



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

Economic Resiliency and Diversification Strategies for McKenzie County, North Dakota

Technical Assistance Report

Submitted to:

McKenzie County, North Dakota

May 2022

IEDC Member Panelists:

Brett Doney, CECd, President & CEO, Great Falls Development Authority
Christopher Morello, Director of Economic Development, Isle of Wight County, Virginia
Molly Spangler, CECd, Economic Development Director, City of Sedona, Arizona

Project Managers and Primary Authors:

Dana Crater, Director of Technical Assistance
International Economic Development Council

Chance Robinson, Economic Development Associate
International Economic Development Council

Research Support

Kyra Brown, Graduate Intern
International Economic Development Council

About IEDC

The International Economic Development Council (IEDC) is a non-profit, non-partisan membership organization serving economic developers. With more than 5,000 members, IEDC is the largest organization of its kind. Economic developers promote economic well-being and quality of life for their communities, by creating, retaining, and expanding jobs that facilitate growth, enhance wealth, and provide a stable tax base. From public to private, rural to urban, and local to international, IEDC's members are engaged in the full range of economic development experiences. Given the breadth of economic development work, our members are employed in a wide variety of settings including local, state, provincial, and federal governments, public-private partnerships, chambers of commerce, universities, and a variety of other institutions. When we succeed, our members create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions. For more information about IEDC, please visit www.iedconline.org.

Introduction and Overview

The International Economic Development Council (IEDC) has been retained by McKenzie County, North Dakota, to provide technical assistance to assess the county's economic development ecosystem and evaluate the county's economic development, diversification, and resilience needs. An IEDC panel has been asked to develop an action plan for McKenzie County, North Dakota, to achieve its economic development and resilience goals.

To assist the county with its economic development goals and objectives, IEDC assembled a team of panelists drawn from the IEDC membership and staff and conducted a site visit on February 28-March 2, 2022. The team included the following members:

- Brett Doney, President & CEO, Great Falls Development Authority
- Christopher Morello, Director of Economic Development, Isle of Wight County, VA
- Molly Spangler, Economic Development Director, City of Sedona, Arizona
- Dana Crater, Director of Technical Assistance, IEDC
- Chance Robinson, Economic Development Associate, IEDC

In preparation for the site visit, IEDC compiled a background report for the panel. This site visit report will share the opportunities and challenges facing McKenzie County as observed by the panel and recommend strategies for the county and its partners to foster economic growth, resiliency, and diversification. The objective of this report is to present practical strategies while outlining implementation steps for the community.

During the site visit, the panel spoke with various economic development stakeholders during two full days of meetings and toured McKenzie County. The panel met with stakeholders from the following categories:

- McKenzie County Economic Development Leaders
- Tour of McKenzie County visiting Watford City, Arnegard, and Alexander
- Local Elected Officials
- Housing and Real Estate Stakeholders
- Vibrancy and Quality of Place Leaders
- Tourism and Event Attraction Professionals
- Workforce Development
- State and Federal Resource Officials
- Community Inclusion Leaders

Key Observations

In the past twenty years, McKenzie County has been at the center of the Bakken oil boom, experiencing the largest population growth by percentage in the United States from the 2010 to 2020 United States Census. McKenzie County has strong and collaborative community leadership, which is focused on establishing McKenzie County as a family-friendly place to live, work, and visit. The oil and petroleum booms have allowed the county to invest in many great community amenities to address the obstacles that arise with significant population growth. McKenzie County staff and Job Development Authority (JDA) have worked hard to address many of the challenges facing workers, such as workforce housing and childcare.

McKenzie County was observed as having a diverse economy with three key industries—agriculture, petroleum, and tourism. The county has supported all three industries through various investments, including providing space for a farmers market to support the agriculture industry and state-of-the-art sporting and recreational facilities to attract group travel and events to encourage growth in the tourism industry. Moving forward, it was observed and encouraged that the Job Development Authority and the economic development staff want to shift their focus to more proactive economic development practices that aid in diversifying and strengthening their economy, helping protect them from future disasters or shocks in three volatile industries.

Opportunities

Community leadership and teamwork

The panel quickly recognized that McKenzie County has strong and active community leadership that is focused on making it a place where people can experience a high quality of life. The JDA Board contains a variety of McKenzie County elected, community, and business leaders who have been active in solving the many economic and community development challenges that arise from the extreme growth. The JDA Board, Watford City Leadership, and local elected officials provide immense value to the community, creating a leadership ecosystem focused on the goal of economic growth and sustainability. Leaders serve in multiple capacities across the county, helping ensure the county and its local jurisdictions are communicating and are aware of the various economic concerns across the county.

The panel was impressed by the communication and teamwork of the county leaders, with them all recognizing the importance of collaborating in order to reach McKenzie County's economic development goals. During the panel's time in McKenzie County, they were appreciative of the number of stakeholders that they had an opportunity to speak with. This variety of stakeholders demonstrated the number of community leaders who deeply care about the economic success, vibrancy, and inclusiveness of McKenzie County. It was apparent that stakeholders care about every communities' economic viability and success in McKenzie County, with multiple stakeholder comments being made about whether McKenzie County should have economic development staff focused just on the smaller towns throughout the county, like the cities of Alexander and Arnegard. The value of active and thoughtful leadership cannot be understated because those are the individuals looking to continue to drive McKenzie County forward.

Active and able community leadership is a key tenet of building a resilient and diverse economy. McKenzie County is fortunate to have leaders who care deeply about the long-term sustainability of its recent growth and leveraging the recent boom to turn McKenzie County and Watford City into a destination for people to live, work, and play. For McKenzie County moving forward, they should examine how other communities

have utilized current leadership to foster the next group of leaders; this helps spread out the community leadership responsibilities, preventing burnout amongst long-serving community leaders. The strong ties and relationships that McKenzie County has within its leadership are a strength and will help McKenzie County capture economic opportunities.

Smart public investments for strong community amenities

The IEDC panel was impressed by many of the community amenities that McKenzie County and Watford City have built and invested in during the past decade. These investments have improved the quality of life that one can experience in McKenzie County. During the driving tour of McKenzie County, panelists were quick to discuss and compliment the bypass that McKenzie County and Watford City built to reduce downtown congestion. This investment has improved the walkability and safety of downtown Watford City by removing truck traffic.

The panelists were quite impressed with the brand-new schools and the Rough Rider Facility. The Rough Rider Center is a state-of-the-art facility, providing McKenzie County and its residents with many various indoor recreation opportunities. The addition of the Rough Rider Center has brought new attention to McKenzie County and Watford City, with its ability to host a variety of sports tournaments, youth camps, and events. During the site visit, the Rough Rider Center was hosting the Bismarck Bucks, a professional indoor football team. This is just one out of the many examples that were shared of the Rough Rider Center bringing in new visitors and imported dollars into McKenzie County.

Other quality of life investments observed by the panel include Wolf Pups Daycare, McKenzie County Healthcare System, new fairgrounds, and rural water infrastructure. To achieve their community's goals, McKenzie County recognized the opportunity to use the oil boom and increase its public investment in amenities that will improve the county's image to prospective workers and tourists. The panel compliments these efforts and believes these investments will be critical for McKenzie County to reach its economic and community development goals. These investments will continue to support the growth of the local economy and demonstrate to outsiders the commitment that McKenzie County leadership has toward supporting a growing economy and community.

Self-awareness of economic development issues

County leadership is aware of the dangers of having their economy be so dependent and reliant on a few industry sectors, with the petroleum sector being the main driver of growth over the past two decades. A county that is not self-aware of the threats to its economy is at-risk of letting threats become a reality. The need for diversification was a main topic of the site visit, especially with the economic and elected leaders of McKenzie County. The panel was impressed by McKenzie County's ability to quickly identify community and economic concerns and clearly demonstrated to the panel the desire to quickly address them. These include their self-awareness of housing shortages, limited childcare spaces, and the county's responsibility to build and improve their road and water infrastructure. Recognizing a need to diversify their economy is the first step in a lengthy process, but fortunately, McKenzie County has the leadership and stakeholders who are aware and willing to become proactive in bringing along diversification.

Value-added in energy and agriculture

McKenzie County is the second-largest oil-producing county in the United States and was previously first. The county's competitive advantages in the energy industry provide McKenzie County with a great

opportunity to attract value-added energy businesses. One example that was suggested was embracing natural gas. In addition to energy, agriculture and ranching are the second major industry for McKenzie County, which can provide McKenzie County opportunities to attract new and innovative value-added agriculture production firms. During the site visit, panelists were made aware that the North Dakota Department of Commerce has a variety of energy and agriculture value-added business opportunities in the works, which could provide McKenzie County with a few opportunities to land new value-added businesses. For example, the innovative greenhouse approach of the Three Affiliated Tribes using captured natural gas could provide an interesting model that could be expanded to other parts of the county. With changing economic and energy landscapes, value-added production for energy and agriculture could supply McKenzie County with a new strategy to recruit new businesses and jobs to the county.

Tourism assets

Assets recently invested in, like the Rough Rider Center and new fairgrounds, have and will provide McKenzie County with the opportunity to host more events that will draw crowds from across North Dakota and neighboring states. In addition to these assets, McKenzie County's closest commercial airport, in Williston, has direct flights from two major airports, Denver and Minneapolis, making it not too difficult to travel there for tourism. McKenzie County has multiple natural assets that could attract tourists with additional promotion. In addition to the Teddy Roosevelt National Park, McKenzie County is home to the Missouri River, Lake Sakakawea, and National Grasslands. These are all assets that McKenzie County should continue to leverage to position McKenzie County and Watford City as tourist destinations. There already have been investments to supplement these natural assets, like their Maah Daah Hey trail. Supporting entrepreneurship and business growth around these natural assets is a great opportunity for McKenzie County to create new businesses and jobs, as well as import dollars from tourists. Finally, McKenzie County and Watford City already have the infrastructure to support a growing tourism economy, with over 800 hotel and motel rooms located just within the city. Utilizing and advertising the various assets and amenities that McKenzie County has to offer provides opportunities to expand the local tourism industry.

Challenges

Fundamental economic development practices

While McKenzie County has a strong leadership ecosystem focused on growing and sustaining the amenities for their expanding population, the panel identified that the county had a limited focus on fundamental economic development programs and practices that are critical to a county's economic development ecosystem. McKenzie County's JDA has invested strongly in community development practices to make McKenzie County a location where people can enjoy a high quality of life. A balanced approach between economic development and community development programs could provide new opportunities for the county.

Economic development has traditionally been defined by focusing on a three-legged stool. The logic behind it is a balanced approach to economic development. Each leg of the stool represents a driver for economic development—business retention and expansion, business attraction, and entrepreneurship. In recent years, there have been shifts in what each leg represents. Janet Ady of Ady Advantage presents a stool that features a leg on business retention, expansion, recruitment, and start-ups, the second leg focused on the retention, development, and recruitment of talent, and the final leg focused on placemaking. McKenzie

County government and the JDA board have been observed to focus on addressing strategies related to talent retention and placemaking. Yet, there has been limited focus on business retention, expansion, attraction, and entrepreneurship.

Depending on the interpretation of the three-legged stool of economic development, McKenzie County has been missing one or more legs of the stool. For economic development efforts to succeed, the three legs of the stool need to work in harmony, but for McKenzie County, the placemaking leg of the stool has been receiving the bulk of the attention. For example, McKenzie County has only one person focused on entrepreneurship but has a variety of stakeholders working in placemaking and community vibrancy. Moving forward, McKenzie County should consider shifting its capacity and resources across the three legs to support a well-rounded economic development strategy.

Limited regional opportunities

From the meetings, it was observed that McKenzie County is not including themselves in the regional economic conversations and that the regional economic programs are more focused on Williston in Williams County. The panel learned about a small business incubator feasibility study that is being conducted by the Tri-County Regional Development Council, the regional economic development district (EDD), to test whether an incubator would be successful in Williston and Williams County. McKenzie County should be working with the regional EDD to have the feasibility study include McKenzie County as part of the examination. McKenzie County is limiting its economic development opportunities through its limited participation in the regional economic development ecosystem.

Interest in expanding knowledge

From the site visit meetings, it was observed that McKenzie County staff and board members could benefit from a professional development plan. There was a keen interest expressed in learning new strategies, and case examples from other communities were observed. A commitment to more professional development would expose McKenzie County and its leadership to economic development best practices, which could be morphed and formed to fit the political and economic culture in McKenzie County.

Out of date economic development strategic plans

The last economic development strategic plan for McKenzie County was released in 2013, with the last county comprehensive plan for 2025 being released a few years later. Between the expansive population growth and booms of the oil industry, McKenzie County has had to play “whack-a-mole” and address the most pertinent issues that popped up. These reactionary efforts have forced McKenzie County to work more unscripted. There appears to be more of a focus on short-term goals and less dedicated time and planning on the longer-term vision. McKenzie County indicated the desire to shift from these reactionary projects that are not as focused on economic development to more proactive economic development practices. An updated strategic plan can help McKenzie County shift towards practices focused more on long-term sustainability while also developing the metrics needed to measure the success of their economic development efforts. The strategic planning process should be updated every three to five years, with plans being regularly reviewed to see how implementation and metrics for outcomes can be improved. Not having long-term strategic plans will be an economic challenge for any community and may limit the success that a community can have, particularly when it comes to long-term economic sustainability.

Limited private sector involvement and investment

While publicly funded investments are needed for effective and lasting community and economic development efforts, the panelists noticed that McKenzie County had a limited investment from the private sector when it comes to economic and community development. The oil boom and mineral rights have enabled McKenzie County to be far less dependent on more traditional capital and job-growing investments from the private sector than is typical. The panel observed there are several private sector companies with a presence in McKenzie County that do not invest in the community, nor do the community leaders have relationships with the leaders at headquarters. This imbalance can be a threat to the community in the future when public funding is less abundant. When a private sector company becomes invested in the community, they start to build roots and support community investments that also support the business community and local economy.

By leveraging private investment for economic development, the JDA board can focus on developing investment funds and business support programs that help instill a strong business community focused on creating wealth for McKenzie County. These private investments lead to newly created wealth that cycles back to the business community through increased local sales, a stronger workforce through population growth and new programs, and increased business support from the county. Improved private sector involvement also encourages more communication and relationships between major employers and McKenzie County, opening the door to new business information they may not have readily shared before. These relationships can be built over time through a business retention and expansion (BRE) program.

Additional known challenges

As mentioned earlier in the report, McKenzie County and its leadership are well-aware of the challenges they face when it comes to achieving its economic development goals. These challenges impact a variety of economic development functions, most notably their workforce attraction and retention.

- **Desolate Wasteland Myths** – Mentioned in multiple site visit stakeholder meetings, Northwest North Dakota has an image as a “desolate wasteland and the new wild west.” McKenzie County leadership is aware of this myth and the need to bust it. This challenge makes it difficult for McKenzie County to attract prospective families to relocate to the county, leading to the next challenge of a transient workforce. These myths can be addressed through a proactive branding or marketing campaign.
- **Transient workforce issues** – The nature and volatility of the oil industry create a transient workforce issue that McKenzie County currently deals with. Turnover rates are extremely high in the energy industry, creating this issue where workers come to McKenzie County for only temporary work times, leaving their families back home. And for workers who do bring their families, they could easily be gone within a few years, depending on the oil market. Getting the transient workforce to settle and build roots in McKenzie County is a known challenge across leadership.
- **Lack of affordable childcare** – Even with the recent public investments in childcare, the limited spaces available and the costs remain a challenge in McKenzie County. As a result, the community has observed that many spouses stay home with their children instead of joining the workforce. Additionally, there is a large contingent of families in the county who elect to homeschool their children.

- Workforce Housing Shortages – Even with their recent housing programs and investments, McKenzie County still faces shortages of housing for their community. The limited number of skilled trades professionals in the county and within an hour's drive makes it challenging to keep up with the demand. As the oilfields offer significantly higher salaries and the training programs are hours away, it is a challenge to attract skilled trades professionals. Several community stakeholders mentioned the additional costs and time they face for repairs or construction due to the distance the trades professionals need to drive.
- Diversity and Inclusion – Leadership were aware of a need to better incorporate and assimilate the wide variety of nationalities and backgrounds of individuals who make McKenzie County their home. These communities provide opportunities to strengthen the local workforce and encourage entrepreneurship. Further, leadership realizes better cultural inclusion practices is a way to tap into these groups for volunteerism and other community engagement.

