Comprehensive Economic Development Strategy 2027–2031 Draft

Introduction

Background

West Central Initiative's (WCI) region is designated by the state of Minnesota and the U.S. Economic Development Administration (EDA) as Economic Development District/Region IV and comprises Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse, and Wilkin Counties, as well as the portion of White Earth Nation that shares geography with Becker County. *White Earth Nation in its entirety is not considered an Economic Development District, but it develops and implements its own Comprehensive Economic Development Strategy (CEDS). Where priorities, goals, objectives, and strategies affecting reservation lands differ in this document from the White Earth Nation CEDS, the White Earth Nation CEDS takes precedence.* The region was first designated as an Economic Development District (EDD) in 1973 under the auspices of the West Central Regional Development Commission. The commission disbanded in 1982, thereby suspending the EDD designation.

In 1991, WCI began developing a regional Overall Economic Development Plan. At the request of regional partners and the region's units of government, WCI initiated an effort to reestablish a designated district. In January 1995, WCI received official designation as an EDD from the EDA. An EDD Advisory Board was formed to oversee the district's activities and advise the WCI Board on district matters. The EDD Advisory Board is composed primarily of elected officials, along with WCI board members and regional stakeholders who are broadly representative of the region's principal economic interests.

WCI first received a planning grant in 1996 from the EDA to provide planning assistance and advisory services to regional partners and communities. This allowed WCI to hire staff focused on creating economic development planning activities and overseeing the development, implementation, and reporting of the CEDS. The CEDS is a five-year planning document that outlines the needs, goals, strategies, and implementation process for the region's economic development work. WCI also invests in this work directly by providing matching funds for the EDA planning grant.

What is the CEDS?

A Comprehensive Economic Development Strategy is a five-year plan developed through a regionally driven planning process to guide local economic development, build resilience, and create jobs. Creating, implementing, and regularly updating the plan are requirements for maintaining the region's designation as an Economic Development District. The plan is required to establish regional goals and objectives and to develop and implement a regional action plan that guides the economic development work of both the district organization and external partners.

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A new CEDS is developed every five years and submitted to the EDA, with revisions and progress updates made annually.

Framework

Creating economic prosperity is a multifaceted process requiring many partners and organizations to take on the work at both the regional and community levels. In Greater Minnesota, economic advantages historically included agriculture, natural resource extraction, and low costs (inexpensive labor, low taxes, available land, etc.).

Today, in a connected global economy, Greater Minnesota needs to emphasize several priorities: replacing, maintaining, and improving built infrastructure, including water supply and treatment, power generation and transmission, and broadband access; supporting agricultural stewardship as well as diversification through local food production and export-market expansion; nurturing entrepreneurship through business attraction and expansion, access to capital, and workforce growth; addressing housing challenges; and building civic and social infrastructure, including parks and other public amenities, community centers, strong schools, and an engaged, active, and participatory citizenry. Together, these priorities can improve the quality of life and attract residents.

The work of economic development can be categorized into four elements, known as the Four Cornerstones of Regional Development. By using this framework, building strong partnerships, and applying the principles of sustainable development, the region will be well positioned to achieve the goals and objectives outlined in this document in both the short and the long term.

Four Cornerstones of Regional Development

In 2016, a collaborative group of Minnesota's regional planning organizations, then collectively known as the Minnesota Association of Development Organizations (MADO), developed and published a comprehensive development strategy for Greater Minnesota titled DevelopMN. The plan identified four cornerstones as key components of strong regions and communities, and those cornerstones became the building blocks of each organization's CEDS. During the development of this CEDS, the planning team confirmed that the four cornerstones remain applicable and continue to support a common framework for WCI and other stakeholders. When addressed in a coordinated way, the cornerstones can help create prosperity for communities and their residents.

Human Capital: The ability to attract, develop, and retain talent is critical to sustaining and growing rural businesses and communities in the region. Tracking the characteristics of the labor force and employers' needs, and creating strategies to align the two, is one aspect of this cornerstone. Another is forecasting the future economy and working with communities to prepare a workforce that can thrive in a rapidly changing environment, particularly amid advances in technology. A third, and critically important, aspect of human capital is social capital. Citizens who connect and interact with each other are more likely to achieve their identified community and economic goals.

Economic Competitiveness: Making west central Minnesota an attractive environment for smart, sustainable growth and investment requires supporting the efficient production of goods and services that enable communities to thrive locally and in the global market. Positive outcomes

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include creating living-wage jobs and opportunities for advancement, expanding access to capital, preserving existing businesses, creating new businesses, improving living standards, and financing necessary public services. Economic competitiveness requires communities to develop and connect all available assets to support innovation and encourage investment in projects they identify as priorities.

Community Resources: West central Minnesota communities seek to maintain rural values, heritage, and the assets that support them. Community resources include those that balance the preservation and improvement of local social, cultural, and natural assets critical to the future.

Foundational Assets: The region and its communities require proactive, collaborative approaches and strategies to address infrastructure needs cost-effectively. Managing access to, as well as the maintenance, replacement, and growth of, these assets is key to preserving and supporting communities and providing growth opportunities. Foundational assets include above- and belowground infrastructure, such as transportation, water and wastewater, housing, and broadband.

Methodology

The methods used to create the region's CEDS incorporated EDA requirements and WCI's established approaches to convening stakeholders, conducting surveys, analyzing data, and interpreting findings. The EDA requires four components in a CEDS: a summary background; a SWOT analysis of strengths, weaknesses, opportunities, and threats; a strategic direction and action plan; and an evaluation framework. The plan must also address economic resilience throughout. To meet EDA requirements, align with WCI's mission, and provide an informed resource for the region's communities, the planning team implemented a five-phase process:

1) In Phase 1, the planning team organized a timeline and assessed current EDA requirements for submitting the CEDS. The team then reviewed and reorganized the CEDS Strategy Committee. The committee is composed primarily of private-sector representatives and others who represent the region's economic interests. The committee first met in February 2025 to create an initial SWOT analysis through a facilitated conversation. Over the next year, WCI staff tested the initial SWOT analysis against current data sets and economic conditions. In February 2026, the committee reconvened to ensure the SWOT analysis remained applicable and to finalize it for the CEDS. The SWOT results are incorporated into the applicable sections of this document.
2) In Phase 2, the planning team used the Four Cornerstones for Regional Development to organize four focus groups. Stakeholders representing a range of economic sectors and interests were invited to share their needs, best practices, and community plans to help identify the top economic priorities for this CEDS. At the same time, WCI staff distributed an online snapshot survey to regional residents to broaden public participation and gather additional input on regional priorities and needs. Throughout the CEDS process, staff also reviewed and monitored data, held community conversations with stakeholders, and visited city councils and county boards.

