

Cavalier County Job Development Authority

2004 Annual Report

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DataTic Technologies, Renaissance Zone & RBEG Grant Are Major Accomplishments for 2004

A new technology company, the implementation of a North Dakota state economic development program, and a grant from USDA/Rural Development for a revolving loan fund led the Cavalier County economic development effort in 2004.

The Cavalier County Job Development Authority, working with the North Dakota Department of Commerce, successfully recruited a California-based software company to Langdon in February, 2004. DataTic Technologies, with headquarters in Palo Alto, CA, announced that it would expand to Langdon initially to develop and market



DataTic Technologies

software to track animal-borne diseases.

DataTic first located their Langdon office in incubator space at the NDSU Research Extension Center, moving to the former Otter Tail building in August. The company spent most of 2004 working through the start-up phases, with hiring expected to commence early in 2005, as they finalize agreements for pilot projects.

The city of Langdon took the lead in applying to the state of North Dakota for designation of a Renaissance Zone. The comprehensive application identified 22 city blocks that would qualify for development. The RZ provides state tax exemption incentives for development of commercial and residential properties.

The Farmers & Merchants State Bank (new construction expected summer of 2005) and Homespun (purchase of existing historic Main Street property) were the first approved projects.

CCJDA was successful in establishing a new \$200,000 local revolving loan fund, thanks to a \$98,000 USDA/Rural Development Rural Business Enterprise Grant (RBEG) and a \$102,000 committed match from the Cavalier County Loan Pool. Working documents were finalized as 2004 drew to a close, with assistance available early in 2005. In the future, as loans are paid back, the RBEG portion remains with CCJDA for investment in projects and, at that point, is not subject to federal restrictions.

CCJDA Has Success with Grants

A recap of the projects and their cost that have been submitted since the Cavalier County 2001 Strategic Plan was implemented is as follows:

The 2001 RUS (Rural Utilities Service) Distance Learning and Telemedicine Grant Program provided \$110,000 to members of the Rural Regional Distance Learning Consortium for technology equipment costs. These activities were completed April 26, 2004.

An RBOG (Rural Business Opportunity Grant) Technical Assistance to facilitate the Strategic Plan provided Cavalier County with a Grant-Writer, Joyce Rice, for research, planning, writing grants, and to implement and assist the Director, Carol Goodman, with the funding processes necessary to complete community development projects as outlined in the 2001 Cavalier County Strategic Plan Program of Work. The grant-writer position started 12-1-03

with local funds of \$38,933.40. The federal funds of \$37,406.60 started 12-1-04 and will continue until 11-30-05. CCJDA plans to reapply the end of this year for another 2 years technical assistant (grant-writer) position.

An additional RGOB (Rural Business Opportunity Grant) was submitted by the Champion REAP Alliance Director for the Empowerment Zone and all Champion communities. CCJDA was awarded \$1,878 on 8-23-04.

A USDA/RBEG Revolving Loan Fund (Rural Business Enterprise Grant) was awarded to CCJDA on 8-17-04 in the amount of \$98,000. The Cavalier County Loan Pool will provide \$102,000. CCJDA wishes to assist with business development, retention and expansion projects and the revolving loan fund will help provide these opportunities.

A Rural Health Care Services Outreach Grant

was submitted 9-13-04 to provide education on chronic disease management and prevention and healthy lifestyles. Award notification is 5-1-05 for amounts of \$199,781.10 in year 1, \$143,399.18 in year 2, and \$122,047.25 in year 3 for a total request of \$465,277.53.

An EMS Network Grant was submitted 10-22-04 and funds in the amount of \$15,000 were awarded 11-19-04 for 4 notebook computers with training and to attend the 2005 EMS Conference in Bismarck. These items will help the EMS volunteers comply with mandatory state requirements. The network is comprised of Cavalier County Memorial Hospital and Langdon, Munich, Edmore, and Walhalla Ambulance Services. Bob Klein assisted Joyce Rice with this grant and will provide the training on the SOAR (state online ambulance reporting) software.

New Research Extension Center Facility Exceeds Expectations



The community project that took five years from concept to reality has exceeded all expectations, in addition to proving that a positive and patient approach to community development yields exciting results.

