



Upper Minnesota Valley
**REGIONAL
DEVELOPMENT
COMMISSION**



UMVRDC ANNUAL REPORT **FY26**

Assisting Local Units of Government within the five counties of
Big Stone, Chippewa, Lac qui Parle, Swift, and Yellow Medicine



JULY 1, 2025

JUNE 30, 2026

Message from the Executive Director

This past year demonstrated how resilient our region continues to be. Communities faced growing pressure from aging infrastructure, rising project costs, and increasingly complex funding programs. At the same time, public finance challenges—particularly shrinking local budgets, rapidly changing policy directives, and reduced state and federal funding—created new hurdles for regional planning and for the work of the UMRDC itself. Despite these realities, partnerships across the region remained strong, and together the RDC made meaningful progress.

The UMRDC supported major infrastructure and energy transitions, including securing federal and state investments for electrical upgrades, guiding communities through EV planning, and helping public facilities install more than \$1.1 million in solar projects. Planning efforts also moved forward across multiple counties. Updates to solid waste plans, hazard mitigation plans, comprehensive plans, and Safe Routes to School plans provided communities with priorities and positioned them for future funding.

Housing, childcare, and downtown revitalization remained core priorities. Through the Small Cities Development Program, we helped cities undertake essential rehabilitation projects that improve quality of life and support economic stability.

We continued to strengthen business development through our Revolving Loan Fund and launched our new Property Assessed Clean Energy (PACE) loan program to expand energy-saving opportunities for commercial and agricultural properties.

Finally, our regional marketing efforts—through Prairie Waters, the Scenic Byway, Meander, and local storytelling initiatives—highlighted what makes western Minnesota a place where people want to live, work, and invest. These efforts support community vitality at a time when demographics and workforce trends pose real fiscal challenges for local governments and regional organizations like ours.

None of this work would be possible without the exceptional UMRDC staff and our committed board, who consistently navigate financial complexity with creativity and determination. As we look ahead, we recognize that public finance will remain a major challenge for rural communities and for the RDC.

“With strong partnerships, clear priorities, and a shared commitment to serving this region, we are confident in the path forward.”

Dawn E. Hegland



MESSAGE FROM OUR BOARD CHAIR



WITH CHANGE COMES NEW OPPORTUNITIES

As I reflect on my first year serving as chair of the UMRDC board of Directors, I have developed an even deeper appreciation for the important work our organization does across the region. Although I have served on the Board for several years, this past year has given me a broader perspective on the many ways the RDC supports our communities. The work of the RDC touches nearly every aspect of life in our region.

None of this would be possible without our dedicated staff. Their professionalism, knowledge, and commitment to the communities we serve are the foundation of everything we do. I am grateful for the work they do each day, often behind the scenes, to help move projects forward

and create opportunities throughout the Upper Minnesota Valley. This past year has brought new challenges. Economic uncertainty has caused many of our clients to delay projects, creating difficult financial realities for our organization. As a Board, we have had to make some challenging decisions to ensure the long-term stability of the RDC. These decisions were not made lightly, but they were made with careful consideration and a commitment to preserving our ability to serve the region well into the future. Despite these challenges, I remain optimistic about what lies ahead. Our region has weathered difficult times before, and each time we have adapted, worked together, and emerged stronger.

I believe that same resilience exists today. The opportunities to strengthen our communities, support local businesses, encourage people to build their lives here, and welcome former residents back to the region remain as important as ever. I would like to thank my fellow Board members for their thoughtful leadership and dedication, and I extend my sincere appreciation to our staff for their continued hard work and commitment.

“It is an honor to serve as chair of the RDC Board, and I look forward to working together as we continue to support the communities and people of the UMRDC.”

James Schmaudeha

Financial Report

EXPENSES

FY26

FY27

Salaries/Fringe	1,296,944	1,044,747
Commissioner's Expense	20,900	17,400
Audit	19,500	20,000
Contract for Services	24,500	21,800
Copy Charge/Xerox lease	2,600	3,600
Depreciation	5,700	5,700
Dues	6,000	4,575
Insurance	1,300	1,300
Legal Fees	2,000	2,000
Miscellaneous	1,000	1,000
Office Rent	17,938	18,393
Postage	3,500	3,500
Printing/Advertising	2,500	2,100
RDC Marketing	2,000	2,000
Registration	5,800	4,000
Repairs/Maintenance	3,500	2,000
Software	8,650	8,650
Sub./Publications	2,000	2,000
Supplies	2,500	3,500
Telephone/Internet	4,500	4,500
Staff Travel	22,000	20,000
Morale	1,200	2,000
Wellness	1,200	2,000
Web Hosting/Maintenance	3,500	3,500
Meander	20,000	25,000
Prairie Waters Ads	11,000	11,000

\$1,492,232

\$1,236,265

REVENUES

FY26

FY27

Contractual Services	1,081,830	816,226
Levy	384,300	395,800
Reserves	2,500	2,500
Interest	24,000	24,000
	1,492,630	1,238,526

