



ANNUAL REPORT

2015

MARTIN COUNTY EDA...

1

The Martin County Economic Development Authority (MCEDA) partners with the Regional Center for Entrepreneurial Facilitation (RCEF) to provide one-on-one free and confidential business consulting, training, and mentorship to individuals, start-ups, and established business across many industries in Martin County through a business facilitation program called IGNITE. Our mission is to Inspire, Grow, and Nurture Innovative Talent through Empowerment. We have access to a large network of resources to connect entrepreneurs and business owners with the right people at the right time to move their project forward. MCEDA supports and assists the communities and townships in Martin County with their economic development efforts. We also engages in many entrepreneurial focused projects and events to bring value to the county.

Services Provided:

Needs, Goals, & Business Assessments

Business Plan Writing/Development

Feasibility Studies

Sales & Marketing Plans

Market Research

Start-up & Expansion Assistance

Financial Analysis

Strategic Planning

Professional Management Advice

Community Development Support

www.martincountyeda.org

ABOUT US...

What is IGNITE?

In 2007, the Martin County Economic Development Authority (MCEDA) partnered with the Regional Center for Entrepreneurial Facilitation (RCEF), a non-profit entrepreneur and business development organization to develop, brand, and implement an economic development program called IGNITE. The mission is to Inspire Growth and Nurture Innovative Talent through Empowerment, which mirrors the unique and established RCEF business model. The IGNITE program was put in place to provide individuals, entrepreneurs, and existing businesses in Martin County with the resources, support, and inspiration they need to prosper in the competitive marketplace. All the IGNITE services are confidential and of not cost to the client. Some of the business consulting services provided are business plan writing and development, feasibility assessments, start-up and expansion assistance, sales and marketing, market research, financial analysis, and strategic planning.

Mission:

The mission of the Martin County Economic Development Authority is to Inspire Growth and Nurture Innovative Talent through Empowerment (IGNITE).

Vision:

IGNITE strives to facilitate, support, and encourage entrepreneurs, start-ups, and existing business owners with their ideas working from the bottom up to grow and sustain our vibrant community for the future.

Values:

The core values listed below shape and guide the actions we undertake every day.

- Integrity – we demonstrate the highest level of ethics and honesty in all we do.
- Innovative – we stay on the cutting edge of industry trends and information to pass to our clients.
- Caring – we treat every individual distinctly and with the respect they deserve.
- Excellence – we ensure quality in every aspect of our work. We continuously strive to further our education to provide expert advice to our clients.

2015 YEAR-END SUMMARY...

Our key objectives are to start, stabilize, and grow businesses; retain and create jobs; increase tax revenues; and create a welcoming environment for innovation and economic development. In 2015, MCEDA successfully provided technical business assistance to 31 entrepreneurs and spent more than 550.25 hours in performing services. Adding to our notable highlights, we stabilized three, expanded nine, and facilitated the creation of four businesses.

Utilizing the RCEF business model creates exceptional cost savings for Martin County. Year after year, we are able to produce tremendous results off very little expenses.

In an effort to help promote our services and involvement, we participated in several community development activities and events such as the Martin County Fair, Southern Minnesota Partnership for Regional Competitiveness, Area Career Exploration (ACE), MAPCED (Minnesota Association of Professional County Economic Developers), Martin County Leadership Program (MCEDA provided scholarships for people to attend program), Martin County Strategic Planning, Fairmont Schools (partner in the Blandin Broadband Community project), 15/90 Group, and Bureau 14. Community visits that were started in 2011 were continued in 2015, and MCEDA succeeded in working with local legislators for continued funding for business and entrepreneurial services.

Also in efforts to create awareness and better serve our communities, we continue to host a talk radio program on the KSUM 1370AM radio station. The program is called “EDA Business Talk” and is aired twice a month on Monday’s from 4:45pm-5:00pm. The purpose of the program is to provide listeners with relevant business information and to discuss economic development topics. Some subject covered include interviews with EDA Board members, a bank’s perspective of our current economic landscape, and spotlight on current clients from around the county.

In 2015 the MCEDA Ignite newsletter was launched. This has been a great way to connect with all parties with an interest in furthering entrepreneurship in Martin County.