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3) In Phase 3, planning staff synthesized the results and ensured that applicable outreach feedback was reflected in the document. In addition to incorporating public and stakeholder input, staff integrated data from the Minnesota Department of Employment and Economic Development (DEED), the U.S. Census Bureau, the U.S. Bureau of Labor Statistics, and other reliable sources to combine qualitative and quantitative findings. After staff completed the initial draft, WCI staff, the CEDS Strategy Committee, and the EDD Advisory Board reviewed it.
4) In Phase 4, the finalized first draft was published on October 26, 2026, beginning a 30-day public comment period. Members of the public and other stakeholders were invited to suggest edits, changes, and additions. The planning team then updated and finalized the draft before sending it to the West Central Initiative Board for adoption and submission to the EDA.
5) In Phase 5, the CEDS becomes an evergreen document that is continually reviewed for alignment with current economic conditions and adjusted as necessary. Implementation is not intended to be carried out solely by WCI; the document is also a resource for partners, stakeholders, and organizations working to advance economic development throughout the region.

Summary Background of Economic Conditions

The economic conditions of Economic Development District/Region 4 (EDR 4) are defined by new, recurring, and ongoing pressures and opportunities. The region's economy remains heavily influenced by agriculture. Changing conditions influenced by both external and internal factors affect small and medium-sized businesses, demographic trends, workforce availability and preparedness, housing, infrastructure, and community resilience. Together, these shape the region's development priorities and the strategies needed to support long-term economic vitality and resilience.

Much like the rest of the nation, EDR 4 has been shaped most by two recent external factors: tariffs and resurgent inflation. These forces have significantly affected agriculture, a key regional industry with broad economic ripple effects. International conflicts have further increased the cost of essential agricultural inputs. Changing weather patterns—including reduced winter snowfall and precipitation, summer drought, and heavy spring and fall rains—also have had serious consequences for crop production. Because the region relies heavily on outdoor tourism year-round, changing weather conditions have strained that industry as well, creating additional ripple effects across the economy.

Traditional measures of economic distress do not classify much of the region as "economically distressed." Yet as the cost of goods rises and access to capital becomes more restricted and expensive, clear signs of growing local distress are emerging. That distress is not necessarily reflected in traditional indicators such as high unemployment, declining per capita income, or the closure of major employers. Weather-related disasters have also taken a toll, primarily through their financial impact on local government budgets and the sharp rise in insurance costs.

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Growing evidence shows that small businesses in the service, restaurant, and retail sectors are moving from struggling to outright closure or insolvency. Inflationary pressures are a major factor, shifting household spending away from discretionary purchases and toward essentials such as groceries and fuel.

The region's population continues to age faster than the rest of the state, and the age wave is not expected to peak until 2030–2035. The long-standing out-migration of young adults aged 18–24 from rural areas also continues, although early evidence suggests the trend may be easing slightly due to remote learning offerings and declining college enrollment. Overall, the region continues to grow, but only four of its nine counties have experienced significant population gains, with most of those gains concentrated in regional centers. Population loss in most rural counties is leveling off.

The region's racial diversity is increasing and is expected to continue growing. Most of the region's population growth has come from groups other than those classified as white. Becker, Clay, Stevens, and Traverse Counties have the most racially diverse populations. Based on Minnesota State Demographic Center projections, the region was projected to reach a 9.5% racial minority population by 2035, but by 2022, that share had already reached 10.7%. Although this percentage remains below the projected levels for Minnesota and the United States, it represents a significant change in the region's population composition. People of Hispanic or Latino origin make up the largest share of the minority population, and that trend is expected to continue.

Minnesota DEED Quarterly Census of Employment and Wages data shows that four industries employ almost 75% of the region's workforce: education and health services; trade, transportation, and utilities; manufacturing; and leisure and hospitality. All four are expected to have substantial future demand for employees. Since the 2008 recession, a broad workforce shortage has significantly affected the region and its employers; the pandemic offered only temporary relief. The underlying factors remain largely unchanged: impending retirements that were delayed but are now occurring following a record-setting stock market; the out-migration of working-age adults to regional centers; and a mismatch between the degrees and certificates students pursue and the jobs available. Most employers struggle to meet their workforce needs, particularly in manufacturing, food service, and other service and retail businesses.

Another workforce-related challenge is the child-care shortage, which has reached crisis levels and continues to command community attention. The region lacks sufficient providers and spaces for children, especially infants, while wages for child-care workers remain severely low. Some new care models are showing promise as part of the solution. Increasingly, local units of government are leading the conversation and working to identify community-led solutions.

Economic development once focused primarily on attracting employers and creating the conditions needed to secure major investments. That focus has broadened to include making communities more attractive to prospective residents. This work includes improving housing, food access, and business support; creating more welcoming communities; strengthening engagement with entrepreneurs; and advancing self-sufficiency through alternative approaches to energy and local food production. There is growing recognition that economic development now requires both attracting people to fill existing positions and building strong, engaged communities. At the same time, communities must provide the facilities and infrastructure needed to support new and

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expanding businesses. Economic development also requires making communities more resilient and better prepared to recover from economic disruptions and weather-related disasters, while also reducing reliance on imported energy. To achieve economic success, the region must focus on people and on strategies that attract a larger workforce by building social capital, belonging, respect, and fairness. Where appropriate, these efforts should also strengthen resilience through greater self-sufficiency.

The need for adequate, affordable workforce housing has become a daily topic in local economic development offices and at both the regional and state levels. The discussion centers on increasing the supply and improving both the quality and the affordability of housing.

Several infrastructure and technology issues remain at the forefront of economic development across the region. Reliable, high-speed broadband is recognized as essential infrastructure for businesses and households, yet shortfalls in access, speed, and capacity persist across many rural areas. The gaps have become more apparent with the growth of remote work and schooling. The cost of energy has increased across all users. These rising costs have increased interest in renewable energy, yet utility companies and consumers are still reluctant to embrace it in many cases due to unfamiliarity with the technology and the higher costs of initial implementation. Artificial intelligence (AI) is emerging as both an opportunity and a challenge. AI requires substantial broadband and energy capacity and, in some cases, significant water resources. These demands, along with the need for data centers and the still-emerging effects on the workforce, are now part of the daily economic development conversation. At the same time, most communities in the region continue to face critical, underfunded needs to update and replace community facilities; water, wastewater, and stormwater systems; and transportation infrastructure.

Taken together, these conditions demonstrate a clear need for an integrated regional approach that strengthens both the economy and community resilience. The key elements of this work are expanding the workforce and child-care capacity, increasing housing supply and affordability, improving key infrastructure, adapting to technological change, and supporting communities as welcoming places that attract and retain residents. These priorities provide a foundation for the region's economic development goals and implementation strategies.

Economic Resilience

Economic resilience is the ability of a region to anticipate, withstand, and recover from economic shocks, disruptions, and stresses. The EDA considers resilience in two related ways: the long-term capacity of a regional economy to withstand or avoid disruptions and the capacity to respond and recover when disruptions occur. Economic shocks can include national recessions, changes affecting a particular industry, the loss of a major employer, natural disasters, supply chain disruptions, or changes in the workforce. For the WCI region, these conditions are closely connected to long-term demographic and economic trends.

