

RED RIVER REGIONAL COUNCIL

Annual Report 2003-2004



- Red River Basin Riparian Project
- Public Facilities
- Historic Preservation
- Mitigation
- Economic Development
- Small Business Development Center
- Job Development Authorities
- Housing

Introduction

The Red River Regional Council has been in existence since 1973. The Regional Council is a political subdivision of the State of North Dakota, however, it currently does not levy tax funds to support its operations. Operations are supported through contract administration, program development and county government memberships.

The Council's goal, as initially established, is to use local, state, federal and private financial resources to assist in making Grand Forks, Nelson, Pembina and Walsh Counties a better place to live and work for all its citizens

To accomplish this goal the Council has concentrated its work program to the functional areas of Economic Development, Housing, Community Development, Environmental and Natural Resources and Disaster mitigation. This report contains the highlights of work for the past two years. In reviewing this report feel free to provide us with comments and recommendations as how to improve and become more accountable to the residents we serve.

Table of Contents

Introduction	Page 2
Board of Directors, Advisory Members and Staff	Page 3
Environmental Quality Activities	Page 4-5
Historic Preservation Efforts	Page 6
Community Development Block Grant	Page 7
Mitigation Efforts	Page 8-9
Economic Development Activities	Page 10-11
Red River Resource Conservation & Development (RC&D)	Page 12-14
Housing	Page 14
Pembina County Job Development Authority	Page 15
Nelson County Job Development Authority	Page 16

Nelson County Job Development Authority

The Red River Regional Council also provides technical assistance to the Nelson County Job Development Authority (JDA).

2003-2004 Business Assisted in Nelson County

McVilleville City Assistance	Preparation of funding application
Aneta School Renovation	Preparation of funding application
Lakota Dairy & Initiative	Preparation & administration of funding applications
Livestock Production	Technical assistance
Small Business Development Center	Local Match
Lake Loreta	Funding application
Strategic Planning	Review plans in Pekin, McVilleville, and Michigan
Ice Shatter Project	Feasibility study
Former Brittonya Building—McVilleville	Funding for City to purchase building

Housing



The Regional Council continues to pursue housing assistance to the region's communities. The Regional Council also provides staff assistance to the Regional Housing Development Organization (RHDO). Work activities during 2003-2004 are the following:

- Grafton Housing Rehabilitation - Rehabilitated _____ owner-occupied single family units throughout the City of Grafton for a total of \$ _____
- Walsh County Housing Rehabilitation—Rehabilitated _____ owner-occupied single family units throughout the County of Walsh for a total of \$ _____
- New Single Family Construction in Grand Forks—Manage the construction of single family units on behalf of the RHDO Board
- Low Cost Multi-Family Complex in Edinburg—Administered the completion of a needs assessment
- Grafton Twin Home—Developed and managed a lease-to-own twin home.

Job Development Authorities (JDA)

Pembina County Job Development Authority

The Pembina County Job Development Authority (JDA) was formed by the Pembina County Commissioners approximately ten years ago. The state enabling legislation authorizes the Authority to be the official group responsible to assist the development and expansion of the economy in the county.

The Authority contracts with the Red River Regional Council for administrative services. Julius M. Wangler is the staff person responsible for the Pembina County JDA administrative agreement.

2003-2004 Businesses Assisted in Pembina County

Farmers Co-op Elevator—Cavalier, ND	\$50,000 loan
Small Business Development Center	\$3,000 grant for local match
Turtle Mountain Tourism Association	\$5,000 grant to develop a tourism plan
Arrow Industries—Neché, ND	\$3,400 for Bank of North Dakota PACE Interest Reduction
Drayton Oxcart Trail	\$500 grant to construct oxcart
Bizpathways	\$4,500 grant for local match
Westwood Manufacturing—Neché	\$4,800 for Bank of North Dakota PACE interest Reduction
Sally's Dog Grooming—Cavalier	\$3,000 loan
Tarnel, USA—Walhalla	\$5,000 loan
St. Thomas Sales—St. Thomas	\$5,000 loan
Wild Fire Technologies	\$5,000 for feasibility study and Prototype development
Hank's Corner	\$4,750 loan
Carpenters Innovation—Walhalla	\$1,000 grant for market research
La Tea Da Teahouse—Cavalier	\$8,715 loan for interest rate reduction