An Action Plan for McKenzie County

The IEDC panel identified and recommended several comprehensive and over-arching action items for McKenzie County to focus on as they work to build a diversified and resilient economy. The list of recommendations is expanded on further in the following sections.

1. Focus on the fundamental of economic development and diversification by:
 - a. Developing business retention and expansion program
 - b. Greater focus on strengthening their entrepreneurial ecosystem
 - c. Using data and competitive advantages to pursue realistic and targeted business and economic opportunities
 - d. Expanding economic development capacity by investing in professional development and training for staff, board members, and other stakeholders
2. Step up current economic development efforts by strengthening current leadership and partnerships while exploring new economic development relationships with the region and state
3. Utilize their relationships, partnerships, and stakeholders to build stronger talent attraction, retention, and upskilling programs and practices
4. Establish strategies for branding and placemaking to support talent and tourism attraction efforts
5. Supplement current economic developments efforts by engaging private sector involvement by:
 - a. Encouraging private sector investments to achieve downtown vibrancy and vitality
 - b. Supporting private sector growth and entrepreneurship to fill in the gap for quality-of-life services like outdoor recreation
 - c. Growing the current community foundation and establishing private community investment funds
6. Begin instilling an economic development strategic planning process that emphasizes the entire process, not just the result

Recommendations

Focus on the fundamentals of economic development and diversification

As the California Association for Local Economic Development describes it, “Community development is a process for making a community a better place to live and work. Economic development is purely and simply the creation of wealth in which community benefits are created.”¹ While both community and economic development activities work to make the community a good place to live and work, economic development focuses on it from the business perspective. IEDC panelists observed that McKenzie County had placed emphasis on community development but now would like to begin making the switch to placing more focus on their economic development practices.

McKenzie County has made incredible strides in building a community that is great to work and play in. However, as the two stakeholders mentioned, the county has been reactive to challenges facing the community rather than engaging in a proactive economic development program. In this section, the panel recommends the JDA and economic development department shift gears to focus on the three-legged stool foundation of economic development to achieve the county’s diversification and resilience goals.

The specific areas of economic development that panelists identified as lacking are BRE practices and entrepreneurial support programs. As mentioned several times throughout the site visit, 70 to 80 percent of new jobs in an area are created by existing companies and entrepreneurs. Supplying high-quality services and support to existing businesses and entrepreneurs attracts new businesses and entrepreneurs to enter the local economy. As the panelists mentioned multiple times, economic development and BRE are very similar to running a business; the best way to attract new customers is to take excellent care of current customers.

Developing business retention and expansion programs

The first leg of the stool focuses on retaining the businesses that are already in McKenzie County and assisting them with their operations and expansions. A BRE program builds and fosters relationships with the business community and makes them aware of what the McKenzie County JDA has to offer in support. With limited outreach to current businesses, McKenzie County could have been missing possible opportunities to grow local businesses that support job creation and diversify the economy. In Appendix A are strategies to start a formal BRE program.

The panel believes that industry roundtables would provide McKenzie County with great learning opportunities, providing them valuable information on the businesses’ concerns and what the county can do to help retain and grow local businesses that create new jobs. Industry roundtables can be broad to bring a variety of business stakeholders to the table and encourage communication between all members of the business community. Smaller and more focused roundtables can also help gather information on a specific industry in the county. Industry roundtables are key to successful BRE programs because they provide businesses an opportunity to come together and voice their opinion on how the business ecosystem can be improved. Businesses then feel like their voice matters and are more open to working with the county. Roundtables are a useful strategy for gathering information, building relationships, and providing businesses

¹ What is Economic Development?, California Association for Local Economic Development., <https://caled.org/economicdevelopment-basics/>

a platform where they can express their views on what needs to be done. In appendix B of the report, there will be further information on how to start an industry roundtable program and examples of best practices.

BRE Case Study: Helping a Company Expand in Siskiyou County California

In 2012, the Belcampo Meat Company were looking to expand their ranch operations to include a meat processing facility. However, they could not find the space they were looking for in their town and began to look at moving their facilities across state lines to Oregon. When the Siskiyou County Economic Development Council (SCEDC) got wind that the Belcampo Meat Company wanted to expand business operations but could not find the space, they were quick to react to ensure that the company would not leave the county.

Not wanting to lose the Belcampo Meat Company, the Siskiyou County Economic Development Council worked with the leaders of various towns across the county to start identifying where the processing facility may fit. Through the cooperation of a number of municipalities, state and local organizations, and the SCEDC, a plan was found and developed to ensure that the processing facility would be located in Siskiyou County.

The SCEDC utilized several resources to retain the Belcampo Meat Company, including Brownfields, Technical Assistance, and Enterprise Zone grants. The efforts put in by the SCEDC helped retain the Belcampo Meat Company while also expanding their business operations and adding up to 30 jobs in the county. SCEDC demonstrates how being active in your BRE practices will prevent jobs from leaving and support job creation through local business growth.

Strengthen the entrepreneurial ecosystem

Entrepreneurial support is one of the fundamentals of economic development and diversification; supporting entrepreneurs is a way to diversify the McKenzie County economy and support talent retention goals because entrepreneurs build roots in the community, making it harder to leave the region. Entrepreneurship can offer an alternative to the typical economic development strategies like business attraction incentives. Past research has found that areas with higher rates of entrepreneurship had significant increases in employment, 73 percent higher than those with lower levels². Strengthening the ecosystem and encouraging entrepreneurial growth is a successful way to grow community investments that support diversification. A report from Endeavor Insight on Rural Entrepreneurship highlighted a study that discovered that local retailers returned 52 percent of their profits to their community, compared to just 14 percent by national chain retailers. Local restaurants returned 79 percent of their revenue locally, compared to just 30 percent for chain eateries³.

² [Rural Entrepreneurship in the United States – A Pillar of Economic Development for Rural Communities](#), Endeavor Insight, January 2021

³ Endeavor Insight, January 2021

There are some key factors when it comes to fostering a strong entrepreneurial ecosystem. Fed Communities⁴, the economic development arm of the Federal Reserve, released six essentials a community must-have for an effective entrepreneurship ecosystem. The six essentials are:

1. Entrepreneurial Talent: The technical skills that local entrepreneurs currently have or acquire through education, training, and mentoring allowing them to start and grow successful businesses
2. Relationship Networks: The relationships entrepreneurs have with entrepreneurship support providers, key individuals in the business community, and other entrepreneurs
3. Access to Credit and Capital: The ability of entrepreneurs to get the necessary financial resources for their businesses
4. Local Culture: The support and encouragement from the broader community for entrepreneurship
5. Community Infrastructure: Access to and availability of resources required for business activity like quality buildings, roads, and broadband access
6. Policy: The reduction of red tape, access to transparent business registrations and filings, and policies that support other pieces of the entrepreneurship ecosystem

As McKenzie County explores ways to strengthen its entrepreneurial ecosystem, they should come back to these six essential factors and ask themselves, how can we improve these factors within our county? It may be advertising educational opportunities to prospective entrepreneurs, holding monthly lunches that help expand networks, or establishing a grant program that helps businesses obtain the necessary financial resources. Improving these six essential factors can transform an entrepreneurial ecosystem. One thing these essentials all have in common is that they are all based on providing support and removing barriers. At the most basic level, for McKenzie County to strengthen its entrepreneurial ecosystem, they need to learn where it can provide support and reduce the barriers and burdens entrepreneurs face in McKenzie County.

Strengthening an entrepreneurial ecosystem starts with building relationships with current and prospective entrepreneurs, developing the programs and upskilling opportunities based on their needs, and then making these programs known to the entrepreneurial community. The McKenzie County JDA and Economic Development Executive Director (Director) needs to be proactive when it comes to learning about the current entrepreneurial ecosystem and how it can be improved. For instance, the panel believes the Director should look to hold monthly meetings with Keith Olson, Director of the local SBDC, and Kenley Nebeker, Director of TrainND Northwest. McKenzie County's entrepreneurship and small business partners will have a solid understanding of what the county can do to support its small businesses and entrepreneurs, which is why the Director should hold monthly meetings with them to discuss how the JDA can strengthen the ecosystem. Other partners they should be working closely with include the Bank of North Dakota and institutions of higher education like Minot University's Severson Entrepreneurship Academy.

McKenzie County should identify current and prospective entrepreneurs, so they can be brought to the table and express what they think McKenzie County can do to support a strong entrepreneurial ecosystem. This should include brainstorming on how they can ensure that entrepreneurs are aware of the entrepreneurial skill development programs available to them. When the Bakken Area Skills Center is

⁴ [6 essentials for an effective entrepreneurship ecosystem](#), Dell Gines, May 2021, Fed Communities

finished, entrepreneurial education programs will be offered, but they need to be well advertised so that entrepreneurs know they have these programs at their disposal. Advertisement strategies could be having a dedicated entrepreneurship page on their website or a monthly convening of local entrepreneurs. McKenzie County could also advertise these learning opportunities at their various community events and buildings, like at sports tournaments hosted by the Rough Rider Center.

One challenge that was brought up was entrepreneurs within McKenzie County face rents that are untenable for businesses starting out. There are several approaches that public entities can do to assist startups in this situation. One approach to consider is to develop spaces for pop-ups in vacant storefronts. This helps solve some of the issues that vacant storefronts bring while providing entrepreneurs with a way to test their startups. Further, this strategy can be deployed in multiple communities around the county (such as Arnegard and not just Watford City). This program would require working with the vacant property owners as well as ensuring that the vacant property is in the right condition to host interim businesses and pop-up shops. Another approach is a retail incubator to allow entrepreneurs to evaluate if their startup will

be successful. In addition to offering retail space, an incubator is a great strategy to set up a one-stop-shop for entrepreneurs to receive education and resources. However, before an incubator is established, McKenzie County will want to perform the necessary research to determine whether they have the demand for an incubator. Research may include but is not limited to the following: push/pull factors; market demand, unmet demand, and potential saturation; supply chain analysis; workforce alignment and support; etc. If the demand for an incubator is not there, McKenzie County should not sink the funds into an incubator but rather explore other ways to strengthen the ecosystem and return to the incubator idea later down the road. A phased approach for working your way up to an incubator could include partnering with an entrepreneurial assistance group to provide virtual services. A third approach could be establishing an entrepreneur grant program that reduces the financial burdens of opening a brick-and-mortar store. This could be a rent assistance program that helps with the first six to twelve months of rent. While this helps

Case Study: Building and Strengthening Local Entrepreneurial Capacity – Startup Ada Boot Camp

The Ada Jobs Foundation is the lead economic development agency for the City of Ada, Oklahoma (pop. 16, 481) and focuses on creating and retaining quality jobs. The Ada Jobs Foundation started their Startup Ada Boot Camp to help increase the capacity of local entrepreneurs, helping them become successful small business owners. The Startup Ada Boot Camp program won an award from IEDC in 2020, winning silver in IEDC’s annual economic development program awards.

The boot camp is designed as a six-week cohort-based program designed to equip entrepreneurs with the education and resources to take their businesses from the idea stage to being ready to pitch. The program meets every week for six weeks leading into “Demonstration Day” session at The Big Pitch Ada event.

Structured through different modules, the bootcamp helps entrepreneurs create the essential building blocks for starting a business. During these modules participants learn about customer discovery, legal basics, how to prototype, startup financing tools, marketing essentials, and how to make effective pitches. Each class is equipped with an expert speaker, topic-based curriculum, peer-to-peer interaction, hands on learning, and networking opportunities. Interested applicants apply to the boot camp and if selected, pay a \$75 program fee. The Startup Ada Boot Camp has helped the City of Ada strengthen their entrepreneurial ecosystem by providing new entrepreneurs the resources needed to succeed.

reduce the early financial burdens of a start-up, it does not serve multiple capacities like the previous two ideas. With a grant-based program, McKenzie County will still need to find ways to provide education and training opportunities for local entrepreneurs. Included with a grant program, McKenzie County might explore a program that helps start-ups identify commercial space and guides them through the process from signing a lease to opening day.

Accessing capital is often the number one burden for entrepreneurs. Fortunately, economic development organizations and financial institutions have found innovative ways to reduce this burden. For North Dakota, the Bank of North Dakota is an asset to the economic development community. McKenzie County needs to make sure its business and entrepreneurship community are aware of what the Bank of North Dakota can offer. In particular, entrepreneurs need to be aware of the bank's Beginning Entrepreneur Loan Guarantee. The program assists with business startup financing by providing financial institutions with loan guarantees on loans provided to business startups. To be eligible for the program, the borrower must be a North Dakota resident who graduated from high school or received a GED, has some training by education or experience in the type of business they are seeking to start, and their net worth must be less than \$500,000. Another innovative solution is working with local businesses and investors in the county to start an angel investing group that provides investments to early-stage startups and entrepreneurs. Angel investment is an effective tool for capturing local wealth and funneling it back into the local business community. This type of program can be developed at the local level in partnership with things like a community foundation, private sector, and local wealth seeking moderate returns. McKenzie County should evaluate the entrepreneurial financings programs available, identify the gaps, and determine how to improve accessibility to capital for entrepreneurs.

During the various discussions about the Bakken Area Skills Center, it was mentioned that a makerspace might be a part of the center. A makerspace would help support the entrepreneurial ecosystem, as makerspaces are places for like-minded people to gather and work on their business ideas and share equipment, expertise, and ideas with other entrepreneurs. Rather than working by themselves, makerspaces encourage collaboration amongst entrepreneurs, which leads to innovation and new business ideas that become local businesses. In Illinois, Harper College's Makerspace and Entrepreneur Center provides creative students with a location to test their ideas and work together. The Center now offers a 16-hour entrepreneurial certificate program that makes students eligible to participate in Harper's Educational Foundation's Dream Big – Angel Grant program.

Entrepreneurship can be a powerful strategy in encouraging economic diversification and growth only if it becomes part of the culture of the community. One strategy to help the community culture to embrace entrepreneurship is to consider incorporating it into lessons in the school system or after-school clubs, so children grow up knowing it is an option for their future. A youth entrepreneurship program that is already occurring in Williston, Dickinson, and Bismark-Mandan is National Lemonade Day. This national program offers a wide range of resources and curricula to help students learn about entrepreneurship and engages the community in supporting their efforts.

Utilize data and information to achieve targeted and reachable business attraction goals

An important part of economic development and diversification is pursuing realistic business targets that are based on data and not the desires of the public or county leadership. Adopting a culture that is rooted in data will serve the economic development team moving forward with its diversification process. For diversification, McKenzie County should not waste time pursuing shiny new things but rather use data and

industry competitive advantages to identify targeted and realistic opportunities. As discussed earlier, value-added opportunities in energy and agriculture provide some opportunities for McKenzie County to create new jobs and diversify. While the huge and economic-changing project is out there for McKenzie County, economic development leaders should be focused on landing the smaller projects and low-hanging fruit that translates to economic wins for McKenzie County. Data is key to educated economic development decision-making, and McKenzie County should be using more data in its everyday practices to drive economic development initiatives.

Expanding professional capacity

It was noticeable in various stakeholder meetings that there were some questions about the county's economic development capacity and its ability to achieve the wide variety of the county's economic development goals. To help McKenzie County establish more traditional economic development practices and programs, the panel recommends McKenzie County increase the capacity of economic development leadership. First, capacity should be built through professional development for the Director and McKenzie County's JDA Board. McKenzie County should explore sending their Director and the JDA board chair to a basic economic development course. Basic economic development courses (BEDC) are independently run courses that provide entry-level economic development practitioners a primary foundation for economic development. BEDC serves as an equivalent to IEDC's Introduction to Economic Development course in preparation for IEDC's Certification (CEcD) exam. Although these courses are independent of IEDC, IEDC accredits these courses to ensure each course covers the fundamentals of economic development. While there is not a BEDC course in North Dakota, there is the Upper Midwest course in Minnesota in the fall and the Heartland course in the Spring in Iowa. A full list of BEDC courses can be found on IEDC's website at <https://www.iedconline.org/pages/basic-economic-development-course/>. McKenzie County should then make it a practice to send new JDA board chairs to basic economic development courses, helping build the county's economic development knowledge and capacity.

Another capacity-building option for McKenzie County is having their Director take courses through Oklahoma University Economic Development Institute. Taking courses through Oklahoma University is a great networking and learning experience, which would allow the Director to bring back innovative ideas that can be applied to McKenzie County. Increased networking for the Director and the McKenzie County JDA provides them with opportunities to learn best practices and bounce ideas off of their peers. It appeared that McKenzie County's economic development leaders would benefit from expanding their professional network.