The Langdon NDSU Research Extension Center Vic Sturlaugson Learning Facility officially opened its doors February 1, 2004, but space for meetings and classes had been in demand for several weeks prior. The April 16 dedication was attended by 188 people, which included members of the Sturlaugson family, representatives from NDSU and members of the project steering committee.

By December 26, 2004, the actual attendance at events totaled 3,866. A sampling of the events includes video-conferencing for classes and meetings, agri-business information meetings, a quilt show, law enforcement and emergency management training, and extensive use by NDSU Research and Extension.

The North Dakota Development Foundation, the advisory arm of the North Dakota Department of Commerce, met at the Center in June, and the Governor's Military Task Force met there

in July.

The new facility was also honored with a design award from the North Dakota chapter of the American Institute of Architects as part of the 2004 Annual Awards Program. JLG Architects of Grand Forks, the designers of the building, received the AIA Merit Award for the project. NDSU President Joseph Chapman and Research Center Director Randy Mehlhoff accepted the award at a ceremony in Fargo.

DataTic Technologies, Inc. occupied the two incubator offices from March to September, and the Farm Business Management Program for northeast North Dakota, implemented by Kevin Misek, is off to a successful start. In addition, the research center staff finally has adequate space for their continually expanding research base.

The \$810,000 state and local investment in the Vic Sturlaugson Learning Facility has only begun to pay dividends. The development of new projects and programs to serve the people in the 9-county region will be a benefit for many years to come.



Internship Program Starts off 2005

As we begin the 2005 program year, the Cavalier County Job Development Authority is working with our Devils Lake Region Partnership to launch the first-ever Northeast North Dakota Summer Internship Program.

The goal is to have a minimum of 10 college students working with businesses in the region to provide a quality summer internship that is related to their field of study.

The program has many benefits to both student and employer. Most college curriculums now require internship experience in the major field of study, and the North Dakota economic development network has been working together to increase the number of internships in the state.

The student also has the opportunity to learn that there are exciting careers to be had in North Dakota and the program is intended to provide an incentive to stay in the state following graduation.

Employers can benefit from the energy and new ideas brought to the relationship by the college-age student. Most importantly, the business has a first-hand chance to identify a future employee.

CCJDA has approved financial support for the program with the commitment of one-half of the summer salary for up to three interns in Cavalier County. The program has set the salary at \$3,500 for the 10-week internship.

For more information on internship opportunities, go to www.ndintern.com

2004 Project Summary & Sales Tax Expenditures

A \$25,000 grant to DataTic Technologies, expansion loans to two major Cavalier County Businesses and advertising assistance to five businesses that were affected by the Boyd Block fire in September were primary economic development investments in 2004.

One-third of the Langdon City Sales Tax is dedicated to economic development for Cavalier County, which in 2004 amounted to \$55,547.66. CCJDA also returned \$26,748.31 to the economic development fund from loan repayments. In

addition, \$30,000 from the sale of the MTI building, \$6,728.00 from the sale to Farmers Union of property west of the MTI building, and \$9,552.61 from the sale of three Langdon Main Street lots to Farmers & Merchants State Bank was returned to the economic development fund. The available balance in the fund on December 31, 2004 was \$103,064.43.

CCJDA continued to be one of the economic development organizations to invest in work of the North Dakota Irrigation Association (formerly Commercial Vegetable

Growers) with a \$1,000.00 annual membership and \$500.00 toward a marketing study for vegetables. Small-acreage development, processing, warehousing and transportation are potential opportunities as this industry develops in North Dakota.

Support for the Nekoma Centennial, Music Fest and improvements at Mt. Carmel Dam are evidence of CCJDA's investment in tourism and recreation for 2004.

CCJDA made the fifth and final interest buy-down for Dahl Trucking. Since the business expanded into Langdon in 2000, their employee numbers have grown to 60+ which includes office staff and contract employees.

