at its campus in Grand Forks, Hershey said.

"It's similar to the equipment we have in the city park now but a lot bigger," Hershey told the Hillsboro Banner. "There's a slide, walking bridge, monkey bars and a cargo net for kids."

The playground was used but in good condition and was dropped off at the city park in Buxton, he said.

Little Tikes Commercial based in Dickinson, N.D., assembled the equipment.



# Community development

## Main Street Initiative visit

Hillsboro's top brass gave a bus tour of the city to a number of Gov. Doug Burgum's political appointees during a Main Street Initiative visit Tuesday, Oct. 2.

Led by Hillsboro City Commission President Terry Sando, the tour highlighted the city's rebuilt airport runway, new homes in the Prairieview Addition and Total Ag Industries.

The one-hour trip concluded at the Hillsboro Events Center with a public forum featuring former Labor Commissioner and current Commerce Commissioner Michelle Kommer, as well as Kyle Wanner, director of the North Dakota Aeronautics Commission.

Sando applauded the chance to show off Hillsboro's residential and commercial progress and questioned officials on how to revitalize the city's downtown area.

More than a half-dozen state officials visited Hillsboro and were shuttled across town before stopping at Total Ag Industries.

Total Ag President Pat Muller led a tour of the company's production facility and touted a housing development that may spring up on land he owns west of I-29.

After the stop at Total Ag, city and state officials returned to the HEC for a public forum.

Holly Holt, former senior manager of strategic initiatives at the state Department of Commerce, outlined the three pillars of the Main Street Initiative for the audience: a skilled workforce; smart and efficient infrastructure; and healthy, vibrant communities.

Mirroring a trend across the state, Traill County doesn't have enough workers to fill its current number of job openings, Holt said.

"Right now, that's the biggest challenge we have as a state," she said.

Marcy Douglas, energy services field representative with Missouri River Energy Services, asked students in attendance to consider careers as electrical line workers.



Total Ag Industries President Pat Muller of Hillsboro, right, discusses his agribusiness with Holly Holt, former senior manager of strategic initiatives at the state Department of Commerce, and Commerce Commissioner Michelle Kommer, during a Main Street Initiative visit Oct. 2 in Hillsboro.

The field requires a two-year degree and offers good pay after graduation, she said.

Wanner encouraged students to think about a career in aviation.

"Right now, aviation has an incredible opportunity of the next generation due to ... the international pilot shortage," he said.

Holt asked students to be open to career paths that didn't include four-year degrees.

Sixty percent of available jobs in the state don't require four years of college, she said.

A portion of Tuesday's forum focused on recreational opportunities in Hillsboro and how those could be expanded to keep and retain residents.

North Dakota Game and Fish Outreach Biologist Doug Leier said the state has grants available to cities like Hillsboro to promote hunting and fishing opportunities for kids.

Jim Murphy, Traill County EDC Executive Director, said he'll continue to work toward coordinating Main Street visits with additional Traill County communities.

(Photo and some text courtesy of the Hillsboro Banner)



# Leadership development: Lead Local

Trail County EDC and Traill United Group teamed up with NDSU Extension to host a one-day seminar designed to teach aspiring public servants the ins and outs of running a meeting and learning the ropes of being an elected official.

The Feb. 28 Lead Local presentation at the Hillsboro Vets Club was the first time the training was offered in Traill County.

The seven-hour workshop focused on helping participants to:

- Feel better prepared to serve as an effective board, council or committee member.
- Recognize the components of an effective meeting.
- Learn basic parliamentary procedure.
- Understand different personality styles and how they can work together.
- Use effective tools when dealing with conflict.

Nineteen people from all across Traill County attended the training session, hosted by Jodi Bruns, area Extension specialist. The Hillsboro chapter of Future Farmers of America and District 20 state Rep. Aaron McWilliams also provided information to the group.

