

CENTER *for* RURAL POLICY and DEVELOPMENT

Seeking Solutions for Greater Minnesota's Future

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Atlas of Minnesota Online

How does your county compare to its neighbors in terms of average income? Graduation rates? Median home prices? To find out, visit the Center's Atlas of Minnesota Online. With newly updated information and a larger, easier-to-read format, the Atlas of Minnesota Online is the place to go for comparative data on over 100 indicators, from agriculture to civic engagement.

Since the Center first opened in 1997, one of the core missions has been to collect data about rural Minnesota and get it out to those who need it. The Atlas of Minnesota has been central to this mission ever since it was first published in 2000. The second edition was printed in 2002, but it became quickly apparent that the Atlas would have to migrate online if it was going to remain the useful tool that many have found it to be.

We'll be officially relaunching the updated Atlas March 23, so check out the web site at www.ruralmn.org and click on "Atlas Online." The familiar features are still there: explanatory text, pdfs and PowerPoint slides of maps available for download. New to the Atlas, though, is a larger, easier-to-read format and improve navigation. So please take a moment to check out the Atlas and let us know what you think at crpd@ruralmn.org.

Welcome to the Atlas of Minnesota Online



New research to watch for: Education research project gives insight into uniquely rural issues

A new research project on education being released soon by the Center will look at PK-12 education from a variety of angles, examining different methods being used to maintain education quality without increasing costs. This report is aimed at not only legislators and school officials, but anyone else concerned about education.

The research project engages four sets of researchers, from the Wilder Foundation, the University of Minnesota, Twin Cities, and the University of Minnesota, Duluth, all researching different aspects of PK-12 education policies.

The goal of the project is to identify and examine best practices rural school districts can use to maintain and improve student learning that also don't increase costs. To do this, the researchers approached from four different angles: demographics, a review of best practices and how they have been evaluated, a survey and focus group meetings with principals and superintendents, and a study of what benefits student achievement and the community, including the effects of district consolidation. These four studies will combined in one report that will include an introduction giving an overview of the research, and policy recommendations based on what the researchers learned from their work.

Watch for "A Region Apart: Four Views on PK-12 Education in Rural Minnesota" coming out in late March. Hard copies will be available from the Center and as always for free on our web site, www.ruralmn.org.

Capital Perspectives:

Rep. Kathy Brynaert

Without a doubt, the significant economic challenges facing our state will play a key role in what we are able to accomplish this year for rural Minnesota. Our primary task will be to offer both short-term and long-term economic recovery for all Minnesotans, a task made even more difficult by the daunting \$4.8 billion budget deficit that was projected in November. To make matters worse, economic conditions already show this figure will likely increase with the February forecast. State agencies have been instructed to propose 5% across-the-board cuts to the Governor; the Agriculture Department, AURI and the Board of Animal Health are no exception. The last major budget crisis in 2003 saw these agriculture agencies absorb an overall 27% cut in General Fund spending.

Some of the areas to watch include:

Green Acres: In 2008, changes were made to the Green Acres program in an attempt to ensure that the program was working to preserve agricultural land from development. Proponents of the changes contend that the special tax treatment received by Green Acres enrollees means that homeowners and other property owners pay higher property taxes, while opponents object to the taxes on their land increasing. Hearings with public input are already being held in the House to consider changes, and a new bill will be introduced soon.

Ethanol: Funding for the ethanol producer payment has been declining every biennium as plants have reached the end of their ten-year participation in the program. During the 2003 budget session, ethanol payments were cut by 35 percent. The Legislature enacted a deficiency payment law to allow plants to eventually get their entire promised payment, as funding permits, but more cuts in the per-gallon payment could be proposed by the Governor this year.

Farmer-Lender Mediation Act Authorization Extension: The Farmer-Lender Mediation Act will statutorily sunset on June 30, 2009. The Legislature will want to review the need to extend the authorization of the program that began in the 1986 farm crisis.

