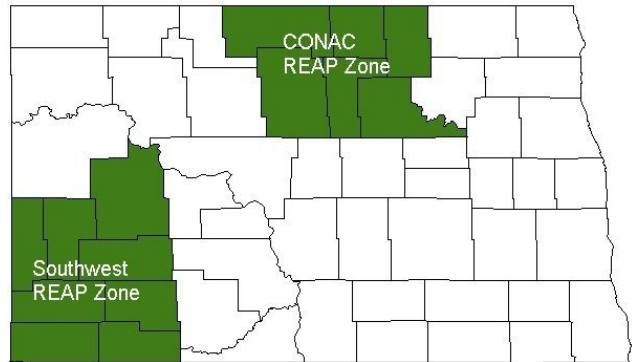


## 2017 REAP Annual Report

### **North Dakota REAP Zone Map & Counties**

**Center of North America Coalition:** McHenry, Bottineau, Rolette, Towner, Pierce, and Benson including the area of the Turtle Mountain Band of Chippewa and the Spirit Lake Reservation located in this area.

**Southwest REAP Zone:** Dunn, Stark, Hettinger, Adams, Bowman, Slope, Golden Valley, and Billings, the Dunn County area on the Fort Berthold Reservation



The year has gone well for REAP but we have slowed down due to the lack of operating funds and the continued erosion of economic developers in both regions. The REAP Zones have relied on their partnerships with the county and city developers to funnel loan applicants to the micro loan funds and revolving loan fund as well as to collaborate on joint and regional projects in the Zones.

In the past few years, the Southwest REAP Zone has lost developers in Slope and Golden Valley County as well a developer at the Slope Electric Cooperative. In 2016, the Strom Center for Entrepreneurship was abruptly closed. The Regional Council also reduced their staff by two positions. This is a loss of at least 10 people who had been working in some capacity for economic development in the region.

In the CONAC Zone, McHenry County abandoned their developer position in 2016. Both Bottineau County and the city of Rugby have open positions but are filling those now. It is uncertain whether Northern Plains Electric Cooperative will replace their long time developer who is retiring in April.

### **Loan & Grant Programs**

In 2016, REAP loan programs distributed \$125,000 to 9 projects leveraging another \$317,000. Together, these loans anticipate the retention of 13 jobs and the creation of 39 jobs to the REAP Zones. Loans were made to three restaurants, a food truck, a grocery store, a coffee shop, an embroidery shop, a beauty shop and a winery and vineyard.

### **2016 REAP Loans, Leveraged Funds, Jobs, and Project Partners**

<b>Zone</b>	<b>Loans</b>	<b>Loan Amounts</b>	<b>Leveraged Amounts</b>	<b>Jobs Created/Retained</b>	<b>Project Partners</b>
REAP RLF	1	50,000	125,000	10	2
CONAC Zone	3	30,000	50,000	33	3
SW REAP Zone	5	45,000	142,000	9	5
<b>Totals 2016</b>	<b>9</b>	<b>125,000</b>	<b>317,000</b>	<b>53</b>	<b>10</b>

The total loans at the end of 2016 was 61 loans with outstanding loan funds of \$510,016. All loan funds have a combined available balance of \$639,342 to make more loans in the REAP Zones.

### All REAP Loans & Loan Funds at the End of 2016

Loan Fund	Outstanding Loans	Number of Loans	Cash Available to Lend
Revolving Loan Fund	195,664	8	335,900
CONAC Micro Loan Fund	136,406	30	46,000
SW REAP All Loan Funds	177,946	23	257,442
<b>Total Funds</b>	<b>\$510,016</b>	<b>61</b>	<b>\$639,342</b>

REAP Set-Asides under the 2016 **USDA Rural Development Rural Business Grants** saw 13 grant applications from the REAP Zones. Nine of those applications were funded for a total of \$682,417 with leveraged funds at another \$216,608. Those funded were a restaurant renovation of a historic bank in Anamoose, an expansion study and aquaponics equipment for Dakota College Bottineau, renovations for a community facility in the city of Knox, horticulture equipment and training for the Turtle Mountain Band of Chippewa, technical assistance and training for direct sales of local foods to wineries, equipment for a Bowman Commercial Kitchen, a feasibility study for a community owned theater in Bowman, and equipment for the fitness center in the city of Hettinger. These projects are anticipated to retain 13 jobs and create another 21 jobs.