The nine-county WCI region has experienced substantial economic growth over the past several decades, but that growth has occurred alongside significant demographic changes. The region's population increased from approximately 185,933 in 1970 to 238,450 in 2022, an increase of about

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28%. Employment, however, increased from 71,186 jobs to 138,873 during the same period, an increase of approximately 95%.[1] The region has therefore added jobs at a substantially faster rate than it has added residents.

This difference is particularly important from a workforce perspective. Between 1970 and 2022, the region added an average of approximately 900 residents per year, while employment increased by an average of about 1,300 jobs per year. In practical terms, the regional economy has been creating jobs faster than the population has been growing. That pattern places increasing pressure on workforce availability, particularly when combined with an aging population and the retirement of existing workers. Continued economic growth will depend not only on the creation of jobs but also on the region's ability to attract and retain workers and increase the participation of existing residents in the workforce.

Demographic Conditions

Population growth has continued in much of the region, although it has not been evenly distributed. Between 2010 and 2025, the region gained approximately 19,279 residents, representing about 9% growth. Nearly four-fifths of that increase was attributable to net migration rather than natural population change. Average annual net migration was approximately 752 people, compared with the average annual natural change of approximately 195 people. Domestic migration accounted for approximately 504 people annually, and international migration added approximately 248.[2]

The increasing importance of migration is significant for economic resilience. Population growth can provide an expanding customer base and additional workers, but the region cannot rely solely on natural population growth to replace workers leaving the labor force. The region’s ability to maintain population and employment growth increasingly depends on attracting and retaining people from elsewhere.

The age structure reinforces this concern. Approximately 21% of the region's population was age 65 or older in 2024, compared with approximately 17% in 2000. The region also has a higher share of baby boomers than Minnesota as a whole, with approximately 25.5% of the population in that generation compared with 24.5% statewide. The number of residents entering or approaching retirement has implications for workforce replacement, business succession, health care, and the availability of workers in occupations that are already experiencing shortages. At the same time, older residents remain an important source of household income, consumer spending, volunteer activity, and community leadership.

Economic Structure and Exposure

The region's employment base is relatively diverse, which provides an important source of economic resilience. In 2022, government positions accounted for approximately 19,300 jobs,

[1]U.S. Department of Commerce. 2026. Census Bureau, American Community Survey Office, Washington, D.C.

[2]U.S. Department of Commerce. 2026. Census Bureau, American Community Survey Office, Washington, D.C.

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retail trade for 14,744, and manufacturing for 14,202. Between 2010 and 2022, manufacturing added approximately 3,472 jobs, real estate and rental and leasing added 2,329 jobs, and government added 1,213 jobs. Total employment increased by approximately 10,560 jobs during the period.[3]

More recent wage and employment data show a similarly broad economic base. In 2025, manufacturing accounted for approximately 13,032 jobs, or 14.2% of regional wage and salary employment, with average annual wages of approximately $70,220. Construction accounted for 5,093 jobs, with average annual wages of approximately $72,721, while agriculture, forestry, fishing, and hunting accounted for 3,818 jobs, with average wages of approximately $66,269. Financial activities averaged approximately $86,049 in annual wages, and professional and business services averaged approximately $72,158.[4]

Other sectors account for substantial portions of employment but have lower average wages. Leisure and hospitality represented approximately 9,335 jobs in 2025, or 10.2% of wage and salary employment, but average annual wages were approximately $21,134. Education and health services accounted for 14,276 jobs, while trade, transportation, and utilities accounted for 17,419. Government represented another 18,712 jobs.[5]

This diversity provides some protection against a downturn concentrated in a single industry, but the region remains exposed to changes affecting several important sectors. Manufacturing is influenced by national and international demand, supply chains, technology, and broader economic conditions. Agriculture is exposed to commodity prices, weather, input costs, and global markets. Tourism and leisure are sensitive to household discretionary spending and seasonal conditions. Health care, government, and other locally oriented sectors provide greater stability but are themselves affected by workforce availability, public funding, and demographic change.

The region's history also demonstrates both exposure to economic shocks and an ability to recover. Employment declined by approximately 5,833 jobs during the 1981–1982 recession and by approximately 5,335 jobs during the 1990–1991 recession. During the 2008–2009 recession, however, regional employment increased by approximately 6,357 jobs. The COVID-19 recession resulted in a decline of approximately 5,419 jobs in 2020, followed by a recovery of approximately 7,016 jobs between May 2020 and December 2025.[6] These changes demonstrate that the region has experienced significant economic disruption but has also maintained the capacity to recover employment over time.

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[3] U.S. Department of Commerce. 2023. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C.

[4] U.S. Department of Labor. 2026. Bureau of Labor Statistics, Local Area Unemployment Statistics, Washington, D.C.

[5] U.S. Department of Commerce. 2023. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C.

[6] U.S. Department of Commerce. 2023. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C.; U.S. Department of Labor. 2026. Bureau of Labor Statistics, Local Area Unemployment Statistics, Washington, D.C.

Workforce and Community Conditions

The relationship between population and employment growth makes workforce availability one of the region's most significant long-term resilience considerations. The region has added approximately 400 more jobs than residents each year, on average, since 1970. At the same time, the population is aging, and population growth increasingly depends on migration. These trends create a structural challenge: Economic activity can continue to expand even when the supply of available workers does not keep pace.

The region's educational profile is another factor. Approximately 30.6% of residents aged 25 and older have a bachelor's degree or higher, compared with 39.4% statewide. At the same time, only 5.3% of residents lack a high school diploma, compared with 6.1% statewide. The region, therefore, has a strong base of residents with a high school education or equivalent but a smaller share of residents with four-year degrees.[7] The combination of an aging workforce and changing employer skill requirements increases the importance of retaining existing workers, developing technical and professional skills, and attracting new residents.

Housing is also closely connected to workforce resilience. Approximately 23.4% of owner-occupied households with a mortgage spend more than 30% of their household income on housing costs, while approximately 43.2% of renter households spend more than 30% of their income on rent.[8] These conditions can affect workers' ability to live near available jobs and make it more difficult for employers to recruit and retain employees. Housing availability is therefore an economic issue as well as a community development issue.

The region also has a relatively high share of seasonal housing. Approximately 17% of housing units are classified as seasonal, recreational, or occasional use, compared with approximately 5% statewide.[9] Seasonal housing is an important regional asset for recreation and tourism, but it also means that a portion of the region's housing stock is unavailable to permanent residents or workers.

Regional Resilience Capacity

The region's economic and demographic conditions present both strengths and vulnerabilities. The WCI region has a diverse economic base, substantial long-term employment and income growth, and a history of recovering from major economic downturns. Manufacturing, agriculture, health care, government, construction, retail, tourism, and professional services provide multiple sources of employment and economic activity.

At the same time, the region faces a structural imbalance between employment and population growth. Since 1970, employment has increased by approximately 1,300 jobs per year, while the population has increased by approximately 900 residents per year. That gap, combined with

[7] U.S. Department of Commerce. 2026. Census Bureau, American Community Survey Office, Washington, D.C.

