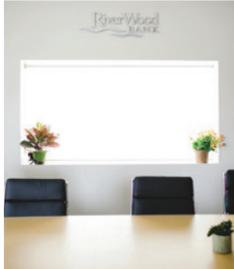


BLAEDC Programs & Services

BLAEDC's primary focus continues to be growing business and creating jobs, both of which were accomplished with great success in 2014.

BLAEDC's most high-profile project, the sale of the Wausau Paper Plant, was a rollercoaster ride for the organization and the community. First was the disappointing news that Wausau was closing the plant, then came the exciting news that a buyer from the paper industry came forward, then more disappointment when the buyer backed out. Soon after, another buyer surfaced and BLAEDC helped seal the deal to create the Brainerd Industrial Center.

Not all projects are as widely publicized, but all are important to the economic prosperity of the area. BLAEDC is involved in a variety of projects, from business expansions to retention programs to new-business recruitment to assistance for entrepreneurs starting new businesses. The tech services and advanced manufacturing are priority industries but BLAEDC offers its services to businesses from all industries and of all sizes.



Accomplishments

AMONG ITS MANY ACCOMPLISHMENTS, BLAEDC:

- conducted 15 formal Grow MN! Business Retention & Expansion visits and dozens of informal business site visits,
- provided technical assistance on three projects that resulted in economic development financing for business growth and retention opportunities,
- facilitated and provided technical expertise to the City of Brainerd on the Paper Plant Task Force, culminating in city acquisition of the hydroelectric dam and creation of the new Brainerd Industrial Center,
- served as a resource to the Northern Pacific Center, facilitating connections to the business community and prospective uses/tenants,
- provided technical assistance and recruitment materials for two major employers to aid in their workforce development projects,
- assisted a local manufacturer in securing grant funding to further develop international export opportunities, and
- provided technical assistance to a national site selector that facilitated a planned nine acre expansion for a company in the Brainerd Industrial Park.

2015 BOARD OF DIRECTORS

- BLAEDC President**
Paul Means, RiverWood Bank
- Vice President**
Karlo Goerges, Pequot Tool and Mfg
- Secretary/Treasurer**
Chuck Albrecht, Mid-Minnesota Federal Credit Union
- Tom Anderson, Minnesota Thermal Science**
- Bruce Buxton, Widseth Smith Nolting and Associates, Inc.**
- Kevin Close, Close Converse Properties**
- William Potvin, CliftonLarsonAllen**
- Janelle Riley, Syvantis Technologies, Inc.**
- Mark Ronnei, Grand View Lodge**

EMERITUS BOARD MEMBERS

- Timothy Bergin, CliftonLarsonAllen**
- Ray Burnett, Retired**
- Conrad Bye, Communications Investments, Inc.**
- Reggie Clow, Clow Stamping Company**
- Arnie Johnson, Johnson Enterprises, LLC**
- Jim Kraft, Frandsen Bank & Trust**
- Kevin Larson, Consolidated Telephone Company**
- Paul Lindbloom, Retired**
- Terry McCollough, Retired**
- Clint Nelson, Positive Realty**
- John Newhouse, Retired**
- Angella Roby, Oakridge Woodview Residential & Support Services**
- Terry Skone, Retired**

BLAEDC BOARD LIAISONS/GOV'T REPS

- Rosemary Franzen and Tim Houle, Crow Wing County**
- Patrick Wussow, City of Brainerd**
- Gordon Heitke, City of Baxter**
- Matt Kilian, Brainerd Lakes Chamber**
- Eric Charpentier, Cuyuna Range Econ. Dev., Inc.**

LETTER FROM THE PRESIDENT



Over the past year, I have had the pleasure of engaging in our area's economic development efforts like never before. It causes me to reflect on the opportunities that are before us and the unique position we have created by being proactive and having an organization like BLAEDC to support our area.

The regional approach to our economic development efforts is a valuable resource for businesses, provides fiscal responsibility and recognizes that economic development projects impact all of us, no matter where they are physically located in the Brainerd Lakes Area. What continues to amaze me is how our partnerships with community leaders, a host of volunteers and three BLAEDC staff members have joined together to create a first-class organization that is generating significant results on limited resources. My hope is that the area businesses and communities continue to support the BLAEDC model and work to make it even better.

Economic indicators show that the economy is improving and exciting times are before us. With everyone's support and hard work, BLAEDC is positioned to continue leading and supporting economic growth and prosperity for our area.

We're Ready. Let's Grow!

PAUL MEANS, BLAEDC President 2014-2015

BLAEDC ACCOMPLISHMENTS (1987 - 2014)

- 405 PROJECTS
- \$678 MILLION IN CAPITAL INVESTMENTS
- 4,768 JOBS

BLAEDC 2014 ACCOMPLISHMENTS

(More than 170 inquiries, contacts and activities were vetted and managed)

- 19 PROJECTS
- \$5.804 MILLION IN CAPITAL INVESTMENTS
- 72 JOBS PROJECTED TO BE CREATED WITH 467 JOBS RETAINED



**Brainerd Lakes Area
ECONOMIC DEVELOPMENT
Corporation**

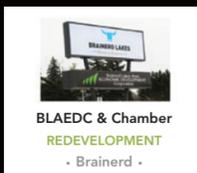
We're ready. Let's grow!