In the SW REAP Zone, the city of New England was assisted by the designation and points available to REAP Zone projects to secure a USDA Rural Development Rural Utility loan of \$5 million for water and sewer upgrades.

Grant writing efforts secured grants of \$1,000 from the Slope Electric Grant program for the Bowman Commercial Kitchen renovations and \$10,000 from a Consensus Council Community Innovation Grant for a statewide Rural Grocer Event in January 2016. Over 40 people attended this event. See the final report at <http://reapmatters.org/wp-content/uploads/2016/03/Final-Report-for-the-North-Dakota-Grocers-Event-1.2016.pdf>.

In all, REAP was involved in loans or grants for 21 entities for a total of \$5,818,417 with leveraged funds of \$537,628 for a total of \$6,357,045 in 2016.

#### **USDA Rural Development Funded REAP Projects Completed**

*Car Ferry Feasibility Study.* Under a previous USDA Rural Development grant, a feasibility study was completed for a car ferry crossing on Lake Sakakawea. The cost of the ferry and two docking station is approximately \$20 million with 80% of that available through a federal competition leaving \$4 million to be raised. It appears the ferry could manage to cover its annual costs through crossing fees. Much more is needed to be done on this project beginning with the establishment of a stakeholder group to move the project forward. This project also included a study on a water taxi or water busing system for the lake to connect to the proposed tribal busing system. See more at <http://reapmatters.org/ferry-crossing/#>.

REAP Strategic Plans. The process included a survey, the Wilder Collaboration Factors Inventory, and face-to-face meetings of the three REAP entities. Thirty persons participated in the surveys and 47 people participated in the Strategic Planning Sessions.

The combined results of the inventory showed members indicated their strengths were a history of working together and collaboration. They respect one another and represent a cross section of people who have a stake in what we are trying to accomplish. They felt there is a lot of flexibility in decision making and that people were open to different options and communicated openly with one another.

The survey indicated discussions may be needed about concrete, attainable goals and objectives; whether the group has adequate funds to do what it wants to accomplish; whether those participating have a clear sense of their roles and responsibilities; whether there is sufficient funds, staff, materials and time; and whether they had the appropriate cross section of members and organizations in the group.

Each of the three entities completed a new Strategic Plan and those can be found at <http://reapmatters.org/strategic-planning-project/>.

Cooperative Child Care. This project attempted to use the cooperative childcare model which directly involves employers and parents in the establishment of a center and its' operations. Targeted cities were Rolette and Hettinger. Though we didn't establish a cooperative in either community, efforts did in some way support the establishment of a private center for 30 children in Hettinger and one for 15 children at the nursing home in Rolette. See the details and the final report at <http://reapmatters.org/child-care/>

Websites. REAP maintains two websites. The organizational website is [www.REAPmatters.org](http://www.REAPmatters.org). This site carries news and a variety of historical documents of the group plus organizational info such as board members and board books plus contacts for each entity. The funding page contains applications for the micro loans and revolving loan fund plus information on REAP Set-Asides through the USDA Rural Development. The Projects page contains information on projects, initial objectives and the final reports of completed projects.



The Developer Station website is [www.developerstationnd.org](http://www.developerstationnd.org). This site contains a wealth of information for both paid and volunteer developers and developer groups. The most recent addition is a local foods page. In addition, the Department of Commerce will be sharing the site with new developers in the state through their new developer training program. All persons are invited to share photos and content to this site. It is managed through a donation of time from Seed Stock Media.

Report & Supporting Documentation. This report and the supporting documentation can be found on the REAPmatters.org website under the *Publications* tab.