[8] U.S. Department of Commerce. 2026. Census Bureau, American Community Survey Office, Washington, D.C.

[9] U.S. Department of Commerce. 2026. Census Bureau, American Community Survey Office, Washington, D.C.

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population aging and increased reliance on migration for population growth, means workforce availability is likely to remain a key constraint on the region's economic capacity. Housing costs, differences in educational attainment, and uneven population trends among counties add to that pressure.

Economic resilience in the WCI region, therefore, extends beyond preparation for a specific disaster or recession. The region's ability to withstand future disruptions is influenced by the underlying strength and diversity of its economy, the availability of workers, the ability of communities to retain and attract residents, and the stability of essential community infrastructure and services. Its ability to respond to disruptions also depends on relationships among local governments, businesses, workforce organizations, educational institutions, nonprofits, and economic development organizations.

This broader understanding is consistent with the EDA's approach to economic resilience, which emphasizes both the underlying conditions that reduce vulnerability before a disruption and the relationships and capacity needed to respond and recover afterward. For WCI, resilience is therefore an ongoing characteristic of the regional economy rather than an activity limited to periods following a disaster. The region's long-term economic growth, demographic change, workforce pressures, industry structure, and community conditions collectively shape its capacity to anticipate, withstand, and recover from future economic disruptions.

Economic Priorities

The economic priorities identified in this CEDS were selected based on multiple factors: data, stakeholder/partner input, organizational knowledge, and public input. The methodology section identified that Phase 2 was focused on public engagement, outreach, and data collection.

The feedback and input from the CEDS Strategy Committee, the development of the SWOT analysis, the facilitated focus group conversations, and the public engagement snapshot survey were used to help establish priority areas. Additionally, ongoing conversations with the region’s economic development practitioners, partners, elected officials, and the EDD Advisory Board, along with WCI’s staff experience and knowledge, coupled with local, state, and federal data sources, shaped the following priorities.

Each economic priority is categorized under the applicable best-fit cornerstone but often has direct ties to other cornerstones. The goals, objectives, and strategies outlined under each priority are not intended to apply solely to WCI’s work. The intent is for the implementation of this CEDS to be carried out by other partners and stakeholders working to address the priority areas as well.

Human Capital

- Labor force
- Access to education
- Child care

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Economic Competitiveness

- Small business support and growth
- Agriculture and local foods
- Artificial intelligence and technology

Community Resources

- Social capital: Belonging, respect, and fairness
- Arts and culture
- Tourism
- Natural resources and water quality

Foundational Assets

- Broadband
- Transportation
    - Transit
    - Active transportation
- Community facilities and water-wastewater infrastructure
- Housing

Human Capital

Labor Force Development

Call to Action

The region continues to need more active workforce participants who possess, or can acquire, the skills required for available positions. The terms “workforce” and “labor force” are often used interchangeably. A key distinction between the labor force and the workforce is that the labor force includes both those currently employed and those who are not employed but actively seeking work. Furthermore, the population includes discouraged workers who have stopped searching for employment, as well as those not currently seeking work.

Context

As of August 2026, the region has a labor force of 127,346 and an unemployment rate of 4.4%. This rate mirrors Minnesota’s overall rate of 4.4% and is slightly below the historical long-term average of 4.67%. The Minnesota Department of Employment and Economic Development reports 90 applicants per 100 job openings statewide. In addition, the Minnesota State Demographic Center has identified health care, particularly long-term elder care, as a high-need field as the population ages.

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Goal: Attract and retain skilled talent across the region

Objectives

- Improve access and availability of housing and child care
- Increase net migration: foster an optimal environment for creating, attracting, and retaining a skilled workforce
- Further connections between the business community and educational institutions to support workforce training and skill development programs
- Identify emerging sectors that will have high needs for workers and support efforts to prepare for growing those sectors in the region

Strategies

- Expand and regionalize marketing campaigns that highlight the quality of life in the region's communities
- Develop relocation incentive programs
- Promote housing development resources to facilitate additional housing development and redevelopment programs
- Promote best practices and resources for increasing child-care capacity
- Support credential recognition pathways for New Americans
- Convene educational institutions with employers to identify and develop career pathways and programs for skill development training
- Explore emerging technologies such as artificial intelligence and automation to augment the labor force and create efficiencies

Access to Education

Call to Action

Employers often cite a growing skills gap when searching for workers. A growing divergence also exists between the degrees students earn and the jobs available. Partnerships between employers and educational institutions must begin when students enter high school, and that engagement remains critical for postsecondary education providers. The changing needs of students and advances in technology both necessitate and enable alternative approaches to accessing and delivering education. The rising cost of education requires innovative approaches such as the high school career academy model, apprenticeship programs, expanded certificate and credential programs, and the continued maintenance and improvement of partnerships among high schools and two- and four-year postsecondary institutions. Furthermore, individuals of all ages need to embrace lifelong learning opportunities, and employers will need to play a big part in providing the support and training for their existing employees.

Context

According to the most recent American Community Survey, 93% of the region’s population aged 25 or older has earned a high school diploma or higher, and 40.6% has earned an associate degree or

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higher. The current job vacancy survey indicates that approximately one-third of all vacancies in the region require some postsecondary education and that 45% require a certificate or license.

Goal: Advance partnerships that result in mutually equal benefits between employers and educational institutions to address skills gaps, strengthen career pipelines, expand programs, and build interest in supporting future high-demand, high-growth industries

Objectives

- Expand partnerships between K-12 education, postsecondary education, and businesses
- Support and encourage expansion of businesses in high-demand, high-growth industries
- Ensure children have access to needed services and programs while in the E-12 system
- Create pathways of career advancement within school systems
- Support implementation of career academy models in the high schools across the region

Strategies

- Strengthen Career and Technical Education (CTE) and industry partnerships
- Start youth workforce navigation programs in high school
- Expand employer-linked training, including apprenticeship, sponsorships, and MN DEED training programs
- Develop flexible credentialing for adult learners, including New Americans
- Align K-12 education, higher education, and employer initiatives
- Create and magnify loan repayment programs for high-need positions that promote retention and support internal career advancement and tenure
- Expand opportunities for shared services across the region, such as special education, substitute pools, bus drivers, social workers, and mental health counseling
- Explore community supports that can enhance learning within and outside the classroom, such as community experts, volunteer programs, and parent-teacher associations
- Continue and expand early care and education training pipelines to fill the multitude of roles within a school system, including classroom aides and paraprofessionals, business office roles, janitorial and building maintenance, food service, and other critical roles that support the faculty and facilities

Child Care

Call to Action

Provide technical assistance to communities to identify child-care needs and access resources that increase local child-care capacity. Support should include facility planning and development, recruitment and retention of qualified staff, implementation of high-quality programming, long-term program sustainability, and funding streams.

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Over the past decade, the approach to developing and supporting child-care programs has shifted. Community leaders are increasingly willing to invest in building or remodeling child-care facilities; many leaders, however, lack expertise in designing and operating licensed programs. At the same time, rising housing costs have created barriers for young adults who may otherwise establish family child-care programs in their homes. Bringing together community leaders, business partners, and early childhood professionals presents an opportunity to develop innovative solutions that expand child-care capacity through shared community investment and support.