After taking the basic courses, the Director and JDA can search for new learning opportunities with focused curriculums like BRE, economic development finance, and entrepreneurship. After going through different courses and training, it may be advantageous for McKenzie County to explore having the Director receive a Certified Economic Developer designation from IEDC. [The Economic Development Association of North Dakota](#) lists several organizations that McKenzie County can turn to for professional development and certification programs. It is also possible to start a regular lunch and learn program where once a quarter or once every other month, JDA members are invited to join the Director for a webinar and a discussion afterward on how the takeaways could be applied to the community.

McKenzie County leadership should also review the capacity of their economic development department as a whole and determine if additional capacity is needed for the McKenzie County JDA to achieve its desired economic goals and results. This could include working with Watford City and the other localities on

increasing their economic development capacity, adding more community development-focused staff to allow economic development to focus on business and wealth creation, or increasing the hours of the part-time tourism-focused staff.

Using Competitive Advantages to Diversify Case Study: Campbell County, Wyoming

Located on the Powder River Basin in Wyoming, Campbell County is rich in coal deposits, oil, and gas. Out on the plains and close to major coal reserves, Campbell County developed an energy focused economy with major ties to coal, oil, and gas. In recent years, the economy has faced a number of challenges as the country moves away from coal as an energy source. For oil and gas, the oversupply glut of 2014 led to a major decline in oil and gas jobs in Campbell County, from 2,225 in 2014 to 1,154 in 2016, a 48 percent decline.

Although many of the locals complain about a “war on coal,” community leaders realized the need to diversify, with Energy Capital, the local EDO, leading the way. Energy Capital’s strategy starts from a foundation of leadership and civic development; layers on quality of life, workforce, and infrastructure investments; focuses on scaling existing businesses and entrepreneur development; and, finally, seeks to recruit new business.

There are strong partnerships between local and state government, especially the Wyoming Business Council and Wyoming Technology Business Center, along with Gillette College, Energy Capital, and others. Together, they are making the community attractive, creating multiple tracks at Gillette College for skills development and retraining, hosting a maker space and business incubator, and building road, sewer, and business park infrastructure in anticipation of future development.

The major hurdle Campbell faces is its limited economic foundation and reliance on resource extraction for revenue. Because of this, Energy Capital is keeping its eye on “carbon plus” projects, which explores new ways to use, process, and sell coal-derived products in carbon capture, filtration, and manufacturing applications. To address such challenges, Energy Capital, with state and federal support, has launched public-private partnerships such as the Advanced Carbon Products Innovation Center, to foster new manufacturing and technologies, and the Wyoming Integrated Test Center, to develop carbon capture technology. Companies working to create new “carbon plus” products include Atlas Carbon, which uses finely ground coal dust to create filters that could be used to scrub coal-fired power plant emissions, and Ramaco Carbon, which is turning coal into carbon fiber and resins.

Resource: [Understanding Economic Transitions in Energy Focused Communities, Resources Legacy Fund, October 2019](#)

Embracing current and forming new partnerships

As the fastest growing county in the United States, strong development leadership, teamwork, and collaboration has been needed to ensure McKenzie County was properly handling this economic and population boom. Community stakeholder meetings contained individuals who represent many different facets of the local economic and community ecosystem, with many of them wearing multiple hats for the community. With the commitment that many stakeholders have towards McKenzie County and western North Dakota, it should be a focus of McKenzie County to continue to strengthen the partnerships that have successfully constructed the county's collaborative and team-based leadership. Strengthening these partnerships can lead to improved productivity amongst economic development stakeholders, leadership, and volunteers.

Building new relationships

Identifying new partnerships can strengthen existing ones and bring along new information and resources that may not have been available before. McKenzie County should be exploring how partnering with regional and state organizations can better equip them to reach their economic development goals. Exploring statewide partnerships could lead to new opportunities and resources that McKenzie County and its economic development leadership could tap into, like Minot State's Severson Entrepreneurship Program. The panelists also advised McKenzie County to begin building a relationship with the Three Affiliated Tribes located in McKenzie County. Through relationship building, McKenzie County could create new economic opportunities through the tribe and help the tribal nation feel more represented in the county and their economic decision-making.

Regional economic development partnerships can lead to new economic development resources and opportunities that a singular community may miss. Moving forward, it is recommended that McKenzie County explore opportunities to build and create new regional partnerships and relationships it may have been missing out on before. While the partnerships inside of McKenzie County are strong and collaborative, the panelists believe McKenzie County is not

Tips On Building Relationships and Partnerships with Tribal Nations

The panel believes that McKenzie County could be missing out on some economic opportunities due to their lack of a relationship with the Three Affiliated Tribal Nation in the county. To help McKenzie County build this relationship, IEDC staff sought the advice of James Collard, PhD, Director of Planning & Economic Development for the Citizen Potawatomi Nation in Shawnee Oklahoma for some useful tips on how to build relationships with tribal nations. Below are his major tips:

1. "McKenzie County officials need to read everything they can to find about the tribes in their area. Start with the websites and then try to find an official tribe history."
2. "They need to understand they are dealing with Sovereign Nations that report to the U.S. Congress, NOT the state, county, or local governments. This is important because generally state, county, and local officials have come to believe they "out rank" the tribes. Therefore, they need to think in terms of diplomacy."
3. "Reaching out and requesting a meeting on tribal land and not summoning them to the County government offices."
4. "Overall, it is really about showing effort and most importantly showing respect."

participating enough in regional partnerships, not realizing the possible economic gains that come from regional partnerships, initiatives, and programs.

McKenzie County needs to be more active in engaging these regional partnerships, including having once a month regular meetings with the representatives from the SBDC and TrainND. McKenzie County and its economic development leaders should be putting more effort into having regular meetings with all their regional and state economic development resources, including their Economic Development District, the State of North Dakota, and other development entities in Northwest North Dakota. When there is a regular connection, these economic development resources are more likely to keep McKenzie County in mind for certain projects and opportunities. These connections should also be made and developed throughout the year and not just at conferences or when they are needed. Making these connections around the region and with neighboring counties will open McKenzie County to projects happening outside of the county that could create opportunities for McKenzie County residents. With the number of residents that cross the Montana borderline for shopping and other needs, it would be advantageous for McKenzie County to explore partnerships with the local economic developers across the border as well. Cross-border regional partnerships have proven to be highly effective, like the Inland Northwest Partners, which focuses on the economic development of the Northern Idaho and Eastern Washington region. Their regional collaborative effort is aimed at building economic growth through enhancing the brand of the Inland Northwest and its communities by marketing its business value.

The Western Regional Economic Development (WRED) organization may be another tool to work regionally to identify economic diversification opportunities and market the region. As a regional organization consisting of several smaller counties, WRED can play a primary role in marketing the region on the national and global stages to help overcome the “desolate wasteland and new wild west” myths and promote the region as a family-friendly region with job opportunities as well as highly skilled workers; customized workforce training opportunities include Williston College and the Bakken Area Skills Center; and transportation amenities and many other assets.

Engaging in regional partnerships brings resources and minds together, creating new economic opportunities that would not have been feasible without a regional approach. McKenzie County needs to be active and start reaching out to potential regional partners, so the connection is already made before it is needed. See the appendix for a case study on the Great Miami Riverway Coalition and the benefits of regional collaboration and partnerships.

Succession planning to maintain strong community leadership

The IEDC Panel was quick to recognize McKenzie County’s competitive advantage when it comes to community leadership and wants to ensure McKenzie County does not lose this competitive edge. The panel recommends McKenzie County explore succession planning for their current leadership, as well as ways to diversify leadership for broader community representation and to prevent burnout amongst community leaders. During the final presentation, IEDC’s panel recommended the idea of creating a leadership mentor program to help identify, educate, and prepare future McKenzie County leaders. For McKenzie County, this would be working with the current leadership, community organizations, and businesses to identify individuals who show genuine care and interest in the community and would be a good fit and interested in a community leadership role. Some communities and organizations require membership or applications to be a part of a future leader’s program. To help prospective participants learn about the program, McKenzie County may want to advertise the program on social media, in public

settings, and on its website. After individuals are identified and have joined the future leaders' program, McKenzie County would want to provide education on effective community leadership and incorporate these individuals on what goes on behind closed doors, the different responsibilities community leadership has, and how leadership interacts with each other and the rest of the community. The overall point of the program is to create a pipeline of future leaders who are competent and able to take over community leadership roles. These efforts will help prevent burnout amongst current leadership and gaps in leadership when current leaders decide to take a step back.

There are a variety of resources on succession planning that can provide direction on how to thoughtfully plan for leadership succession. The National Council of Nonprofits⁵ put together a list of ten steps they suggest for planning leadership transitions. Below are three steps that are important when it comes to community leadership:

- Identify current challenges and those that lie ahead and the corresponding leadership qualities that are needed to navigate those challenges successfully
- Identify leadership development opportunities for community leaders and their mentees, expanding leadership and providing the community with a deeper pipeline of leaders
- Draft timelines for leadership succession plans

The panel recognized a need for increased inclusion efforts of stakeholders and leaders to expand the number of citizens who are active in community organizations. Succession planning and mentor programs will help expand the pool of community leaders, bringing more voices to the table and helping ensure that all members of the community are represented. The expansion of their leadership pool will also prevent burnout, as there will be more volunteers and stakeholders willing to take on leadership roles in the community. When making economic decisions, it is important to think about how all communities will be impacted. A recommendation would be for the newspaper, library, Rough Rider Center, or another community leader to develop a Get Involved fair on a weekend where citizens, including new residents to the area, can come to learn about the great community organizations that exist within McKenzie County and how they can get involved.

In Aberdeen, South Dakota, Leadership Aberdeen is a program focused on providing comprehensive leadership training with the goal of building the future community leaders of Aberdeen. The program is run by the Aberdeen Area Chamber of Commerce. Participants are provided the opportunity to sharpen their skills, share experiences, and network with fellow participants. Participants follow a 12-week positive leadership curriculum, go on community tours to learn about the opportunities and challenges in Aberdeen, and facilitate a local community project that has a positive impact on the Aberdeen Community. In Dublin, Ohio, the Dublin Chamber of Commerce has its Dublin Chamber Leadership Executive Program, helping train and elevate the future leaders of the community and local industries. Participants expand their knowledge of the Dublin area and connect with others looking to take their career and organization to the next level. During the program, participants get access to the behind-the-scenes processes of city government and school systems, introductions to elected officials, and are immersed in small-group community projects. Young professionals of Dublin apply to join the program, with the program beginning

⁵ [Succession Planning for Nonprofits – Managing Leadership Transitions](#), National Council of Nonprofits

in October and ending in May. Programs like these two help grow the local leadership pipeline, ensuring that communities continue to have the leadership capacity to be successful communities.

Improving city and county cooperation for improved functions of event attraction assets

McKenzie County and the City of Watford have excelled at collaborating to invest in state-of-the-art facilities and amenities. However, with the various facilities being owned by either the city or county, staff, and volunteer productivity is not maximized. Strengthening the partnership between the two jurisdictions could lead to improved management, like the ability to share staff and volunteers. Staff and volunteer capacity was a concern of stakeholders who focused on event attraction with the Rough Rider Center and new fairgrounds. McKenzie County should explore how the various assets can share staff, but also how they can recruit the workforce given the difficulty of recruiting for lower-paying jobs since the oilfields pay so high. One recruitment model is to support former substance abusers to work in fairgrounds, Rough Rider Center, and other low-skill jobs that support these amazing facilities. Below is a case study on TROSA, a recovery program for substance abusers, focused on providing their economic opportunities by building basic workforce skills and providing vocational training while they work on rebuilding their life. A model like this could help McKenzie County address some of its workforce concerns across the county in multiple industries.

Case Study – TROSA Model

Founded and based in Durham, North Carolina, TROSA is a non-profit focused on helping substance abusers recover from their addiction with multi-year residential treatment programs. TROSA is focused on providing men and women with the tools and support needed to be productive, recovering individuals. The program is loosely based on the Delancey Street Foundation, which has programs around the country.

TROSA offers recovering individuals with counseling, mentoring, life skills and vocational training, education, health services, and continuing care. TROSA participants receive vocational training through community assignments, which helps mimic life outside of TROSA. During community assignments, residents receive vocational training, life skills training focused on effective communications and time management, and how to work in a team and contribute to the community. TROSA has social enterprises that help provide specific training for jobs and life skills. The first two social enterprise was a potato peeling enterprise and moving service. TROSA demonstrates an innovative way to grow your workforce from within your own region and create economic opportunities for those who have been previously pushed to the side.

Stronger talent attraction, retention, and development practices

Like many other counties around the country, workforce development is a major concern for McKenzie County. McKenzie County would benefit from being proactive and collaborating with its workforce development stakeholders and partners to identify where they can work together to improve the county's talent retention, attraction, and upskilling efforts.

Foster workforce partnerships and relationships for a better understanding of local workforce concerns

Working with your employers is the first step in building a successful talent attraction and retention program. Panelists were surprised that recruiters of major employers in McKenzie County were not interconnected, missing out on major opportunities to pass resumes back in forth to prospective workers who may just not be a good fit for the specific job or company but may excel somewhere else within the county. Recruiters being in contact helps keep talent from leaving the area, as well as helps trailing spouses be able to relocate and join the local workforce. Connecting employers and recruiters across McKenzie County encourages the passing of information and opportunities, making it easier for employers to locate the workers they need.

By working with employers, it will be easier for McKenzie County to gather important labor data and information that businesses might not have shared prior to a relationship. These new relationships and information could open McKenzie County to more data on the transient workforce and those exiting McKenzie County, allowing McKenzie County to conduct interviews to understand what they need to do to get the transient labor force to settle in McKenzie County or learn why people are leaving through exit interviews. Other information that McKenzie County can gain from working with employers is why out-of-town job offers aren't being accepted and what McKenzie County can do to help businesses land those out-of-town recruits and offers. Building relationships with employers can make the jobs of economic development easier, which is why the panel is emphasizing recommendations around relationship building with established employers. By using their workforce development partnerships, McKenzie County can encourage private businesses to have more of a stake when it comes to the workforce development of McKenzie County. This encourages them to put their roots in the ground and start feeling like they are an important part of the workforce development environment.

From the meetings with these stakeholders, the panel recognized that McKenzie County would benefit from a more interconnected workforce system that involves recruiters for major employers, workforce development partners such as Jobs ND, TrainND, the school superintendents, and McKenzie County's economic development leadership. Within the county, more open communication amongst these parties would allow McKenzie County to better understand the local labor market, what training and upskilling information are available to the labor market, and the type of workers McKenzie County is looking to attract. It is advisable to schedule regular meetings (every other month or quarterly) with workforce development partners to address what programs they are working on, the unique training or recruitment needs they are hearing from their stakeholders, share the requests and information obtained from BRE visits, and identify opportunities to work collaboratively. Once a year, consider holding an event where workforce partners meet with different industry groups and hiring partners to exchange ideas and information on their programs.

Case Study: Partnering for Workforce Development – Connecting Educators with Industry – Cullman, Alabama

Cullman, Alabama has a track record of attracting new industries to the area because of the community's well trained and productive workers. The Cullman Economic Development Agency has become a leader in the field of workforce development, with their workforce philosophy emphasizing collaboration with industries. In 2015, after collaborating with local industries, Cullman implemented programs focused on 'educating the educators.' This led to their innovative and IEDC award winning program, "Educators in Industry." Partnering alongside local industry and education, the program takes over 300 secondary-education students and educators on 14 tours of local industrial parks, the hospital, and technical programs at Wallace State Community College. The program's hope is to enlighten and expose each of the benefits these businesses and opportunities bring to the community. Many of the students and educators are unaware of the actual locations of the industries, what each industry does and is responsible for, and the types of jobs they need and are available to them. These tours provide school leaders the chance to gain valuable insight in order that they may aid young adults and future workforce to find a promising career in Cullman. It became a part of Cullman's philosophy that those in education can be the greatest workforce development asset, but they need to be informed and knowledgeable of the local opportunities.

The Cullman Economic Development Agency has added additional programs to help foster the partnerships between local industry and education. They started their "Educator Exchange Program" which allows teaches to work at a local industry for a few weeks in the summer. This helps show the teachers how their teachings are being applied to the "real world." The overall goal of their "educate the educators" programs is to demonstrate to educators how learning a skill and obtaining certificates can help their students become successful and productive members of the community.

