



N.D. Rural Economic Area Partnership Zones
REAP Impact Report
2007-2009

In 2007, the REAP Zones initiated micro-loan programs for small business located in the REAP Zones. The loans range from a maximum of \$5,000 in the CONAC Zone to \$7,650 in the SW Zone. Although this report covers the period 2007-2009, the Zones have approved an additional 12 micro-loans totaling \$75,750 through July 2010.

In 1995, two United States Department of Agriculture (USDA) pilot revitalization Rural Economic Area Partnership (REAP) Zones were created in north-central and southwestern North Dakota. They were created to address critical issues related to out-migration and constraints in economic activity.

The two North Dakota REAP Zones were named CONAC (Center of North America Coalition for Rural Development) and Southwest. The two North Dakota REAP Zones funding commenced in 1999 as a result of federal earmarked funds from US Senator Byron L. Dorgan.

Creating Jobs or Wealth in Rural North Dakota Since 1999

**ND REAP Zones
Major Impacts**

**North Dakota Reap Zones
2007-2009**

“USDA-Rural Development and the CONAC REAP ZONE are the big reasons for our success. If it wasn't for their re-sources we wouldn't be here right now.” Tom Rondeau, Co- Owner Belcourt Pharmacy, Belcourt ND

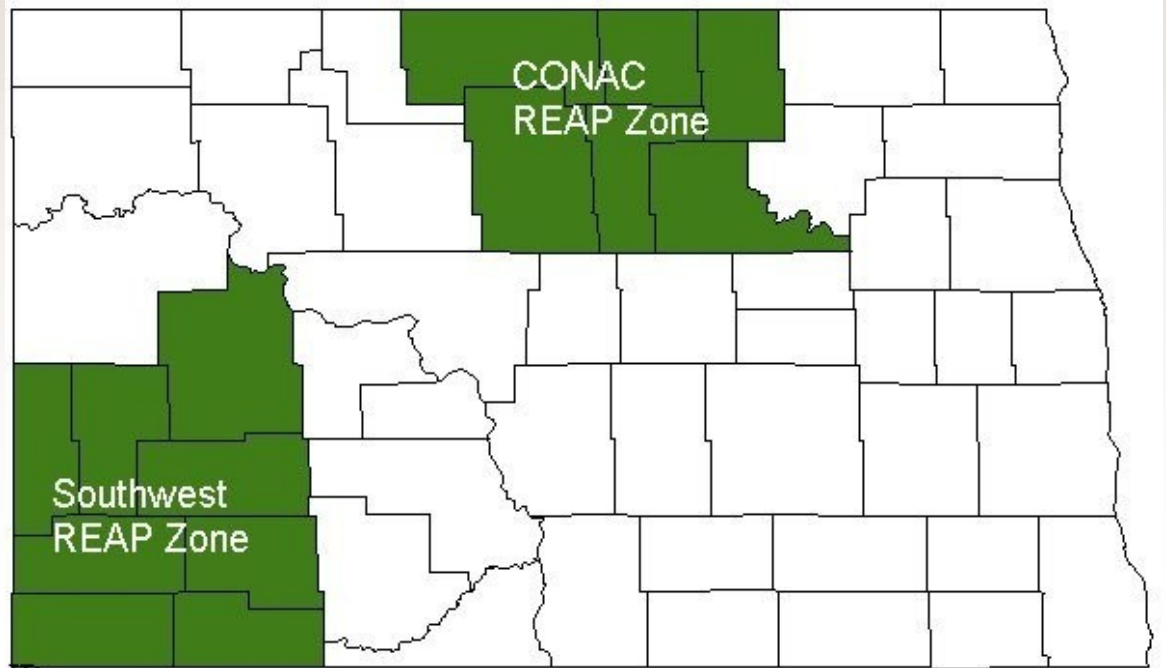
“Two years ago I would never thought that our business would get this big and need expansion.” Jen Hilde, Co-Owner Kid Quarters Velva

“The micro-loan program is a really good program. It's simple and easy to work with.” Shawn Vedaa, Owner Velva Fresh Foods, Velva

“CONAC shouldn't change anything about their program. It's an easy going program that helps out everyone.” Aaron McQuoid, Co-Owner McQuoid Grocery, Minnewaukan

“The money has helped me put up two more housing markets then before and that will help me with more cash flow. Also it with this money I have saved a historic building.” Russ Klebe, Owner Bottineau Floral and Hidden Garden, Bottineau

“The CONAC Reap Zone was very helpful during the loan process, and shouldn't change anything to their program.” Susan Brandjord, Owner Elli Ann's Interior Design, Rugby



Micro-Loans

The North Dakota REAP Zones created micro-loan programs to provide businesses located within the REAP Zones an opportunity to secure a small loan for business plans, start-up costs, product development, licenses/patents/certifications, marketing plans, research and development, and/or equipment essential to product development. For the three years ending 2009, the North Dakota REAP Zones have approved 26 loans totaling \$142,750 to small businesses enterprises.