Red River Regional Council

Board of Directors

- *Corene Vaughn, *President*, Pembina County Commissioner
- *Wesley J. Davidson, *Vice-President*, Nelson County Auditor
- *Fred Stark, *Treasurer*, Mayor, City of Grafton
- *Pat Hardy, Mayor, City of Walhalla
- *Muriel Stadstad, Eastern Grand Forks County Soil Conservation District
- *Vacant, Minority Representative
- *Allen Ruzicka, Walsh County Commissioner
- Charles Durrenberger, Grand Forks Planning Department
- Mike Bethel, Mayor, City of Gilby
- Michael Kotchman, Pembina County Soil Conservation District
- Clayton Linstad, Nelson County Soil Conservation District
- Vern Russum, Walsh County Soil Conservation District
- Tom Trenbeth, Local Development Corporation
- Spud Murphy, Grand Forks County Commissioner
- Steve Girodat, Mayor, City of Pekin
- Larry Anderson, Job Service North Dakota
- *Executive Committee Members*

Advisory Members

- David Raney
- Bob Sobolik, Bremer Bank, Larimore, ND
- Floyd Anderson, Larimore Sunflower Inc.
- Kurt Eickhof, Construction Engineers Ltd.
- Kent Keys, Red River Valley Community Action Agency
- Tim Schroeder, UND Recreation & Leisure
- Helen Cozzetto, Minnesota District of Natural Resources
- Rosemarie Myrdal
- Jon McMillian

Staff

- Julius M. Wangler, Executive Director
- Katherine A. Lunde, Community Developer
- Dawn M. Keeley, Business Development Director
- Karol Dupree-Robinson, Housing Coordinator
- Sandra Simonson, Hazard Mitigation Coordinator
- Dave B. Rush, Environmental Projects Coordinator
- Donovan Wadholm, Business Consultant
- Janet Dvorak, Administrative Assistant
- Lori A. Estad, Secretary
- Paul Wellman, Resource Conservation & Development Coordinator
- Sue Currie, Resource Conservation & Development Administrative Assistant

Budget Summary

	2003	2004
INCOME		
EDA Planning Grant	\$ 76,578	
SBDC Subcontract	92,830	
County Memberships	47,982	
Nelson/Pembina County JDAs	42,847	
Historic Preservation	11,030	
CDBG—Public Facilities/Ranking	44,137	
Disaster Mitigation	120,621	
Environmental Programs	102,453	
Housing	27,801	
Strategic Planning	13,200	
Revolving Loan Fund/CDLF	33,447	
Other	<u>17,746</u>	
TOTAL INCOME	\$ 630,672	
EXPENSE		
Salaries	\$ 338,088	
Fringe	114,610	
Travel	30,041	
Rent/Utilities	21,050	
Supplies/Communication	55,088	
Management/Consultants	44,061	
Misc.	58,046	
TOTAL EXPENSE	\$ 660,984	
NET	(\$30,312)	

Economic Development Loan Programs

The Red River Regional Council owns and facilitates three loan programs including the Red River Revolving Loan Fund (RLF), Progress Fund and the Community Development Loan Fund. These programs focus on primary sector projects as well as essential community services. Quality job creation/retention are also items of consideration when evaluating a loan package.



V-18 production will move from Kenora, Ontario to Cavalier in mid-2005



Tarnel USA, Walhalla, now employs over 25 people

\$4 million and currently have greater than fifty borrowers.

These programs are managed by the Regional Council's Economic Development Committee. This committee's intent is to provide gap financing to projects that will be beneficial to the local economies by creating quality jobs and increasing the local tax base.

Approved Investments 2003 & 2004

Funded Projects	Location	Amount
Hansons Implement	Cavalier	\$100,000
Mike Kilmer Construction	Grafton	\$50,000
Arrow Industries	Neché	\$42,000
St. Thomas Sales	St. Thomas	\$80,000
VTS, Inc.	East Grand Forks	\$75,000
Spinal Designs International	Cavalier	\$50,000
Tarnel USA	Walhalla	\$130,000
Spinal Designs International	Cavalier	\$67,500
Vanguard Manufacturing	Cavalier	\$197,500

Economic Development Activities

Small Business Development Center

The Red River Regional Council and the North Central Planning Council have teamed up to subcontract with the University of North Dakota to provide the delivery of the Small Business Development Center program throughout the ten counties covered by these two regions in northeastern North Dakota. This program provides funding for one full time and two part time staff.