FY26 ENDING ACCOUNT BALANCES

General Checking	176,685
Magic Interest	55,810
CD	409,948
Scenic Byway	17,099
RLF Available for Lending	1,202,106

\$1,081,830

Contractual services the UMRDC provided to the region

+

\$7,933,527

Funds brought to the region as a result of our work

=

9,015,357

The amount of money invested in our region as a result of the UMRDC's work in FY26

The FY25 audit was conducted by Dana F. Cole & Company out of Montevideo, Minnesota. The auditor's report expresses an unmodified opinion on the General Purpose Financial Statements of the UMRDC. The audit report is available online at www.umvrdc.org.



UMVRDC REGIONAL SURVEY RESULTS

In December 2025, the UMRDC conducted its annual survey of all Local Units of Government to identify the region's most pressing issues and needs. The ten highest-priority topics are listed below (full survey results available on our website). These responses play a key role in shaping the UMRDC's annual workplans by highlighting the priorities that matter most to the communities we serve.

1. Planning or Funding to Retain/Increase Childcare
2. Increase Road/Bridge Funding
3. Expose Youth to Local Career Opportunities
4. Marketing our Area to Attract New Residents/Visitors
5. Planning/Funding for new Single Family Housing
6. Fixing up Homes/Apartments
7. Demolition of Dilapidated Housing
8. Increase Access to Capital for Business Development
9. Fixing up Commercial/Retail/Industrial Property
10. Planning or Funding for new Rental Housing



FY25 ANNUAL SURVEY RESULTS

Scan the code to view all the survey results

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COMMISSION BOARD MEMBERS

BIG STONE COUNTY



Chad Zimmer
County Commissioner



Francis Chalupnik
Graceville Municipalities



Harold R. Dimberg
Ortonville Township



Bill Pauling
County Commissioner



James Bulman
Montevideo Municipalities



Jim Schmaedeka
Louriston Township (Chairman)

CHIPPEWA COUNTY

LAC QUI PARLE COUNTY



Ben Bothun
County Commissioner



Jeff Olson
Dawson Municipalities



Jann Oellien
Hamlin Township



John Berends
County Commissioner



Scott Peterson
Granite Falls Municipalities



John Cole
Fortier Township

YELLOW MEDICINE COUNTY

SWIFT COUNTY



Gary Hendrickx
County Commissioner



Aaron Koosmann
Hegbert Township



Cherie Stielow
Swift County Municipalities

SCHOOL BOARD



Shawn Zollner
Dawson-Boyd School Board



Harmon Wilts
KMS School Board

PUBLIC INTEREST



Carrie Bendix
SW MN Private Industry Council Executive Director



Diane Kepner
Prairie Five CAC, Inc. Board



Scott Marquardt
Southwest Initiative Foundation President



Rebecca Weber
MN West Community & Technical College Director of Enrollment

TRIBAL COMMUNITY



Vacant
Upper Sioux Community

IMPROVING OUR REGION'S INFRASTRUCTURE

GRANITE FALLS UPDATES ELECTRICAL INFRASTRUCTURE

In 2023, the U.S. Economic Development Administration (EDA) announced available funding through the FY23 Disaster Supplemental Funding Notice of Funding Opportunity. The funding is designed to support those regions that were impacted by natural disasters of 2021-2022, including the strong winds that impacted our region in May 2022. The UMRDC assisted the City of Granite Falls with a successful funding application to replace their two aging electrical transformers and accompanying switchgear to provide a reliable source of power for local businesses and residents. The city was awarded \$2,353,292 in federal funding, with the total project cost estimated at **\$4.2 million**.

The UMRDC also assisted the City of Granite Falls with grant writing assistance for funding through multiple MN Department of Commerce programs. They were awarded the maximum award amount of \$250,000 through the Minnesota Electric Grid Resilience Grant Program in 2025 and recently awarded \$979,963 through the State Competitiveness Fund – Matching Funds Program with both awards to be used as part of the local match for their federal EDA grant award.

The transformers and switchgear equipment bids were awarded last fall and the city will be bidding out the construction/installation contract this summer.



\$2,353,292

FEDERAL FUNDING Awarded by the U.S. Department of Commerce EDA



\$250,000

STATE FUNDING Awarded by MN Department of Commerce, MN Electric Grid Resilience Grant Program



\$979,963

STATE FUNDING Awarded by MN Department of Commerce, State Competitiveness Fund – Matching Funds Program



\$1.1M IN ENERGY INVESTMENTS

The UMRDC supported local governments in the Solar on Public Buildings Program through planning, advising on a process to select solar developers, and writing grant applications. This coordinated approach helped ensure that local facilities could successfully access funding, reduce energy costs, and reinvest savings back into essential services.

