

BLAEDC Marketing

During 2010, BLAEDC teamed up with area marketing consultants to better assess the direction and message of the organization, as well as to position the region for economic vitality and growth.

The outcome of these efforts was a re-branding campaign, including a new organizational name, strengthened mission statement and progressive, promotional tagline. The web site was also launched as growbrainerdlakes.org.



We're ready. Let's grow!

- ← LOGO
- ← NEW NAME
- ← TAG LINE
- ← MISSION STATEMENT
- ← POSITIONING STATEMENT
- ← WEB SITE — growbrainerdlakes.org

Expanding Business, Building Community, and Growing Jobs in Crow Wing County.

In collaboration with investors and community stakeholders, the Brainerd Lakes Area Economic Development Corporation exists to strengthen Crow Wing County's diverse economy, to compete in a global marketplace, and to position our region as Greater Minnesota's premier business location. We do this by connecting resources and creating a can-do environment while communicating the area's lifestyle, value, and identity through one unified voice.

2011 BLAEDC Work Plan

With a concise message and direction, BLAEDC's work plan includes entrepreneurs, business retention and expansion and attraction strategies with emphasis on strengthening networks with individuals from various regional, state and national economic development entities, while also expanding the area's presence on the web to position Crow Wing County as a market that is ready to grow. Specific targeted industries include: technology services, manufacturing, healthcare, energy and tourism.

Crow Wing County is ready with infrastructure, a talented workforce, certified shovel ready sites, and a top-notch lifestyle. Couple this with economic development resources and a healthy variety of financial lenders and programs, it's no wonder that the Brainerd Lakes Area is one of the fastest growing regions in Minnesota.

"Crow Wing County could be perceived as a remote location that saw its economic peak 100 years ago during the days of the railroad, mining and logging. But thanks to local educators, manufacturers, and key stakeholders, I conclude the county's best days may actually be coming."

— John Rhodes, Senior Principal
Moran, Stahl & Boyer
(National Site Selection Consultant)



www.growbrainerdlakes.org

BLAEDC's Economic Development Strategy

Promoting, Marketing and Assisting...

- Entrepreneurial and Start-Up Companies
- Retention and Expansion of Existing Companies
- Attraction of New Business
- Community Projects

Accomplishments to Date

350 Projects
\$310 Million Dollars in Capital Investments
3,800 Jobs

2010 Accomplishments

10+ Projects
\$40 Million Dollars in Capital Investments
130 Jobs (projected to be created), with 220 jobs retained

These efforts have provided Crow Wing County communities with an estimated:

\$117 million/yr in wages
\$3.5 million/yr local property taxes
Nearly \$7.5 million in grant funds

2010 Inquiries, Contacts and Activities

- Entrepreneurial/Start-Up: 43
- Business Retention & Expansion: 62
- Attraction Opportunities: 33
- Other Community and Economic Development Initiatives: 89

BLAEDC is a private non-profit 501c3 organization with a mission to **expand business, build community and grow jobs** and is funded by local units of government, businesses, community leaders, and individuals who believe that together we create our own destiny and make a difference in our community.

Letter from the President

The Brainerd Lakes Area, like most regions of the United States, continues to face the most difficult economic times in the past 75 years. The Great Recession which technically ended in June 2009, has refused to ease its grip and allow the nation to recover. The importance of job growth, assisting existing businesses to grow or at least weather this storm, and searching out new businesses to locate to this area has never been more important nor more challenging. BLAEDC is evolving and changing in response to this challenge. And like many organizations, BLAEDC has been asked to meet this challenge with more limited resources. To be successful BLAEDC has had to become more efficient. Leveraging technology, implementing cost reductions, seeking one time grants, etc., has led to a leaner yet more effective organization.

This past year, BLAEDC reassessed the organization's strengths and weaknesses to determine how to best position the area for future economic development opportunities. As a result, a focused mission emerged to lead our organization and regional growth into the future. A new brand and strategic work plan were developed with specific goals identified to meet the needs of our community.

For over 20 years, BLAEDC has served as a unified voice and effective leader in helping to assist, grow, and attract businesses to this area. BLAEDC along with the support of its governmental partners, broad member base, and other community leaders are ready to grow our community. I am very optimistic about the future of the Brainerd Lakes Area and will continue to serve our community through my work with the Brainerd Lakes Area Economic Development Corporation. Thank you for your support.