Consulting Services

The SBDC provides free confidential one-on-one professional consulting. Specific types of assistance include:

- Advice on operating challenges in existing businesses
- Review and assistance with business plans and strategies
- Information and guidance in new

business start-ups

- Advice on purchases of existing businesses
- Loan preparation and/or loan application assistance
- Financial analysis, developing projections and budget development
- Research services
- Other business needs!

Training Opportunities

Training courses range from advanced seminars aimed at the experienced entrepreneur to introductory programs for those planning to start a business. In late 2004, the Regional Council initiated the formation of a collaborative effort with other training providers throughout the region in an effort to most efficiently and most effectively deliver a united training program.

SBDC Results 2003 & 2004

Activity	2003	2004
# of clients served	251	228
Hours of service	1750	1381
Training events/attendees	15 / 223	16 / 135
Businesses started/retained/expanded	32	49
Jobs created/retained	104	232
Total business investment secured	\$2 million	\$12.5 million
% primary sector clients of total	24%	20%

Environmental Quality Activities

Red River Basin Riparian Project

The Red River Basin Riparian Project entered Phase III in the summer of 2003, marking eight years of continuous operation of the project.

In 2003-2004, the project continued to build on the successes of Phase II by increasing the partnership base. New partners to the project included Lake Agassiz RC&D and Regional Council as a project co-sponsor, Audubon Dakota and their Greenway on the Red Project, and two academic departments of the



Fish habitat installed during 2004 workshop at Turtle River State Park



Stream barbs in Cavalier

provided over \$88,000 in cost-share for riparian forest restoration and river bank stabilization. Several projects completed in the last two years include seven mile restoration of natural Drain 39 in Richland County, restoration of 10 acres of riparian forest in the Grand Forks Greenway, and Forest Stand Improvement and planned grazing for reaches of the Sheyenne River in Nelson County.

North Dakota State University.

In the last two years, the Riparian Project has assisted 18 landowners and

The project also held a series of very successful training workshops for restoration contractors at Turtle River State Park.

GF Air Force Base Agricultural Hay Lease Lands

In 2003, the Regional Council developed a rehabilitation and management plan for the agricultural hay lease lands at the Grand Forks Air Force Base.

The plan includes recommendations for maintaining the viability of current

hay lands and the restoration of native vegetation to the remaining acres. The report was completed in October of 2003 and several of the recommendations were put into practice in the winter and spring of 2004.

Pembina River Basin Advisory Board

The Pembina River Basin Advisory Board (PRBAB) was active with its Watershed Restoration Action Strategy (WRAS) project during 2003 and 2004. Water quality and quantity sampling were completed for the project in October of 2004, ending five years of monitoring in the Pembina Watershed.

The data collected will be used to assist with the development of a Water Management Plan for the basin. Writing of the management plan was started the summer of 2004 and will be presented to the PRBAB in the spring of 2005.

The PRBAB is also engaged in an effort to resolved a decades old drainage issue along the Pembina County border with Manitoba. The Board requested assistance form the International Joint Commissions International Red River Board (IRRB).

The result of this effort was an initial investigation into the issue by an IRRB appointed team. The team produced a report to the IRRB that included six recommendations for action to resolve the issue. The PRBAB is continuing to work with all parties to further these recommendations.

Red River Resource Conservation & Development (RC&D)

The Red River Resource Conservation & Development (RC&D) Committee helps people in rural areas plan and carry out activities that increase conservation of natural resources, support economic development, and enhance the environment and standard of living in local communities.

Because RC&D areas are locally organized, sponsored, and led, the program provides an ideal way for residents to join together to decide what is best for their community. United States Department of Agriculture (USDA) provides technical and financial assistance and sponsors obtain additional funding and services from a variety of other sources. The premise of the RC&D program is that local people know what is best for their communities.