Utilize partnerships to support talent retention, attraction, and development programs and practices

For talent attraction and retention, McKenzie County would benefit from having a dedicated task force focused on developing monthly activities for young adults that engage the transient workforce, newcomers, and the locals. This would help encourage community relationship-building in young adults, building those roots that are key to keeping a worker in the area. In addition to developing monthly activities for young adults, the task force could develop programs and practices that help educate young adults and newcomers on how they can get involved in the community. Practices could include advertising community opportunities at monthly events, making posters that highlight these opportunities, and hanging them in the Rough Rider Center and on Main Street, or working with local employers to provide a McKenzie County information packet to workers new to the region. Social media like Facebook could be a strong platform for McKenzie County to connect with and inform young newcomers about local events they can participate in. The task force could be made up of individuals from a variety of partner organizations and stakeholders committed to helping McKenzie County achieve its talent goals.

By effectively utilizing workforce development partnerships with the school district and major employers, McKenzie County can survey high school students and young adults on the types of infrastructure they are

interested in for quality of life. By having strong partnerships, McKenzie County opens itself up to new capabilities through access to information that allows them to target surveys. By surveying local students, McKenzie County can better understand what the future residents will want to keep them in McKenzie County. Collaborating with the school district and major employers will be important when it comes to the distribution and completion of this type of survey.

Economic development sponsored internship programs have become increasingly popular to help solve workforce concerns. McKenzie County may benefit from developing an internship program with universities in North Dakota to send students to work for a semester or the summer in McKenzie County. For example, McKenzie County could work with a nursing or teaching school to develop a semester-long externship program. This could help alleviate some of the current workforce constraints that the county is experiencing in nursing, teaching, and childcare. To begin, McKenzie County should be looking at the various programs offered at North Dakota schools and identify schools they can partner with. Programs could be in nursing, teaching, childcare, and the technical trades. McKenzie County should look at how they can leverage their existing partnership with the University of Mary to develop an externship program with their nursing school. Externship and internship programs will advertise McKenzie County to the participants, showing them that they can experience a high quality of life in McKenzie County. Internship programs do not have to be limited to just college students. McKenzie County would benefit from setting up a local internship program with high school students. McKenzie County could use the Bakken Area Skills Center to provide basic training in the trades and childcare and then set up its participants in internships with local employers. It may be advantageous to see if McKenzie County and the school district could set up a small child facility at the Bakken Area Skill Center to provide internship opportunities for HS students, as well as alleviate some of the childcare shortages. Internship programs have proven to be a fantastic way to attract outside talent, retain young talent, and build the skills of future workers.

With a variety of workforce partners, like the University of Mary, McKenzie County School District, Williston State College, TrainND, and private employers, McKenzie County should be exploring how they all can work together to successfully advertise the upskilling opportunities provided in McKenzie County. Workforce development and upskilling programs cannot be successful if the targeted audiences are not aware of the opportunities that are out there for them. Making the labor force aware of these opportunities will help McKenzie County achieve a diverse labor force that is employable across multiple industries and businesses. In addition to the advertisement, McKenzie County needs to include employers when creating the curriculum for the workforce programs that are and will be offered in McKenzie County and the Bakken Area Skills Center. Employers are going to know best when it comes to the skills and training their workers need. Incorporating their involvement will help ensure that workforce training programs are effective, producing the labor that McKenzie County's employers demand. Creating and advertising these upskilling opportunities can help McKenzie County with talent retention, as there will be less of a need for workers and students to migrate to other areas of North Dakota to receive the training they are seeking.

Collaboration leads to new innovative programs that can help surface and solve issues that employers face when it comes to talent development. A major concern of workforce development is not having the training programs and certificates needed for their employers and workers. Organizations and communities have been finding ways around this by partnering with local stakeholders and offering their own certificates. In Charlotte, North Carolina, She Built This City, a Charlotte-based non-profit focused on introducing women and young girls from diverse backgrounds to the skilled trades, founded a Pre-Apprenticeship Plumbing Program that provides graduates with a certificate. For this program, She Built this City partnered with

Moen, Three Way Plumbing, and Lowes, who provided equipment and educational resources. McKenzie County may benefit from looking at how it can partner with industry to develop training programs with its own certificates that McKenzie County employers would appreciate and endorse.

Leverage current skillsets to attract and grow new industries

The next two recommendations are focused on determining the current skills being used in the oil and agricultural industries and how these skills can be translated to value-added jobs and other industries. First, McKenzie County needs to talk with prospective value-added firms to learn about the skills they like to see from their workforce. From these conversations, McKenzie County can work with the Bakken Area Skills Center to ensure that courses are put in place to help develop a workforce that can attract value-added firms. After skills are determined, McKenzie County should use BRE visits to discuss what training the current supply of workers needs for McKenzie County to be attractive to the value-added firms. During these BRE visits, it is also important to discuss what training is needed for workers in the field or to reach their next career jump. By working with their workforce developers, employers, and prospective businesses, McKenzie County can start strategically positioning itself to attract value-added firms through proactive workforce upskilling practices.

Next, McKenzie County could benefit from conducting a skill shed analysis to better comprehend the skills being used in the oil and agricultural industries. A robust and thorough BRE visitation program will help McKenzie County gather some of this information. After learning about the various skill sets that are needed, McKenzie County should research the industries that use similar skills or just require some additional training, which could be offered at the Bakken Center. This would be a great way to diversify the economy through new industries without requiring a full shift in the local workforce. In Eastern Kentucky, the coal decline has been especially harsh on their economy. To figure out how to get displaced miners back into work, Boyette Strategic Advisors began a skills transferability study for a 27-county region in Eastern Kentucky. They found that miners were highly skilled in welding, electrical work, and emergency first aid but lacked the needed certifications. Boyette then worked with local community colleges to create expedited certification programs. The region has used this transferability study to highlight the different skills their workforce has and the programs they are putting in place for their mining workforce to be quickly trained. Thanks to these efforts, from 2014 to 2016, the region recruited six new companies, equaling 2,000 new jobs and 1.9 billion in total investment⁶. A similar study and certification program could be possible at the Bakken Center and assist with diversifying the economy.

Work together to identify targeted audiences for talent attraction

The panel believes McKenzie County's talent attraction efforts would benefit from determining who their target workers are. It was mentioned in multiple stakeholder meetings that McKenzie County wants to attract families. However, many of the workers they need are typically single men for the energy and trades industries and single women for teaching and nursing positions. McKenzie County would benefit from a well-thought-out plan to attract families while also advertising the amenities and opportunities that single workers are looking for. McKenzie County has the amenities that both families and single people would enjoy. Learning how to package them all together to advertise to prospective workers is the next step for

⁶ [Data Brings Hope to Kentucky Coal Mining County](#), EMSI Burning Glass, September 2018

McKenzie County to attract the families they want to recruit while also being able to attract the young and single workers that are needed for teaching, nursing, technical trades, and the oilfields.

For McKenzie County to achieve its workforce goals, it will need to begin working with all its workforce development stakeholders and encourage collaboration amongst them. This could be achieved by hosting a monthly or quarterly meeting with the various stakeholders to discuss current and long-term workforce concerns. A meeting of the minds allows stakeholders and economic development leadership to examine the various resources they all can bring to the table and brainstorm how they can combine resources to develop solutions for workforce concerns. Between their partnerships, stakeholders, and the upcoming Bakken Area Skills Center, McKenzie County will have the assets that allow the local labor force to achieve their career and skill goals while ensuring current and prospective businesses that their workforce needs will be satisfied in McKenzie County.

Case Study: Data Analysis for Workforce Development – Birmingham, Alabama

Regional economic data can surface economic concerns that are not being addressed by current programs. For workforce development, data on the labor market can help align the programs and goals of various stakeholders, including EDOs, workforce development organizations, school districts, the private sector, and workforce training providers. In Birmingham, Alabama, the mayor and local elected officials recognized the need for a data analysis of the greater Birmingham region's labor market because the economy was not growing in Birmingham's targeted industries. From this, Birmingham put together their report, [*Building \(it\) Together: A Framework for Aligning Education and Jobs in Greater Birmingham*](#). The findings of the report are based on a quantitative review of economic data by industry, employment and job postings data, and qualitative findings from focus groups with employers.

This report uncovered local issues dealing with the economic development goals of Birmingham and the relevant degrees and training available in their labor market. Questions the report were looking to answer were what are the strengths and gaps within the workforce, how well are employers able to fill roles that are needed, how are training providers filling the positions that are necessary, and what can be done to fill gaps? They found that they needed to adapt and increase the number of education options that are available to the workforce, with focus on two- and four-year degree options. Birmingham discovered the various mismatches in what local colleges and trainers were providing versus what local employers needed. They also found that Birmingham was severely undersupplying the training needed for some critical positions in local industries.

The report displayed Birmingham's competitive position and brought attention to lesser-known issues. Birmingham is now reacting by putting in the programs to overcome these concerns. The Birmingham Promise program was a reaction to this report, providing scholarships to students pursuing degrees in targeted areas for competitive growth. In addition to new programs, Birmingham has used this report to adjust existing economic development programs and initiatives. Data-informed understandings of local conditions lead to more successful and productive economic development programs and efforts.

Create a branding and placemaking strategy for talent recruitment and tourism

The panel was quick to realize that many of the amenities and attractions of McKenzie County are reasons why one would both live and visit McKenzie County. Developing a strategy for placemaking and branding can help support McKenzie County's talent and tourism attraction efforts. The panel believes that McKenzie County would benefit from aligning its talent and tourism attraction materials together, and a focused placemaking strategy can help align how McKenzie County wants to sell itself to prospective workers and tourists. For McKenzie County, having a well-defined message that is shared and customized for each market will provide the opportunity to cross-market to a range of audiences.

A countywide branding strategy is not a stand-alone initiative but one that aligns with existing marketing and strategic plans. When creating a single community brand, the stakeholders should:

- Establish a working group to lead the countywide branding activities
- Define a brand objective and develop a timeline for the initiative
- Undertake an analysis of currently used plans
- Engage all partners in the community
- Define an overall brand message
- Define target groups and messages for each core group
- Generate marketing resources, promotional materials, and communication mediums
- Educate Residents to be able to answer questions about the county or direct them to the appropriate department
- Launch and implement strategies

It is advisable to create a smaller group of partners who can take leadership of the branding initiative. These partners would ensure the right stakeholders and partners are being engaged and that the process is moving along and does not stall.

Shawnee, Kansas, did not have a well-known reputation and brand like their neighboring counties, and community leaders noticed that this kept people from coming to Shawnee when compared to their neighbors. The leaders decided to embark on a mission to create a single brand and identity that would attract positive attention, leading to economic growth and prosperity. Shawnee hired a consulting company to help them perform research and identify a brand. The research found that Shawnee has a history of fostering new opportunities, with Shawnee's historically fertile land attracting settlers looking for a new life. With many community amenities and economic opportunities, Shawnee is a great place to start a family. This led them to the brand identity of "Good Starts Here." This brand represents all the good that started in Shawnee and the fact that the community is built for people's own personal "good start." It represents the history of Shawnee and its bright future. The tree in their brand logo represents the deep roots that represent Shawnee, with the branches representing its growth⁷.

⁷ [North Star Consulting - Shawnee, Kansas Case Study](#)

Engaging the community in marketing materials

McKenzie County already has a strong community marketing tool with its Voices of Watford City website. Voices of Watford City does an excellent job at showing real reasons why people and families would want to relocate to McKenzie County. Incorporating the community in place branding strategies and talent attraction materials is important because community members provide real examples of what McKenzie County has to offer. Community involvement shows potential workers what real members of McKenzie County think and that McKenzie County is not just a “desolate wasteland.” Community involvement in place branding and talent attraction strategies encourages community members to share marketing materials within their own network, expanding the audience that McKenzie County is reaching. McKenzie County should continue to explore how to involve their community in their talent and tourism attraction materials as they do so effectively with Voices of Watford. Explore opportunities with regional partners to share all of the opportunities in the region that dispel the myth that it is the “new wild west.”

Encourage more private sector and entrepreneurship involvement to supplement current economic development efforts

With the amount of growth that McKenzie County has experienced in the past 15 years, the panelists were surprised by how little involvement the private sector has had in the community and economic development efforts of McKenzie County. The panel advised McKenzie County to begin encouraging more private sector involvement in a number of different economic development functions.

It is important to note that it will take time for the community mindset to switch from publicly-funded development initiatives to community and privately-funded initiatives. It is important for McKenzie County’s economic development leadership to start creating this mindset shift by encouraging more partnerships with community organizations and the private sector when it comes to economic development projects. This can help motivate community organizations and the private sector to begin taking the reins for economic development initiatives and projects. McKenzie County can help encourage community and privately-driven initiatives and projects by providing seed and match funding. The mindset shift will take time but will allow McKenzie County to achieve more through new financial resources and partnerships.

Supporting downtown investment and vitality

Downtown vitality was a pertinent topic of discussion in various stakeholder meetings. The panel recommends that McKenzie County utilizes and leverages the private sector for downtown investments that help achieve the county’s main street vibrancy and vitality goals. Vibrant downtowns can be a major factor for rural counties when it comes to workforce attraction and retention, meaning the vitality of Watford City’s downtown is important to the private sector even if they do not realize it. To help leverage investments for the private sector, it will be important to go out and speak to employers about their workforce issues and discuss how McKenzie County plans to address workforce concerns. After this relationship is established, McKenzie County can now discuss opportunities to invest in quality-of-life services and infrastructure, like those that support a vibrant downtown. The first key will be relationship building with businesses and educating them on how their community investments will benefit their businesses.

Private investments into the downtown would spur further growth in the private sector through downtown business growth. Leveraging the private sector for downtown investments would support diversification efforts because of the variety of businesses that are typically located in downtowns and on main streets, like

restaurants, retail, and professional and technical services. Downtown growth increases private downtown investment by increasing the number of stakeholders located in the downtown area. Because of this trend, McKenzie County should explore setting up a downtown business attraction program that attracts businesses into the downtown and surrounding areas. As more businesses move into the downtown, the pool of downtown businesses increases, leading to more businesses willing to invest in downtown vitality. In North Carolina, the City of Clinton utilizes its Utility Incentive Program to draw new businesses into Downtown Clinton. The program draws new businesses into the downtown area by reducing the financial burdens of utilities for the first year of business. This program provides businesses with a one-time disbursement of funds after the business has one full year of operation and that all utility payments were fully paid. Programs like these draw businesses into the target area and encourage new private investment.

Publicly funded incentives can be a useful tool to encourage private investment in a downtown area since incentives can be used to encourage downtown businesses to invest and improve downtown infrastructure, like a façade improvement program. Façade improvement programs are a fantastic way for a community to invest and improve downtown infrastructure while using only a fraction of public dollars. For most façade programs, the incentives are not for personalized business signings or awnings but for improvements to the physical infrastructure like painting, window replacement, masonry repair, etc. Façade programs encourage investment by reducing the financial and investment burden that businesses face when making infrastructure improvements. By removing some of the financial burden and risk that businesses face, downtown investment incentives are a popular and successful strategy for increasing private investments.

During meetings, the panel learned that McKenzie County and Watford City have an active group of downtown businesses that are looking to start their own downtown association. McKenzie County should support this and maintain an active partnership, as it can be a resource for understanding the concerns of downtown businesses and what their needs are. A downtowners association can also set up investment funds that can solicit private donations for downtown investments. This can be a great asset for McKenzie County, providing a new avenue for private investment and allowing the downtown association to lead projects with the support of McKenzie County's JDA. According to the U.S. Main Street Organization, local downtown and main street organizations have reinvested more than \$70 billion since 1980. Supporting a downtown business association would create a new partner for McKenzie County's JDA. A downtown business association would help increase McKenzie County's economic development capacity by providing a partner that is dedicated to supporting a strong downtown economy, and that could serve as a new vehicle for attracting private investments into the community. In Albemarle, North Carolina, the Albemarle Downtown Development Corporation (ADDC) is used to attract investment and donations from the private sector to support downtown development programs and projects. ADDC highlights five reasons why it is important for there to be a local private investment for the downtown:

1. Keeps profits in town with local owners
2. Supports other local businesses and services
3. Supports local families with family-owned businesses
4. Supports local community projects
5. Provides a stable economic foundation with direct ties to the community

A downtowners association in McKenzie County could serve in a similar capacity as the ADDC, as a vehicle that attracts and drives investment into downtown Watford City. For McKenzie County, supporting the formation of a downtowners association and using public dollars to incentivize private investment are great strategies to encourage investment and growth in the downtown area.