— Tom Anderson, BLAEDC President

BLAEDC Board of Directors

- | | |
|--|---------------------|
| Tom Anderson , Minnesota Thermal Science | BLAEDC President |
| Bruce Buxton , Widseth Smith Nolting | Vice President |
| Angella Roby , Mille Lacs Band of Ojibwe | Secretary/Treasurer |
| Chuck Albrecht , Mid-Minnesota Federal Credit Union | |
| Kevin Close , Close-Converse Properties | |
| Kevin Larson , Consolidated Telecommunications Co. | |
| Terry McCollough , Former Publisher Brainerd Dispatch | |
| Paul Means , Riverwood Bank | |
| Tom Prusak , Brainerd Lakes Health | |

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- Arnie Johnson**, Johnson Enterprises LLC
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- Tom Green**, Retired
- Conrad Bye**, Communications Investments, Inc.
- Timothy Bergin**, Larson Allen
- Paul Lindbloom**, Retired
- Clint Nelson**, Positive Realty
- Jim Kraft**, Frandsen Bank & Trust
- Reggie Clow**, Clow Stamping Company
- John Newhouse**, Lakeland Mold Company
- Terry Skone**, Retired

BLAEDC Board Liaisons/Gov't Representatives

- Rosemary Franzen and Tim Houle**, Crow Wing County
- Bob Olson and Dan Vogt**, City of Brainerd
- Gordon Heitke and Jeremy Vacinek**, City of Baxter
- Lisa Paxton**, Brainerd Lakes Chamber

BLAEDC Staff

- Sheila Haverkamp**, Executive Director
- John Gunstad**, Economic Development Specialist



2010 ANNUAL REPORT



Economic Development

Cooperative Mineral Resources and the Emily Manganese Project City of Emily

Crow Wing Power hosted a meeting of the BLAEDC Board of Directors and presented information on the Emily Manganese Project opportunity. This project provides significant economic development opportunities and BLAEDC has provided a letter of support for this venture. In addition, Crow Wing Power has expressed interest in exploring future value-added opportunities that may be available for the Brainerd Lakes Area region, as the project further develops. As of 2011, the project is in a demonstration mode. A full commercial operation is several years away.



The Emily manganese is the richest known deposit in North America, with some found at 70% pure. All manganese, mainly used by the steel-making industry, is currently imported.

Brainerd Lakes Beer City of Brainerd

In the fall of 2009, BLAEDC hired John Rhodes, a site selector and economic development consultant, to lead our area through a SWOT analysis (strengths, weaknesses, opportunities, threats) to develop new economic development strategies. One of the strategies identified was bottling and distributing a beverage to build on the brand of the Brainerd Lakes Area as a tourism and recreation destination.

Business partners Jesse Grant and Dan Stanifer, along with area investors and the support of the North Central Small Business Development Center, opened Brainerd Lakes Beer in the Northern Pacific Center in 2010. This craft beer operation, which currently bottles the beer in Duluth, has launched with two products — One-Eyed Pike and First Pull IPA. Distribution is limited to the region now, but expects to grow in 2011.



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Wausau Paper City of Brainerd