Appleton Area Health – Care Center:

\$95,728.00

Appleton Area Health – Apple Ridge:

\$88,054.00

Appleton Wastewater Treatment Plant:

\$83,359.00

Big Stone County – Beardsley HWY Shop:

\$57,602.60

Big Stone County – Ortonville HWY Shop:

\$93,710.40

Dawson – Sewer Treatment Plant:

\$109,765.49

Graceville Community Center:

\$94,301.00

Graceville – Grace Village:

\$83,741.00

Lac qui Parle County Government Center:

\$111,305.88

The program covered up to 100% of the cost of solar arrays, removing financial barriers for local governments and allowing communities to move forward with clean energy investments without upfront capital costs.

As a result, nine solar installations utilizing \$817,566 in Solar on Public Buildings grant funding are now underway or complete at multiple public facilities.



UMVRDC is also continuing to support some of the communities with grant reporting and implementation as construction moves forward. This work reflects UMRDC's broader mission of helping rural communities leverage outside funding, strengthen public infrastructure, and make long-term investments that improve service delivery and reduce operating costs.

ENERGY AUDITS

The Minnesota Department of Commerce provided the UMRDC with funding through the Energy Efficiency and Conservation Block Grant (EECBG) program utilizing funds from the U.S. Department of Energy. The purpose of this funding is to improve energy efficiency, reduce energy use, and decrease fossil fuel emissions in communities throughout the region. Thus far, 11 local units of government utilized this funding to conduct 42 energy audits of publicly-owned buildings. The UMRDC worked with these entities to coordinate and schedule the audit visits, collect energy usage/billing statements, and provided them with a resource and funding guide to accompany the energy audit reports.

City/County	# of audits/reports
Appleton	6
Dawson	4
Lac qui Parle Co.	6
Graceville	5
Chippewa County	4
Kerkhoven	2
Clara City	5
Ortonville School	1
Ortonville*	3
Montevideo	3
Beardsley	3

FINAL YEAR OF THE MINNESOTA GROWN PILOT PROJECT FOR THE PRIDE OF THE PRAIRIE REGION

The Minnesota Grown Pilot Project was created to help more local farmers get listed on the Minnesota Grown directory so consumers and buyers can easily find producers in our region. The UMRDC partnered with Minnesota Grown to create a special regional filter on their website, allowing users to highlight farms in this region. With support from the Southwest Initiative Foundation (SWIF), farmers were also offered two years of free membership, removing cost barriers and giving them access to marketing tools and resources.

This project was launched to address a shortage of listings in the region. When it began, only seven farms from the region were listed on the main Minnesota Grown directory and only three on the wholesale directory. Yet, more than 70 farms were producing local foods in region. By 2026, 26 farms and farmers markets had used the free membership program, showing strong interest and the need for continued outreach and support.

Funding from the Regional Sustainable Development Partnerships (RSDP), SWIF, and Minnesota Grown made this work possible. RSDP provided support for staff time, an intern, and project evaluation. SWIF contributed funds to fully cover membership fees, and Minnesota Grown supplied additional resources, including brochures, sample applications, and promotional materials. Minnesota Grown also invested in the development of the regional directory filter that made it easier for consumers to find local producers.

As the project wraps up, the final step is to survey participating farmers to understand how the directory has helped them and what improvements could be made. This feedback will be shared with Minnesota Grown so they can continue strengthening the platform. This pilot project shows that a shared statewide platform can successfully support local food efforts across our region.



DAWSON-BOYD SCHOOL AIR VENTILATION PILOT GRANT

This past year, the MN Department of Commerce offered the Minnesota Air Ventilation Pilot Grant Program, which provided public and charter schools with matching funds to improve air quality, energy efficiency, and HVAC performance.

Using McKnight funding, the UMRDC was able to assist Dawson-Boyd School with a successful funding application to go toward the cost of replacing eight HVAC units at the school. The school was awarded **\$50,000** in the spring of 2026. The total project costs is estimated to be \$485,916.



LAC QUI PARLE COUNTY PARK RECEIVES ADDITIONAL FUNDING

2018

Designated Regional Park

Lac qui Parle County Park was designated a regional park in 2018 by the GMRPTC.

2023

Secured Grant Funding

The UMRDC helped secure **\$595,370** from the Greater Minnesota Regional Parks and Trails Commission

2025

Additional Funding

UMRDC again assisted the county in applying for additional GMRPTC funding, resulting in an award of **\$368,202** in supplemental funds.

In 2023, the UMRDC assisted Lac qui Parle County in securing a grant from the Greater Minnesota Regional Parks and Trails Commission (GMRPTC) for the first phase of planned improvements at the Lac qui Parle County Park. The county received \$595,370, and committed in a \$150,563 local match, to construct a bridge over the Lac qui Parle River, develop a parking lot, add trails and install signage.

As design work progressed, it was determined that the bridge needed to span a greater distance to avoid floodway areas identified by the Minnesota Department of Natural Resources. This design change significantly increased project costs.