Combined Data for REAP Annual Report 2016

Zone	Number of Loans or Projects	Amount	Funds Leveraged	Jobs Created	Jobs Retained	Number of Businesses Assisted	New Business Start Ups	Community Projects & Renovations	Studies or Plans	Number of Project Partners	Number of Participants
<b>REAP Loans</b>											
Revolving Loan Fund	1	\$50,000	\$125,000		10	1				2	3
Micro Loans CONAC	3	\$30,000	\$50,000	30	3	3	1			3	
Micro Loans SW REAP	5	\$45,000	\$142,000	9	0	5	5			5	
<b>Total REAP Loans</b>	<b>9</b>	<b>\$125,000</b>	<b>\$317,000</b>	<b>39</b>	<b>13</b>	<b>9</b>	<b>6</b>		<b>0</b>	<b>10</b>	<b>3</b>
Counties of Loan Origin :	Townner, Benson, Rolette, Bowman (2), Golden Valley, Stark (3)										
<b>REAP Set Aside USDA Rural Development Rural Business Development Grants (RDBG)</b>											
CONAC	5	\$497,438	\$178,573	5		2	1	2	1	12	4
SW REAP	4	\$184,979	\$38,035	16	13	10		1	1	7	94
<b>Total RDBG Applications Funded</b>	<b>9</b>	<b>\$682,417</b>	<b>\$216,608</b>	<b>21</b>	<b>13</b>	<b>12</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>19</b>	<b>98</b>
Counties of RDBG Origin:	Bottineau (2), Benson, Rolette, McHenry, Stark, Bowman (2), Adams										
<b>USDA Rural Development Rural Utilities Program</b>										<b>Beneficiaries</b>	
City of New England Water & Sewer Project Hettinger County	<b>1</b>	<b>\$5,000,000</b>						<b>1</b>		<b>2</b>	<b>600</b>
<b>Other Grants or Projects</b>											
Slope Electric Grant (Bowman)	1	\$1,000				1				1	
Housing List for Urea Plant (SW Region)	1									4	10
Grocers Event (Statewide)	1	\$10,000	\$5,020								40
<b>Totals All Other Grants or Projects</b>	<b>3</b>	<b>\$11,000</b>	<b>\$5,020</b>			<b>1</b>				<b>5</b>	<b>60</b>
<b>Totals of All Loans, Grants &amp; Projects</b>											
	<b>22</b>	<b>\$5,818,417</b>	<b>\$538,628</b>	<b>60</b>	<b>26</b>	<b>22</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>36</b>	<b>761</b>
Loans, Grants & Leverage \$	\$6,357,045										
<b>Other Efforts</b>											
Grant Applications Submitted but Unfunded	4										
	Participants										
REAP Strategic Planning	47										
REAP Collaboration Surveys	30										

REAP Annual Project Reporting Template

Year	2016	Zone:	REAP Investment Fund				Person Reporting:			Shirley Brentrup		
Project Name	Source of Funds	Project Type	City & County	Amount	Funds Leveraged	Jobs Created	Jobs Retained	Number of Businesses Assisted	New Business Start Ups	Studies or Plans	Number of Project Partners	Number of Participants
<b>New Funds or Grants Received:</b>												
<b>Micro Loans:</b>												
N/A												
<b>REAP RLF:</b>												
Fluffy Fields		Revolving Loan	Dickinson, Stark County	\$50,000	\$125,000		10	1				3
<b>Other Outcomes or No Cost/No Income to REAP :</b>												
2. Bowman Commercial Kitchen	Slope Electric Grant	Equipment Installation	Bowman, Bowman County	\$1,000				1			1	
3. Housing List for Urea Plant		Housing Rental List for Workers	SW Regional Project	\$0	\$0						10	
4. Grocers Event	Consensus Council	Community Event Grant	Statewide Event	\$10,000	\$5,020							40
<b>Grants Written but Not Funded</b>												
1. Consensus Council Stark ED Survey	Consensus Council	Community Event Grant	Stark County									
<b>Totals</b>				\$61,000	\$130,020	0	10	2	0	0	11	43