Call to Action

Collaborate with local, state, and federal partners to develop and sustain funding mechanisms that provide early childhood professionals with livable wages, benefits, and career advancement opportunities.

Context

Research consistently demonstrates that the first five years of life are critical for brain development and that young children thrive when they experience stable, nurturing relationships with caring adults. Maintaining these relationships can be challenging in the child-care sector, where staff turnover and burnout remain significant concerns.

A primary contributor to workforce instability in the child-care field is the combination of low wages, limited employment benefits, and the demands of working in a highly regulated profession. Addressing compensation and workforce supports is essential to retaining qualified early childhood professionals and ensuring continuity of care for young children and families.

Goal: Increase access to high-quality and affordable child care

Objectives

- Expand the number of licensed child-care centers and family child-care programs
- Encourage the development of co-located and shared-site family child-care models within communities
- Develop partnerships among businesses, local governments, community organizations, and child-care providers to identify gaps, opportunities, and resources needed to meet community child-care demands
- Strengthen the recruitment, retention, and professional development of early childhood professionals
- Increase community understanding of the economic and social value of high-quality early care and education

Strategies

- Increase public and private investments in proven practices and pilot programs that expand the supply of child care
- Build awareness of grants, incentives, and funding opportunities available to child-care providers and communities
- Support county and local efforts to establish dedicated funding mechanisms that help recruit and retain licensed providers

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- Simplify navigation of zoning, licensing, and regulatory requirements for new and expanding child-care programs
- Develop and share tools, resources, community assessments, and action-planning guides focused on increasing child-care supply across the region
- Provide technical assistance for facility design, licensing readiness, business planning, and operational sustainability
- Foster partnerships between communities, employers, economic development organizations, and child-care providers to create innovative child-care solutions
- Advocate for compensation initiatives that improve wages, benefits, and career pathways for early childhood professionals
- Educate community leaders, employers, and policymakers about the role high-quality early child care and education plays in workforce development, economic growth, and community vitality

Economic Competitiveness

Small Business Support and Growth

Call to Action

Growing and supporting small businesses in the region requires collaborative action. Manufacturing and agricultural businesses are major economic drivers and will remain so. Businesses can launch and grow when adequate sources of both traditional and nontraditional capital are available. Succession and transition planning will keep businesses open and operating. Continued support and investment in low- to no-cost technical assistance resources are essential in supporting small business readiness to seek capital and maintain healthy operations.

Context

Small businesses, especially those in rural areas, have less access to capital than larger businesses. This includes government-based economic development programs. To prosper, small businesses in the region must have access to public and private funding. Another factor facing small businesses in the region is the aging population and its impact on the sale of established businesses. The acceptance of business transition and succession planning is critical to preserving a healthy business environment in both small and large communities. Finally, rural areas lack the support systems and networks that enable entrepreneurs to collaborate and learn from one another.

Goal: Increase the resources and networks available to support small businesses and entrepreneurs

Objectives

- Expand gap financing capital available for business retention, expansion, and acquisition
- Improve awareness of business support and development programs

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- Grow awareness of technical assistance providers like Small Business Development Centers and other resource providers available to the business community
- Support business ownership transition programs and resources
- Support the region's manufacturing industry through capital and appropriate infrastructure investments

Strategies

- Support cooperative business models and develop resources to facilitate growth in this structure
- Utilize public-private partnerships to increase available lending capital
- Establish new business financing programs to fill gaps in the capital market
- Fully fund the Small Business Development Centers at the state level
- Expand and improve technical assistance program offerings to entrepreneurs
- Develop lending programs to broaden access to capital for innovative ideas, startups, and emerging entrepreneurs
- Expand micro lending programs
- Identify opportunities to replicate entrepreneurial support networks that are successful in other regions/communities

Agriculture and Local Foods

Call to Action

A thriving regional economy requires a balanced agricultural strategy that unites the need to raise products for national and global markets through commodity agriculture alongside the support and development of local food systems. While commodity farming drives large-scale job creation and global trade, local production circulates wealth directly within communities and secures local food access. Efforts and investments that champion both sectors will ensure comprehensive economic stability, food security, and rural prosperity.

Context

Farmers are facing many challenges locally and globally: Tariffs, trade wars, input costs, markets, and weather are all affecting farmers' ability to succeed and sell their products. Consumers also feel these impacts. Exploring alternative approaches to how crops and animals are raised, who buys them, and the technologies, inputs, soil management, and water used to grow them will be necessary to preserve this industry into the future. Additionally, consumers are increasingly interested in sourcing their food closer to home, creating significant opportunities for farmers of any size.

Goal: Support local farmers to reinvest in their own growth and expand opportunities and investment in local markets

Objectives

- Support value-added agriculture technical assistance and funding

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- Support both large- and small-scale producer market reach as it applies to export markets and local markets
- Develop new grower financial assistance programs and technical assistance programs.
- Support local foods initiatives and markets
- Prioritize production processes that utilize locally produced inputs, such as green ammonia
- Support the development of locally produced inputs and value-added production

Strategies

- Invest in processing facilities that support locally consumed foods, as well as developing markets for perennial crops that use fewer inputs
- Expand hydroponics, precision agriculture, and input-reduction technologies and practices for both large- and small-scale operations
- Encourage diversification of farm income streams and types of crops/animals grown
- Support advances and scaling on specific value-added agriculture products related to sustainable aviation fuels and green ammonia, as well as other locally produced inputs and end products.
- Support farm-to-school, institutional, and restaurant direct purchasing
- Develop resources and networks for farmers to diversify crops/animals being produced
- Support cooperative business models and develop resources to facilitate growth in this structure
- Invest in water quality improvements and soil health initiatives
- Partner with research institutions for pilot programs that better integrate tourism, agriculture, and sustainable community development
- Continue to foster national and international partnerships and exchanges to build and share regional knowledge and resources
- Develop regional distribution networks and aggregation hubs

Artificial Intelligence and Technology

Call to Action

By incorporating artificial intelligence and advanced automation into the local agricultural, manufacturing, and health care sectors, this region's businesses can unlock predictive insights and automated efficiencies that instantly close the geographical gap with major urban tech hubs. This technological leap transforms local operations, allowing rural enterprises to optimize supply chains in real time, drastically reducing equipment downtime, and multiplying their daily output without losing the community-driven touch that defines them.

Context

The timeline for AI disrupting traditional business models has dramatically accelerated. Enterprise software providers are already rapidly embedding advanced automation directly into core business tools. Because these capabilities are built into everyday software, even small businesses in rural areas are being swept into the transition without needing massive upfront hardware budgets. Major industry forecasts and recent farmer insight reports confirm that this impact is no longer a distant

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projection; rather, it is a widespread, consistent regional disruption that is scaling aggressively between 2026 and 2030, fundamentally changing local operations from high-tech precision agriculture to automated main street commerce.