The UMRDC again assisted the county in applying for additional GMRPTC funding, resulting in an award of \$368,202 in supplemental funds. In total, the project has now secured \$963,572 in grant funding.

Lac qui Parle County Park was designated a regional park in 2018 by the GMRPTC. The UMRDC has assisted the county with the master planning process, funding applications, and environmental reviews.

GRANITE FALLS RECEIVES CPL GRANT FUNDING FOR MEMORIAL PARK RESTORATION

The UMRDC worked with the City of Granite Falls to write a Conservation Partners Legacy (CPL) Grant application for restoration work within Memorial Park. The funded project supports ongoing ecological restoration within Memorial Park, a 104-acre regional destination located along the Minnesota River.

The park contains high-value prairie and woodland habitat, unique geological features including granite outcrops, and some of the most heavily used recreational amenities in the community, including the campground, playground, and trail system.



Over time, invasive woody species such as buckthorn have encroached into restored and high-use areas of the park, threatening native habitat and limiting the ecological and recreational benefits of prior restoration efforts. The CPL-funded work will implement a three-year restoration strategy that includes follow-up invasive species control and prescribed fire in targeted management units.

The project was awarded **\$25,725** in CPL funding. This investment will allow the City to continue building on previous restoration efforts, protect prior public investments in the park, and ensure that Memorial Park remains a healthy and accessible natural space for residents and visitors.

COMMUNITIES ADVANCING ELECTRIC VEHICLE INFRASTRUCTURE PLANNING

The UMRDC is supporting local governments in planning for future electric vehicle (EV) charging infrastructure through the Minnesota Department of Transportation's Greater Minnesota EV Infrastructure Program. With support from the McKnight Foundation, the UMRDC provided no-cost technical assistance to Big Stone County and the cities of Appleton, Graceville, and Madison, helping them prepare and submit Phase 1 grant applications ahead of the June 15 deadline.

The focus of Phase 1 is early-stage readiness rather than immediate installation. Planning discussions centered on electrical capacity, site feasibility, ownership and maintenance responsibilities, and the infrastructure upgrades needed to support future EV charging.

Communities also considered different charging technologies. Level 2 charging is typically suited for destinations such as libraries and downtown areas where vehicles are parked for longer periods, while DC fast charging offers significantly faster charging but requires greater electrical capacity and higher upfront investment, creating important tradeoffs.

These site-specific plans position communities for potential Phase 2 implementation funding, anticipated in 2027, which may cover up to 80 percent of construction costs.

PLANS FOR OUR REGION'S FUTURE



SOLID WASTE PLANNING

The UMRDC was contracted by Grant and Stevens Counties to assist in updating each of their 10-year Solid Waste Management Plans. UMRDC staff and the respective county environmental departments worked to develop a policy-based road map for how they each intend to reduce waste, increase recycling, and divert waste from landfills with the goal of having a 35% (or higher) recycling rate by 2030. These plans are required to be updated every ten years by the Minnesota Pollution Control Agency (MPCA). Both planning projects were completed this past year and were formally adopted by the respective counties and approved by the MPCA.



ORTONVILLE SAFE ROUTES TO SCHOOL PLANNING

The UMRDC continued its leadership in Safe Routes to School (SRTS) planning with the completion of the Ortonville SRTS Plan. The UMRDC has supported 10 school districts in the region in developing locally tailored SRTS plans, strengthening long term infrastructure readiness and student safety across the region.

The UMRDC coordinated the planning process in partnership with MnDOT staff, school administrators, school board members, teachers, Countryside Public Health (SHIP), and local elected officials. Efforts included stakeholder engagement, facilitation, mapping, and data analysis to guide plan development.

The final Ortonville SRTS Plan is a 65-page document that includes 15 prioritized recommendations, each identifying lead partners, funding considerations, and anticipated outcomes. The plan also provides detailed maps and implementation strategies tailored to local needs and capacity.

Recognizing local conditions, including limited organizational capacity such as the absence of a parent teacher organization, the UMRDC emphasized flexible implementation strategies and grant readiness throughout the planning process. The plan is designed to position the community for future funding opportunities including MnDOT Safe Routes to School, Transportation Alternatives, Safe Streets and Roads for All (SS4A), and other state and local sources.

With Ortonville now complete, the final community in the UMRDC region to complete an SRTS plan, the UMRDC is now supporting communities as they shift toward implementation and future plan updates. The MnDOT SRTS planning grant program is expected to open again this year and remains an important resource for plan updates and continued advancement of safe transportation infrastructure for students across the region.



YELLOW MEDICINE COUNTY COMPREHENSIVE PLAN

Yellow Medicine County contracted with the UMRDC to update its 2003 Comprehensive Plan. A comprehensive plan is a tool that presents a community's or county's vision and policies for the long-range future by incorporating public input and goals gathered through a robust planning process. The plan covers such topics as land use, housing, public infrastructure, facilities/services, transportation, economic development, and parks/recreation/natural resources.

