



**BISMARCK
MANDAN**
CHAMBER | EDC



5 YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN: OVERVIEW

www.bismarckmandan.com
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INTERESTING ITEM LEARNED FROM OUR RESEARCH:

Bismarck-Mandan's Population is Projected to Grow 10% Over the Next 10 Years

Bismarck-Mandan's population is projected to increase by **10% over the next 10 years.**

While this sounds good, and it is, stakeholders in Bismarck-Mandan told us there is an extreme shortage of housing available for less than \$400,000. Therefore, this population growth will put further stress on the housing shortage.

If Bismarck-Mandan can solve the housing shortage, it can make the argument that it is one of the few regions in America with skilled labor.

WHAT BISMARCK-MANDAN STAKEHOLDERS TOLD US:



- Most people feel now is the time to market Bismarck-Mandan to the next level.
- Realtors said they often get requests for 30 to 40,000 square-foot buildings related to the industrial sector.
- Bismarck Industries could be leveraged for spec building or housing development.
- 100,000 square-foot spec building in East Bismarck on nine acres with 24-foot sidewalls.
- Office vacancies are suffering, there needs to be a strategy to backfill them.
- The Vision Fund has \$1.5 million and could be leveraged into a good, money-making, deal.
- There is a need for local and state priorities/advocacy, not just federal.
- The scholarship program is a huge selling tool.
- United Tribes is receiving numerous federal grants, how do we leverage it?
- TIF is a bad word, do not say it.
- The most obvious weakness is that the community lacks the natural lead generation partners other communities its size in

- competing states enjoy such as: industrial real estate brokers, aggressive state prospect generation program, aggressive electric power prospect generation program.
- Workforce housing was identified as a problem by almost everyone; Bankers said you have one-fifth of the housing you need.
- Realtors, downtowners, and young professionals would like to see the ease of doing business with the City of Bismarck be a priority. (Note, we often hear this in every community we work, so this is not an uncommon issue.)
- How can we partner with tribes in the area to help solve the workforce issues of employers?
- Bismarck City Manager said the city had made good revenue on the current industrial park, and they should look at developing another one.
- State government offices – working from home is a huge threat.
- Large trucking projects have rejected us in the past, perhaps we should focus on projects which aren't focused solely on the cost of trucking transportation.
- The community needs a national identity beyond just being cold; What is our wow factor?