Goal: Accelerate regional business modernization by driving the adoption of artificial intelligence and emerging technologies to boost operational efficiency and market competitiveness

Objectives

- Identify and support businesses that are interested in transitioning from traditional processes to AI-enhanced operational workflows
- Upskill the workforce in data literacy, AI prompt engineering, and automated workflow management to prevent workforce displacement
- Establish a centralized regional emerging tech hub to serve as an accessible testing ground and resource center for local industries

Strategies

- Work with partners to establish an "Innovation Fund" to provide financial support to offset the upfront software and integration costs for early-adopter businesses
- Develop and deploy modernization consultants: Partner with regional universities or private firms to offer “AI Readiness Audits" that pinpoint a business's highest return on investment automation opportunities
- Create an AI certificate or credentialing program by partnering with local technical colleges to launch 6- to 12-week evening and weekend certification programs tailored for working professionals
- Identify willing funders to subsidize on-the-job apprenticeships and offer local tax credits or wage subsidies to companies that design structured internal training pathways for nontechnical employees moving into tech-adjacent roles
- Build a shared-tools sandbox: Equip the hub with high-end computing power, open-source AI models, and emerging tech hardware (like IoT sensors or AR/VR tools) that local businesses can test before buying
- Facilitate industry data co-ops: Organize local business cohorts (e.g., local manufacturers or logistics providers) to securely pool anonymized data, allowing them to collectively train specialized AI models they couldn't afford individually

Community Resources

Social Capital: Belonging, Respect, and Fairness

Call to Action

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Residents must act together to meet challenges, improve their communities, and transform them for the better. This can happen if residents believe that their civic participation, whether as individuals or as part of a larger group, can have an impact.

Context

In Minnesota, an average of 1 in 21 residents will need to serve in a positional leadership role—whether in local government or in a nonprofit—at some point in their lifetime. In west central Minnesota, that demand is even greater: 1 in 9 residents in Wilkin and Stevens Counties, 1 in 8 in Traverse County, and 1 in 7 in Grant County. By this measure, nearly half of the region is considered "leadership distressed," underscoring the critical need to cultivate and sustain local leadership.

Goal: Increase civic participation and support leadership development

Objectives

- Enhance engagement and increase the number of people engaged in working toward the future success of their communities and the region
- Guide and encourage community collaboration through support and implementation of local leadership training programs
- Develop networks and programs that connect emerging or young leaders with experienced officials or board members
- Develop a cross-community regional exchange that creates a platform to share struggles and success stories, to exchange practical ideas, and to reenergize local volunteers and leaders

Strategies

- Remove barriers to entry to supporting minimal or no cost for participants in formalized programs
- Actively recruit and nurture emerging community leaders and volunteers
- Support existing community leaders with programming and development opportunities
- Continue regional initiatives and programs that provide programming for civic participation and leadership development

Arts and Culture

Call to Action

Arts, culture, and placemaking contribute to the vibrancy of the region's economy, amenities, and quality of life and furthermore assist in retaining existing residents and attracting new ones. These approaches are also instrumental in providing an outlet for people to share their stories, build connections, and create opportunities for conversation across the community.

Context

According to the most recent data tracked by the Minnesota Citizens for the Arts and their localized Creative MN studies, the nonprofit arts and culture industry in this region generated over $22 million in annual economic impact and supports more than 2,800 artists and creative workers.

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Goal: Leverage creative placemaking and the creative economy to diversify the local business composition and attract visitors and new residents

Objectives

- Support business development to expand the variety of small business types in communities
- Partner with organizations that provide business development support to the creative and arts sectors, resulting in business launches in regional communities
- Promote grant funding and resource programs available to the creative/arts sector
- Collaborate with artists to improve downtown areas, vacant buildings, and public spaces

Strategies

- Utilize arts-based placemaking to support redesign, development, and redevelopment
- Connect artists with the resources they need to make a living and life in the region.
- Expand existing and create new artist-in-residence programs
- Support and enhance arts and culture efforts through an increase in Legacy Amendment investments in the region

Tourism

Call to Action

The industry's seasonality creates many challenges for businesses and communities. The region's outdoor amenities, however, draw visitors, and the industry generates significant sales income and sales tax revenue during the busy season. Additionally, many businesses outside the industry rely on the benefits tourism brings to the area. Tourism is also a means of introducing prospective new residents to the region.

Context

According to economic data from the Minnesota Department of Employment and Economic Development and regional tracking by the University of Minnesota Extension, the leisure and hospitality industry makes up approximately 10% of the total workforce in the region. Tourism in the region is recognized as an essential industry and contributes significantly to the regional economy.

Goal: Increase shoulder-season tourism initiatives to expand opportunities for overnight stays and visitor spending

Objectives

- Support business continuity approaches for adjusting to seasonal disruption
- Connect local businesses with tourism resources from within and outside the region
- Expand regional tourism branding
- Enhance existing public spaces
- Support the event and experience economy

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Strategies

- Support agritourism initiatives
- Engage with local tourism organizations and state entities to develop off-season offerings
- Develop a unified branding strategy across counties, focusing on collaboration over competition
- Promote outdoor recreation, arts, and cultural assets
- Invest in downtown revitalization efforts
- Expand trails, waterfronts, and recreational infrastructure

Natural Resources and Water Quality

Call to Action

The west central region has an abundance of natural resources that are essential to the state's economy. As the region continues to grow, the strain on those resources will also continue to increase. Solutions to threats such as groundwater contamination and overuse, invasive species, the decline of natural areas, the exploitation of natural resources, and species loss must be part of the conversation as the region continues to grow and change.

Context

Much of the sales activity, sales tax revenue, and employment in the leisure and hospitality industry is directly related to the region's natural resources. The natural resources and mining industry provides an additional 3,300 jobs and generates its own economic impact. These resources provide the region with more than aesthetic and recreational value; they also deliver substantial economic benefits.

Goal: Protect and preserve the region's natural resources and water quality for continued responsible use

Objectives

- Emphasize physical connections between trails, parks, and waterways.
- Improve accessibility for a wider range of users
- Unify coordination and prioritization between local, state, and national public land initiatives, improvements, and expansions
- Build awareness and consensus around water's essential role in quality of life and the need for continued investment in its protection
- Foster awareness and engagement of how the region's natural capital supports quality of life and long-term economic prosperity

Strategies

- Identify and work to safeguard valuable natural resources and outdoor heritage through education, preservation, and conservation efforts
- Encourage community and regional planning that addresses all aspects of natural resource protection, preservation, and restoration

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- Create ways to identify and train potential community leaders in natural resource stewardship
- Engage residents in opportunities that foster positive community and regional development around public lands and waters
- Increase built infrastructure connecting outdoor amenities/spaces
- Increase applications for Legacy Amendment investment in the region
- Bring residents together around local environmental issues

Foundational Assets

Broadband

Call to Action

Affordable high-speed internet is necessary to remain competitive in today's global economy. Many businesses and residents in the region still experience limited access to reliable broadband at acceptable speeds and costs. Having adequate broadband access and speeds is instrumental to growing the regional economy and jobs, as it directly relates to attracting and retaining remote workers.