2014 Annual Report

Rebuilding Redeveloping Repurposing

Revitalizing



Looking Back to our Future...

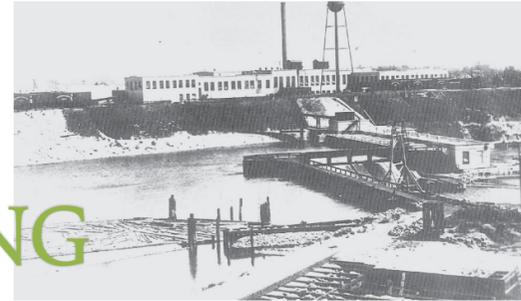
2014: A Year of Rebuilding, Redeveloping, Repurposing and Revitalizing

As we close the book on another year, there are many reasons to be excited about 2015. Many economic opportunities are on the horizon that can lead to companies expanding here, creating new jobs and adding prosperity. Some of these opportunities involve industries that are credited with building the economic foundation of this area. Recent developments have generated new interest in those industries or in the facilities or assets left behind, which is why this year's theme for our annual report is **Rebuilding, Redeveloping, Repurposing and Revitalizing.**

Even though the paper mill is closed, logging is way down, mining is a distant memory, and the old brick railroad shops are void of any train-related activity, they all have re-entered the conversation. There are now serious discussions about repurposing some of these old facilities. Natural resources are generating interest again. An increasing number of companies are taking notice of the opportunities that Crow Wing County has to offer. We're looking back to set a new course for our future, which is very exciting for BLAEDC. Help us celebrate where we've been, where we're going, and the valuable economic assets that surround us every day.

A History in Paper. . . A Future in Industry

For more than 100 years, a paper mill in north Brainerd served as an economic engine for the area as it churned out various types of paper and provided a good living for hundreds of residents. The industry, however, went through a dramatic change in recent years, leaving the 600,000 square-foot mill dark and empty, but not unwanted. Instead of creating paper, it's now producing opportunities as the new Brainerd Industrial Center. Owner Mike Higgins collaborated with BLAEDC, the City of Brainerd and others to redefine the facility and highlight its features for future manufacturing and business needs. Tenants and uses are still being explored and the future is bright for this valuable Brainerd landmark.



REBUILDING

A History in Rail. . . A Future in Specialty Spaces

It's been decades since the old brick railroad buildings in east Brainerd were alive with workers repairing and rebuilding train engines. The structures, many of which have towering ceilings, majestic wooden doors, exposed iron beams and an abundance of charm, have quietly been in transition under the ownership of Dave Hutton and Dick Crandall over the last 20 years. Many of the buildings have renovated interiors, and once housed business operations like Lexington Manufacturing, Stern Rotomolding, A-Tek and more. Today, 28 companies call the Northern Pacific Center home, including Range, Dragon Hunter and Aimee Jobe Photography. One recent addition is Jobe and Hutton's 8,000-square-foot NP Event Space, which is



available for weddings and special occasions. Additional event, office and retail spaces are in the planning stages, showing how entrepreneurial spirit and creativity can open up new opportunities for the area.

REPURPOSING

A History in Mining. . . A Future in Tourism

Driving through the Crosby area, it's hard for many to imagine what it looked like before mining companies abandoned the area more than 30 years ago. Trees have covered the massive rock deposit stockpiles and crystal clear water filled the cavernous mine pits. Those natural features created new tourism opportunities and a boom for the local economy. The 5,000-acre Cuyuna Country State Recreation Area now draws recreational enthusiasts from all over the country for "silent sports" such as camping, hiking, fishing, kayaking, paddle boarding, scuba diving and the new mountain biking trail network that has gained national and international attention, helping diversify Crow Wing County's tourism economy. BLAEDC supports this new-found tourism business and the wealth of opportunities it brings.



REVITALIZING

A History in Timber. . . A Future in Our Resources

Imagine a time past with logs floating down the river, creating a historic picture of the industry on which the area was founded. Timber has played a key role in the area's economy over the last 100 years. The vast stretches of forests, the discovery of iron ore, the accessibility of waterways, and construction of rail transportation were natural fits to help grow the local economy. Timber, aggregates, peat, and hard minerals are still important natural resources, all of which are gaining the attention of companies like Cooperative Mineral Resources. These companies are interested in exploring the opportunities associated with mining using advanced technologies. We see potential benefits including manufacturing development, economic diversity, business growth, and good paying jobs. These are opportunities for our area that BLAEDC is committed to understanding better.