The RC&D Committee committed about \$11,500 small grants over the past two years. These funds were matched by local and state sponsors with more than \$1,000,000 in other federal, state, local and private funding.

Community Development Block Grant

The Community Development Block Grant (CDBG) Program is target to assist individuals of low and moderate income (LMI). As with housing, funding of public facilities project (i.e., sewer, water, streets, etc.) and removal of architectural barriers (ROAB) (i.e., curb cuts, elevator installation, bathroom renovation) all relate to the LMI.

The Regional Council manages the CDBG Program for this region of the state. The following is a breakdown of the allocation of funds in FY 2003 and 2004. Public facilities and housing projects are funded once during the year and economic development applications are considered throughout the calendar year.

2003 Breakdown

Economic Development	\$93,992
Housing	\$95,119
Public Facilities/Planning	\$93,991

2004 Breakdown

Public Facilities/Planning	\$143,759
Economic Development	\$143,759

A detailed description of funded Housing and Economic Development projects can be found later in this report.



Aneta Water Tower, new and old

2003-2004 CDBG Public Facilities Projects

Grant Recipient	Description	Funding	Total Cost
City of Aneta	Water tower replacement/lagoon repair	\$175,914	\$360,000
City of Drayton	Water treatment facility improvements	\$32,104	\$176,075
Grand Forks County	Courthouse renovation	\$100,000	\$2,477,000
Walsh County	Chase Building renovation	\$61,149	\$86,940
City of Grafton	City Hall Entrance	\$40,387	\$55,124
City of Lankin	Sewer lagoon repair	\$86,014	\$110,000
City of Gilby	Lagoon repair	\$136,771	\$280,437
City of Lakota	Lakota Public School renovation	\$30,000	\$85,000

Historic Preservation Efforts

Certified Local Governments (CLG)

CLGs are local government entities approved (certified) jointly by the National Park Service and the State Historical Society of North Dakota as eligible for assuming the important role in the National Historic Preservation Program that the National Preservation Act specifies for local governments.

The CLG Program is designed to establish a working partnership among local government, state government and the federal government to encourage historic preservation at the local level.

As a CLG, the Historic Preservation Commission is eligible to compete for a special set aside of grant monies that originates from the National Park Services and managed by SHPO.

Walsh County Historic Preservation Commission (WCHPC)

The WCHPC was established in July 1989 with a Board of Directors consisting of seven representatives from throughout the



Strand Theater, Grafton

county. Nominations to the National Register of

Historic Places that were accomplished in 2004 include: North Trinity Lutheran Church (rural Walsh County), and the Strand Theatre (Grafton). Three studies have been done on the Red River Oxcart Trails and presently a district nomination for the Red River Oxcart Trails to the National Register of Historic Places.

A Five-Year Work Plan was also developed and recently updated for 2003-2008. Approximately \$95,000 has been received in Walsh County from the State Historic Preservation Office (SHPO) for implementation of projects.

Pembina County Historic Preservation Commission (PCHPC)

On June 3, 2003, the Pembina County Board of Commissioners adopted a resolution for the creation of the PCHPC.



Pembina County Courthouse stained glass dome to be repaired

The application was approved by the State Historic Preservation Office and the National Park Service and made official on September 26, 2003. The PCHPC is now eligible to participate in the Certified Local Government (CLG) Program.

The PCHPC has received funds for the development of a Five-year Work Plan (2003-08) and restoration of the Pembina County Courthouse stained glass dome.