Context

Broadband speed and service throughout the region can best be summarized as a patchwork. Progress toward achieving the statewide goal of 100 Mbps download and 20 Mbps upload by 2026 varies. The region has benefited from local providers aggressively installing services where possible, but geographic barriers, population density, and funding challenges are the greatest barriers that impede full achievement of the 100/20 goal. As of 2025, Pope and Stevens Counties, both at 99%, rank eighth and fourth in the state, respectively, for the share of the area served at speeds that meet statewide goals. Grant, Wilkin, Otter Tail and Clay Counties all fall into the low to mid-90% range. Traverse County is at 87%, while Douglas and Becker Counties are at around 84 %.

Goal: 100% of businesses and households in the region have access to broadband with speeds of 100 Mbps download and 20 Mbps upload

Objectives

- Formally map 100% of the region's unserved and underserved locations and available speeds
- Maximize Minnesota Border-to-Border Broadband Development Grants funding for regional projects
- Increase adoption and subscription rates for areas that have been served
- Support local providers' efforts to access state and federal funding

Strategies

- Advocate for broadband funding at both the state and federal levels

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- Create and leverage public-private partnerships to fund improved broadband access and adoption
- Ensure the collection of accurate data around served and unserved areas
- Promote an understanding of the importance of broadband to a community's infrastructure, a business's ability to be competitive, and the value of having broadband access to the home

Transportation

Call to action

Economic growth and trade depend on safe and reliable transportation networks throughout the region and beyond. Virtually no value-added production or commerce can take place unless raw material, manufactured products, labor, and fuel can be moved efficiently to and from their respective sources and destinations. The maintenance and upgrades of existing road systems are crucial to this, as are the maintenance and expansion of other methods of moving freight and people via rail and air service.

Context

In the region, county, state, and federal highways are the primary means for moving freight and people. Planning experts have determined that there will be a significant funding shortfall to provide a transportation system that addresses congestion and meets the needs of businesses. Further focus on rail and air service systems is also necessary to maintain a diversified transportation network.

Goal: Improve the quality and reliability of the region's transportation network by increasing the share of state and local roads rated fair or better and supporting the maintenance and enhancement of air and rail infrastructure

Objectives

- Formally map 100% of the region's roadways based on quality ratings
- Maximize state and federal funding on applicable transportation projects
- Support projects to upgrade air and rail service throughout the region
- Support electric vehicle adoption and infrastructure build-out efforts
- Compile upcoming road project locations on a regional map
- Compile upcoming rail and airport projects on a regional map

Strategies

- Advance efforts to create a unified vision for transportation networks and infrastructure planning
- Continue to integrate transportation planning and economic development planning at a regional level

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- Continue to develop the regional transportation plan and assist the Minnesota Department of Transportation in the development of the statewide freight plan
- Offer assistance to local units of government with their long-range planning to address transportation reliability and resiliency
- Encourage state and local units of government to use all available options that increase transportation funding for roads, rail service, and air service
- Prioritize transportation projects that connect regional economic hubs

Transit

Call to Action

Access to transit within the region, in both more rural areas and regional centers, will become increasingly important for accessing services. As anticipated, demographic changes in the region continue to widen the mobility gap, and the region will need to identify approaches to ensure rural transit systems best meet changing needs.

Context

The rural nature of most of the region affects transit providers' ability to deliver services cost-effectively using standard approaches. For communities to provide access to these services, solutions must be impactful, recognize limited funding availability, and therefore be innovative.

Goal: Increase the level of service to the regional transit system by 2031

Objectives

- Formally map 100 % of the region's transit routes
- Maximize state and federal funding on applicable transit funding projects
- Support a transit provider resource and coordination network

Strategies

- Work to ensure that long-range public transit policy decisions in Greater Minnesota and the region address future demographic shifts and needs
- Work with state and local partners to evaluate funding and service options to meet mobility and access needs of individuals
- Assist regional transportation planners in updates to the region's transit plan
- Identify and support vital transit routes throughout the region
- Assist communities in welcoming and engaging with new and existing residents
- Convene workforce labor leaders to foster coordination of and encourage transit utilization and innovation for their workforce

Active Transportation

Call to Action

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Active-transportation planning approaches and implementation will help improve community health, livability, and social capital.

Context

Generally, active transportation creates intentional connections between the built environment (land use, transportation, parks, and recreation) and its impact on public health. Moreover, projects and initiatives that are connected to active transportation increase community aesthetics, recreational opportunities, and multimodal transportation options.

Complete Streets is an approach to road planning and design that considers and balances the needs of all transportation users. Its main premise is simply to make it easier for people to move from point A to point B more safely and efficiently, using whatever mode of transportation they choose. Current regional communities that have adopted a Complete Streets policy are Fargo-Moorhead Metropolitan Council of Governments, Breckenridge, Battle Lake, Dilworth, Glenwood, Wilkin County, Clay County, and Otter Tail County. Notable examples of communities in the region that have constructed Complete Streets are Battle Lake, Glenwood, and Parkers Prairie.

Safe Routes to School is a national program that is overseen at the state level by the Minnesota Department of Transportation. WCI is the local entity that assists communities in developing their community-level plans. The Safe Routes to School program is intended to create safe, convenient, and enjoyable opportunities for children to bicycle and walk to and from school. The goal is to reverse the decline in the number of children walking and bicycling to school, increase children's safety, and help reverse the progression of childhood obesity and inactivity. In addition to creating safer routes to school, the program also plans for and improves general bicycle and pedestrian infrastructure in communities. To date, WCI has assisted 25 of the region's communities with Safe Routes to School plans.

Goal: Increase the number of communities that adopt Complete Streets policies and implement related projects. Increase the number of communities that adopt Safe Routes to School plans and secure implementation funding for plan recommendations

Objectives

- Develop a regionally focused Complete Streets handbook
- Update and promote the regional map of Safe Routes to School implementation projects to raise awareness of the resources the program provides
- Maximize state and federal funding on applicable Complete Streets funding projects
- Continue to develop partnerships with prospective Safe Routes to School communities and lead the plan facilitation and development

Strategies

- Work with state and local partners to coordinate efforts to develop and enhance regional bicycle and pedestrian systems

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- Explore long-term funding mechanisms for the maintenance and improvement of bike and pedestrian infrastructure
- Work with state and local partners to support the expansion and maintenance of regional trail systems
- Maintain communication with communities and schools about relevant funding opportunities
- Engage residents in opportunities that foster positive community and regional development
- Incorporate active transportation planning elements into community plans

Community Facilities and Water-Wastewater Infrastructure

Call to Action

Communities in the region, especially those with smaller populations, struggle with the affordability of water infrastructure because they lack the economies of scale that help keep costs down. Additionally, community facilities face rising operating costs and, in some cases, require outright replacement. As rehabilitation, replacement, and expansion costs have increased and new regulations have required improvements, even larger communities have struggled to identify adequate funding for these projects. Without adequate, affordable, and functional infrastructure and facilities, the communities, residents, and businesses that depend on them cannot thrive.