In addition, the plan serves as the legal basis for zoning and provides guidance for elected officials and other decision makers when considering future development and expenditures. A countywide public survey was conducted to guide the development of the County's future goals and strategies over the next 10-20 years. The UMRDC met with the County task force several times to discuss issues and opportunities to develop long term strategies in the aforementioned topic areas. The County officially adopted the plan in December 2025.

SWIFT COUNTY HAZARD MITIGATION

Hazard mitigation planning helps identify strategies and projects to prevent or lessen the impacts of disasters on communities, infrastructure, and natural environments, making them more resilient against future disasters and thus reducing the costs of recovery. Jurisdictions with plans in place are also eligible to apply for Federal Emergency Management Agency (FEMA) hazard mitigation grant funding. Hazard Mitigation plans are required by FEMA to be updated every five years.

Swift County has contracted with the UMRDC to assist in updating their 2020 Hazard Mitigation Plan. The UMRDC and County Emergency Management staff are nearing completion of the plan having met with individual communities as well as a group representing the county as a whole to discuss past accomplishments and new mitigation strategies.



RESPONDING TO CRITICAL ISSUES

REGIONAL TRENDS AND NEW INITIATIVES PROJECTS

Through the UMVRDC’s strategic planning process, it was determined that our agency should be proactive in addressing the critical issues in our region. We developed a process where staff can work on either a Regional Trend or a New Initiative project. These projects are developed in response to the annual survey or to an opportunity that is available in our region, and we add them to our annual work plan.

Regional Trends & Issues	New Initiatives
Provide an opportunity for LUGs in the region to learn through convening and research. In being responsive to our region’s emerging needs, this strategic direction will prioritize topics to research, exchange information about, or convene stakeholders around.	Identify and proactively act on opportunities in the region that lead to new UMVRDC programs or services. A limited amount of dedicated time to develop ideas for new, revenue-generating programs or projects.

Housing Needs Assessments – Promote UMVRDC's housing needs assessment services by completing pilot assessments for select communities at a reduced cost. These projects will serve as examples to market the service throughout the region.

Regional Revolving Loan Fund Marketing Support – Increase awareness of business financing opportunities by developing updated resource materials, marketing local RLF programs, and offering staffing, reporting, marketing, and management support to local loan funds.

Infrastructure Funding Forum – Plan and host a regional workshop to help local governments identify infrastructure priorities and connect with state and federal funding agencies. Topics will include water, wastewater, stormwater, streets, capital improvement planning, and local financing tools.

Municipal Social Media Services – Launch a marketing campaign to offer Facebook startup and management services to cities throughout the five-county region, helping communities strengthen their online presence and resident engagement.

Developable Properties and Housing Marketing – Expand the promotion of available commercial and residential properties by offering customized marketing packages, including website content, property listings, and targeted social media campaigns to attract residents, businesses, and developers.

SCDP Funding Resource Guide – Compile a comprehensive directory of grants, rebates, and supplemental funding opportunities to help communities leverage additional resources for Small Cities Development Program projects.

Regional Trails Workshop – Organize a regional training event focused on trail planning, development, and funding opportunities to help communities build capacity for future recreational trail projects.

TRANSPORTATION PLANNING GRANT

The UMVRDC under contract with the Minnesota Department of Transportation (MnDOT), supports local governments, schools, and regional partners by providing transportation planning assistance, sharing program information, and helping communities access funding opportunities. The UMVRDC's transportation program promotes safe, efficient, and connected transportation systems through coordination, technical assistance, and regional planning efforts focused on roads, bridges, transit, Safe Routes to School, trails, sidewalks, and emerging transportation initiatives.



REPRESENTED

Served as a regional transportation resource by participating in Area Transportation Partnership (ATP) 4 and ATP 8 meetings, where staff provided regional updates, reviewed proposed transportation projects, and coordinated with local partners on a variety of projects.



CONVENED

Convened regional transportation advisory committee meetings, facilitated discussions on proposed functional classification updates for regional roadways, and hosted its annual Transportation Open House to present transportation funding opportunities and gather public input on regional transportation priorities.



COLLABORATED

Participated in transportation planner meetings to identify project opportunities, strengthen regional partnerships, and coordinate transportation planning efforts. Staff also contributed to statewide corridor planning initiatives, participated in Minnesota GO Vision Committee meetings, and supported Safe Routes to School planning.

Additional efforts included supporting Highway 75 planning initiatives, facilitating approvals for roadway functional classification updates, and advancing regional trail and active transportation planning. The UMVRDC worked with the Prairie Five Transportation Advisory Committee (TAC), updated the Regional Trail Plan, conducted community outreach, and maintained transportation and trail resources on the UMVRDC website.

