

2013 Annual Report



A Message from the CEO & President

As I pause to reflect on CEDA and 2013, I couldn't be more proud. I am proud of the accomplishments of our team members—not only the projects that



they were able to accomplish in our contracted cities, counties and organizations—but proud of the accomplishment of being able to bring in outside dollars into this region. When you think that our organization has a total operating budget of less than \$1 million compared to grant applications that were authored by CEDA team members and were FUNDED to the tune of over \$3.2 million, that is quite an accomplishment. In the 27 years that we have been in existence, CEDA team members have authored grant applications resulting in awards totaling about \$35 million. I would say that is quite an accomplishment to be very proud of!

CEDA's services are made possible through contracts with our member communities and the following investors:

AcenTek
AgStar Financial Services
Alliant Energy
Altura State Bank
Alum-line, Inc.
Ayars & Ayars, Inc.
BEVCOMM
Citizens State Bank of Hayfield
David Drown Associates, Inc.
Eastwood Bank
Eitzen Banking & Insurance
F&M Community Bank
First Southeast Bank
Hawkins Ash CPAs
Mayo Clinic Health System—Lake City
Merchants Bank
Mississippi Welders Supply
People's Energy Cooperative
Root River State Bank
Rushford State Bank
State Bank Financial
Tuohy Corporation
Tri-County Electric
Vision Design Group
Xcel Energy

I am proud to be part of an organization that is governed by a volunteer board of community leaders that share a common vision of improving rural America. Our board has the confidence in our team to allow the expansion of not only service territory but types of services offered. I would venture to guess that CEDA is the only non-profit in this region that has expanded in territory and services offered without any dependence upon government/foundation funding. 98% of our budget is directly related to the contracted services we provide. We have very low overhead and we have the flexibility to retain additional team members as needed.

The other 2% of our budget is comprised of contributions received from organizations that believe in the mission and business model of CEDA and are willing to assist us in these efforts. I am very proud of the fact that these investors see the difference CEDA makes. These invested dollars assist us in keeping our rates as low as we can to our contracts.

I am also proud of the cities, counties and organizations that have the confidence in CEDA and our team. The number continues to grow. Your confidence in CEDA is greatly appreciated!

As we venture into 2014, none of us knows what the future holds. One thing is for certain, CEDA will continue to be committed to assisting rural America in any way, shape or form that we possibly can. We look forward to working for you and with you in 2014!

Sincerely,

Ron

Ron Zeigler, CEO & President

2013 Member Community Highlights

Blooming Prairie, MN www.bloomingprairie.com

- Assisted a major local manufacturer with the expansion of a multimillion dollar facility, creating 10+ new jobs over the next 2 years.
- Multiple start-up businesses received help with developing their business plans.
- The EDA loaned funds to help a local business with new equipment cost.

Boscobel Developers; Boscobel, WI

- Completed a Strategic Planning session that involved a private development corporation, the City of Boscobel and the Boscobel Chamber of Commerce.

Chatfield, MN www.ci.chatfield.mn.us

- Assisted with the expansion of a local manufacturer, EZ Fabricating, Inc. resulting in 18 new full-time jobs averaging \$17/hr. with:
 - \$590,000 Greater MN Business Development Public Infrastructure grants for a new industrial park and public infrastructure.
 - \$408,000 MN Investment Fund grant; of which 20% of business repayments stay in the City for future project loans.
 - \$125,000 revolving economic development loan.
 - \$84,000 in tax increment financing for site acquisition and improvements.
 - \$38,500 Rochester Sales Tax funds to assist with development fees.
- \$233,000 MN Redevelopment Grant for public infrastructure improvements related to a commercial retail redevelopment, leveraging \$100,000 in Rochester Sales Tax funds for site acquisition.
- The EDA continued lobbying efforts with the MN Legislature to secure approximately \$7.9 million for the modernization and restoration of the Chatfield Center for the Arts, which continues to add performances and visitors each year.

Claremont, MN www.claremontmn.com

- Researched different project and funding options for city offices.

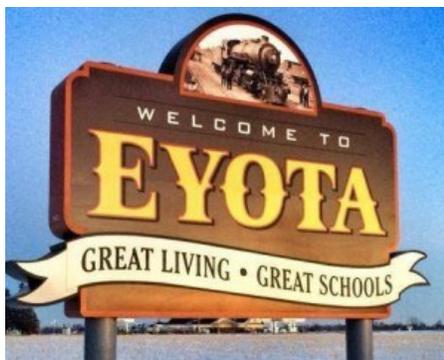
Dodge County, MN www.co.dodge.mn.us

- Two existing companies received assistance with million dollar facility expansions, respectively creating 10-15 jobs at Hodgman Drainage Company, Inc. and 20+ jobs at Ellingson Companies.