REDEVELOPING



Barrett Ag Service
BUSINESS EXPANSION
• Daggett Brook Township •



Aide Home Health Care
BUSINESS EXPANSION
• Ironton •



LaValle's Mercantile
REDEVELOPMENT
• Brainerd •



Pueringer/Bob & Fran's
REDEVELOPMENT
• Brainerd •



Dr. Caroline Bull, Psy. D.
BUSINESS DEVELOPMENT
• Baxter •



Crosswoods Golf
BUSINESS EXPANSION
• Crosslake •



Wurdeman Cabinet Mfg
BUSINESS RETENTION
• Crosslake •



Ascensus
WORKFORCE DEVELOPMENT
• Brainerd •



Bang Printing
WORKFORCE DEVELOPMENT
• Brainerd •



Essentia Sports Center
REDEVELOPMENT
• Brainerd •



Lexington Manufacturing
BUSINESS DEVELOPMENT
• Brainerd •



Airport Initiatives
BUSINESS EXPANSION
• Countywide •



Saluting Our 5,000 Home-Based Businesses



From left to right: Paul Cibazar, *Operations Research Consulting*; Brandon and Joyce Bentley, *Elite Detailing*; Tom Larson, *Turning Trail Woodworking*; Jeremy Doyle, *Silent Shout Productions*; Shan Eisler, *The Pampered Chef*; Sherry Johnson, *It's Fit for You*; Chris Miles, Liz Eisler and Amanda Nault, *Isagenix Consultants*.

The Crow Wing County community salutes the more than 5,000 home-based businesses, which generate about \$200 million of revenue annually. These ventures have a major impact on the community and are a testament to the entrepreneurial spirit of thousands of local residents.

This year, the EXECs co-hosted an event to bring together these entrepreneurs and help them connect with each other and also local business and community leaders. It was an opportunity for us to show them how much they're valued and to discuss resources and services that are available to help them succeed.

Home-based businesses have a long history in Crow Wing County. Some of which grew to be major employers in the area. One example is Landis+Gyr, formerly Hunt Technologies, in Pequot Lakes. Paul and Lynn Hunt started the operation in their home and helped it grow to national status before selling it and starting Hunt Utility Group in Pine River. Another example is Lisa Paxton's Ultra Paws business, which designs, manufactures, warehouses, and distributes functional fashion for dogs. She moved the business out of a home-based shop in late 2013 when she purchased and remodeled a 7,200 square foot building on two acres in Baxter's Industrial Park. These are just two examples of the many success stories in our area and we look forward to many more in the future!



Hunt Utilities Group Eco-Campus in Pine River



Landis+Gyr in Pequot Lakes



UltraPaws Worldwide Gear for Dogs in the Baxter Industrial Park

if Initiative
FOUNDATION

Mineral R&D Partners
BUSINESS DEVELOPMENT

• Cuyuna Lakes •

Entrepreneurial Partnerships
BUSINESS DEVELOPMENT

• Countywide •

We're Ready. Let's Grow!
BUSINESS DEVELOPMENT

• Countywide •

BUSINESS ATTRACTION PARTNERSHIPS

• Countywide •

2014 BLAEDC Marketing Efforts



To share with the world all the exciting business opportunities in Crow Wing County, we rely on targeted marketing strategies, whether they're web-based, print advertising, media relations, video, networking or partnerships.

The goal is very simple: Share our story with as many companies as possible.

Our Tech Services Initiatives

One of our priorities has been to grow the technology sector locally in an effort to diversify and strengthen the economy with state-of-the-art infrastructure, workforce development initiatives, and the support of technology companies. An initiative called "Tech Ready" is under way through new IT programs at Central Lakes College, expanded broadband capacity and ongoing partnerships to build on these efforts. We are excited to showcase the CTC high-tech meeting room in our new facilities, which will continue to brand our area as a leader in technology.



EXEC Accomplishments

Four years ago, we launched our Executive Initiative, which brought together retired and relocated business executives (EXECs) who volunteer their time to help us grow business and create jobs. EXECs have shared their expertise with dozens of local businesses, mentored and counseled business people, served on advisory committees, used their connections for networking and led public forums and informal discussions. Here are some of the EXECs' accomplishments over the past year:

- Provided guidance and counsel to three businesses through Rent-a-Board advisory panels,
- Kicked off a "Home-Based Business" networking and information sharing event for more than 20 local entrepreneurs,
- Engaged in one-to-one mentoring for more than 10 organizations,
- Held 11 Business Chat events and two Business Insights presentations attended by more than 100 business owners, executives and entrepreneurs,
- Served as BLAEDC representatives on multiple panels, committees and task forces, and
- Provided research, analysis, direction and guidance to BLAEDC and CREDI on future potential for our minerals, while supporting the expansion of recreational activity in the Cuyuna Country State Recreation Area.



Lonesome Cottage in Pequot Lakes gave the EXECs a tour of their manufacturing plant.



EXEC Program
BUSINESS DEVELOPMENT
• Countywide •



EXEC Rent-A-Board
BUSINESS EXPANSION
• Countywide •



Natural Resources R&D
BUSINESS DEVELOPMENT
• Countywide •



Tech Ready Efforts
BUSINESS DEVELOPMENT
• Countywide •