Clean Water Funds: The constitutional amendment dedicating the sales tax increase to clean water and other programs means that new resources can now be directed to clean water efforts. The Minnesota Department of Agriculture's Best Management Practices Program could be a beneficiary of these revenues.

Sen. Dan Sparks

The 2009 legislative session began Jan. 6 and since that date, we have been focused mainly on one goal: solving the state's \$4.8 billion budget deficit. It's a subject that seems to consume every Capitol conversation this year, as even the most minute bills must be analyzed in terms of their impact on the state's financial picture.

Of course, this is no different from what's happening at families' kitchen tables across Minnesota. In this economy, everyone is being forced to reevaluate how they've become used to living in the past few years and shift priorities accordingly. In some ways, it's a major struggle. But in other ways, it's an opportunity for the state to make needed reforms in many spending areas and increase efficiencies in state government.

The legislature has spent most of February asking Minnesotans across the state for input on how we should refocus our priorities. Through Minnesota Town Hall meetings attended by large groups of Senators and Representatives, as well as local town meetings held by lawmakers in their specific districts, we've heard an earful. Many Minnesotans have told us the state is simply spending too much money.

I'd agree with that statement – there are areas where we definitely need to cut back. Many of those same people have told us, however, that it's important to keep up the state's commitment to support vital services such as education, public safety and workforce development.

In the next two months, achieving that balance between reduced spending and a renewed commitment to our state's most important priorities will be the main challenge for lawmakers back at the Capitol. The Governor has proposed a budget – the preliminary plan that legislators will work from between now and May 18. His budget contains a lot of good ideas, such as cutting spending in most jurisdictions and focusing on policies that can create new jobs and attract business to Minnesota.

There are places where I disagree with his plan, however. The Governor's budget, in my opinion, relies heavily on the use of one-time money, which solves the immediate budget gap but creates deficits in future years. It also contains too many incomplete ideas, such as offering tax cuts to big corporations but doing little to target the small, locally owned business or farmers that are struggling just as much.

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Welcoming one board member, saying farewell to two others

The Center is pleased to announce the appointment of David Ladd to the Center for Rural Policy and Development's board of directors. Ladd, a Woodbury resident, has been the manager of government affairs for AgriBank FCB in St. Paul since 2000. Prior to his work for AgriBank, David worked as a policy advisor for U.S. Senator Rod Grams and U.S. Senator Dave Durenberger.



David earned his master of arts degree in public administration from Hamline University in St. Paul and his bachelor of arts degree in political science and history from Moorhead State University. He holds a certificate in public affairs management from Hamline and is currently a participant in the Minnesota Agriculture and Rural Leadership program.

David is a member of a number of professional associations including the American Soybean Association, Minnesota Corn Growers Association, Minnesota Farm Bureau, and the Metro Area Future Farmers of America. David was appointed to a position on the board representing rural business and will serve a six-year term.



At the same time, the board bids farewell to Colleen Landkamer, who has served on the Center board since 2002. Colleen, who served in an at-large position on the board, is awaiting official appointment by President Obama to the position of director of the Minnesota office of USDA Rural Development. The Office of Rural Development promotes economic development in rural areas, supports public facilities and services like health clinics, water and sewer systems and electric service and provides technical assistance to rural communities.

Colleen has served as a Blue Earth County Commissioner for over 20 years, during which time she was elected President of the Association of Minnesota Counties as well as President of the National Association of Counties. On the national level, she was instrumental in the creation of the Rural Action Caucus and is now chairing the Campaign for a Renewed Rural Development. At the state level, besides the Center for Rural Policy, Colleen has served on the Greater Minnesota Housing Fund Board of Directors and the Executive Board at the Center for Transportation Studies at the University of Minnesota. Before her election to the Blue Earth Board of Commissioners, Colleen also worked as a Congressional aide in the office of former Congressman Tim Penny, now the President of the Southern Minnesota Initiative Foundation.