Support private sector growth in quality-of-life services

McKenzie County has invested millions of public dollars in improving the quality-of-life amenities and services that are offered in the county. However, the panel would like to see a shift towards encouraging private investment, business expansions, and entrepreneurship to fill in the gaps for quality-of-life and recreational services. For example, in the final presentation, the panel recommended that instead of McKenzie County completely funding a facility to support the local arts economy, they work with local artists and entrepreneurs to open a facility. While McKenzie County can help seed the project, private ownership of this facility would create new jobs and recreational opportunities in the private sector that are not publicly funded or maintained. More active BRE practices and entrepreneurial support programs can help identify these types of opportunities for McKenzie County.

Even with all the publicly funded recreational opportunities, the number one comment the panel heard about what people want in McKenzie County is more recreational opportunities. The panel believes McKenzie County should begin engaging the private sector to support an all-season outdoor rental and excursion outfitter. This would support the tourism economy year-round, as well as improve the quality of life of residents by providing new recreational opportunities. The equipment needed for outdoor recreation can be expensive to own, and an all-season rental outfitter would allow more residents and tourists to experience all of what McKenzie County has to offer when it comes to recreation. Supporting private sector growth in the local recreational and arts industries can help McKenzie County achieve its desire to be a wonderful place to live tourist destination and support economic diversification.

An effective strategy to get home-based entrepreneurs to transition their business out of the home is through workshops that provide these entrepreneurs with the necessary resources and information to transition their business. For McKenzie County to work with home-based entrepreneurs, they first need to identify them. To identify home-based entrepreneurs, McKenzie County will want to work with its community organizations and employers to discover these individuals. This may be by asking employers and organizations to facilitate a basic survey asking residents and workers about home-based businesses and side hustles they are a part of. It is important to identify those entrepreneurs who have full-time jobs and have a home-based business as a side hustle. McKenzie County should then reach out to speak to these entrepreneurs and evaluate the variety of home-based businesses. After evaluating the businesses and their feasibility of transitioning out of the home, McKenzie County should begin working with the entrepreneurs through workshops and other educational opportunities to help them scale their business and transition them out of the home or from being just a side hustle. McKenzie County has great outdoor amenities, so there may be three or four individuals who offer fishing and hunting guide services as a side hustle but could transition this to a full-time business by working with the other entrepreneurs in the area.

Outdoor recreation as a strategy for rural economic development has been growing in popularity. Successfully marketing and making your natural assets available to tourists and locals can help build an industry that supports diversification, new job growth, and retains talent. The Outdoor Recreation Roundtable, an organization focused on promoting the growth of the outdoor recreation economy, released a toolkit on how to use outdoor recreation for rural economic development. McKenzie County may benefit

from using this toolkit to help establish a stronger outdoor recreation economy. [The Outdoor Recreation Roundtable Rural Economic Development Toolkit](#)

Explore community foundations and private investment funds

Finally, while a very modest community foundation exists, the panel recommends revamping the foundation and its fundraising efforts to help capture generational wealth in McKenzie County. Some companies are restricted from donating straight to communities and need a 501c(3) to be an intermediary, which is where the community foundation comes in. Community Foundation funds can be started and seeded through public funds but should be sustained by private donations. For the community foundation, McKenzie County needs to find someone with the community's respect and intrinsic drive capable of raising a community foundation fund that can be tapped into for economic and community development. Community Foundation funds do not have to be limited to one, and the more you have captured different wealth in the community, the better. In Pike County, Indiana, the Pike County EDC and Pike County Progress Partners formed a non-permanent Pike County Community Foundation to support the construction of their Elmer Buchta Technology Center. The community foundation allowed Pike County to solicit private donations from the community, easing some of the financial burdens on the county's shoulders. Community foundations can be permanent and have no restrictions on what the foundation can support, or they can be temporary with a specific project in mind, like Pike County's technology center. According to the Southeast Virginia Community Foundation, community foundations have a two-fold purpose – to grow an endowment that will benefit the community through grant-making and other charitable activities and to serve those who donate by helping them reach their charitable goals. Community foundations need to have local expertise, an understanding of the different issues that surround various parts of the community, and directing grants and resources to the appropriate areas and projects. Community foundations also provide and support community leadership by building endowments to ensure grants are readily available and supporting high-impact opportunities.

In addition to community foundations, to help achieve more private sector involvement, McKenzie County should be looking at establishing private-public investment funds to help them pursue private-sector donations. Establishing private community investment funds, in addition to the community foundation, would support economic development efforts by providing McKenzie County with a new financial resource to tap into. Private investment funds also help give the private sector community a sense of pride and ownership in the community they live in. Like the community foundation, investment funds can be seeded through McKenzie County but should be mostly funded through private investments and donations. These private investment funds could be used to support projects that are needed for a growing economy, like housing programs and supporting childcare business expansions. Similar to downtown investment, the Director and McKenzie County will want to discuss with major employers about their workforce and business concerns and how McKenzie County investment funds are looking to solve these concerns. Employers will be more engaging knowing that these investments are supporting their business efforts by creating programs focused on attracting and retaining talent for McKenzie County.

By increasing private sector involvement, McKenzie County can encourage private businesses to put more “skin in the game” when it comes to the economic development of McKenzie County. This leads the private sector to grow more roots in the community, especially when it comes to the private energy sector that may not be headquartered in McKenzie County.

Begin engaging in an economic development strategic planning program

Economic development strategic planning is more than just putting together a plan that then sits on the shelf until the next time a new strategic plan needs to be written. Instead, it is about engaging in the consistent and ongoing process of strategic planning. Strategic plans should be constantly reviewed and updated to fit in the new economic concerns that arise in between strategic plans. McKenzie County would benefit from beginning a new economic development strategic planning process that produces new economic development strategic plans but more so focuses on the processes and practices of constantly checking if implementation goals are being met, whether new updates need to be made, and bringing a variety of stakeholders to the table to discuss current and pertinent economic issues.

To begin the strategic planning process, McKenzie County should pinpoint which organizations and departments will take the lead for different portions of the strategic planning process. The panel wants to emphasize that McKenzie County should take “small bites” at a time instead of trying to accomplish everything in the first strategic plan. After identifying the lead departments and organization, McKenzie County needs to identify and contact a wide range of stakeholders. This identification process needs to ensure that all members of the business and economic development community are represented at stakeholder meetings. To help ensure a wide range of stakeholders shows up, McKenzie County will need to be active with their relationship building, building trust with stakeholders who may have been left out in previous conversations. The strategic planning process is an effective tool to get new parties and stakeholders to the table who otherwise would not be heard from. A proper economic development strategic planning process would support many of the relationship-focused recommendations this report has made. McKenzie County should focus and emphasize the process, not the end goal of producing a strategic plan.

Strategic economic development plans are critical to achieving measurable and sustainable economic growth. SEH Inc.⁸ highlights five key factors and steps to developing a strategic plan that will support economic growth that can be tracked and measured:

1. Accept that you need a formal economic development strategy
2. Assemble a team of six to twelve key stakeholders
3. Develop your plan
4. Implement your plan
5. Never stop updating

For developing your plan, SEH INC. emphasizes the following six factors:

1. Weigh economic and demographic data from research, analysis, and forecasting – similar to an investor in the stock market.
2. Rely on the natural assets of your community in order to develop realistic goals for economic development.

⁸ [How to Develop a Strategic Economic Development Plan](#), SEH Inc., Dan Botich

3. Make sure you know your community as a product – this includes its past, present, and forecasted future.
4. Recognize your strengths, opportunities, weaknesses, and potential threats.
5. Gain an understanding of future market trends and industry advances.
6. Combine your research and analysis with public input and dialogue. Remember, this is a community effort; success requires buy-in, support, and feedback from the people you serve.

McKenzie County would benefit from a robust strategic planning process that will support multiple recommendations mentioned throughout this report, like relationship building, gathering data, and creating targeted economic development goals. More info on strategic planning can be found in appendix C.

Concluding Thoughts

McKenzie County has the assets and opportunities to continue growing and become a thriving economy in Northwest North Dakota. There are several recommendations outlined in this report to implement over an extended period and should be considered as part of the broader strategies for the whole county. It is advisable to approach the recommendation through a collaborative effort, which is already a strength of McKenzie County. The strategic approach of this report is to help McKenzie County identify opportunities to diversify its economy, strengthen its workforce, and build a more resilient and sustainable local economy.

Appendix A. What is Business Retention and Expansion?

Business retention and expansion (BRE) is a core program of any economic development plan. These programs are designed to retain existing businesses in a community and provide assistance for businesses to grow. Retention and expansion programs can be implemented at the local and regional levels in a variety of ways. The program can focus on central business districts in downtown areas, as well as areas like the commercial and industrial areas where multiple firms encompass a sizable portion of employees. In McKenzie County, a specific BRE program could focus on allocating resources to support a specific industry, such as ranching, agriculture, or tourism, to help channel resources that support growth and economic diversification strategies.

Business retention applies to all businesses within McKenzie County, from small downtown shops to large employers. There are two main goals of business retention: to provide assistance with issues that could force a company to fail and subsequently close and prevent companies from relocating to a new community.

Business expansion refers to assisting businesses in their efforts to grow. Helping a business expand may mean helping it find a larger property to accommodate future operations, helping it secure financing to purchase new equipment, helping them open up to foreign markets and export, or helping it find or train new workers.

While the retention of large businesses is critical given the number of jobs and amount of tax revenues that could be lost, small and medium-sized businesses should not be ignored. Today's small businesses are the innovators and job generators of tomorrow. In addition, growing businesses are more likely to stay in a community that has nurtured their growth and to which they are well connected. BRE programs play a critical role in encouraging local businesses to remain in the community and continue to grow.

The retention and expansion of local businesses can:

- Keep or increase local jobs
- Preserve or increase the local tax base
- Increase local property values
- Enhance community image and increase confidence
- Maintain or diversify the economic base

A formal BRE program identifies the hurdles and challenges facing local businesses and helps address those issues. Technical assistance provided through a BRE program can help a business:

- Increase its competitiveness in the wider marketplace (e.g., economic gardening initiatives, business intelligence, and analytics programs)
- Expand and add new jobs (e.g., site selection assistance)
- Keep from relocating to other areas (e.g., economic development incentives at the city, county, and state levels)
- Survive economic difficulties (e.g., business continuity planning, pre-disaster planning, and post-disaster recovery help)
- Connect to networks (e.g., manufacturing extension partnerships, chambers of commerce, regional cluster initiatives, angel investment networks, resources for exporting, etc.)

A successful BRE program provides the data and intelligence to strategically attract new companies to a community and foster the creation of new businesses. Business retention and expansion programs also supply the community with up-to-date data on the local economy, such as:

- The competitive strengths and weaknesses of the local area as a business location
- The relative strength of the local economy (e.g., number of business expansions, new investments, etc.)
- Areas of interest and concern that can be used to formulate public policy, enhance development efforts, or improve the local business climate (e.g., workforce availability and quality, regulatory issues, access to capital, speculative building, or industrial park development)
- An understanding of the current workforce and the workforce needs of the business community

BRE surveys, company visits, and other formal or informal data gathering techniques can provide economic development practitioners with a snapshot of their community's business climate. This data will need to be managed carefully because confidentiality is vital to business owners. In addition, many key economic development metrics (e.g., jobs created, jobs retained, per capita income, level of investment, etc.) may be informed by a robust BRE program.

Tips on survey methodology and business visits

Determining Survey Methodology

There are four main types of surveys for the collection of company data. Below please find a brief description of each type and associated advantages/disadvantages:¹⁴

Type	Advantages	Disadvantages
Mail Survey	<ul style="list-style-type: none"> □ Minimizes time demands □ Low cost □ Most appropriate for follow up surveys 	<ul style="list-style-type: none"> □ Managers do not like spending time filling out surveys □ Slow return rate □ No relationship building takes place
Telephone Interviews	<ul style="list-style-type: none"> □ Minimizes travel expenses □ Can be scheduled at convenience of respondent □ Most appropriate for follow up surveys once a relationship has been established 	<ul style="list-style-type: none"> □ Perceived as impersonal □ Managers don't like giving out confidential information over the phone □ Does not allow for strong relationships to be built □ No informal info gathering takes place
Site Visit with Volunteers	<ul style="list-style-type: none"> □ Personal approach at lower cost □ Local businesses may be more trusting of private sector individuals □ Allows more businesses to be surveyed 	<ul style="list-style-type: none"> □ Wide variation in quality of data gathered □ May not be perceived by company management as a business professional □ Volunteers may fail to complete assigned interviews
Site Visit by a member of the BAT	<ul style="list-style-type: none"> □ Consistent quality of data gathered □ Creates trust and strong relationships □ Allows for informal information gathering □ Managers more likely to share confidential information 	<ul style="list-style-type: none"> □ Time constraints will most likely reduce the overall number of firms that may be contacted □ Stretches capacity of BAT given its other responsibilities

For the tips listed above, BAT stands for the Business Advancement Team that is focused on advancing the community's BRE initiatives and projects.

Below are 13 tips on business visitation that come from [Entergy-Arkansas' Office of Economic Development's Business Retention and Expansion Guide](#):

1. Be punctual! Arrive 10 minutes ahead of your scheduled appointment time. If you are unsure where the business is located, call ahead and obtain directions. If you plan to accomplish several interviews in one day, be sure to allow adequate travel time between each business.
2. Dress in proper business attire.
3. Make sure that the business owner or manager understands the confidentiality provisions of the survey.
4. Conduct the interview in a conference room or some other setting that will be free from interruptions by the owners/manager's staff or telephone
5. Have an extra copy of the questionnaire on hand to share with the business owner or manager
6. Establish a good rapport with the business owner or manager by thanking them at the outset for agreeing to take time out of their busy schedule to participate
7. You are an ambassador of the BRE program. Always compliment the business owner on their venture and keep critical opinions to yourself. You are there to gather information, not consult.
8. Let the owner or manager talk about pertinent issues early in the interview. This way, the interviewer can make a note of it and move on to survey questions.
9. The interviewee sets the tone and pace for the interview.
10. Do not push for answers if the owner is uncomfortable answering certain questions.
11. An on-site survey should take no more than 30 to 45 minutes.
12. Avoid using the survey as a checklist during the interview. Use it to guide the discussion and allow conversations to occur naturally.
13. Listen more, talk less.

How to apply BRE in McKenzie County

BRE is one of the best indicators of a local economy's health. That is why it is so important that it is prioritized in your locality. While it may seem complex, it is more simplistic in mission and formulation than many realize.

Generally speaking, the main objectives of a BRE program are to⁹:

- 1) Identify local businesses' existing and anticipated needs and address those needs through coordinated resources, partnerships, and tools
- 2) Young businesses (less than five years old) tend to have excellent prospects for growth but at the same time can be especially vulnerable to damaging changes in market conditions, so a successful BRE program must identify new firms and align them with opportunities to support their stability, growth, and development

McKenzie County can take on several approaches to conducting business retention and expansion programs. Two types of approaches include volunteer- and developer-led approaches, which share a number of similarities. With the volunteer visitor approach, it is very much based on a community-oriented volunteer leadership team which consists of four to five people, with a local task force that leads the process.¹⁰ The group primarily consists of one BRE professional who is knowledgeable about the BRE process, supported by volunteer business visitors who are recruited and trained to visit businesses with the intention of

⁹ [Metropolitan Council – Local Planning Handbook, January 2016](#)

¹⁰ Metropolitan Council, January 2016

completing a BRE survey.¹¹ Teams of trained volunteers then visit selected firms in the community and record the answers to the survey questions, along with any other comments that may result from the conversation.

After business visitations, completed surveys and accompanying notes are then analyzed immediately by a person or small team of the BRE task force. The analysis team prepares a comprehensive report of the survey to identify firm needs. The task force members or economic developers should follow up immediately with the companies to thank them for their time and ask for any needed additional information.

When all individual surveys have gone through a review process, a research or survey analysis report is developed. The report should be shared with the JDA board at a meeting focused on responding to the red flags. Ideally, this meeting should initiate a planning process with goals and strategies targeted at retaining and expanding existing businesses. The JDA board and economic development staff should assign specific tasks to individuals to respond to the survey findings. At future JDA meetings, it is important to discuss the progress being made on the responses to the businesses. While it is natural to want to assist the businesses who are looking to expand, an equal or greater amount of attention should be paid to businesses who are considering leaving the community or closing.

