

R5DC | NCEDA RELATIONSHIP

North Central Economic Development Association (NCEDA)

NCEDA is a 501(c)(3) affiliate organization of the Region Five Development Commission (R5DC) and was established in 1986 by R5DC in part due to the receipt of a U.S. Department of Commerce, Economic Development Administration grant. The EDA grants initially awarded for the creation of the RLF gap loans were awarded to R5DC. The elected officials of the R5DC wisely established NCEDA recognizing the need for qualified industry professionals to make informed lending investments.

NCEDA Mission Statement

To provide assistance to cultivate new skills and resources that unite communities and contribute to a prosperous economy.

NCEDA Vision Statement

Our communities, local businesses, and economy are sustainable and prosperous.

The work of NCEDA is governed by a 16-member private sector group to manage specific programs and to advise the Commission on lending industry standards and best lending practices for our **lending programs, including:**

Gap Loans were initially funded by a US Department of Commerce – Economic Development Administration (EDA) in the early 1980's and provides gap lending for new and expanding businesses.

Cares Act Revolving Loan Fund funded by the EDA, provided relief to businesses impacted by COVID 19.

Microenterprise Fund was supported by USDA Rural Development and start-up funds from Otto Bremer Foundation, the Initiative Foundation, and the Blandin Foundation in 2012.

Entrepreneur Lending Program (ELP) is through the MN Department of Employment & Economic Development (DEED) and provides funds to a network of non-profit lenders which use these funds for loans to start-up and expanding businesses throughout the state.

Small Business Emergency Loan (SBEL) through MN DEED provided loans for businesses mandatorily shut down by the governor in March of 2020 due to COVID 19.

Individual Septic Treatment Systems funded by the Department of Agriculture.

Household Water Well Systems originally funded by USDA Rural Development.

NCEDA has an interdependent relationship with R5DC and contracts all accounting and professional services to R5DC staff, who are all employees of a local unit of government established by Minnesota State statute. The R5DC Executive Director serves as the Executive Director of both the R5DC and NCEDA. NCEDA administers the review process for all applications for these funds. R5DC write and received grants and conduct all loan administration.

The 15 member NCEDA Full Corporation is comprised of 3 private sector representatives from each of the five counties served by R5DC. The relationship between R5DC and NCEDA supports an effective public/private partnership with direct loan approval being made by the NCEDA 7-person loan board who is comprised of private sector industry professionals (CPA's, Attorneys, Bakers, EconomicDev. Practitioners) and one representative from the R5DC publicly elected policy board- from the five-county region.

The R5DC representative to the NCEDA loan board serves in an Ex-officio liaison status with the sole purpose to maintain the integrity of the EDA/RLF funds. R5DC has ultimate authority to preserve the integrity of the RLF lending funds.

The R5DC/NCEDA gap lending operation is one of the highest performing RLF's in the state of Minnesota. This mutually beneficial arrangement is mandated by program agreements and has proved beneficial for 30 years

Region Five Development Commission (R5DC)

Regional Development Commissions were organized in 1973 through the MN State Legislature Regional Development Act of 1969, in order to "ensure the orderly and harmonious coordination of state, federal, and local comprehensive planning and development programs for the solution of economic, social, physical and environmental problems of the state and its citizens."

The work of R5DC is guided by a governing commission that consists of 24 members representing a cross-section of constituents from around the region. The Commission is comprised of elected officials from townships, cities, counties, school boards, and public interest groups per statute (MS Sections 462.381 to 462.398).

- 5 County Commissioners (1 from each County)
- 5 Municipal Representatives from cities under 10,000 (1 from each County)
- 1 Municipal Representative from cities over 10,000
- 5 Township Board Members (1 from each County)
- 2 School Board Members
- 1 Representative from the Leech Lake Band of Ojibwe
- 1 Soil and Water Conservation District Representative
- 1 Camp Ripley Military Representative
- 1 Higher Education Representative
- 1 Emerging Leader Representative
- 1 MN Workforce Development Representative

R5DC Mission Statement

To enhance the vitality and quality of life for all people in Cass, Crow Wing, Morrison, Todd, and Wadena counties, by bridging relationships and resources.

R5DC Vision Statement

To contribute, through planning and implementation of projects and programs, to a sustainable and prosperous regional economy, environment, and quality of life for all.

Purpose

Region Five Development Commission and the North Central Economic Development Association address regional critical issues without duplicating private, public, and non-profit entities. We want to know "what keeps you up at night?" and address those issues. This results in partnering and collaborating with other organizations, businesses, non-profits, and local units of government.

Finance record and documentation capacity

As a taxing authority, R5DC receives levy dollars and reports these funds accordingly. R5DC receives an in-depth annual audit from a CPA firm and complies to a set of comprehensive operations policies. Furthermore, Region Five Development Commission receives a quarterly review of finance office operations/practices from a third-party CPA firm to assist in identification of any corrections needed, compliance of policies and finance office staff educational needs.