CCJDA paid \$8,961.36 in special taxes to the City

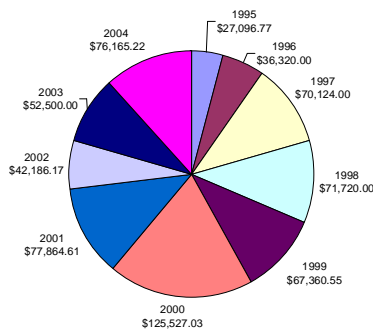
of Langdon for improvements to 15th street, which provides access to the Industrial Park. A CCJDA goal for 2005 is to improve the Industrial Park infrastructure and market the property to potential new tenants.

CCJDA provided an

interest buy-down through the Partnership in Assisting Community Expansion (PACE) program for Midwest TeleMark, Inc. to purchase the building they have leased since 1998. The Bank of North Dakota administers the program.

	Property	Projects	Industrial Park	Mini-Grant	Other	Committed
Datatic Technology		\$25,000.00				
JDA 15 th Street Special Assessments			\$8,961.36			
Commercial Vegetable Growers (CVG)				\$1,000.00		
Music Fest Tourism Support				\$2,000.00		
Nekoma Centennial				\$2,000.00		
TotalCrop Farming System		\$8,000.00				
Mt. Carmel Beautification Committee				\$2000.00		
Langdon Floral		\$10,000.00				
North Dakota Irrigation Association (aka CVG)				\$500.00		
Dahl Trucking, LLC Interest Buy Down		\$5,000.00				
MTI (PACE Buy Down)		\$11,703.86				

Year Totals



1995-2004 Total Investment
\$651,864.35

\$500 Post-fire Marketing Grants

Langdon Floral
 Fannie's Favorites
 Nail Connection
 Tranquil Blue
 Chandlers

RUS Grant Dispersal*

Research Center—\$64,861
 CCM Hospital—\$40,102
 Langdon School—\$5,037.19

*From 2001 \$110,000 grant

Projects to Watch in 2005

- Development of Industrial Park
- Investment of Revolving Loan Fund
- Potential Feasibility study for Stanley R. Mickelsen ABM site
- Langdon's 3rd Street improvement
- Renewal of RBOG grant
- Announcement of Wellness grant 5/1/05

*Make no little plans
They have no magic to stir one's blood and
Probably will not be realized
Make big plans
Aim high in hope and work remembering
That a noble, logical diagram once recorded,
Will never die, but long after we are gone
Will be a living thing,
Asserting with growing intensity.*

*Daniel H. Burnham (1864-1912)
Chicago Architect*

Cavalier County Job Development Authority

The Cavalier County Job Development Authority was created early in 1990 when community leaders requested funding from the county commissioners for the purpose of establishing a county-wide economic development agency. The commissioners granted that request by levying three mills, which at that time was expected to provide approximately \$54,000 annually. An organizational meeting was held on March 20, 1990, and board members and officers were elected according to the guidelines in the North Dakota Century Code for Job Development Authorities.

JDA boards must have no fewer than 10 nor more than 20 members. They are required to have two county commissioners and a representative from the city councils of each community that has a population of five hundred or more. The remainder of the board is to represent a cross-section of business, education, medical, legislative, service and at-large interests. A high priority for CCJDA is to have at-large members that represent all four corners of Cavalier County.

Since 1990, the CCJDA organization has grown from an office with one executive director to the executive director, full-time office manager and full-time grant writer that manage a comprehensive economic development program at the end of 2004.

The purpose of CCJDA is to provide for the economic well-being of all of Cavalier County. Our mission states that "The primary responsibility of the Cavalier County Job Development Authority is to not only create jobs and increase incomes by the process of economic development, but to create a climate conducive for development within the whole county. Economic development includes the enhancement of human capital, developing community infrastructure and promoting business development."

A comparison of our mission statement to our program of work will show that CCJDA is worth investment of county tax dollars. For more information about CCJDA, please contact the office—256-3475.

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CCJDA Board of Directors

Randy Mehlhoff	Brent Zavalney	Jim Belanus
Mike Granlund	Duane Otto	Ray Rollness
Chad Brusseau	John Delebo	Peggy Balsdon
Ole Nowatzki	Mark Zimmer	Tina Gustafson
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