We are tremendously pleased with our success. We continue to strengthen and grow our strategic partnerships to facilitate the success of our clients. Our Business Facilitators are continuously trained on the latest trends in business to ensure our clients are being served by the very best.

| ACTIVITY & CLIENT RESULTS | | 2015 |
|---------------------------|--|--------|
| Entrepreneurs Consulted | | 31 |
| Consulting Hours | | 550.25 |
| New Businesses Created | | 4 |
| Businesses Stabilized | | 3 |
| Businesses Expanded | | 9 |

Source: MN Department of Employment and Economic Development; based on calendar year 2015; all figures are approximate

PROGRAM HIGHLIGHTS...

4

Blandin Broadband Community: MCEDA was chosen to be a part of the 2015/2016 Blandin Broadband Community - a group of cities that come together to learn strategies to strengthen and leverage partnerships in order to build better broadband communication in their area. They commit to defining technology goals, measuring current levels of broadband access and use, engage the broader community, and promote opportunities such as training and refurbished PCs. Ultimately, Blandin Broadband Communities design and drive initiatives that position their communities and every resident for greater success.

2015 saw the establishment of the Broadband Steering Committee, and various grants awarded that helped to produce the following programs:

- Community Calendar
- Technology Training Sessions (Coffee Connections) for the public
- App Camp: MCEDA was instrumental in offering a week long app development summer camp for students. 15 teenagers participated and were taught by a technology teacher from the twin cities.
- PCs for People: This programs connects donated computers with those in the community in need of a computer.
- County-wide Broadband Feasibility Study (to begin in 2016)

Brain Gain: Martin County EDA has joined this initiative aimed at luring young families back to rural Minnesota. MCEDA has worked with the City of Fairmont and the Fairmont Chamber of Commerce to create a campaign “Back Home Again” that targets 30-49 year olds, and is meant to enhance the image of small town living. Demographic data was collected and used to show a trend of this age group moving back to small rural towns for high quality of life. More work needs to be done to keep high school graduates in these towns, as they represent a trainable workforce which local businesses are in need of. There are plans for a website, and to engage in social media.

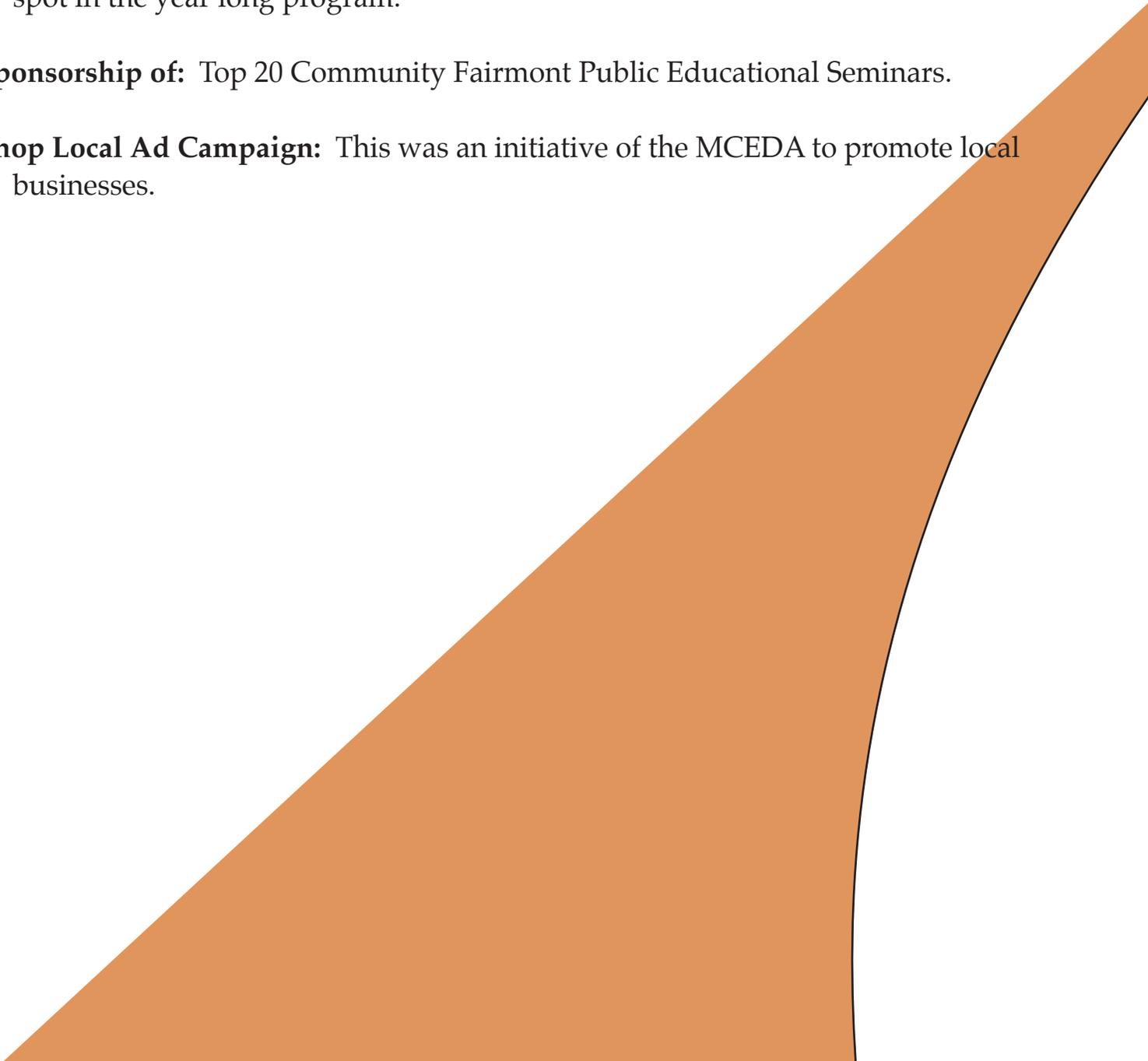
PROGRAM HIGHLIGHTS...(CONT'D)