Rural Perspective: Our Hidden Infrastructure

Nancy Straw, president
West Central Initiative

When we discuss infrastructure, roads and bridges seem to get the most attention. While the things we see every day are very important, there are real problems with ignoring the infrastructure that is beneath our feet.

Water Hazards: Inside Information on Infrastructure

Turn on a faucet and the water comes out. Flush a toilet and the water goes away. And when it rains? Well, that's why we have storm drains. Many of us take these things for granted. More and more communities are finding their water, wastewater and storm water systems are old, tired and struggling to keep up with demand. In 2003, West Central Initiative (WCI) published a study that showed the immediate need to replace aging city infrastructure—most of it 60-plus-year-old WPA projects. A whopping \$800 million is needed in the next 15 years for infrastructure in the nine counties of west central Minnesota alone.

Maybe you've heard all this before.

Many communities are working on their water systems right now, some are trying to figure out what to do, and others have already done the repair and replacement—with mixed results. The truth is there's no cookie-cutter solution to community's needs. Some towns have city water and sewer, some don't. Some have one system, but not the other.

WCI was seeking a way to provide information about alternatives for infrastructure replacement and repair that are environmentally AND economically friendly for communities. In late 2007, WCI contracted with Yellow Wood Associates to work with three cities with varying infrastructure challenges and needs: Battle Lake, Brandon and Ottertail.

Yellow Wood used its Green Community Technologies® approach to help the communities evaluate the impact of applying alternative technologies to municipal infrastructure and related services. The firm then created an outline of what any community can do using readily available resources and information.

Six steps to assessing infrastructure

In a nutshell, Yellow Wood's Green Community Technologies® approach includes these steps:

1. Understand community goals
2. Assess history and current conditions
3. Identify issues and opportunities
4. Consider conventional and alternative approaches
5. Recognize available resources
6. Partner for implementation

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Yes, I would like to order the Center for Rural Policy & Development's

Rural Minnesota Journal: Women in Rural Minnesota.

Spring 2009

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All CRPD publications, including RMJ, can be downloaded for free at www.ruralmn.org.

The Center for Rural Policy and Development has had a very active past few months, and we are looking forward to a very busy spring. The Center has always been focused on advancing the quality of life in rural Minnesota by providing trusted research, recommendations, and civic engagement. I want to take a moment here to highlight one of the projects we're involved in here at the Center: it's a new approach to regional development, the Southern Minnesota Regional Competitiveness Project. This is a partnership of organizations, businesses and government agencies working together to create a strategic economic development plan for southern Minnesota. The goal is to craft a new and different way of looking at growing a region, by using a research-based approach to create promising new economic opportunities. With the tough economic times we are in, there could never be a better time to apply "outside-the-box" thinking and a good research-based approach.

You may be thinking, "That's fine for southern Minnesota, but what about the rest of us?" and you're right. The Center is a statewide organization, dedicated to serving all corners of rural Minnesota. And that's why the Southern Minnesota Regional Competitiveness Project is of such interest to us: it's one big experiment in economic development, and we should be able to take what we learn from it and replicate it elsewhere in Minnesota. If it succeeds in southern Minnesota, there is no reason why it shouldn't work in northeastern or northwestern or west central Minnesota, too. Its success will depend not on where it's tried, but who's trying it: on how well businesses, local governments, development organizations and others can forge partnerships throughout the region.

Rural Minnesota is home to a great deal of innovation and entrepreneurship, and we must ensure that we have the capacity to tap into that, recognizing that global competition makes the traditional practice of business recruitment an increasingly costly and less effective strategy. The goal of the Regional Competitiveness Project will be to craft a region-wide strategy built on key drivers of 21st century economic success and an assessment of the region's cornerstone economic assets, the region's most promising economic potential in the global economic race, and the best investments with which to compete. Understanding that a good strategy must have champions, a critical goal of the project will be to create a sustainable forum for region-wide partnerships that will drive the development strategy.