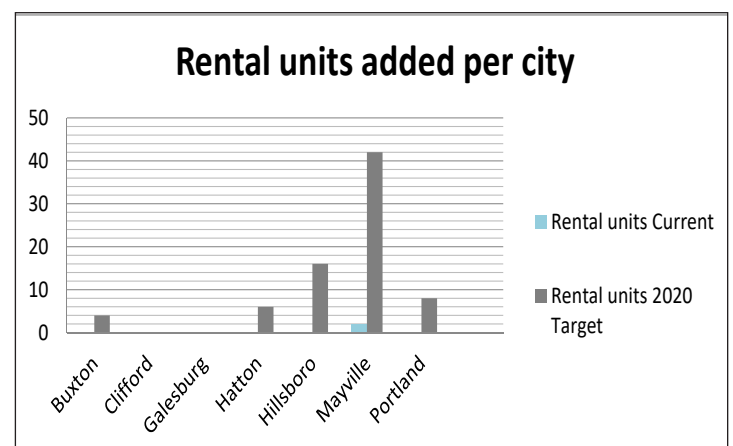
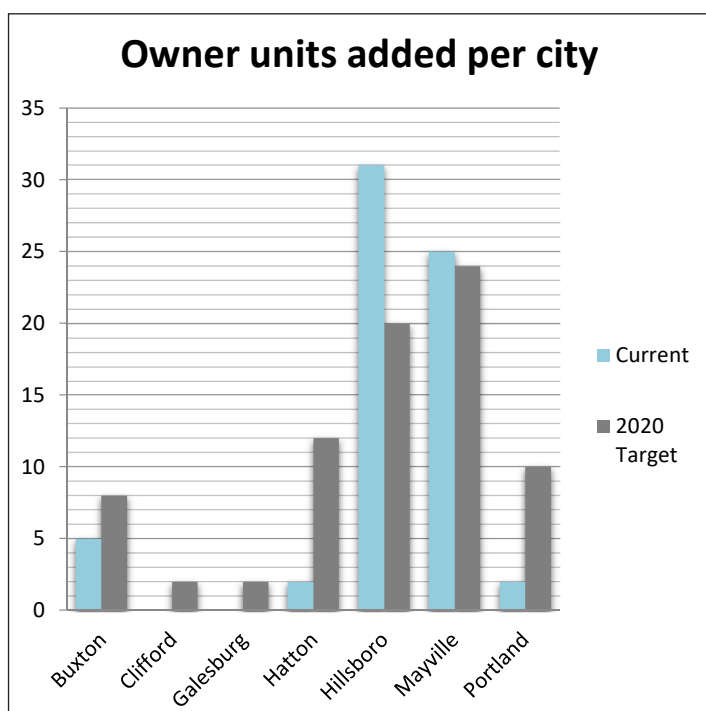


Jodi Bruns, left, area Extension specialist, presents training materials to the 19 attendees of Traill County's first Lead Local training, held Feb. 28 at the Vets Club in Hillsboro. (Photo courtesy of NDSU Extension)

"It's been quite popular," Bruns said of the training in an interview with the Traill County Tribune.

"We've been in 12 communities across the state. It leads to a great discussion of what people in leadership positions are seeing out there, and how they feel more capable of leading an organization."

## Housing statistics



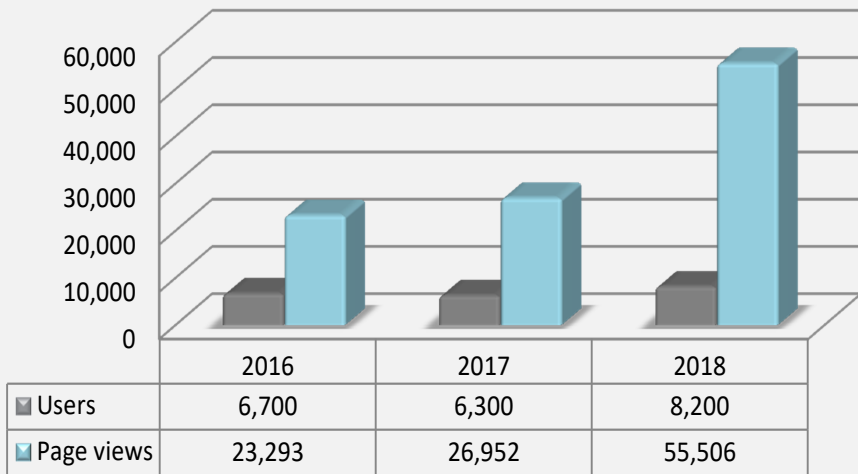
# Public relations & marketing

Trail County EDC's online audience continues to grow since the launch of the commission's new mobile-friendly site in late 2017, with the number of page views nearly doubling between 2017 and 2018.

The site's careers, homes for sale and rental properties account for more than half of all page views on the website.

In addition to the website, the commission's Facebook page and Twitter account continue to gain traction. As of Dec. 31, 2018, the Facebook page had 469 followers, and the newly activated Twitter account had 70 followers.

## Web stats - trailcountyedc.com



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

The campaign aimed to remind shoppers to support local businesses, especially during the holiday season, and to inform residents of the economic impact of dollars spent locally.

Trail County EDC distributed Shop Local-branded reusable shopping bags to several area businesses, and also was able to advertise locally in print and during radio broadcasts to remind shoppers that every dollar spent at local businesses creates up to 3.5 times more local economic benefit than that same dollar spent at a chain store.



## Our services

### Businesses

- ▲ Business & succession planning
- ▲ Financial projections & budgeting
- ▲ Purchase or sale of a business
- ▲ Loan packaging (BND & SBA)
- ▲ Overcoming operational challenges
- ▲ Financing packages
- ▲ Group and individual training
- ▲ Marketing planning
- ▲ Grant assistance
- ▲ Encouragement & support for inventors & entrepreneurs

### Communities

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

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



# TRAILL COUNTY

## ECONOMIC DEVELOPMENT

WE **KNOW** BUSINESS



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102 1st St. SW  
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[WelcomeTrill.com](http://WelcomeTrill.com)