Elgin, MN www.elginmn.com

- Entered into a one day a week contract, developed a work plan with the EDA board, developed proposals for perspective and expanding businesses and identified potential housing developments.

Eyota, MN www.eyota.govoffice.com



- The EDA coordinated a new welcome sign project on Highway 14; assisted a local business with loan funds; promoted a new construction incentive; supported a grant application for a new community trail loop; authored a grant for new audio/visual equipment at City Hall; created a marketing package of the area's developable property; and held a community meeting to gather input for the use of the Rochester Sales Tax funds.
- The results of an EDA-administered area health needs survey, which had a 43% return rate, were shared with the community and a local health care provider.
- Business development assistance continued for both a new business at the commercial park and an existing business desiring a feasibility study of the area's resources.

Fairfax, MN www.cityoffairfax-mn.gov

- Began the process to facilitate a Business Retention & Expansion Study.

Fillmore County, MN www.co.fillmore.mn.us

- In collaboration with SMIF and RCTC, succession planning was provided to 10 Fillmore County businesses.
- Two businesses received assistance with Value Added Agriculture grant applications, and one business was assisted in exploring options to upgrade road infrastructure to their business.
- Small business counseling was provided to several individuals exploring new enterprises.

Goodhue County, MN www.co.goodhue.mn.us

- The EDA facilitated the county's Annual EDA Summit; presented recognition certificates to a business in each of the county's cities; represented the county at meetings and presentations; and worked with a revolving loan fund prospect.

Goodview, MN www.goodview.govoffice.com

- Entered into a biweekly contract, developed a work plan with City Administrator, Mayor and Councilors. Started a business retention and expansion survey.

Grand Meadow, MN www.cityofgrandmeadow.com

- The EDA authored a successful \$175,000 Greater MN Business Development Public Infrastructure grant for Phase 2 of the Industrial Park; provided a loan to a new business; and coordinated a National Night-Out Picnic that brought 350 people together.

Harmony, MN www.harmony.mn.us

- Assisted with the expansion of a local manufacturer, Harmony Enterprises, Inc. resulting in 14 new FT jobs avg. \$18/hr. with:
 - A \$250,000 Greater MN Business Development Public Infrastructure grant for a new municipal well.
 - \$65,000 in tax increment financing for site improvements and utility upgrades.
- Accepted a property donation from Wells Fargo Bank; sold the property and donated the net proceeds of approximately \$37,000 to the Harmony Area Community Foundation for local projects.
- \$10,000 grant for two original wood-carved statues from the SE Minnesota Arts Council.
- \$10,000 grant from Harmony Area Community Foundation for new park and gym equipment.
- Revolving loans totaling \$125,000 were provided to local businesses.



Harmony Enterprises, Inc.

Houston County, MN www.co.houston.mn.us

- The EDA provided \$60,000 in revolving loan funds to local businesses.
- Two applications for the MN Investment Fund were submitted, and the EDA helped with a \$10,000 MN Historical Society grant for a Historic Structure Report on the County Courthouse.

Howard County Business & Tourism; Howard County, IA www.howard-county.com

- \$345,400 in revolving loan funds to local businesses, creating 26 jobs and retaining 45. Over 30 entrepreneurs met with Howard County Business & Tourism (HCBT) staff to chart paths of starting a new adventure or growing a current business.
- Lime Springs Beef broke ground on a \$7 million project, creating 60 new jobs. This technologically advanced slaughter house will feature certified beef producers, and the entire process from farm to fork will allow consumers to track their cut of beef full circle.
- Hosted Iowa Governor Branstad and Lt Governor Reynolds as keynote speakers at the HCBT Annual Banquet. More than 200 attendees looked on as Branstad signed into law, HF 533, allowing entrepreneurial education funds for student organizations and clubs to invest in private companies, which allowed the Crestwood FFA to invest \$20,000 in the Lime Springs Beef project; the first such investment in state history.



- Wrapping up Cycle 3 of the Northeast Iowa Regional Housing Trust Fund, Howard County invested \$16,000 in 2013 and received \$73,967 of direct benefits for residents and local housing stock. During the three cycles, Howard County put in \$41,000 and realized nearly \$225,000 in direct benefits.
- More businesses, organizations, and individuals are taking advantage of the classes HCBT offered such as Facebook for Business I & II, Twitter for Business I & II, Ebay, and Customer Service. HCBT also launched the first STEM entrepreneur camp in northeast Iowa at NICC Cresco Center for youth in 5th and 6th grade.
- HCBT awarded \$661,120 in grants for various Howard County projects and events.
- Throughout the year \$41,250 in Cresco Chamber Dollars were purchased.
- Cresco Chamber updated its website and the remodeled its office complex to accommodate the Iowa Wrestling Hall of Fame expansion.
- Howard County generated \$4,570,000 in travel expenditures and \$510,000 in local tax receipts—a 4.46% increase in travel expenditures compared to 2011 and a 2.69% increase in county sales tax revenue.