Relocation How-To: Creating site opportunities

Creating new site opportunities is a critical BRE tool that could help industries in McKenzie County. These opportunities can be for individual businesses looking for space to relocate or build an expansion facility, a group of businesses that want to form a cluster around each other, or businesses that need to move from their current locations but that the county wants to retain.¹²

As in business attraction, a key role for an economic development department or organization is to create and maintain a database of open real estate, developed or undeveloped. This kind of information can be obtained from tax records as well as from real estate brokers. The database should have basic information on available properties in McKenzie County, such as:

14. Location
15. Zoning
16. Immediate past use (if known)
17. Square footage (for buildings) or acreage (for raw land)
18. Monthly rent per square foot, or purchase price
19. Utility access and providers
20. Rail/highway/air access
21. Listing broker
22. Property owner

It is well worth the time and effort to cultivate relationships with real estate brokers who handle listings in your jurisdiction. By establishing relationships with brokers, your organization can learn about available properties, sometimes months before the current tenant's lease expires. Moreover, the EDO can be a valuable intermediary by preserving the anonymity of businesses that are seeking new space, at least in the early stages of the process.

¹¹ Metropolitan Council, January 2016

¹² IEDC BRE Manual

Importance of stakeholder engagement in BRE

It takes a team of community stakeholders to make a BRE program effective. In McKenzie County, a percentage of the economic development coordinator's time should be focused on a BRE program. In addition to the coordinator, the JDA board will have a role in the BRE program. The JDA board chair may find it prudent to develop a subcommittee to focus on BRE activities like stakeholder engagement. Depending on the makeup of the organizations involved and their capacities, economic development staff and a subcommittee may play any one or more of the following roles in a BRE program:

- Manage the program
- Serve as an advisor to the program
- Financially support the program
- Collect data
- Evaluate data
- Solve problems
- Identify subject-matter experts
- Provide assistance
- Ensure program sustainability
- Promote the program
- Advocate for the program
- Recruit participants for the program

Taking a team approach to business retention and expansion activities will result in greater program sustainability. It also creates a cohesive group that can hold members accountable for their activities. BRE program partners are very similar to the partners that are used in an attraction program and can include:

- Economic development organizations
- Workforce organizations
- City or Town government
- County government
- Chamber of commerce
- Other local business associations
- Utility companies
- Educational institutions
- Individual business leaders

Partners can play one or many roles in BRE, such as promoting the program, providing services, and overseeing the policies of the program. Service providers are organizations that provide business assistance in areas such as financing, management, and technological assessments, workforce training and retraining, and finding new markets. Some of these roles are filled by the public sector at the local, regional, state, and federal levels, while others are provided by the private and nonprofit sectors. Partners and stakeholders can be a great asset to a BRE program, as they can bring resources to the table and increase the capacity of the BRE program.

Incentives for BRE for McKenzie County and when to provide them

The rationale behind BRE incentives is that it is much easier to keep jobs in the community than to create or attract new ones, and companies that investors are more likely to stay. There are many kinds of tax incentives, including tax exemptions, abatements, and credits.

Unlike recruitment incentives, retention or expansion incentives may not be tied directly to job creation and may reward businesses for improving operational efficiencies or beautifying their storefront. Incentives can also be linked to significant new investment dollars for equipment and machinery.

Recommended BRE steps for McKenzie County

Outreach/ Relationship Building

- Outreach can be conducted to build stronger relationships with business owners and managers. Outreach can be conducted in several ways: periodic surveys, targeted focus groups, cluster groups, and in-person visits to key businesses. While not all businesses may be targeted for outreach, there should be a conscious effort to build a solid relationship with the business owner or branch manager of firms that are strategically important to the community.

Red Flags/ Responding to Needs

- Once data and information have been collected from targeted businesses through outreach, the information must be analyzed and understood. The immediate task of the BRE team is to respond to red-flag issues facing individual companies. Service provider partners from the stakeholder team can be used to develop customized solutions to each company's issues. The goal is to assist firms in solving problems that may cause them to relocate or close and address opportunities for business growth.

Management and Follow-Up

- Responsibilities of the program manager include identifying and training personnel to conduct BRE visits; maintaining and building the team of service providers; managing all aspects of the program, including data collection, analysis, and reporting; resolving program-related issues; and coordinating media and public relations activities.
- Follow-up is a required element, whether or not the business has received assistance from the BRE program. When assistance is requested, follow-up is essential to convey potential solutions to the business owner and acknowledge their concerns. A report detailing the general findings of the BRE program is an effective mechanism for communicating the value of local firms in general to the broader business community.

A successful BRE program includes the following characteristics:

- 1) Industry Knowledge
- 2) Primary Knowledge of Firm Needs and Priorities
- 3) Professional, Customized Service
- 4) Outcome-Oriented
- 5) Favorable Business Climate Focus
- 6) Coordinated Services

BRE programs are constantly cycling through the various phases. Some organizations identify a set number of businesses they are going to visit each month. Other communities may target a campaign once a year for different subsets of the business community, such as once-a-year visits to businesses with 11 - 30 employees. The Director and the JDA are advised to determine which strategy works best for the county and the businesses.

Phases of a BRE Program

Phase 1: Preparation and logistical planning

- Identify McKenzie County businesses for the BRE program
 - Research the company and its industry. Having a general understanding of the business and the industry prior to the visit will allow for a more meaningful discussion.
 - If the community is planning to deploy a survey to all businesses, develop the survey questions. Some example questions are listed below:
 - How did you pick McKenzie County for your business?
 - What keeps you in McKenzie County?
 - What are the positives (strengths) of doing business in McKenzie County?
 - What are the negatives (challenges) of doing business in McKenzie County?
 - What overall grade would you give the community as a place to do business?
 - A (excellent)
 - B (above average)
 - C (average)
 - D (below average)
 - F (poor)
 - In the last three (3) years, did the community's business climate get stronger, weaker, or stay the same? (Provide up to three responses.)
 - How did the business climate get stronger or weaker? (Provide up to three responses.)
 - What overall grade would you give the retail shopping in the community?
 - A (excellent)
 - B (above average)
 - C (average)
 - D (below average)
 - F (poor)
 - Is your firm having any problems with local community services? (Yes/No)
 - If yes, what are the problems?
 - While the Business Retention and Expansion Task Force cannot promise to solve this issue, we are willing to look into it. Would you like our Task Force to contact you regarding this issue? (Yes/No)
 - What is the most significant thing McKenzie County could do to help improve your business activity? (Provide up to three responses.)
 - What specific concerns would you like to see addressed? (Provide up to three responses.)
 - Please rank the following economic development priorities for this community (Rank responses from 1 to 3.)
 - Business retention and expansion, new business attraction, entrepreneurial development
 - Determine if the survey will be deployed electronically, by phone, or in person.
 - [The University of Minnesota Extension](#) has a sample question bank that is accessible to the public.
- Create a database to collect the information identified during the survey and/or interview and be able to share information with board members and partners. There is a wide range of CRM systems used by EDOs. This includes free excel spreadsheets to paid services such as:
 - Executive Pulse, Synchronist Suite, Microsoft Dynamics, SugarCRM, SageCRM, SAP, and Salesforce

- Conduct one or two practice visits before deploying the survey to ensure smooth data collection.

Phase 2: Conduct the survey

- Meet with a company executive, local manager, or other business leader and gather survey information
- Set reasonable expectations for the next steps
- Assure the business that all information collected will be considered private

Phase 3: Analyze the findings

- Enter information in a BRE database
- Review data and analyze risk factors
- Any findings shared outside of the economic development staff and the JDA board should be general without any identifying information for an individual business

Phase 4: Problem-solve and explore opportunities

- Facilitate problem resolution for companies by identifying resources internal and external to the community and any associated costs to help businesses address problems and seize growth opportunities
- Collaborate with partners whenever necessary
- ALWAYS, ALWAYS, follow up on what you said you would do when you said you would do it

A BRE program for McKenzie County will help them shift to more classic and proactive economic development practices that support business retention, growth, and diversification. Not mentioned in this section is the importance of industry roundtables in a BRE program. The next appendix section focuses on the essentials of industry roundtables and what McKenzie County can do to start a successful roundtable program.

Appendix B. What are Industry Roundtables?

The goal of industry roundtables is to help McKenzie County build strong relationships and ties throughout the business community and coordinate the economic development efforts around the concerns businesses are expressing. This appendix section will serve as a how-to guide in hopes of laying out the steps McKenzie County can take to generate the communication that helps guide economic development efforts and properly direct investments. The ultimate goal is to help facilitate a means for communicating shared challenges, successes, and overall knowledge that can holistically benefit the McKenzie County community and its industries.

Roundtable basics

Industry roundtables will be used to help facilitate networking and information sharing across the sectors of McKenzie County. Not only will this help the various McKenzie County industries but also the economic development leaders. Gaining intimate knowledge from industry leaders will help paint the picture of economic and business trends in the region, creating opportunities to understand how McKenzie County can support its current business community.

An Industry Roundtable typically is a monthly or quarterly gathering of business owners to (1) build a network of business owners in the community; (2) share management experience; (3) learn from expert speakers; and (4) solve business problems faced by participating businesses. Roundtables require a convener who ensures that meetings happen, as well as helps coordinate the agenda, speakers if there is one, and facilitate the meetings. Economic developers can function as such a convener and, thereby, create a forum to collect information about local employers while providing resources to help them address business concerns.

For local economic development, industry roundtables have several benefits, including:

Retention:

- Cohesiveness of the industry in the county through knowledge sharing and collaboration
- Networking opportunities, both professional and personal, by providing a medium for industry leaders to connect with each other
- Resource exchanges that will benefit McKenzie County holistically by strengthening each industry
- Identifying training needs, emerging resource needs, opportunities for partnerships, etc.

Attraction:

- Identifies gaps in the supply chain as opportunities for attraction of new businesses/suppliers
- Keeps economic development abreast of trends within the industry by hearing from all ends of the industry existent in McKenzie County
- Relationships already built with existing industry can be helpful in attraction strategies through leveraging existing relationships as a strength in the county, which will help put McKenzie on the map for potential new firms
- The best way to attract businesses is by taking excellent care of current businesses

Shared Prosperity

- Industry roundtables provide business owners an opportunity to learn from successful businesses and the solutions they have instilled to solve their business concerns
- Creates opportunities for businesses to network and learn how they all can support each other through investment or by buying business materials from each other

Data Collection:

- Roundtable discussions are a useful way to collect intimate information from the various stakeholders in the local industries
- Helps economic developers better understand the dynamics of certain industries
- Will help paint a picture of which firms are established and which ones are growing and expanding their operations

The main benefits of industry roundtables are clear. Roundtables help facilitate and promote discussions amongst the businesses, community, and economic development leaders. They provide an excellent opportunity to hear directly from businesses on how McKenzie County can improve the local business ecosystem to support more business growth. How this information improves a business's community depends centrally on how the information is utilized and incorporated into BRE objectives and programs.

The initiatives of an industry roundtable can aid in developing a platform for business leaders to share best practices, their views on the advantages and disadvantages of doing business in McKenzie County, and industry and community-specific information. The results of industry roundtables will help begin the development of BRE programs and practices that will strengthen the business ecosystem and lead to more successful business attraction practices and efforts.

Organizing the roundtable

Below are some tips and guidelines for McKenzie County on how they should organize their roundtable discussions:

- Invite the business leaders for specific industries. For businesses not headquartered in McKenzie County, that would be the local leader for the company. For future and more in-depth discussions, inviting their out-of-town leadership might be necessary
- Make sure there is a good balance of businesses within the industry, so all sides of the story are heard
- Ensure there is an adequate number of JDA board members and economic development staff available to help facilitate discussion, ask further questions, and take notes
- Carefully identify one to three topics for discussion within the agenda
- Make sure to define topics, so roundtable attendees understand what is being discussed
- Establish an agenda - ensure the agenda is focused on the intended audience and will maximize the discussion

Below is a general recommended schedule or agenda for setting up and running an industry roundtable:

- Prior to the roundtable, adequate preparation is needed (about 3 to 4 weeks before the scheduled roundtable)
 - Send out registration survey to targeted businesses and stakeholders
 - Have a survey ask about topics that are interesting and pertinent to the businesses
- Use registration survey to perform basic data analysis of attendees to understand the following:
 - The professional background of attendees
 - What types of businesses will be in attendance
 - Topics and concerns businesses most want to discuss
 - Use this information to start formulating topics, questions, and the agenda for the industry roundtable

- Day of the roundtable – Have the moderator welcome attendees and begin with group introductions
 - Have the attendees and staff introduce themselves, their businesses, and what they hope to gain from the industry roundtable
- After introductions, moderator-curated and preempted questions should be the bulk of the roundtable
 - This is when the topics of discussion will be introduced. It is advised to strategically plan topics to precede in a certain order that best generates productive discussions
 - Roughly 30 minutes should be allocated for each topic
 - Before moving to the next topic, make sure to give a time warning, so everybody who wants to speak has the opportunity
- Following the preempted questions, the roundtable should finish off with an attendee Q&A session
 - This is a chance for the attendees to mention topics that were not discussed prior and generate any new discussion the attendees may want to delve into
 - Make sure to allocate enough time for this section. 15 to 30 minutes should be the amount of time allocated
- After the Q&A session, have the moderator wrap up the industry roundtable with some closing remarks
 - Reiterate the importance and benefits of the industry roundtables
 - Recap what was touched, what lessons can be taken away, and ask for feedback from attendees on how the roundtable can be improved

Steps for setting up an industry roundtable

Step 1: Define your goals

To help define your goals and discussion topics, think about:

1. Is there a problem that your industry faces that should be addressed?
2. How does the topic reflect McKenzie County's image?
3. How will the information after the event be used?

Step 2: Plan the logistics (location, date, time, etc.)

Ensure you host the roundtable somewhere that is easily accessible for all attendees.

- a) Send out preliminary dates and venues for attendees to choose from. A Google form that records votes would be a good tool for this

Step 3: Create a list of who to invite

Strategically grouping attendees based on the industry is the best way to run these roundtables for the purposes of gaining industry-specific knowledge in McKenzie County. You could go one step further and group attendees within each roundtable based on job title, general business interests, competitors, etc. McKenzie County might want to explore holding non-industry specific roundtables with affiliation-based groups. These could be groups focused on workforce needs, downtown support, and regionalism.

Below is the beginning of a list of McKenzie County industry attendees broken up into oil, agriculture, and tourism stakeholders:

- 1) Oil stakeholders
 - a) Bowline Energy, LLC
 - b) Abraxas Petroleum Corp.
 - c) Burlington Resources Oil & Gas Company, LP

- d) Citation Oil & Gas Corp.
- e) Cobra Oil & Gas Corp.
- f) Continental Resources, INC.
- g) Enerplus Resources USA Corp.
- h) EOG Resources, INC.
- i) Grayson Mill Operating, LLC
- j) Hess Bakken Investments II, LLC
- k) Liberty Resources Management Company, LLC
- l) Marathon Oil Company
- m) Murex Petroleum Corp.
- n) Oasis Petroleum North America, LLC
- o) Orintiv Production, Inc.
- p) Petro-Hunt, LLC
- q) Rimrock Oil & Gas Williston, LLC
- r) Scout Energy Management, LLC
- s) Slawson Exploration Company, INC.
- t) True Oil, LLC
- u) White Rock Oil & Gas, LLC
- v) Whiting Oil and Gas Corp.
- w) WPX Energy Williston, LLC
- x) XTO Energy, INC.
- y) Zavanna, LLC
- 2) Agriculture stakeholders
 - a) Lance Powell Farms
 - b) Robert C Johnston
 - c) Tank Ranch
 - d) Jesse Monson Ranch
 - e) Lazy Eleven Ranch
 - f) R S Dwyer Farms
 - g) Whip 'N Ride Ranch
 - h) Linda Monson Farm
 - i) James R Jacobson Farm
 - j) Golberg Enterprise
 - k) Watford City Veterinary Clinic
 - l) Jack Skarda Farms
 - m) Lone Butte Ranch
 - n) Lance Powell Farms
- 3) Tourism stakeholders
 - a) McKenzie County Tourism Bureau
 - b) Teddy's Residential Suite
 - c) Roosevelt Inn & Suites
 - d) Rough Rider Center
 - e) Long X Visitor Center
 - f) McKenzie County Heritage Park

Step 4: Prepare a brief/primer for the moderator

A primer for the moderator should help the moderator guide the conversation so that useful information is being discussed and gathered. A number of things can go into a moderator primer, including:

- 1) One to three topics as discussion starters
- 2) Definitions for the one to three topics within the agenda
- 3) Agenda reminders and facilitation tips
- 4) Questions to ask attendees
- 5) Information on attendees
- 6) Additional resources they can discuss with participants

Step 5: Set an agenda

A useful agenda will help the moderator direct the discussion that provides McKenzie County with the information they are looking to obtain from these roundtables. Below are three tips on setting an agenda:

- 1) Using a call to action to frame the agenda will help set the tone and lay out the goals of the roundtable from the get-go
- 2) An example call to action could be something as simple as “Community and industry leaders alike join forces in hopes of creating a stronger and more sustainable economy for McKenzie County in hopes of opening new channels of communication between all the sectors of our locality.”
- 3) Use RSVP lists to help formulate the conversation around topics pertinent to attendees

Step 6: Record roundtable discussions and identify lessons learned

Recording discussions allows for the JDA to revisit conversations and highlight topics that reoccurred. After the roundtable has been discussed by the JDA, it will be important to identify lessons learned that will help them craft and implement BRE strategies to address concerns identified during the roundtable. Roundtables are only useful if the shared information is then used to address the worries of the business community.