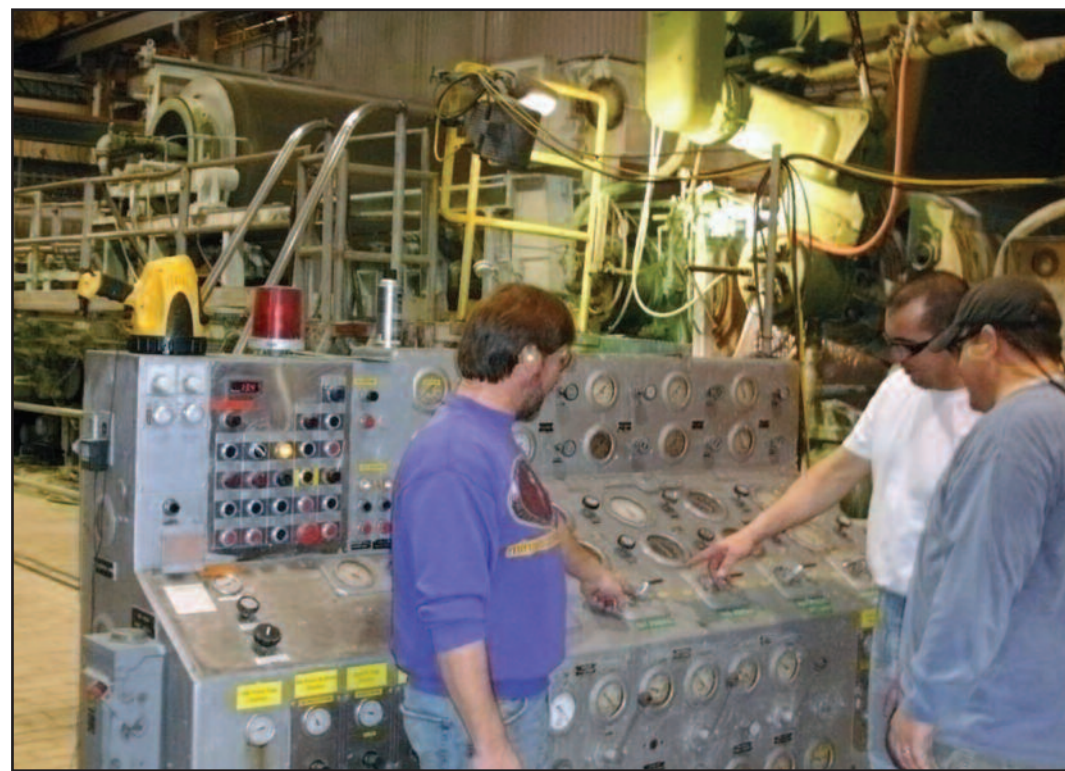
In early 2010, Wausau Paper announced a \$27 million capital investment plan to rebuild paper machine #7 at the Brainerd mill to extend the machine's capabilities. In addition to producing premium printing and writing products, the machine will have new capabilities to also produce tape-backing papers to serve multiple "masking tape" markets, including the automotive, medical and home-improvement industries.

BLAEDC, along with city and state officials, extended support and offered financial assistance to the Wausau leadership team as they considered this investment.

Wausau Paper credits the community's willingness to work with them in making their decision. They expressed gratefulness for the assistance that they have received from BLAEDC, local and state governments, elected officials and others, since they purchased the mill in 2004.

This investment offers security and confidence in the Wausau Mill's future, which impacts more than 185 employees and their families.

"Community support is a key consideration when making significant investment decisions. The ready response and diligence was a demonstration of BLAEDC's commitment to helping us find the resources to be successful in the Brainerd Lakes Area."
— Jeff Verdoorn, Wausau Paper



Silent Power City of Baxter

Silent Power was formed with the vision to increase our nation's electrical grid efficiency by empowering businesses, consumers, and utilities to utilize their renewable energy resources more effectively through the use of distributed energy storage technology.

A Minnesota Renewable Energy Grant was received, in addition to loans from Deerwood Bank, the Initiative Foundation, the North Central Economic Development Association and the City of Baxter to assist Silent Power with increasing production and broadening the nation-wide distribution of its soon-to-be-released renewable energy storage devices.

New York Mint City of Crosslake

A Burnsville, MN, company recently opened a significant "collectible coin" operation in Crosslake. New York Mint provides coin collectors world wide with opportunities in gold, silver, and rare coins. A 12,000 SF office building was remodeled to meet the company's needs. Currently, 15 employees are working at the Crosslake location and the company projects more than 40 employees within 2 years. It is the goal of New York Mint to hire all of it's personnel from the Brainerd Lakes Area.

Joe Cassioppi, project coordinator, reported at BLAEDC's "Tech Services Industry" Economic Development Initiative that the area's workforce, fiber network, infrastructure system, quality of life and the assistance from BLAEDC were vital in deciding to invest in a Crow Wing County location. To date, all of the sales objectives of the company have been met or exceeded and they are currently in the process of adding additional personnel. When the company is fully staffed, New York Mint will annually generate \$3 - \$4 million dollars in salaries and a few hundred thousand dollars in associated services for the local economy.



The economic impact of this investment includes the addition of up to 50 positions, including approximately 30 direct labor manufacturing positions, 10 engineering positions and several other administrative and sales jobs over the next five years.

BLAEDC provided assistance with accessing capital and is excited at the unique opportunity for the region as Silent Power becomes an industry leader in distributed energy storage for electric utilities and retail customers.

"Silent Power's products will improve the value of residential renewable energy and provide utilities with the ability to store and tap green energy sources when needed the most."