Throughout the year, the UMVRDC also helped communities navigate a variety of competitive transportation funding programs, with an emphasis on bicycle and pedestrian infrastructure, transportation safety improvements, carbon reduction strategies, environmental mitigation, and electric vehicle infrastructure. By connecting communities with technical resources and funding opportunities, the UMVRDC continues to advance transportation investments that improve mobility, safety, and quality of life across the Upper Minnesota Valley region.

EDA PLANNING GRANT

Through a planning grant provided by the U.S. Department of Commerce Economic Development Administration (EDA), the UMVRDC develops and works to implement the Comprehensive Economic Development Strategy (CEDS) for the region by carrying out a variety of economic development activities. This past year the RDC began our five-year CEDS update. Last fall, a CEDS committee was established. From there a SWOT analysis and public survey were conducted to identify assets and challenges.

The group is now working on developing goals and strategies. Other economic development activities funded through this grant include regularly sharing information about funding programs/resources; gauging interest and providing information about the CEO program; maintaining our developable properties and housing development inventories; and coordinating the regional Infrastructure Planning & Funding Webinars.



CHILDCARE RESOURCES
Scan the code to view
Local Case Studies

DEED CHILDCARE ECONOMIC DEVELOPMENT GRANT

With financial support from the Southwest Initiative Foundation, the UMVRDC helped prepare and submit a DEED Childcare Economic Development grant application, with Prairie Five acting as the lead applicant. The grant provides one-time funding to support childcare business start-up or expansion, staff training, employee retention incentives, facility improvements required for licensing, and assistance with licensing and other regulatory requirements. This funding is not intended for ongoing operational costs but rather for investing in new child capacity at either new or existing facilities, in both center- and home-based settings.

Childcare availability has been a long-standing priority for local leaders. According to the 2025 First Children's Finance Child Care Needs Summary for Southwest Minnesota, the region is currently facing a shortage of 574 childcare slots. As part of the grant preparation, all local providers were surveyed to determine potential expansion opportunities. Two providers were identified that could meet the grant's timeline and were included in this proposal. The application requested \$49,500 in funding from DEED but was not awarded due to the highly competitive application process and limited funding available. In 2024 the UMVRDC and Prairie Five submitted a similar grant application to DEED and was awarded \$380,000 to increase childcare shortages.

Helping our Region's Businesses



RLF

Scan the code to learn
more about the program

UMVRDC REVOLVING LOAN FUND

The UMVRDC Revolving Loan Fund (RLF) is designed to provide gap financing for business and industry starting up or expanding in the five-county region. The four million dollar fund was capitalized by multiple grants from the U.S. Department of Commerce EDA and counties. The primary focus of the program is to assist businesses to remain or grow in our region to create or retain local jobs.



UMVRDC RLF Portfolio

\$2,797,640	38 outstanding loans
\$1,202,106	Available for lending
\$3,999,746	Total Loan Fund

UMVRDC's 2026 NEW Loans

- Ziggi's, Montevideo – **\$99,000**
- Red Feather Fitness, Clarkfield – **\$10,000**
- Foxwood, Appleton – **\$75,000**
- Dairy Queen, Ortonville – **\$215,000**
- Thompson Welding, Ortonville – **\$53,000**

Appleton Revolving Loan Fund

\$123,040.80 outstanding balance
of 3 loans

\$36,781 available for lending

Total loan fund **\$159,822**

New Loans in 2026
Foxwood – **\$75,000**

Lac qui Parle County Revolving Loan Fund

\$40,502.62 outstanding balance
of 2 loans

\$117,035.96 available for lending

Total loan fund **\$157,538.58**



PROPERTY ASSESSED CLEAN ENERGY

The UMRDC has a new revolving loan program to help businesses reduce energy bills. The UMRDC Property Assessed Clean Energy Revolving Loan Fund (PACE RLF) offers financing with no upfront costs, repaid through a property tax assessment.

An energy audit is required to show a net reduction in energy use, and it often identifies immediate savings that can help offset repayment.

Eligible projects include heating and cooling, lighting, refrigeration, building envelope improvements, solar or wind systems, water conservation, geothermal, and EV chargers. Properties must be located in Big Stone, Chippewa, Lac qui Parle, Swift, or Yellow Medicine County. The program is open to commercial, industrial, nonprofit, multifamily (5+ units), and agricultural properties.

Eligible Projects

- Heating and cooling
- Lighting
- Refrigeration
- Building envelope improvements
- Solar or wind systems
- Water conservation
- Geothermal
- EV chargers



PROPERTY ASSESSED CLEAN ENERGY

Scan the code to learn more
about the program

INFRASTRUCTURE WEBINARS

According to the UMRDC's Annual Survey, water and sewer infrastructure planning and funding is consistently a top concern for communities in our region. In response to this issue, the UMRDC held a series of four webinars covering capital improvement planning and project budgeting, internal funding options and external funding sources to help communities plan for and fund infrastructure projects and large capital expenditures. The RDC partnered with Ehlers Public Finance Advisors, MN DEED, and MN Public Facilities Authority to conduct the sessions.