The Regional Competitiveness Project is functioning in four phases:

Phase 1: Assess the region's economic baseline. The first step was for a team

On Regional Competitiveness

Brad Finstad
Executive Director

of researchers to complete a baseline assessment of the region's economy. This baseline projects the economic course if nothing changes, benchmarks performance against other regions, identifies significant economic links to other regions and nations, and identifies key business clusters.

Phase 2: Hold regional roundtables. In partnership with many groups throughout the region, the Regional Competitiveness Project has completed a series of roundtables to assess its economic assets through the eyes of leaders in the region. The agenda for the roundtables was created using the information generated by the economic assessment of Phase 1. The relationships forged in the roundtables are already being used to create a sustainable forum on economic development throughout the region.

Phase 3: Identify the region's economic potential.

The project's team of economic experts have developed a menu that presents the region's most promising economic opportunities: food and agriculture, health care, bioscience, renewable energy, high-technology, and manufacturing. This menu, which also draws on results from the roundtables, is based on an in-depth analysis of the region's existing business clusters and economic links and will be the centerpiece of a summit meeting on the region's economic future. These six clusters form the foundation of all the work to come: these are industries that the research indicates are the strongest, have the greatest potential for growth, and where investment and especially partnership will do the most good.

Phase 4: Craft a 21st century strategy for the region. The project's team of experts will conduct a comprehensive analysis of the region's preferred options, identifying the projected economic impacts of investments in the development options. These scenarios will form the basis for an economic development strategy forum with the region's leadership team to finalize the region's development strategy.

This is a challenging moment in our state's history, but using innovative approaches like the Regional Competitiveness Project, we can all work together towards advancing all of rural Minnesota to a stronger, more profitable, stable era that will continue to provide the great way of life we all know. If you would like to learn more about the Southern Minnesota Regional Competitiveness Project, visit the web site at www.ruralmn.org/regcomp.html.

The Southern Minnesota Regional Competitiveness Partnership Futures Summit will be held on Friday, March 13th, 2009, 8 a.m. to 3:30 p.m., at Minnesota State University Mankato in the Centennial Student Union Ballroom.

Brynaert

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NextGen Energy Board Grant Awards: In 2007, the Legislature, at the recommendation of the Governor, created a Next Generation Energy Board, which was charged with funding innovative energy projects with the potential for expanding and improving Minnesota's bioenergy capacity. Grants were awarded this fall, and the Legislature will want to review renewable energy projects that received the nearly \$3 million in state grants awarded by the Board.

Livestock Investment Grant Program Awards: After years of trying unsuccessfully to create a dairy investment tax credit, funding in 2008 was approved for a new Livestock Investment Grant program administered by the Minnesota Department of Agriculture. Applications for these grants have exceeded the available funding. The Legislature will review the \$1 million in grants that were approved for upgrading and modernizing livestock operations.

Capital Investment: One of the tools most successful in putting people to work is a bonding bill. This year, discussion is taking place about whether Minnesota lawmakers should reconsider the voluntary, state-imposed limit on state bonding. Currently, it is held to no more than 3% of the state's general fund revenues. Given the uncertain economy and the importance of infrastructure investments to stimulate an economic recovery for the state, it may be beneficial to update this limit, allowing for a smaller bonding bill this year. If that decision is made, there could be some funding available for "shovel ready" infrastructure projects in Greater Minnesota.

Broadband use in Greater Minnesota: Legislation was passed last year authorizing statewide mapping of the location and speed of broadband providers. This report was expected to be released in early February.

Rep. Brynaert represents District 23B (Mankato) and would like to hear from you. She can be reached at (651) 296-3248; rep.kathy.brynaert@house.mn; or 421 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., Saint Paul, Minnesota 55155.