— Todd Headlee, Silent Power chief executive officer

"We are proud that Silent Power has been selected by the Minnesota Office of Energy Security to help meet the renewable energy needs of tomorrow by making renewable power more accessible."

We're ready. Let's grow!

Business Retention and Expansion Visits

BLAEDC's number one priority is the growth and expansion of our existing businesses. A significant component of our work plan is meeting with companies located and operating in the area. This initiative is completed in conjunction with the Brainerd Lakes Chamber and the Minnesota Chamber's **Grow Minnesota** Program.

An economic outlook of recent visits:

- Employee lay-offs have ceased, and some employees are returning to work
- 2011 will remain challenging, however signs of recovery are evident
- Slow recovery predicted for 2011

Fast Fact

The **Brainerd Lakes Area Economic Development Corporation** has been operating in the community for 25 years. During this time the number of businesses and employees in Crow Wing County has nearly doubled!!

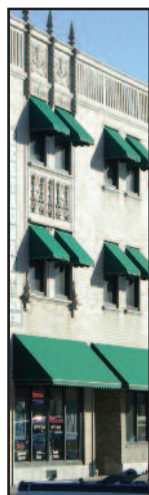
Crow Wing County	1985	2009
Companies	1,259	2,147
Jobs	13,792	27,009

Source: Minnesota Department of Employment and Economic Development

www.growbrainerdlakes.org

Community Development & Redevelopment Initiatives

BLAEDC continues to support community and redevelopment projects throughout Crow Wing County that are important to the general health and long term well-being of the community, and positively impacts our area's economic development efforts.



Brainerd Downtown Commercial Rehabilitation Initiative

Downtown Brainerd property owners currently have access to DEED Small Cities Development Program funds to improve their facades, address code deficiencies and energy efficiencies.



Lakes Area Habitat for Humanity Consolidation and New Location

In a move to consolidate their facilities, Lakes Area Habitat for Humanity's offices and the ReStore operation are now located in the Brainerd Industrial Park.



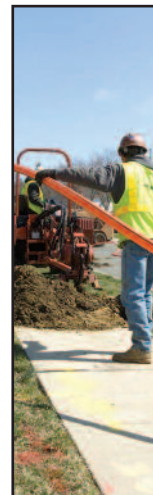
Pequot Lakes Planning

City, community and business leaders are proactively exploring options to develop programs and initiatives to enhance their community. The Brainerd Lakes Area Economic Development Corporation is actively supporting and offering expertise.



Deerwood Auditorium

The restoration of the exterior of the Deerwood Auditorium was made possible thanks to grants from the DEED Small Cities Development Program and Minnesota State Historical Society. "Without the help of BLAEDC, this project would not have happened," said Deerwood Mayor Mike Aulie.



Fiber Optics

In a partnership with ISD 181, Consolidated Telecommunications Company (CTC) constructed a state-of-the-art fiber optic ring which allows for unsurpassed Internet speeds and bandwidth to homes and businesses. The ring serves the Brainerd-Baxter area with spurs to Nisswa and the airport, with additional expansions planned.



Minnesota Housing Initiative

The Crow Wing County Housing and Redevelopment Authority is leading an effort to bring housing groups together in Crow Wing County to build partnerships, develop coordinated projects and share resources to positively impact housing.



Cuyuna Range Project Revive

With the development of new mountain bike trails and more in the Cuyuna Range State Recreation Area (CRSRA), the Cuyuna Lakes communities are looking to establish the area as a premier tourism destination. The first project is gateway signs to welcome visitors to the region.

We're ready. Let's grow!

Entrepreneurial Microenterprise Grant Funds

Funding was received by Crow Wing County through the Minnesota Department of Employment and Economic Development to help *microenterprises* — businesses employing five or fewer employees with one or more of those employees owning the business. The goal is to help small businesses start, stabilize or expand in Central Minnesota. BLAEDC coordinated the funding application and the North Central Small Business Development Center will provide assistance to clients with business planning, marketing assistance, cash flow management and support seeking capital and financing.

Fast Fact

In the last 25 years, the **Brainerd Lakes Area Economic Development Corporation's** efforts to attract grant dollars has resulted in nearly:

- **\$7.5 million** dollars
- an average of **\$300,000 per year** for Crow Wing County communities

In 2010, more than **\$200,000** grant dollars were generated.

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