La Crescent Committee; La Crescent, MN

- Completed a Business Retention & Expansion Study and attended many discussions as to moving the recommendations of the BR&E Study forward.

Lake City, MN www.lakecityeda.com

- In partnership with the local Chamber, the Lake City EDA:
 - Held quarterly meetings with representatives of the city's large employers and manufacturers.
 - Made 12 Business Retention & Expansion visits to local businesses through the MN Chamber of Commerce's Grow MN! Program.
 - Sponsored a customer service training seminar for local businesses.
 - Participated in the "Dream it. Do it." statewide tour of manufacturing by organizing a tour of Lake City's 2013 Manufacturer of the Year—Hearth & Home Technologies—for the public and high school students.



- Served on a regional steering committee for the development of a Rochester Area Economic Growth Plan and worked with a local volunteer group to investigate opportunities for expanding industrial education within the high school.
- A local retail business received a revolving loan for expansion, and a downtown business was awarded grant funds for a façade renovation.

LeRoy, MN www.visitleroy.com

- The EDA coordinated a new Welcome Sign project; sponsored a second annual Business Roundtable to discuss the city's business climate and improve promotion of businesses; and continues to manage a 34-unit Senior Living facility.

Lewiston, MN www.lewistonmn.org

- The EDA continues to coordinate a multi-agency effort to develop a nature preserve, which will be a prominent landmark in the city's newly developed Master Trails Plan.
- \$100,000+ Safe Routes to Schools project began construction, with results welcomed by the community.
- In its second full year, CEDA's Administrative Operations contract continued to provide government administration, including budgeting, finance/accounting, and human resources management for the city. In addition to meeting the city's daily organizational needs, CEDA personnel instituted on-line billing and payment options for utility customers; began a monthly newsletter; administered infrastructure projects and capital purchases; and received grant funding for a municipal well-sealing project.

Lyle, MN www.lylemn.com

- Awarded \$98,000 Greater MN Business Development Public Infrastructure grant for water and sewer extensions to support a local business expansion.

Mabel, MN www.mabelmn.com

- The EDA acquired Main Street properties and applied for a MN Redevelopment Grant for construction of a new grocery store. Work continues with the Mabel Community Market Cooperative for this initiative.
- The Mabel Business Association & EDA continue efforts to market local businesses and the Community Center.

Oronoco, MN www.oronoco.com

- Participated in a discussion in regards to the Rochester Sales Tax funds and Destination Medical Center.

Preston, MN www.prestonmn.org

- The EDA created and began administering a new “Spare Change” program for utility customers.
- The Housing Incentive Program to promote energy efficiency and the use of local services was renewed.
- Plans for a new industrial park began in collaboration with a land owner and local businesses.
- The EDA collaborated with the Historical Society to promote a downtown walking tour and supported the National Trout Center at the State’s bond hearing.
- Revolving loan funds assisted with a downtown business expansion and the creation of a new downtown business, and the EDA assisted with the relocation of NAPA and Root River Hardware by shifting Small Cities Development Program funds to a former gas station.

New fly fishing shop in Preston



Red Wing HRA; Red Wing, MN www.redwinghra.org

- Administered \$400,000 in Small Cities Development Program (SCDP) program-income funds for the Red Wing HRA to rehab 8 commercial projects.
- Submitted SCDP pre-application totaling \$797,730 to rehab 15 commercial and 10 owner-occupied housing projects; the Red Wing HRA would commit \$160,000 in leverage funds for this grant. The project moved forward to the full application process in 2014.

Rushford, MN www.rushford.govoffice.com

- Follow-up on Business Flood Loans and administration of the Revolving Loan Fund continued, including submitting required reports and encouraging business assistance for struggling enterprises or new RLF applicants.
- Supplemental Revolving Loans were approved for two existing businesses, and new Revolving Loans were approved for two new downtown business—a motel and a coffee shop, which also has two apartments on the second level.
- The EDA, City of Rushford, Chamber, and a marketing consultant developed a Marketing/ Communications Plan to prepare for the reconstruction of Highway 43 through town.
- The EDA conducted a second Tri-City Business Retention and Expansion Survey.

Rushford Village, MN www.rushfordvillage.govoffice.com

- CEDA staff assisted with training a new city clerk through spring 2013, including the annual city audit and administration of a MN Public Facility Authority loan for new well; and continued follow-up required for Business Flood Loans.

