



Regional Center for Entrepreneurial Facilitation

DEED Report to the Legislature

As required by 2019 Laws of Minnesota, Chapter 7, Article 1, Section
2, Subd. 3 (2).

April 1, 2021

Total cost of salaries, printing, and supplies in developing/preparing this report is \$260.23 (reported as required by Minn. Stat. 3.197)

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Background

2019 Laws of Minnesota, Chapter 7, Article 1, Section 2, Subd. 3 (2) authorizes a grant to Regional Center for Entrepreneurial Facilitation (RCEF) hosted by a county or higher education institution in amount of \$150,000 per year for State Fiscal Year 2020 and 2021. Grant funds are to be used to provide entrepreneur and small business development direct professional business assistance services in the following counties in Minnesota: Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Watonwan, and Waseca.

As required by law RCEF's programing was hosted by a county acting as the fiscal agent for the grant. Martin County was designated the host and fiscal agent.

The following report provides details on grant program, descriptions of the projects awarded funding and the interim results of the ongoing projects for the project period between December 1, 2019 through June 30, 2020.

Eligible Expenses

Eligible expenses include, but are not limited to, payment of overhead costs, pre-venture assistance for individuals considering starting a business, and services for underserved populations, agricultural businesses, and students. This appropriation is not available until the commissioner determines that an equal amount is committed from non-state sources. This appropriation is onetime and available until June 30, 2021.

Overview of Partnerships and Activities.

RCEF partnered with Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Watonwan, and Waseca counties to establish and provide services to entrepreneurs. The following is an overview of collaboration, activities and key results county-by-county as reported by RCEF.

Blue Earth County

- Mankato's Largest Truckstop – Freyberg Petroleum and Partners - new truck stop east of Mankato [near the Walmart distribution center]
- Mankato Mall's Proposed Hotel – Gordon Awsumb and Partners– proposing new hotel/apartment and retail above Mankato Mall's parking ramp
- Lake Crystal Commercial Daycare – Little Lakers - repurposing Crystal Valley headquarters to commercial daycare, and Blue Earth County childcare loan
- Eagle Lake Daycare – Expansion, and Blue Earth County childcare loan
- Good Thunder Daycare – reworked business model, and Blue Earth County childcare loan
- Madison Lake Daycare – reworked business model, and Blue Earth County childcare loan
- Non-English-Speaking Immigrants
- MSU Student – Interpreter – now working with 8 non-English speaking clients
- Karshe Tea – Start-up – non-English speaking

- MSU Engineering Department - Hoops/Hemp processing – working with retired engineers and MSU professors – Dr. Pavan Karra and Ed Murphy
- Town Center Project in Lake Crystal (Collis C-store expansion) – removing old houses, working with DOT on a truck stop/city center with several other businesses
- Doctor and his wife - mask production / laser fabric cutter – Greater Mankato PPE – purchased cutter, creating a business to mass produce masks
- Farmer’s donate 15 semi loads of hogs during Covid-19 and processing plants shutdown

Brown County

The collaboration between Brown County administrator, Sam Hansen, and New Ulm Chamber of Commerce Director, Michael Looft, provided vital office space for Jim Jensen, business coach for RCEF.

Martin County

Repurposed a former K-Mart building to a cross-fit gym with partnering businesses- remodeled 55,000 sq. ft.

Sibley County

Collaboration with Sibley County Commissioner, Bobbie Harder, and EDA Director, Amy Newsom, provided office space for RCEF at the courthouse in Gaylord.

Waseca County

Matt Little and Partners form The CBD Centers and the Minnesota Hemp Farms Processing Center in Waseca.

Watsonwan County

The collaboration with Watsonwan County has continued to grow and has led to a new manufacturing opportunity for a 55,000 sq. ft. precision tooling facility. Also, there is a possibility to expand the local veterinarian to a new location.

Performance Measures

The Following is a county by county breakdown of goals and outcomes of RCEF activities.

COUNTY	<u>GOAL</u> # OF CLIENTS FY 2020	<u>ACTUAL # OF</u> CLIENTS 12/1 – 6/30	<u>GOAL CONSULTING</u> HOURS FY 2020	<u>ACTUAL</u> CONSULTING HOURS 12/1 – 6/30
Blue Earth	140	126	1000	700

Brown	30	21	240	42.5
Faribault	10	13	40	16
Le Sueur	7	9	30	2.5
Martin	40	91	400	454.5
Nicollet	20	27	200	72.5
Sibley	15	8	100	78.75
Waseca	5	7	25	2.25
Watsonwan	20	25	200	24

PERFORMANCE METRICS	TOTAL
Number of jobs created and retained	15
Number of consulting hours	1393
Number of entrepreneurs served	327
COVID-19 RELATED	
# of COVID-19 related phone calls / counseling sessions	328
# of COVID-19 related hours	385