RC&D Projects (sampling) 2003-2004

Project	Sponsor
Nelson County/Stump Lake Multi-Use Community Center & Museum	Nelson County Park Board
Pekin City Auditorium Renovation	City of Pekin
Heritage Village Improvements	Heritage Village Board—Grafton
Homme Dam Recreation Improve.	Walsh County Park Board
Pembina Co. Historic Sawmill Demonstration	Pembina County Historical Society
Museum of Natural History	Walhalla Chamber of Commerce
Nature Tourism Conference	ND Rural & Nature Tourism Assoc.
Red River Oxcart Trail Brochure	Tourism Committee
Sheyenne River Riparian Demonstration	Nelson County Extension, Nelson County SCD, ND Forest Service, Red River Riparian Project
GF Native Grassland Develop.	GF Air Force Base, Regional Council
Red River Riparian Project	ND Forest Service, UND-EERC, Nelson, Walsh, Pembina and GF SCD Boards, and Water Resource Boards
ND Water Magazine—Nature Based Tourism Special Edition	New Economy Initiative, Tourism Alliance, and others
City of Cavalier—Riparian	Red River Riparian project, city
Turtle River State Park—Riparian Workshop	Eastern & Western GF County SCD, ND Forest Service, Turtle River State Park, RRRC, others
Pembina River Watershed Project	RRRC and others
Turtle River State Park Conservation Education Site	Eastern & Western GF County SCD
2004 State Envirothon	Coalition for Conservation and Environmental Education and others
Walsh County Ladies Ag Day	Walsh County/Three Rivers SCD

Mitigation Efforts

FEMA Moved to Department of Homeland Security

Since the events of September 11, 2001, there have been many changes within the Federal Government. On March 1, 2003 Federal Emergency Management Agency (FEMA) became part of the U.S. Department of Homeland Security.

FEMA's continuing mission is to prepare the nation for all hazards and effectively manage federal response and recovery efforts following any national incidents. FEMA also initiates proactive mitigation

activities, training first responders and manage the National Flood Insurance Program and the U.S. Fire Administration.

The definition of mitigation has been expanded to include man made disasters including bioterrorism and weapons of mass destruction. The Pembina County Home Land Security Task Force has received funds to purchase new equipment and provide response training to emergency service providers.

Specific Mitigation Developments in the Region

Hazard Mitigation Grant Program

As a result of the ongoing flooding within the region, a Presidential Disaster Declaration has been issued 10 out of the past 11 years. The Pre-Disaster Mitigation Grant Program is a National competition that provides additional dollars for mitigation projects.

FEMA and the North Dakota Division of Emergency Management awarded funds to the following communities to complete housing buyout projects in flood-prone areas.

- City of Grafton, \$698,863
- Walsh County \$818,891
- Grand Forks County, \$167,000

Flood Mitigation Planning

The North Dakota State Water Commission awarded Nelson and Grand Forks Counties a grant to develop flood hazard mitigation plans with funds from the National Flood Insurance program. These plans allow cities and counties to assess their risks and develop projects to prevent

future damages. Once the plans have been developed, cities and county become eligible for funds to implement pre-determined projects with acquisition being priority. Pembina and Walsh Counties plans are in the process of being developed.

Pre-Disaster Mitigation

In 2000, Pembina County was named a Project Impact Community and received \$300,000 in seed money to make Pembina County a "disaster resistant community". Project highlights include:

- X
- X
- X
- X
- X
- X

Contributions through partnerships with businesses, non-profit and individuals totaled over \$190,000.

This project was completed during the fall of 2004.



Celebrating "Project Impact"

Back L-R: Troy Bill; Hugh Ralston, PC Commissioner; Wayne Bill, City of Hamilton Mayor; Robert Kliien, Superintendent of Drayton School. Front L-R: Becky Ault, PC Emergency Manager; Kathy Johnson, City of Pembina Auditor; Sandra Simonson, RRRC; Corene Vaughn, PC Commissioner; and Liz Beck..

Wild Fire Mitigation Plans

The North Dakota Forest Service awarded four grants to develop a Wild Fire Mitigation Plan for each county in our region. All plans have been completed.

The Red River Regional Council has also provided assistance to the local fire departments in our region by submitting grants on their behalf for equipment, protection gear and firefighting vehicles.

2003—2004 Grants Awarded by the ND Forest Service			
Fire Department	FEMA	Local	Items
Lakota	\$56,319	\$6,805	Protective equipment & air compressor/fill station
Neché	\$135,990	\$24,713	Fire truck
Niagara	\$21,474	\$2,386	Firefighting equipment and personal protective equipment
Tolna	\$10,845	\$1,250	ATV brush rig
Forest River	\$11,973	\$1,330	Firefighting equipment
Lakota	\$39,150	\$4,350	4-wheel drive firefighting unit
Lawton	\$40,950	\$4,550	4-wheel drive firefighting unit
McVillie	\$37,697	\$4,188	Personal protective equipment