St. Charles, MN www.stcharlesmn.org

- The EDA assisted a new business to build in the Whitewater Industrial Park by utilizing TIF and helped with a feasibility study for a potential hospitality project.
- Utilizing a portion of the Rochester Sales Tax funds, the EDA developed a new Commercial Rehabilitation Program and approved two projects for this program, which included \$20,000 in assistance and \$80,000 in private investment.

Spring Valley, MN www.springvalley.govoffice.com

- The EDA coordinated steps two and three of downtown Main Street Planning in collaboration with other entities and with grants from AgStar, Spring Valley Public Utilities and the Spring Valley Area Community Foundation.
- A Small Cities Development Program grant for downtown building improvements was approved for \$539,750 to rehabilitate 15 commercial properties and 14 rental units. Additionally, \$77,000 was awarded by Greater MN Housing for the rental projects, and the EDA will use its RLF as leverage for the commercial projects. Four \$10,000 EDA Revolving Loans have been approved.
- The EDA assisted three businesses with Revolving Loans and approved a \$30,000 grant to assist a business to move downtown and expand by starting a retail appliance store.
- The EDA collaborated with the Spring Valley Public Utilities to offer a new housing construction incentive and possibly promote the industrial park through DEED’s “Shovel Ready” program.
- The EDA and Chamber developed a new buy local campaign called Karma Cash, which demonstrates how local businesses’ shopping at other local businesses impacts the local economy.

More highlights and CEDA financials

Stewartville, MN www.stewartvillemn.com

- Rochester Sales Tax funds were leveraged for a variety of economic development projects:
 - \$200,000 to create a building rebate program; \$80,000 in rebates were awarded building 17 homes, creating about \$4 million in additional tax base and 33 FTEs at an average wage of \$27 per hour.
 - \$136,000 to construct a trail connecting the downtown district to a northern business district.
 - \$43,000 to relocate overhead utilities to redevelop commercial property.
- Created a new forgivable redevelopment loan and forgivable/no interest façade improvement loan were created for the downtown business district, which awarded \$25,000 and \$17,000 respectively.
- The EDA established a \$50,000 retail revolving loan fund.
- The Schumann Business Park was certified as "Shovel Ready."
- Two new major employers were welcomed: FedEx Ground opened a new 60,000 square-foot distribution center in the Schumann Business Park and CR Bard purchased Rochester Medical Corp.

Wabasha Port Authority; Wabasha, MN www.wabasha.org

- Assisted the Wabasha Port Authority with reporting requirements with USDA Rural Development. Continues to facilitate and assist with existing loans related to USDA Rural Development funding.

West Concord, MN www.westconcordmn.com

- The EDA organized business forums with local leaders and business owners to exchange ideas; provided community outreach and advertisements with local social media training; developed creative uses for Rochester Sales Tax funds; and helped local business expand operations with the use of EDA revolving loan funds.

Wykoff, MN www.wykoff.govoffice2.com

- Assisted with the coordination of a \$500,000 SCDP grant and additional USDA funding for the Wastewater Treatment Facility construction, which is planned for spring 2014.

Additional CEDA Projects

- Through the SE MN Small Business Development Center at Rochester Community & Technical College, CEDA worked with 52 clients, providing 208 hours of assistance.
- CEDA continues to administer Small Cities Development Program grants in Lanesboro and Mabel to rehab 5 commercial & 10 housing projects.

Board of Directors

F. Mike Tuohy, Chair
Chairman of Tuohy Furniture
Chatfield, MN

Jim Hoiness, Vice-Chair
Owner of Rushford, Harmony & Preston Foods
Rushford, MN

Brian Krambeer, Past Chair
President & CEO of Tri-County Electric, Rushford, MN and CEO of Hawkeye Electric, Cresco, IA

Mike Jones, Treasurer
City Administrator
Blooming Prairie, MN

Cheri Kramer, Secretary
[Retired] Mayo Clinic Health System
Lake City, MN

Bill Rohe
Senior VP at Security State Bank
Spring Valley, MN

Dwayne Lee
Development Director of 504 Corporation
Rochester, MN

Richard Bodensteiner
Partner at Automated Equipment LLC
Red Wing, MN

Gary Gooder
President of Alum-Line Inc.
Cresco, IA

Larry Anderson
President at Anderson Rural Network, LLC
Frost, MN

Elaine J. Garry
President & CEO of People's Energy Coop
Oronoco, MN

David A. Grewe
Sr. VP/Regional Sr. Lender at Merchants Bank
Winona, MN

2013 Financials

	Actual	Budget
Revenues	\$902,642	\$871,089
Expenses	\$916,896	\$851,176
Net before depreciation	(\$14,254)	\$19,913
Net after depreciation	(\$18,377)	\$16,013



1500 South Highway 52
P.O. Box 483
Chatfield, MN 55923
507-867-3164

www.cedausa.com
email: info@cedausa.com