INFRASTRUCTURE WEBINARS

Scan the code to view
the webinars

Revitalizing our Communities



KERKHOVEN ZONING

The City of Kerkhoven contracted with the UMRDC to update their 2003 Zoning Ordinance. The UMRDC and city staff have been meeting to review the ordinance chapter by chapter to update and add new sections. The goal of the update was to address issues related to accessory buildings, storage sheds, and incorporate the new cannabis laws and to add some detail to sections that needed more clarity.

DEVELOPABLE PROPERTIES

One of the recurring issues in the region is that of vacant and underutilized buildings and sites. These properties can be a public safety hazard, hinder development in their surrounding areas and contribute little to the tax base. The UMRDC continues to look for ways to address this issue and one of the strategies we have implemented is the developable properties inventory. The UMRDC collects and updates data on available buildings and sites throughout our region and uploads it to LOIS (Location One Information System). LOIS is a nationwide interactive database of available sites and buildings that developers and site selectors utilize when searching for potential locations for new development or business relocation and/or expansion.



DEVELOPABLE PROPERTIES

Scan the code to view
all the listings

HOUSING CASE STUDIES

Housing continues to be an issue within the region and throughout Greater Minnesota. In some cases, there isn't the right mix of housing choices available or the cost of developing new housing infrastructure is prohibitive or maybe there is a need to better understand the housing tools cities can use to support housing development.

With generous support from the Southwest Initiative Foundation, the UMRDC prepared six case studies featuring successful housing projects and initiatives around the region in an effort to help other communities address some of the challenges noted above. The goal is to provide inspiration, information, and hope for other communities. The case studies can be found on our housing resources webpage.



HOUSE CASE STUDIES
Scan the code to view
the case studies



PORTER HISTORIC JAIL

The UMRDC has been assisting the City of Porter with preparing a grant application to the Minnesota Historical and Cultural Grants Program through the Minnesota Historical Society. The purpose of the grant is to determine whether the Porter Historic Jail is eligible for listing on the National Register of Historic Places.

The initial grant application was not funded, partly due to limited program funds. However, the application will be resubmitted in future quarterly grant cycles.

SMALL CITIES DEVELOPMENT PROGRAM

The UMRDC staff continue to author grant applications and provide general administration of the MN DEED Small Cities Development Program (SCDP) which helps cities and communities with funding for housing rehabilitation for owner-occupied and single-family rental homes along with multi-family rental unit rehabilitation, commercial rehabilitation, and public infrastructure projects. The UMRDC partners with Swift County Housing and Redevelopment Authority and the Southwest Minnesota Housing Partnership to administer the following SCDP grants in 2026:

DAWSON: The grant funded the rehabilitation of 18 owner-occupied homes and four commercial properties, resulting in a total community investment of

\$769,300

ORTONVILLE: The project will rehabilitate 16 owner-occupied homes and seven commercial properties, with a total community investment of more than

\$900,000

GRANITE FALLS: (Housing) The project will rehabilitate 40 units in the Riverview apartment building and eight commercial properties, resulting in a total community investment of

\$1,245,800

GRANITE FALLS: (Public Facilities – Streetscape) The grant will fund new sidewalks and additional streetscape improvements along Prentice Street (Main Street), with a total grant award of

\$600,000



APPLETON: (Housing) The project will rehabilitate 20 owner-occupied homes and eight commercial properties, resulting in a total community investment of

\$1,056,000

APPLETON: (Public Facilities) The project will rehabilitate 42 multi-family rental units and improve storm sewer conveyance infrastructure, resulting in a total community investment of

\$2,003,000

MONTEVIDEO: The project will rehabilitate 42 multi-family rental units, resulting in a total community investment of

\$825,000

SCDP GRANT WRITING

The UMRDC wrote two new Small Cities Development Program grant applications during 2026. These communities are waiting to be notified by the Minnesota Department of Employment and Economic Development if they will be awarded funding.

The **Benson** grant was written to rehab 20 owner-occupied homes and 11 commercial properties.

The **Milan, Maynard** and **Watson** grant was written to rehab 20 owner-occupied homes and six commercial properties.



WESTERN MINNESOTA PRAIRIE WATERS

Throughout the year, Prairie Waters strengthened the region's visibility through marketing efforts promoting tourism, workforce attraction, relocation, and investment across the five-county region. The Prairie Waters website remained the central hub for regional information, connecting users with events, attractions, jobs, housing, childcare, healthcare, and community resources through regular updates and digital marketing campaigns.

Prairie Waters also produced and distributed community rack cards and Visitor/Relocation Guides, with new guides being printed in the Spring of 2027. New marketing campaigns targeted former residents returning home for the holidays along with recent high school graduates - highlighting local career opportunities, quality of life, and the benefits of building a future in western Minnesota. Through a combination of print, digital, and local advertising, Prairie Waters continues to showcase western Minnesota as a great place to visit, live, work, and invest.