Area Career Exploration Event (ACE): A day long opportunity for the area youth to experience a wide variety of careers. MCEDA has been a huge supporter of this event since its inception, and participates each year.

Martin County Leadership Program: MCEDA uses a year-long curriculum designed to engage and build leaders in the community. Area residents apply for a spot in the year long program.

Sponsorship of: Top 20 Community Fairmont Public Educational Seminars.

Shop Local Ad Campaign: This was an initiative of the MCEDA to promote local businesses.



CLIENT SUCCESS STORIES...

Timberlake Orchard:

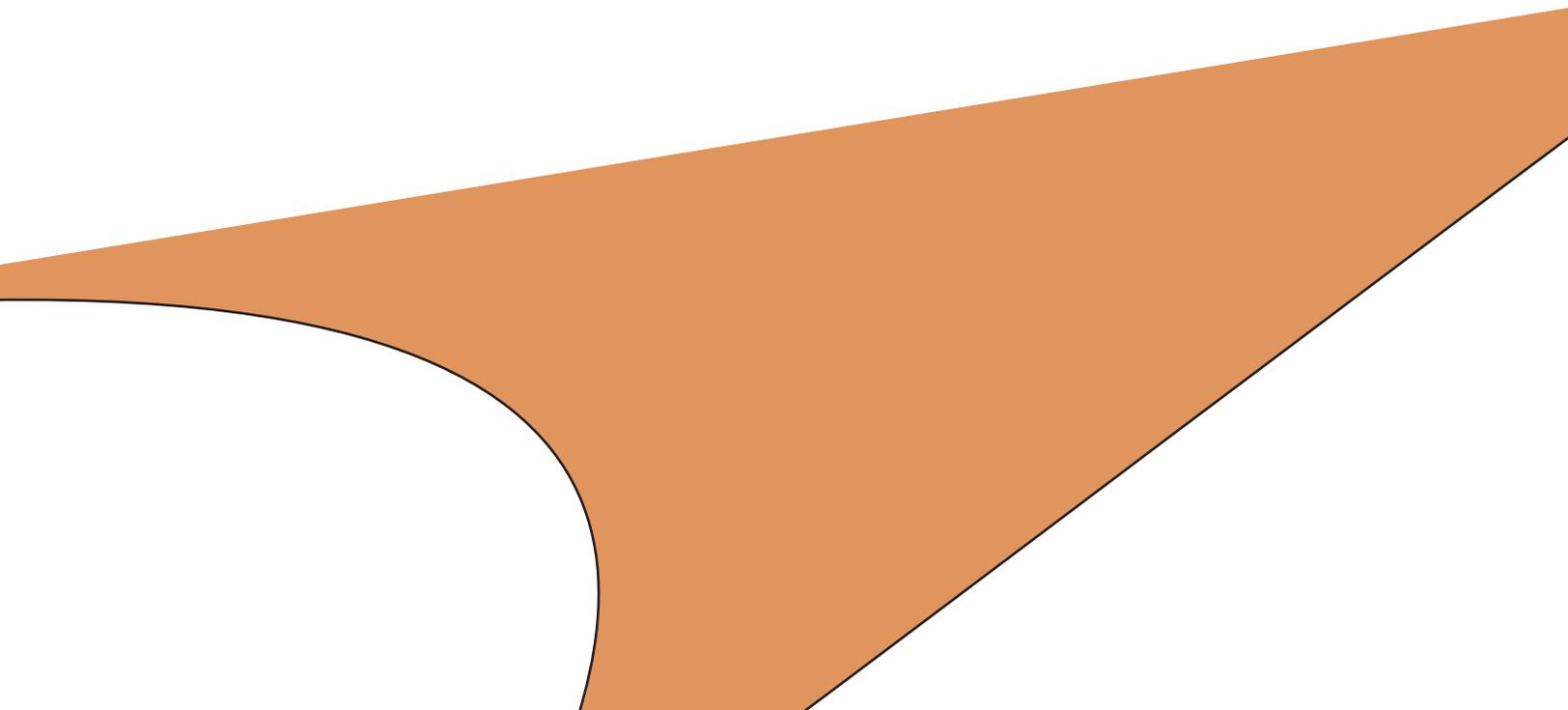
In early 2015 Alden Zeitz contacted the MCEDA Ignite office to request assistance in preparing a business plan and loan documents to purchase an apple orchard. They had a couple of investors out of state, and needed help with writing a business plan, assessing the sale offer, and finding financing. The Ignite office help Mr. Zeitz with the business plan, showing him several available templates. The office also assisted with determining the best terms of the sale agreement, and when ready, the loan package. At the end of October 2015 Mr. Zeitz and his partners were able to close on the orchard which they named Timberlake Orchard. Their plans include expanding into onsite retail with a new shed and more employees. Congratulations Mr. Zeitz!

The Butcher Block:

In late 2015 Jeff Schmidt came to MCEDA Ignite office referred by a lender and economic development official. With over 15 years experience as a butcher, and a degree in Meat Cutting, Mr. Schmidt had aspirations of owning his own butcher shop. He was working long days at a butcher in Iowa and commuting back and forth from Fairmont. He felt his training and experience would serve him well in opening a butcher shop in Fairmont. Fortunately there was a closed butcher shop in Fairmont that was available. With Ignite's assistance, Mr. Schmidt began the process of formulating a business plan and proforma financials in order to pursue financing. This project is one that carried over into 2016, but we're proud to report that Mr. Schmidt did receive partial funding of his project through a MN Dept. of Ag Value Added grant, and this office continues to help Mr. Schmidt secure the remainder of his needed funding so that he can realize his dream of opening his own butcher shop.

Custom Computers and Software:

When Jerrad Juhl and his dad (they are co-owners of CCS), came to the IGNITE office, their business was expanding at the speed of light. They had just received a contract from their biggest account to supply printers and labels to that client's food service customers. This was a huge milestone, and one that would require expanding production. The IGNITE office worked with the Juhls to figure out their options. Other providers, including the Center for Business & Industry in North Mankato, and US Bank, were brought in to assist. The IGNITE office worked diligently with the Juhls to provide them with several options for expansion, even working with the city of Sherburn to find some creative solutions. The Juhls are still adjusting to their expanded production and working on implementing some of the suggestions brought forth.