Context

Much of the water-related infrastructure in the region's communities was built in the 1930s with a 50-year design life. Additional costs are associated with mandates to remove more pollutants from water to protect natural resources. These requirements are often expensive and add to the already prohibitive costs of system upgrades or replacement. Regionally, anticipated infrastructure costs for drinking water treatment, wastewater treatment, and stormwater conveyance are approaching $1 billion. The challenges are especially evident in communities with small populations. The same financial challenges apply to maintaining and replacing community facilities, including event centers, city halls, police and fire stations, public works facilities, and related vehicles and equipment.

Goal: Reduce community risks associated with failing and outdated infrastructure while lessening the financial burden of major improvements to infrastructure and community facilities

Objectives

- Work with partners and communities to identify and access state and federal funding for needed improvements
- Support additional investment in state and federal programs that fund infrastructure and community facilities
- Encourage the adoption of energy efficiency upgrades and locally produced energy to offset operating costs

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- Support local system development of energy production and expand the utilization of renewable energy resources
- Continue to coordinate cross-system efforts to reduce duplication and costs
- Develop programs that attract private and philanthropic investment for emergency infrastructure and community facilities such as emergency warning sirens
- Develop partnerships among communities to create shared infrastructure systems that serve multiple communities or broader geographies

Strategies

- Encourage cities to develop capital improvement plans and, if applicable, ensure that they are aligned with comprehensive plans and zoning/land use ordinances
- Collect and share funding resources and best practices to update outdated and undersized systems
- Facilitate dialogue around right-sized infrastructure projects and multi-community partnerships
- Prioritize municipal infrastructure improvements to support business development and affordable housing

Housing

Call to Action

Housing affordability and availability remain key economic development challenges for many communities across the region. There is no single solution. It is imperative that communities focus their efforts on the particular housing dynamics they face, collaborate through regional initiatives, and pursue public-private partnerships whenever possible.

Context

According to the Minnesota Housing Partnership in 2024, the region includes 97,143 total households. The household makeup was 75% homeowners and 25% renters. The share of all households that are considered cost burdened (paying 30% or more for housing costs) in the region has held relatively steady since 2015 at 25.7%. Of that number, 46% are renters and are considered cost-burdened, and 19% of all are homeowners. Over 35% of all rental units were built prior to 1970, and 38% of all owner-occupied homes were built prior to 1970.

Goal: Increase the supply of available housing units across the region by supporting both new construction and rehabilitation

Objectives

- Expand development of housing units with a focus on affordability for the region's median wage
- Prioritize infill development and redevelopment on lots already served by existing infrastructure
- Increase public and private investment in housing supply diversification

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- Build up predevelopment supports such as housing studies, housing action plans, and other community planning efforts

Strategies

- Educate stakeholders on land trusts, cooperative ownership, and other shared-equity models
- Encourage mixed-use and multifamily developments that support density and reduced infrastructure costs
- When possible, direct public and private dollars into increasing housing availability, which may include collaborating on grant applications to foundations or government agencies
- Explore local use tax on housing units that are not primary residences
- Fund infrastructure investments to unlock buildable land
- Identify and inventory available lots and buildings for infill and redevelopment

Conclusion

Implementation

Discussions with the CEDS Strategy Committee and stakeholder focus groups identified several cross-cutting considerations for implementation:

- Collaborate regionally instead of producing isolated and duplicative efforts, all while maintaining community autonomy, and create opportunities for partnerships, collaboration, and resource sharing.
- Formalize a network for capacity building and knowledge transfer of technical expertise in community and economic development planning
- Develop both a platform and processes to seek ongoing feedback from a broad range of populations and perspectives to quickly identify the need to reevaluate and the need to shift priorities
- Continue to consider housing, child care, and workforce/resident attraction systems as essential to achieving economic development goals
- Support a balanced workforce across all occupations and wage levels by expanding opportunities for reskilling, upskilling, and career advancement to strengthen community and regional vitality
- Encourage local production of foods, agricultural inputs, and energy, which aligns with economic resilience and strengthens the region and communities

This updated CEDS is intended to utilize data-informed strategies to address and implement locally and regionally identified priorities by WCI, as well as external partners and stakeholders in a continuous economic development process. To be successful, implementation strategies that support adaptability and a forward-looking approach will enable regional partners and

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stakeholders to shape the region's economic future rather than remain subject to external market forces.

By focusing on human capital, economic competitiveness, community resources, and foundational assets, this document provides a shared framework to advance a regional vision and strengthen the cross-county relationships and networks necessary for sustained regional success. Continued leadership, collaboration, and commitment among communities, organizations, businesses, institutions, and residents will be essential to carrying out the work identified in the CEDS and maintaining this area of Minnesota as a thriving and desirable place to live, work, and invest.

Implementation of the 2027–2031 CEDS will be carried out in a manner that:

- Promotes economic development and opportunity.
- Aligns partners along unified, established priorities.
- Fosters effective access to resources and best practices, and technical assistance.
- Enhances and protects the environment.
- Maximizes effective development and use of the workforce consistent with any applicable state or local workforce investment strategy.
- Balances resources and growth through sound management of physical development.
- Obtains and utilizes adequate funding and other resources through public and private partnerships.
- Recognizes that technology and AI are advancing rapidly and that both will play a critical role in strengthening the region's economy and communities.
- Factors in economic resiliency considerations in carrying out the objectives in this document.

Evaluation

Throughout the 2027–2031 implementation period, progress on each cornerstone and economic priority will be reviewed quarterly and documented in annual performance reports. The annual analysis will incorporate required EDA performance measures, including job creation and private investment, along with performance measures and data sources tracked by WCI for applicable priority areas. The review will evaluate the EDD's independent and collaborative contributions, partner and stakeholder investments, and progress toward the goals and objectives outlined in the CEDS. Quarterly assessments will examine regional economic and demographic conditions in the context of national and global developments, including changes in inflation, interest rates, trade policy, supply chains, commodity markets, energy costs, labor markets, and broader economic growth. When those assessments identify significant changes affecting the regional economy, WCI, in consultation with the CEDS Strategy Committee, the EDD Advisory Board, and the WCI Board, will determine whether priorities, strategies, or implementation activities should be adjusted. This evaluation process will help ensure that the CEDS remains an evergreen document throughout the five-year implementation period.

As part of the continuous economic development process, findings from quarterly assessments and annual performance reports will guide the allocation of financial resources and staff capacity to projects that advance the goals and objectives identified in this plan. Primary emphasis will be

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placed on initiatives that expand the regional population and workforce, improve child care and housing capacity, and address upgrades and replacement of community facilities and infrastructure. WCI will also identify, develop, incorporate, and share relevant best practices as part of implementing the CEDS. When regional, national, or global developments materially affect economic conditions or implementation needs in the region, WCI may revise CEDS priorities and resource commitments in consultation with the CEDS Strategy Committee, the EDD Advisory Board, and the WCI Board.

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