Questions and topics to help facilitate a roundtable discussion

What McKenzie County wants to do is propose topics and questions to a group of industry peers to discuss their viewpoints and how their specific businesses have or would be impacted. For example, if there was an agriculture roundtable, one of the meetings could focus on supply chains. Are they able to get their goods to their clients in time? What are their barriers? Do any other companies have any recommendations on how to overcome these barriers? Some questions might want to focus on the relationships between industries like oil and agriculture that compete for similar resources. Questions for roundtables need to be discussion starters that help guide the conversation towards the information the McKenzie County JDA is looking to obtain. Questions and topics need to have a direct purpose for the roundtable, so time is not wasted. Below is a handful of topics that could be discussed at roundtables focused on the oil, agriculture, and tourism industries:

Oil Roundtable Topics

1. Sustainability
2. Emerging oil technologies (hydraulic fracturing, horizontal drilling, etc.)
3. Major risks and opportunities in the oil industry
4. Supply and demand fluctuations
5. Regulations
6. Marketing
7. Worker retention and recruitment

Agriculture Roundtable Topics

1. Supply chains
2. Emerging farming technologies
3. Costs of production
4. Livestock production and feeding
5. Role of development (housing, infrastructure, etc.)
6. Sustainability
7. Small market agriculture
8. Potential of farmers' markets

Tourism Roundtable Topics

1. New attractions
2. Hotels and restaurants
3. Outdoor activities
4. Seasonal attractions
5. Post Covid-19 tourism
6. Partnerships (ex: with small businesses who rely on tourism)
7. Special events to market

Examples of industry roundtable programs

Many economic development organizations utilized industry roundtables to support their BRE programs, recognizing the numerous benefits that come from promoting communication with their business community. Below are a few examples of successful BRE programs:

- In Indiana, the Kosciusko Economic Development Corporation hosted its first business roundtable for agribusinesses in 2021. Attendees had a lively discussion on where they needed continued support, like livestock production and feeding. The conversation highlighted that expansions in these areas would grow and strengthen the local service industry and local tax base. Attendees also held discussions about their demand and need for an ag-tech program in the local community. There were also discussions about the need for housing development that does not disturb the progress of the agriculture community. There were other conversations regarding sustainability, small market agriculture, access to capital, and the need for more childcare. The agribusiness roundtable for Kosciusko demonstrates the variety of topics that can be addressed during roundtables and how the industry can inform the economic developers on what improvements and investments will benefit the local economy.
- In Montana, the Missoula Chamber of Commerce has a robust industry roundtable program that hosts a roundtable once a month for a specific industry. The purpose of these meetings is to connect the leaders. Providing them the opportunity to share best practices, challenges, and solutions and to learn about the resources and services that the chamber can offer. The ten industries they hold roundtables with are food and beverage, retail, hospitality and tourism, construction and trades, childcare and education, healthcare, agriculture, manufacturing, finance, and technology. In November 2020, the Missoula Chamber of Commerce had its retail roundtable. They realized from their conversation that the best thing they could do with the holidays coming up was to start a shop local campaign. The chamber collaborated with Missoula Downtown Association and Destination Missoula to create a web page dedicated to this effort. Missoula shows how industry roundtables can help formulate strategies that can be quickly implemented to support businesses in the short term.

A Potential BRE Timeline for the Director and the JDA Board

Short Term (First Three Months)

- Begin putting together a list of McKenzie County businesses
- Start making introductions over the phone and email to introduce who you are and start the early processes of relationship building

Medium Term (Three to Six Months)

- Use gathered information to put together a business visitation plan
- Identify whether there is the capacity to implement the business visitation plan. There might be too many businesses for just the Director, so explore ways how you can expand capacity, which might be adding part-time staff or having JDA board members conduct some of the business visitations
- Start conducting business visits
- Use meetings to start identifying reoccurring themes and concerns of the business community
- Start looking to set up business roundtables, using business visits to inform the businesses on the upcoming roundtables and encourage their attendance

Long Term (Six to Twelve Months and beyond)

- Start holding industry and business roundtables to gather all the stakeholders together and listen to their common concerns
- Using information from business visits and roundtables, start brainstorming ideas on how to support the BRE programs that support the local businesses' needs
 - This includes researching best practices in BRE and seeing how they can be shifted to fit McKenzie County's shoulders
- Establish long term industry round table and business visitation practices, helping protect these practices from becoming just a one-time thing

Appendix C. The Strategic Planning Process

McKenzie County has exciting potential for growth with its booming oil fields, historic agricultural economy, and prominent ranching sector. Yet, to ensure the sustainability of such growth, the community and its leaders must strategically plan how the current economic activity will survive in the long term and how to best prepare for an ever-changing business environment. A strategic plan will provide the Job Development Authority with a tool to transition from reactive to proactive approaches to economic development.

Using an economic development approach, this primer will lay the foundation for developing and maintaining economic development in McKenzie County through assessing its strengths and weaknesses as an economy (SWOT analysis), evaluating key processes needed for sustainable growth, and implementing business retention and expansion techniques that are applicable across industries.

Strategic planning is the vehicle for organizing a local group of leaders to engage in everyday strategic thinking, define where a community wants to go, and create a road map for how to get there. Through strategic planning, community leaders set clear and attainable economic development goals and objectives and design policies and programs to achieve them – all very important activities for the success of local economic development organizations.

To understand strategic planning, one need only take a closer look at the meanings of the words “strategic” and “planning,” Merriam-Webster describes strategy as the employing of the political, economic, and psychological forces of a nation (or state or community) to afford the maximum support for adopted policies.¹³ In the context of economic development, the word strategic points to a very deliberate effort to generate support in helping a community adapt and achieve future success by both sustaining and growing an economic environment. Strategic gets at the questions:

- “Where do you want to go in the future?”
- “Why do you want to go there?”

Both these questions help to determine the vision and goals of a community.

The second part of strategic planning is the planning aspect. Planning, according to Merriam-Webster, is the method for achieving an end, which is often customized according to the situation and context and involves a detailed formulation of a program of action. Moreover, planning is the process part of strategic planning through which a community determines the answer to the “What do you want to do?” question. Of course, the “what” should be in support of the “Where do you want to go?” question, as well as the answer “Who should help you get there?” and “How should you go about getting there?” Holistically, strategic planning provides a living vehicle for community leaders to think strategically, make sound decisions in a sea of game-changing circumstances, how to focus efforts, and develop consensus for collaboratively solving problems.

¹³ IEDC Strategic Planning Guide

In the simplest terms, strategic planning is strategic change-making, in which leaders proactively invent their community's economic development future. When done properly, it can lead to a dynamic and highly positive community life-altering experience.

Formulation of a strategic plan

While each strategic planning process is customized to best fit the unique situation and context of the community being served, there are some common “must-haves” for any process.



1. Shared sense of urgency
2. Clearly articulated and well-understood vision
3. Local champions
4. Widespread participation and “buy-in”
5. Shared commitment to progress
6. Shared ownership (willingness to collaborate)
7. Knowledge of what success looks like
8. Futuristic and proactive orientation in thinking
9. Willingness to self-invest
10. A “Let’s Do It!” attitude
11. Realistic and accurate “definition of the situation”
12. Useful information
13. Cumulative goals and objectives
14. Balanced approach (e.g., all eggs not in one basket)
15. Options for mutual gain
16. Effective internal and external communications
17. Openness to learning from others
18. Involvement of external partners
19. Easy-to-follow process
20. Ongoing planning
21. Ongoing review of the status quo
22. Continual cultivation and acceptance of new ideas
23. Continual recruitment of “fresh faces” to the process
24. Community celebration of all successes
25. Resilience

The Cycle of Strategic Planning from IEDC's Strategic Planning Manual



Checklist for Nonprofit Strategic Planning Cycle

Adapted from WashingtonNonprofits.Org

	Know 	Do 	Create 
Prepare	• Active involvement by ED & Board	• Create planning team	• Timeline/schedule
	• Key questions facing organization	• Determine role of outside consultant	• List of key questions
Position	• Stakeholder input important	• Develop stakeholder list	• SWOT analysis
	• Perfect info doesn't exist	• Clear picture : Strengths/Challenges	• Summary of stakeholder info
Produce	• Important to prioritize	• Plan w/ 3-5 strategic priorities	• Written strategic plan
	• Determine who plays which role	• Focus on both program & capacity	• Reviewed mission, vision, values
Perform	• Corrections are expected	• Thank stakeholders	• Annual plan for Implementation
	• Must align your resources w capacity	• Celebrate accomplishments	• Create annual plans with accountability
Prove	• Evaluation= tracking progress	• Monitoring process in place	• Dashboard: reporting established
	• Measuring work & determining indicators	• Develop relevant dashboard	• Monitoring Schedule for board

14

Strategic planning in McKenzie County – An outline

To help break down how to approach the formulation of a strategic plan in McKenzie County, it is best to look at the bigger picture driving the need for an economic plan of sorts for the community. This includes:

- Call #1: explore untapped potential
- Call #2: continual adaptation and innovation
- Call #3: the ongoing pursuit of excellence

All of these will help focus the mission of the community and understand the various stakes to consider and prioritize in the formulation of a strategic plan. It will aid McKenzie County by engaging a broad spectrum of people and inspiring them to work together, as well as providing them a way to put their individual efforts toward the best benefit of the collective whole.¹⁵ The summarized process includes some of these key aspects:

1. Organizing and pre-planning
2. Visioning
3. Assessing the local community and economic competitiveness

¹⁴ Chart by Jeanne Allen Consulting.

¹⁵ IEDC Strategic Planning Manual

4. Identifying issues and formulating realistic goals, objectives, and strategies
5. Publicizing the plan
6. Identifying, evaluating, and prioritizing projects
7. Developing plans of action
8. Implementing plans
9. Monitoring and evaluating outcomes
10. Retooling and adjusting
11. Publicizing the progress and outcomes

SWOT analysis is essential to strategic plans

The next step is to conduct an analysis of the community's strengths, weaknesses, opportunities, and threats (SWOT). The SWOT analysis should be conducted by a task force, the JDA, or a committee of community leaders from diverse backgrounds, including business, government, education, and community organizations.

The SWOT analysis needs to be both macro and micro in nature. An example of how to look at an asset would be in Amherst, Massachusetts (pop. 39,000). It is not enough to say that a strength of the city is its education network; rather, it is important to determine the specific attributes that make the education network a strength (Amherst College, Hampshire College, and the University of Massachusetts Amherst).

Strengths and Weaknesses

A community can affect change to its strengths and weaknesses over time. To analyze the factors that contribute to a community's strengths and weaknesses, they should be rated on a numeric scale and by the level of priority. Key factors to include in this analysis:

- Labor Force
- Access to Markets
- Transportation
- Educational Infrastructure
- Site Availability
- Business Climate
- Utility Costs and Availability
- Quality of Life
- as well as Resources

Opportunities and Threats

Opportunities and threats are external to the community and hence uncontrollable. Opportunities are conditions external to the community that make it possible to develop competitive advantages. This includes structural changes in the economy, technological changes in specific industries, and changes in market demand for specific products. Threats are unfavorable trends or external developments that could lead to a decline in a community's competitive advantage or the overall economy.

A SWOT analysis can be used alongside a benchmarking study of competing communities to determine competitive advantages. What basis of comparison should the community use? Does it compete primarily

with communities in the immediate region, or more often with communities in other states? Or perhaps the community's competition is global in nature.

Creating a vision for strategic planning

Creating a vision is essential to a successful strategic plan. A vision is guided by a set of values that are held by the stakeholders of the community and is a succinct statement that encompasses the goals that will help get the locality to a desired level of development in the near future. A mission, on the other hand, is an organizational statement that conveys the reason for an EDO's existence and what it feels the need to achieve for its residents. A mission should answer the questions revolving around its core purpose, such as:

- Why do we exist? What stimulated the creation of our organization?
- What distinguishes us from others?
- Who do we serve?
- What are our primary activities/services?

A vision and mission statement are one and the same but are distinguishable when taking a closer look. It is essential to know one's mission in order to implement the vision for your community.

Identifying goals, objectives, and strategies

With the analysis completed and the mission and vision developed, it is now time to identify a list of goals, objectives, and strategies. All three work in tandem with one another in the plan. The goals can be defined as representing the overall vision and desired outcomes of the economic development planning process. The objectives are a set of performance standards and define what is to be accomplished. Finally, the strategies define how to achieve the established economic development goals and objectives.

The goals will connect directly to the mission and vision statements and focus on a specific area. For example, a goal statement could be "To diversify the economy beyond the oil and agriculture industry," "To train and retain a technically skilled workforce," or "To leverage assets to grow McKenzie County's tourism economy."

Objectives are specific statements that support the vision. These statements can contribute to a set of metrics to monitor. Effective objective statements are:

- Specific
- Measurable
- Realistic
- Action-oriented
- Timely

Strategy statements are more specific on how the economic development department is going to achieve the goals and objectives. The strategies focus on answering how we are going to accomplish the goal. For example, if the goal is to leverage the assets to grow the tourism economy, then the strategies may define the tourism marketing projects and programs that will be used. The strategy also may indicate how it is going to coordinate the resources available.

An effective strategic plan will focus on a three- or five-year program. While it is easy to make a wish list of strategies, it is important to keep in mind the time period of the plan, the available staff, and the amount of budget available to fulfill the strategies.

Examples of a strategic plan

- Goal: To develop the next generation workforce prepared for the technology jobs of tomorrow.
- Objective: Enhance the technical skills of the existing workforce by at least 15 percent.
- Strategy: Collaborate with higher education partners to expand programs for training and retraining the adult workforce.
- Goal: Revitalize Downtown.
- Objective: Retain existing businesses and recruit new businesses in order to achieve a downtown occupancy rate of 97 percent.
- Strategies:
 - Develop a facade grant program
 - Develop and sponsor special events
 - Develop a local marketing campaign
 - Develop a BRE visitation program
 - Provide marketing assistance to existing local firms in downtown

Implementation and metrics

Once the goals, objectives, and strategies are identified, it is important to plan for implementation. As the economic development strategic plan for the county, there may be several partners who will have a role in the implementation of the plan. Create a table in the back of the plan that identifies a lead organization for each strategy, supporting organizations, and a timeline for when the strategies will be implemented.

Using the example of the revitalizing downtown goal:

Strategy	Lead Organization	Supporting Organization	Timeline
Develop a facade grant program	Economic Development Authority	Downtown Association, Chamber of Commerce, Tourism Authority	Year One–Develop a program Year Two-Three–Disperse grants Year Three–Evaluate outcomes
Develop and sponsor special events	Downtown Association	County Government, City Government, Chamber of Commerce, Tourism Authority	All Three Years <ul style="list-style-type: none">● Year 1: Halloween Trick or Treating, Easter Egg Hunt, Summer Concerts on Main Street.

Develop a local marketing campaign	Downtown Association	County Government, City Government, Chamber of Commerce, Tourism Authority	Year Two to Three
Develop a BRE visitation Program	City or County Economic Developer	Downtown Association, Chamber of Commerce,	Year One: Visit every first-floor business in the downtown district at least once. Year Two and Three: Visit every first-floor business in the downtown district in each half of the year.
Provide marketing assistance to existing local firms in downtown	Chamber of Commerce	City/County Economic Developer, Downtown Association	Year Two: Using the insights gained from the year one BRE visits, develop a set of marketing templates businesses can update and use.