2015 YEAR-END SUMMARY...

Number of Clients Served: 31
Total Number of Hours: 550.25

New Businesses:

- Jordan Lampman Cabinetry
- Shari Marie Photography
- Timberlake Orchard
- Green Light Foundation

Stabilized Businesses:

- Serenades by the Lake Restaurant
- Matt's Welcome Hardware Store
- BrewKaz Coffee Shop

Expanded Businesses:

- Schultz Butchering
- Mid-America Distributing
- Tru Foundation
- Sukalski Concrete Construction
- Touch of Country
- White Orchid
- Defined X Design
- Custom Computers and Software
- Tom Rahm

2015 BOARD OF DIRECTORS...

The Martin County EDA Board of Directors all have unique backgrounds and contribute to the strategic direction of the organization in different ways. They oversee all the activities of the Martin County EDA and take an active role in economic development activities. The Martin County board of Directors is appointed by the Martin County Board of Commissioners. Board Directors service a three-year term and meet on a monthly basis to conduct business.

| NAME | POSITION | OCCUPATION | AFFILIATION |
|--------------------|-----------------------|---|---------------------------|
| Christopher Pierce | President | Commercial Lender | USBank |
| Randy Grupe | Vice President | School Superintendent (Retired) | Marting County West |
| Jerry Clark | Secretary / Treasurer | Business Intermediary, Commercial Real Estate Sales | SealedBid Owner / Manager |
| Elliot Belgard | Board Director | Commissioner & Boek-kett Lumber Yard | Martin County |
| Larry Baarts | Board Director | CEO / President | Baarts Trucking |
| Brent Schultze | Board Director | Chief Credit Officer | Bank Midwest |
| Scott Higgins | Board Staff | County Coordinator | Martin County |

www.martincountyeda.org

Martin County Business Facilitators...

A large part of the Martin County EDA's success is contributed to Bryan Stading and Wes Pruett who work diligently with entrepreneurs, business owners, and community leaders in Martin County on a regular basis to create a strong business environment.



Bryan Stading
Senior Business Facilitator/
Consutant



Wes Pruett
Consultant

The Martin County EDA has a very focused strategic plan set for 2016. We have full intentions of maximizing the efficiency and effectiveness of the IGNITE business facilitation program. We will spend most of our energies toward assisting entrepreneurs and small businesses prosper in Martin County.

We are increasingly poised to create greater awareness of our program. We will continue to provide relevant information to the communities in Martin County through our “EDA Business Talk” radio program on KSUM. We will also continue to make exciting new updates to our website to provide clients with relevant information at their fingertips. We plan to continue leveraging social media to create awareness of our services. We will also remain very active in attending community related events to leverage networking. In addition to these objective, the IGNITE staff will continue to focus on the main street businesses of area towns, as well as offering relevant business planning classes for the communities we serve.

We are excited to continue working with Blandin Broadband Communities, and look forward to increasing synergy with other community leaders as we create plans for projects to increase access to broadband networks throughout the county.

In addition, we will continue in 2016 to support and contribute to the Brain Gain program aimed at bringing 30-49 year olds back to Martin County.

Lastly, we will focus on building new relationships and grow on existing relationships with local and non-local entities to provide a stronger network of resources for our clients. The Martin County Board of Directors and Business Facilitators look forward to an exciting year and growing on our previous success in serving as a catalyst for economic development in Martin County.

Thanks to the Martin County Board of Commissioners

The Martin County EDA is funded by Martin County and the Department of Employment and Economic Development (DEED).

Thanks to our 2015 Partners: Regional Center for Entrepreneurial Facilitation, Small Business Development Center (SBDC), Fairmont Economic Development Authority (FEDA), City of Fairmont, Fairmont Chamber of Commerce, Southern Minnesota Initiative Foundation (SMIF).

www.martincountyeda.org

The Martin County Economic Development Authority (MCEDA) performance data provided above is a snapshot for the reporting period of January 1, 2015 to December 31, 2015. The reader should understand that the grassroots economic development strategy is continuously evolving and clients are constantly moving from various structures, forms, locations, and stages of development. This report is also inclusive of the client activity performed for the Martin County EDA.