	<u># Loans</u>	<u>Total</u>
CONAC ZONE	20	\$104,500
SW ZONE	6	\$ 38,250

Businesses located within the REAP Zones receiving the benefits of the REAP Zones micro-loan programs for the past three years include the following:

- | | | | | |
|---------------|-------------|-----------------|-------------|------------|
| Sandwich Shop | Bait Shop | Daycare Centers | Taxi Cab | Quilt Shop |
| Floral Shop | Restaurant | Grocery Stores | Campground | Pharmacies |
| Sock Company | Coffee Shop | Bar & Grill | Taxidermist | Hardware |

North Dakota Reap Zones 2007-2009

Leveraged Micro-Loans

2007-2009

The REAP Zones' micro-loans of \$142,750 were combined with other entities to attain almost \$1.3 million in total project funding.

	<u>REAP Zones</u>	<u>Total</u>	<u>Leverage</u>
2007	\$10,000	\$175,000	17.5
2008	\$40,750	\$442,874	10.9
2009	\$92,000	\$654,123	7.1
Total	\$142,750	\$1,271,997	8.9

Details, by county, are listed below:

<u>Counties</u>	<u>Jobs</u>		<u>Micro Loans</u>	<u>Total Project</u>	<u>Leverage</u>
	<u>Created/ Retained</u>	<u># of Loans</u>			
Benson	13	2	\$10,000	\$53,000	5.3
Bottineau	7	5	\$27,000	\$65,695	2.4
Dunn	3	1	\$7,500	\$29,168	3.9
Golden Valley	4	1	\$2,250	\$4,500	2.0
McHenry	31	4	\$17,500	\$250,300	14.3
Pierce	8	3	\$15,000	\$114,000	7.6
Ramsey	1	1	\$5,000	\$20,000	4.0
Rolette	20	2	\$10,000	\$190,000	19.0
Stark	0	4	\$28,500	\$216,774	7.6
Towner	13	3	\$20,000	\$328,560	16.4
Total	100	26	\$142,750	\$1,271,997	8.9

ND REAP Zones Major Impacts

"We have a very good relationship with the SW Reap Zone. They use a lot of good resources to keep our seminars going." Mark Hvidston, RLND Seminar Coordinator, Bowman

"The SW REAP Zone is very instrumental for allowing this program to happen. They show that they want people to do better for business and their community." Deb Kantrud, former South-west ND Tourism Conference coordinator, Dickinson

"It's an incredible way to get into the Rural Business Opportunity Grant system. ABLE INC. is real pleased with the help that SW Reap has given them." Mary Anderson, Project Developer ABLE Inc. Dickinson

"CONAC should change nothing about their program, it's an easy program and in the end everything worked out in our favor." Cindy Bossert, Co-Owner C & M Bait Shop, Velva

"SW Reap has done a great job. They are active with the communities and they go out of their way to see if the projects are running well and working efficiently." Deb Walworth, Program coordinator, Beach

"We are extremely grateful and the SW Reap Zone did a great job for being there for us. USDA's funding was one of the keystones for this project. " Emanuel Culman, Owner Bijou Show House, Beach

"The micro-loan program has been a great program for all small businesses, including mine." Jeremy Sandvik, Owner H E Everson Company, Cando

REAP Zone Board Members

REAP Investment Board, Inc.

JoAnn Rodenbiker Chairman

Alyce Heer

Art Wanner

Dan Nudell

Dave Cichos

Dr. Ken Grosz

Greg Hagen

Kim Nunberg

Nevada Silha

CONAC REAP Zone
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Southwest REAP Zone
Dan Nudell, Chairman

Darlene Mitchell

David Twist

Jerry Erickson

Kim Nunberg

Nevada Silha

Rod Landblom

Troy Mosbrucker

Technical Support

Senator Byron L. Dorgan and Staff

North Dakota Department of Commerce

North Central Planning Council– Devils Lake, ND

Roosevelt-Custer Regional Council– Dickinson, ND

Souris Basin Planning Council– Minot, ND

Shirley Brentrup-Dickinson, ND

Jim Belquist, Executive Director
407 3rd Ave. N, New Rockford, ND 58356
(701) 302-0524
jboptions@midco.net

MISSION:

Research and invest in opportunities to attain economic and social improvements with the North Dakota Rural Economic Area Partnership Zones.

ND REAP Zone Strategies

Create jobs or increase wealth

Attain new funds and partners, leverage resources and realize investment returns to provide program funds and create self-sustainability

Advance community leadership and workforce training

Foster social and economic improvements with special emphasis on health care, elderly and youth issues

Engage in renewable and natural resources' projects

Laura Every, Alliance Director
2003-2010

Brandon Slaubaugh, Intern
Summer 2010



USDA Rural Development is a committed sponsor of the REAP Zone program, providing planning and technical assistance to the Zone communities.