It is important to have an understanding of the metrics that should be used for implementing a strategic plan, such as the sample downtown revitalization case study above. Common metrics used by EDOs and JDAs that are often to operationalize the impact of strategic plans include job creation, capital investment, changes in the tax base, and personal income. These are quite general metrics, and sometimes more specific ones are needed. As for the case study above, metrics that could be used in the implementation of a local marketing campaign could be looking at the percent of locally owned businesses every year or assessing the percent of globally connected entrepreneurs in the community each year. An annual business survey could be another helpful measure to help quantify the impact the marketing campaign has on McKenzie County's overall branding.

Some sample metrics for developing a BRE visitation program could be community indicators such as job openings per sector, talent movement (jobs filled by college graduates in the community), educational opportunities for entrepreneurs (number and variety of programs offered), or labor force productivity (value-added per employee) just to name a few.

Generally speaking, it is most important to make sure that the metrics within the goals of your strategic plan align closely with your EDO's work. To collect the right data for each of the selected metrics, it is best to start with general measures and then add more over time as it becomes clearer how performance measurement fits in with the EDO's work. In the downtown revitalization example, a general measure that almost all EDOs measure and track are vacancy rates. Another common metric for measuring economic

activity in a certain area, like a downtown, is tax revenue from the area's businesses. As relationships are built with downtown businesses, more detailed metrics may become available such as turnover rates and retail businesses' foot traffic data (e.g., the average number of customers they experience during the holiday season).

On an annual basis, the Jobs Development Authority should review the strategic plan. Upon review, a closer look should be paid to what strategies were accomplished and which strategies need additional time. During this review process, the JDA should be looking at if there are any sections of the strategic plan that need updating. Economic and business cycles are very natural, so it is important to make sure strategic plans are updated depending on the current economic circumstance. For all the strategic plans drafted in 2019 and 2020, Covid-19 probably impacted many of the strategies, goals, and objectives. It is important to take into consideration how current economic circumstances might impact a strategy you laid out in the strategic plan drafted two years ago. McKenzie County has many of the assets needed for economic growth but needs to utilize the strategic planning process to position itself for long-term sustainability and help develop proactive economic development practices.

Examples and resources to review:

- [City of Williston, North Dakota](#)
- [Great Falls Development Authority, Great Falls, Montana](#)
- [Cedar Rapids, Iowa](#)
- [City of Beaverton, Oregon](#)
- [Richland County, South Carolina](#)
- [Lane County, Oregon](#)
- [A Guide to Strategic Planning in Rural Communities, USDA Office of Community Development](#)

Appendix D. Dealing with Vacant Properties

Like all counties and cities, McKenzie County and Watford City want an economically successful, vibrant, and bustling downtown and main street. During the tour of McKenzie County and in stakeholder meetings, certain vacant properties were pointed out with the hope that one day those buildings could be utilized by the community and strengthen the downtown economy. During the final presentation, the panel suggested creating a local ordinance on vacant properties that would incentivize their usage or encourage vacant owners to sell. These ordinances are a preventative measure against vacant buildings, encouraging downtown owners to decrease vacancy rates. Below are a handful of current examples and best practices that communities have used to discourage downtown vacancies and blight:

1. After generating a list of 17 vacant commercial and industrial properties in Easthampton, Massachusetts, the local economic development and industrial commission convinced the city council to begin developing a local ordinance to discourage vacant property ownership. The proposed ordinance would create a public registry of vacant properties to help businesses find available space in the city. Properties on the registry would be required to pay a \$100 registration fee and undergo periodic building inspections.
2. To encourage filled downtown properties, the City of Easton, Pennsylvania, took a different approach and incentivized property owners to allow pop-up and temporary retail spaces for home-based businesses and entrepreneurs. This program helps remove vacant properties from the main street while also encouraging small business and entrepreneurship development. A program like this creates a natural business incubator program without having to invest in a whole facility.
3. In Manitoba, Canada, the City of Brandon requires owners of vacant buildings to go through vacant building inspections as well as acquire a vacant building permit. Vacant building permits must be obtained within ninety days of the notified vacancy. If vacant buildings do not comply with the vacant building maintenance standards, an order will be issued requiring the owner to bring the vacant building up to compliance.
4. An innovative solution out of Pittsburg, Pennsylvania, is establishing and financing a land bank that acquires vacant properties and then puts them to use through renovation. This allows the city to purchase the property and then turn it into a productive asset like a renovated home, commercial space, or even a green space in a neighborhood.

Whether punitive or rewarding, vacant property programs and ordinances can go a long way to help a city maintain a vibrant downtown while also creating new opportunities for business growth and development. McKenzie County has the community leadership that could make a program like this excel and helps protect the investments they have put into their community and main street.

Appendix E. Case Study for Enhancing Local Child Care Capacity – Coastal Enterprises, Inc.

Coastal Enterprise, Inc. (CEI) is a non-profit community development financial institution (CDFI) with a goal of enhancing the local economies and communities of rural Maine and is one of the nation's leading CDFIs. Since the 1970s, CEI has advised or financed over 150 childcare businesses in Maine. They have used this experience to develop their Child Care Business Lab.

The mission of the Child Care Business Lab is to help entrepreneurs start new and high-quality childcare businesses in the state of Maine. They have worked with moms of young children who want to start a small, home-based childcare facility, creating a good job for themselves. CEI has also worked with nonprofit organizations that have an unused room to start a childcare business in communities short on childcare options.

An intensive cohort-based program, CEI utilizes the Child Care Business Lab to provide childcare entrepreneurs with the tools to start a successful small business. CEI helps guide these entrepreneurs through the various licensing processes and helps businesses develop their childcare business philosophy.

CEI has built the curriculum for the Child Care Business Lab to help childcare entrepreneurs overcome the four major barriers that entrepreneurs typically face.

1. Access to start-up funding
2. Increased business acumen
3. Specialized childcare industry knowledge
4. Overcoming barriers to financial stability

CEI demonstrates that supporting small, home-based childcare facilities can alleviate childcare concerns for rural regions and create new economic opportunities for the entrepreneurs but also the people who can now find an affordable childcare facility.

Appendix F. Regional Partnership Case Study: Great Miami Riverway Coalition

An individual community can only do so much when it comes to the various economic and community development functions. However, when multiple entities can form a regional partnership and pool resources together, new opportunities to grow the region begin to appear. In Southwest Ohio, cities and communities along the Greater Miami Riverway realized that by pooling together resources and advertising their recreational, historical, and cultural assets, they could grow their tourism, strengthen neighborhoods along the river corridor, support, and advocate for physical improvements to the river corridor, and assist with general economic development. These cities and communities then formed the Great Miami Riverway Coalition, with headquarters in Dayton, Ohio. The coalition is now a 99-mile stretch of vibrant riverfront communities that engage in regional projects together, focused mostly on recreational and cultural projects that come together to improve the placemaking and grow tourism in Southwest Ohio.

The regional project began in 2008, when a River Summit was convened, leading local elected officials to form volunteer groups to begin having conversations on Great Miami's riverfront communities. In 2014, the U.S. Army Corps of Engineers was commissioned to complete the largest river asset inventory they had ever taken on. The key result was creating a unified message to promote the wide variety and enormous wealth of assets found throughout the 99-mile corridor. In 2017, 19 riverfront communities and organizations formed the Great Miami Riverway Coalition to implement the goals so clearly defined in the past ten years. Overall, the Great Miami Riverway Coalition has built an engaging network of communities connected by the riverway and the overall success of the region's tourism industry. The coalition has promoted growth for the region through increasing economic and community investment to attract more visitors, jobs, and talented workers to Southwest Ohio.

Appendix G. A Case Study on Economic Diversification – Ponca City, Oklahoma

Community profile

Ponca City (population of 24,424 in 2020) is located in north-central Oklahoma, 90 minutes from three major cities: Tulsa, Wichita, and Oklahoma City. Some might say it is in the middle of nowhere; on the contrary, Ponca City has marketed itself based on its central location, which allows it to serve as an effective hub for distribution and for manufacturing, research, and corporate facilities. Ponca City also has small-town advantages such as low crime, a low cost of living, and a close-knit community. Oil had been king in Ponca City since it was first drilled in 1911. For most of its 100-year history, the city had been a one-company town as the headquarters for the Conoco Oil Company. At its height in the 1980s, Conoco employed over 5,000 people in research and development, refining, human resources, management, and more. Ponca City was not only a one-company town but a one-industry town, with the local economy being 80 percent oil-dependent and totally invested in the success of Conoco.

Impact of the Conoco Phillips departure

Ponca City was first hit by major downsizing at Conoco in 1993 when approximately 1,400 jobs were cut, resulting in an annual payroll reduction of \$40 million. This precipitated an economic slowdown in the city and county in 1993 and 1994. The unemployment rate, which had always been well below the national average, jumped to 12 percent, and unemployment compensation claims more than doubled from the previous year. Then in 2002, Conoco merged with the Phillips Petroleum Company and laid off more than 3,500 workers. While Conoco once accounted for 50 percent of the jobs in Ponca City, Conoco-Phillips now accounts for just seven percent or 1,400 jobs. The town's psychology and identity were rocked by the downsizing of its one major employer.

Pursuing an economic diversification strategy

Establishing and funding a new economic development organization

With the need for economic diversification away from the oil and gas industry highlighted, Ponca City established the Economic Development Advisory Board (EDAB) as part of the Ponca City Chamber of Commerce in 1994. Its explicit mission was to diversify the Ponca City economy away from oil and natural gas. In conjunction with the establishment of EDAB, Ponca City adopted a half-cent sales tax measure for economic development. EDAB used this funding to attract two major employers to replace the jobs lost at Conoco. EDAB also supported approximately 20 other smaller businesses through economic development funding incentives. In the wake of the Conoco-Phillips merger and downsizing, Ponca City made significant changes to its economic development delivery system, creating the Ponca City Development Authority (PCDA) in 2003 out of EDAB. PCDA started with an evaluation of community assets and developed a plan to connect with existing businesses and revitalize the city's workforce. The PCDA has become an extremely well-run organization, receiving a number of IEDC and economic development awards in just the past decade.

Creating a proactive business retention and expansion program

PCDA set up a business retention and expansion (BRE) program to understand and address the needs of existing employers in the community. The BRE program focused on three issues: understanding the needs of the businesses, providing business and industry intelligence to help them become more competitive, and providing worker training. Regular visits to businesses in order to develop and strengthen relationships became the cornerstone of the BRE program. PCDA staff called these “doughnut runs”—literally showing up at the doorsteps of businesses with a box of doughnuts in the morning and talking to them about their needs. Not all employers were welcoming at first. Many were skeptical of a renewed interest from the local government in business needs, and PCDA felt some pushback from the business community. “Where does it hurt?” and “What’s your point of pain?” were typical conversation-starters for PCDA staff to learn about a variety of issues facing local businesses, not all of them within the traditional economic development realm. The most valuable part of the program was PCDA staff linking businesses with appropriate resources for issues beyond their realm of control. This helped them develop trust and intimacy with the business community. The PCDA has kept with its active BRE practices, with a variety of award-winning BRE programs. Their programs focus on helping businesses achieve their goals, like their Industry Certification Assistance Program (ICAP). ICAP began in 2011 and provided local industries with financial assistance on their specialty certification fees for their business sites. They also have introduced their Trade Show Brigade, where they invite industry members to come with them to attend a trade show and set up a booth for up to three manufacturers. This practice has helped grow business-to-business partnerships in the Ponca business community. Fostering local business-to-business partnerships has become a major practice of the PCDA, recognizing the benefits that local businesses can have on each other by just forming a relationship.

Collaborating with a technology center to train the workforce

As a major component of improving the competitiveness of Ponca City businesses, PCDA collaborated with the Pioneer Technology Center to deliver workforce training services. Pioneer Tech, a public career and technology education center located in Ponca City, is part of Oklahoma’s statewide vocational education system, run by its Department of Career and Technology. Programs at Pioneer Tech are designed with the single aim of advancing its students’ careers, whether they are high school students who need advanced calculus training or workers who need a new skill to move up the value chain.

Pioneer Tech emphasizes its flexibility in assisting businesses. For example, Mertz Manufacturing, LLC, a metal works company and manufacturer of heavy metal equipment, had a need stemming from a particular contract for a specialized welding skill. PCDA worked with Pioneer Tech to design a training course for 40 workers, allowing Mertz to win the contract and add 100 good jobs to the local economy. Another example of a successful partnership between PCDA and Pioneer Tech was to serve Sykes, an inbound call center. Pioneer Tech provided in-house computer training for retired senior citizens to make them comfortable with computer terminals in order to meet the needs arising from a contract. The company won the contract and added 200 jobs to the local economy.

PCDA has also set up their PoncaWorks workforce development program to help focus on the labor needs of Ponca’s industries. Many of the current PoncaWorks programs are focused on building a strong workforce through their local students, like their internship program, which places high school Juniors and Seniors with a local company where they work 10 hours a week during the school year. It costs companies nothing, and students earn class credit. They also have their ambassador program where young professionals come to classrooms to talk to students about their careers in Ponca City and the opportunities out there for

them. In 2020, PoncaWorks placed 42 people in careers. PCDA recognizes the importance of having a well-trained workforce when it comes to diversifying an economy and attracting new opportunities.

Building an industry cluster around a technology lab

One of the biggest successes in Ponca City’s efforts to develop knowledge-based jobs is the University Multispectral Lab (UML). As part of a study done in 2003 by PCDA and Oklahoma State University on the region’s industries, Ponca City discovered a possible niche in the field of sensor technology, a \$10 billion industry annually in the United States. Ponca City, through a partnership among PCDA, the Oklahoma State University, and ConocoPhillips, embarked on the development of a national sensor testing and evaluation center that would allow military, commercial, and university researchers to work on sensor technology in a single location. UML opened in June 2008 and was projected to employ at least 120 at full capacity. This has resulted in the creation and attraction of a number of other businesses that want to locate close to UML.

This early success in developing knowledge-based jobs further helped PCDA attract and develop businesses in technology and professional services. These companies are either working with UML staff in the development of proprietary products or taking advantage of the UML lab space and assets for further research and development. At the same time, Ponca City continues to build on its traditional assets in manufacturing. It is now focused on advanced manufacturing, diversifying from the oil and gas industry into aviation, niche products, and consumer goods.

Nurturing entrepreneurship through an incubator facility

Pioneer Tech is also home to an incubator for small businesses. The Pioneer Tech Business Incubator was established in 1991. It is operated through partnership agreements with PCDA, the chamber of commerce, and Workforce Oklahoma (the state unemployment office.) A majority of the businesses located in and graduating from the incubator are engaged in light manufacturing. The incubator also provides some space for offices. The Pioneer Tech Business Incubator offers typical incubation services, providing workspace at discounted rates as well as shared services and technical assistance to fledgling businesses. It also offers entrepreneurship and skills training (such as assistance with developing business plans, loan proposals, or feasibility studies), management development, OSHA compliance, help with recruitment of workers, and both soft and hard skills training, all in one location. By locating in a certified incubator like Pioneer Tech’s, business owners also can access tax incentives from the state.

In its first twenty years of life, a total of 40 businesses graduated from the program, with a total of 120 jobs created by those businesses. Many of the businesses graduating from the incubator feed into the supply chains for the petrochemical, science and technical research, and service industries.

Results

PCDA’s emphasis on fundamental economic development practices has positively impacted the local and regional economies. Companies located in Ponca City have produced a higher percent of knowledge-based jobs and higher average pay since the creation of PCDA in 2003. Ponca City also has won numerous awards for its work in retaining and expanding businesses, workforce development, and economic development partnerships. Since the creation of EDAB in 1994, for every dollar spent on economic development, Ponca City has seen a \$24 return on investment.

Summary

Ponca City could have tried to replace the jobs it lost from Conoco using the one-company, one industry model that was the local economy’s historic base. It could have tried to recover in the quickest, cheapest way possible by attracting a large manufacturer with a package of local and state incentives. Instead, PCDA took the opportunity to transform the city’s economic base to significantly reduce its dependence on oil and develop high-tech, knowledge-based jobs that pay higher wages. It also has been loyal to its existing companies and has nurtured their expansion.

Ponca City’s economic development strategy was to build a strong workforce that could fuel the growth of startup companies, the expansion of existing ones, and the attraction of new companies. To that end, Ponca City has dug deep into its population, invested heavily in training its existing workforce, and attracted highly skilled workers from outside, including veterans and students from four-year universities outside Ponca City. It also took the creative and resourceful step of instigating its own scientific research lab. Ponca City has shown that it is not just interested in filling vacancies; it is investing in the full range of potential and existing workforce talent as the foundation of an economically competitive, equitable future for the city and its residents.