PRAIRIE WATERS

Scan the code to view
the regional website

MONTEVIDEO MARKETING STORIES

The UMRDC partnered with the Montevideo Economic Development Authority (EDA) to develop a resident storytelling and marketing initiative designed to showcase the people and experiences that make Montevideo a great place to live, work, and raise a family. The project included interviewing three local residents, collecting photos and personal stories, and creating branded digital and print promotional materials for community marketing. In addition, the UMRDC created a comprehensive marketing plan to help the EDA maximize the stories through Prairie Waters and other promotional channels.

MINNESOTA RIVER VALLEY SCENIC BYWAY

The UMRDC has provided staffing and fiscal management for the Minnesota River Valley National Scenic Byway since 1996. Supported by partners across the 300-mile corridor, the Byway promotes the region's history, landscapes, and attractions through marketing, signage, publications, and visitor resources.

This year, the Byway Alliance launched a redesigned, user-friendly website that allows travelers to create personalized itineraries, made possible through a Minnesota Historical and Cultural Grants Program grant. The RDC also updated and distributed a refreshed Visitor Guide statewide, while ongoing social media efforts and partnerships with Explore Minnesota continued to expand awareness and attract visitors to the Minnesota River Valley.



SCENIC BYWAY

Scan the code to view
the website



MEANDER ART CRAWL

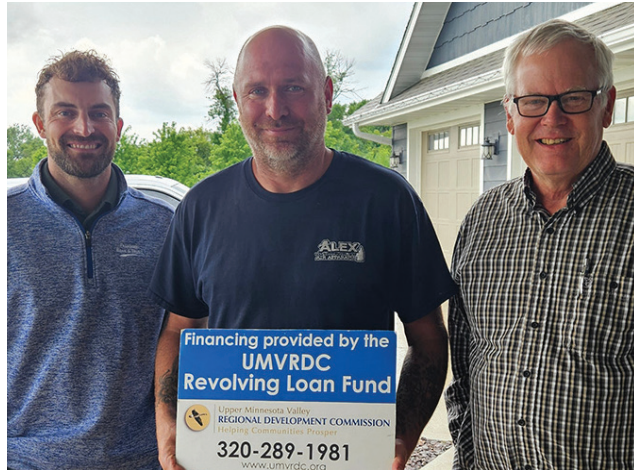
Now in its 23rd year, the Meander Art Crawl remains a signature event that welcomes art enthusiasts from across the region to explore the work of 42 local artists. The UMRDC continues its role as the organizer and fiscal agent for the event, supporting its ongoing success.

Each year, visitors have the unique opportunity to meet talented artists in their studios, located throughout the small towns and scenic countryside of the Upper Minnesota River Valley. Beyond celebrating the arts, the Meander continues to generate significant economic benefits for local communities and businesses across the region.



**MEANDER
ART CRAWL**

Scan the code to view
the website





Upper Minnesota Valley
**REGIONAL
DEVELOPMENT
COMMISSION**

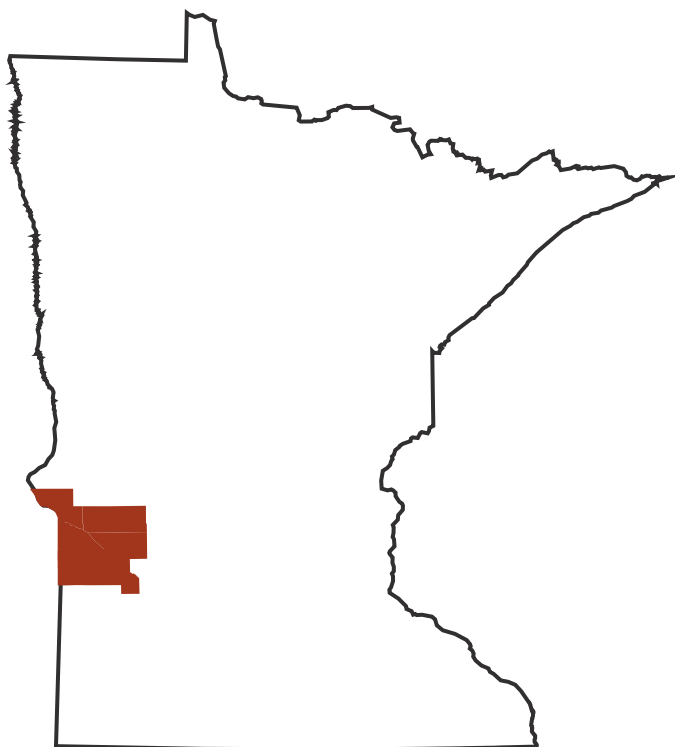
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UMVRDC'S YEAR IN REVIEW

Scan the code to view
our FY26 Projects



*Assisting Local Units of Government within the five counties of
Big Stone, Chippewa, Lac qui Parle, Swift, and Yellow Medicine*