REAP Annual Project & Loan Reporting Template

Year	2016	Zone:	CONAC REAP					Person Reporting:	Michelle Fritz				
Project Name	Source of Funds	Project Type	City and County	Amount	Funds Leveraged	Jobs Created	Jobs Retained	Number of Businesses Assisted	New Business Start Ups	Community Projects & Renovations	Studies or Plans	Number of Project Partners	Number of Participants
<b>New Funds or Grants Received:</b>													
<b>Micro Loans:</b>													
States Side Restaurant	Micro Loan	CONAC	Cando, Towner	\$10,000	\$155,000	10		1	1				
Harriman's Restaurant	Micro Loan	CONAC	Maddock, Benson	\$10,000	\$30,000	20		1					
Square Deal Grocery	Micro Loan	CONAC	St John, Rolette	\$10,000	\$50,000		3	1					
<b>REAP RLF:</b>													
<b>Other Outcomes or No Cost/No Income to REAP. Projects:</b>													
Dakota College Aquaponics	RDBG	Equipment/Tech Support	Bottineau, Bottineau County	\$108,800	\$147,500			1				3	1
Dakota College Horticulture	RDBG	Study to expand Horticulture	Bottineau, Bottineau County	\$21,482							1	2	1
City of Knox Community Ctr	Community Facility	Building Renovation	Knox, Benson	\$44,700	\$11,073					1		2	
TM Band Of Chippewa	RDBG	Wind Tunnel & Tech. Assistance	Belcourt, Rolette	\$103,994						1		3	
City of Anamoose	RDBG	Rehab Historic Bank to Restaurant	Anamoose, McHenry	\$218,462	\$20,000	5		1	1			2	2
<b>Grants Written But Not Funded:</b>													
TM Band Of Chippewa	RDBG	Housing Preservation Grant	Belcourt, Rolette										
SBPC Housing Rehab	RDBG	Housing Rehabilitation	Rugby, Pierce										
KEYA Radio, Inc	RDBG	Keya Tower Replacement	Belcourt, Rolette										
Totals				\$527,438	\$413,573	35	3	5	2		1	12	4
Total Funds Amount & Leveraged				\$941,011									

REAP Annual Project & Loan Reporting

Year	2016	Zone:	SOUTHWEST REAP		Person Reporting:	MARKETING STRATEGIES							
Project Name	Source of Funds	Project Type	City and County	Amount	Funds Leveraged	Jobs Created	Jobs Retained	Number of Businesses Assisted	New Business Start Ups	Community Projects & Renovations	Studies or Plans	Number of Project Partners	Number of Participants
<b>New Funds or Grants Received:</b>													
NONE													
<b>Micro Loans:</b>													
1) Daily Perks #2	Micro Loan Fund	New Coffee Shop	Dickinson -Stark Co.	\$10,000	\$20,000	1	0	1	1				
2) Kimi's	Micro Loan Fund	New Catering/Food Truck	Dickinson - Stark Co.	\$10,000	\$52,000	1	0	1	1				
3) P. S. Custom Embroidery	Micro Loan Fund	New Embroidery Shop	Bowman - Bowman Co.	\$10,000	\$15,000	1	0	1	1				
4) Selena's	Micro Loan Fund	New Restaurant	Bowman - Bowman Co.	\$10,000	\$50,000	5	0	1	1				
5) Soulitude	Micro Loan Fund	New Beauty Salon	Sentinel Butte - Golden Valley	\$5,000	\$5,000	1	0	1	1				
<b>PARTNERSHIP LOANS:</b>													
No new Loans													
<b>REAP RLF:</b>													
N/A													
<b>Other Outcomes or No Cost/No Income to REAP. Projects:</b>													
1) City of New England	USDA-RD	Water and Sewer Project	New England, Hettinger Co	\$5,000,000						1		2	
2) Winery Supply Chain	USDA-RD	Admin, Management, Travel, Ads, Supplies, Personnel	Dickinson, Stark County	\$86,734	\$25,035	13	1	5				1	84
3) Bowman Commercial Kitchen	USDA-RD	Equipment and Installation for Commercial Kitchen	Bowman, Bowman County	\$37,000	\$13,000	3	12	5				1	10
4) Bowman Community Theater	USDA-RD	Prof. fees and Administration	Bowman, Bowman County	\$45,500							1	1	
5) Hettinger City Armory	USDA-RD	Purchase Fitness Equipment	Hettinger, Adams Co.	\$15,715					1			2	
<b>Grants Written But Not Funded:</b>													
6) Farmers, Food 7 Finance Forum (Vision West)	USDA-RBCG	Technical Assistance	Dickinson, Stark Co.										
<b>Totals</b>				\$5,229,949	\$180,035	25	13	15	6		1	7	94