Sparks

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I think that last piece is the key to restoring our economy – helping Minnesota businesses and farmers get back on track and creating incentives for development or expansion that may create new jobs. This economy must be rebuilt from the ground up, and the only way we can do that is by focusing our investments in projects that can achieve this goal. Hopefully, we will end the session in May with not only a balanced budget, but an updated roadmap for Minnesota's future that will ensure economic recovery and future, sustainable success.

I encourage you to contact me with any comments or suggestions that may help us reach our goals. I am available at 651-296-9248; sen.dan.sparks@senate.mn; or 317 Capitol, St. Paul, MN 55155.

Sen. Dan Sparks is from Austin and represents District 27: Mower County, Freeborn County and part of Fillmore County. He welcomes comments and suggestions; you can reach him at (651) 296-9248; sen.dan.sparks@senate.mn; or 317 Capitol, St. Paul, MN 55155.

Rep. Kathy Brynaert and Sen. Dan Sparks are members of the Center for Rural Policy and Development's board of directors, appointed by House and Senate leadership.

Talk to us

We at the Center have made it our business to get information out to the public, on everything from economic development to health care, but we also like to hear from you, our customers. Getting your feedback on living in rural Minnesota helps us understand what's important to you and what we should be looking at in research.

The Center will soon be launching a new research project to better understand what is happening in rural Minnesota with the current economic situation, and from this we hope to formulate some answers to what can be done and solutions for helping rural communities come through this. And for this, we need your help. Contact us and tell us how the economy is affecting your community. Are you a city or county official wrestling with a budget? What will you need to cut? Are you a real estate agent? How is the housing market? Are you a principal, superintendent or teacher? How have things changed in the last few months? Are you a small business owner? A large business owner? Is your business affected or is it just fine?

Let us know. Visit our web site at www.ruralmn.org and click on the feedback link, or email us at feedback@ruralmn.org. We'll use what you tell us to build a comprehensive survey we'll conduct taking the pulse of rural Minnesota. Your help will be valuable to us.

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Rural Perspective

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Your grandparents had the right idea

The cities were surprised to find that some of Yellow Wood's suggestions were rather old-fashioned, like collecting rain water for non-drinking uses. The city of Brandon may implement some of these ideas—like rain barrels for every household—as time and funding permit, said city council member Shelley Plessner.

In Ottertail, having aquifers and five lakes within the city limits means more water stewardship not less, according to Lee Sherman, Ottertail city coordinator. Sherman stated that after working with Yellow Wood, they plan to make septic systems a number one priority. City administration also sought advice on water conservation pointers the city could implement and share with residents.

Wanda Berg-Vorgert, city clerk-treasurer for Battle Lake, agrees. "We're surrounded by lakes so it's very important that we look at green technologies," she said. "We have an obligation to protect our lakes, especially when it comes to development."

For those who express concern about the price tag for implementing alternative treatments like creating wetlands to filter storm water run-off, "think of the costs of [environmental] clean up," Berg-Vorgert said.

Representatives from all three of the cities felt it was helpful to have outside analysis of their infrastructure.

"We have a tendency not to see the forest because of the trees," Sherman explained. "It was helpful for someone from outside of the area to put things in a new light."

"It was good to be able to sit down and brainstorm with knowledgeable people. It gave us a new perspective," Plessner said.

"The information that [Battle Lake] learned will always be in the back of our minds whenever we do a new project," Berg-Vorgert said. "It will be a great resource for us to return to from now on."

Would you like to learn more about assessing your city's infrastructure?

WCI has posted Yellow Wood's outline of the process on their Web site at www.wcif.org. You can also contact Greg Wagner, WCI economic development planner, at (800) 735-2239, or greg@wcif.org.

West Central Initiative is a regional community foundation headquartered in Fergus Falls that supports families and helps strengthen the economy of west central Minnesota through its four initiatives: business and employment, communities and the region, workers and their families, and promoting philanthropy. WCI serves the nine counties of Becker, Clay, Douglas, Grant, Ottertail, Pope, Stevens, Traverse and Wilkin.

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Letter

NEWS

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