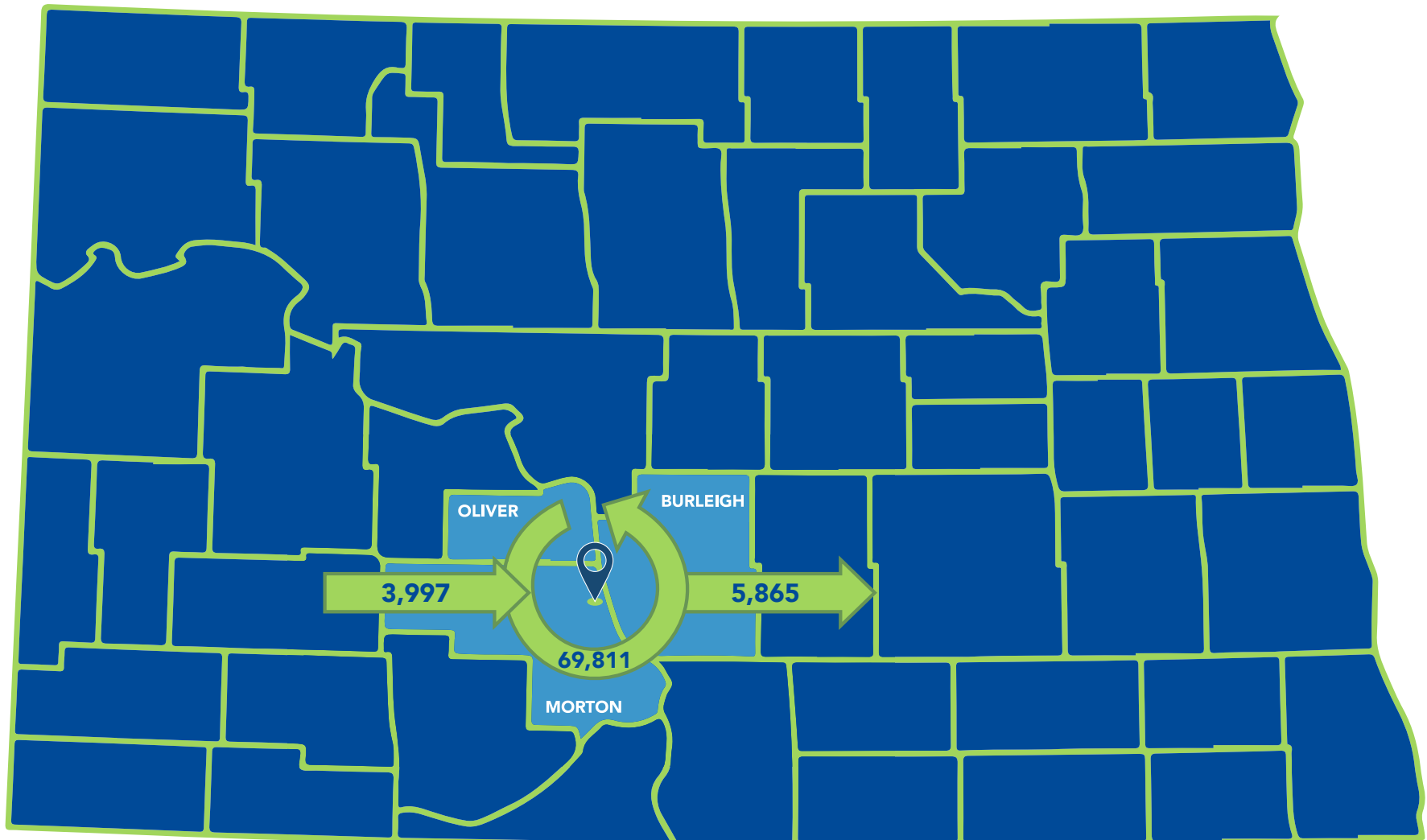
COMMUTING DATA

Bismarck - Mandan MSA (Morton, Burleigh & Oliver Counties)

There are **69,811** people that both work and live in the Bismarck-Mandan MSA.

There are **3,997** people that commute to the Bismarck-Mandan MSA for their job.

There are **5,865** people that live in the Bismarck-Mandan MSA and commute elsewhere to their job.





HIGH GROWTH INDUSTRIES



Aircraft Manufacturing

LQ of 1.48



Construction Machinery Manufacturing

49.3% Job Growth Past 5 Years
LQ of 6.71



Plastics Manufacturing

96% Job Growth Past 5 Years
LQ of 1.39



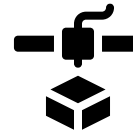
Machine Shops

4.8% Job Growth Past 5 Years
LQ of only 0.48



Service Industry Machinery Manufacturing

96% Job Growth Projected
LQ of 3.13



Metal Fabrication

16% Job Growth Past 5 Years
LQ of 2.10



Farm Machinery Manufacturing

32% Job Growth Past 5 Years
LQ of 1.14

SHRINKING INDUSTRIES

Concrete and Sewer Pipe Manufacturing; Coal, Sand, and Gravel Mining; Oil and Gas Pipeline Construction; and Engineering Services.

WHAT IS LOCATION QUOTIENT, OR LQ?

It is the amount of industry job numbers that a location has compared to the national average. The national average is 1.00, so if you have a Location Quotient (LQ) of 2.10 in Metal Fabrication, that means you have **TWO TIMES** the national average in Metal Fabrication Jobs!

Chmura Economics & Analytics defines the Location Quotient (LQ) by industry as a measure of the relative size of an industry in a region compared to the average size in the nation. An LQ of 1.00 indicates a region has the same concentration of an industry (or occupation) as the nation. An LQ of 2.00 would mean the region has twice the expected employment compared to the nation and an LQ of 0.50 would mean the region has half the expected employment in comparison to the nation. It is important to note that a region can have a competitive advantage in a growing or declining industry.



INDUSTRIES WITH INCREASING WAGES



Healthcare & Related Fields

Medical Laboratories

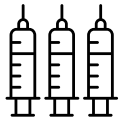
80.1% Wage Growth Over the Last 3 Years
Average Salary: \$129,314

Offices of Physicians

77.2% Wage Growth Over the Last 3 Years
Average Salary: \$94,881

Ambulatory Surgical Centers

44.9% Wage Growth Over the Last 3 Years
Average Salary: \$102,019



Medical Manufacturing

Pharmaceutical Prep Mfg.

32.4% Wage Growth Over the Last 3 Years
Average Salary: \$113,766

Surgical Supplies Mfg.

33.4% Wage Growth Over the Last 3 Years
Average Salary: \$89,014

Electromedical Apparatus Mfg.

21.5% Wage Growth Over the Last 3 Years
Average Salary: \$103,738



Financial Services

Financial Transaction Processing

64.6% Wage Growth Over the Last 3 Years
Average Salary: \$148,800

Mortgage Brokers

61.5% Wage Growth Over the Last 3 Years
Average Salary: \$134,340

Commercial Banking

18.5% Wage Growth Over the Last 3 Years
Average Salary: \$81,722



Liquid Beverage Manufacturing

Bottled Water Mfg.

23.8% Wage Growth Over the Last 3 Years
Average Salary: \$51,720

Soft Drink Mfg.

19.1% Wage Growth Over the Last 3 Years
Average Salary: \$51,274

Fluid Milk Mfg.

18.7% Wage Growth Over the Last 3 Years
Average Salary: \$62,450



Metal-Related Manufacturing

Ornamental Metal Work Mfg.

16.6% Wage Growth Over the Last 3 Years
Average Salary: \$56,631

Sheet Metal Mfg.

16.6% Wage Growth Over the Last 3 Years
Average Salary: \$55,198

Plate Work Mfg.

16.1% Wage Growth Over the Last 3 Years
Average Salary: \$65,230

Fabricated Structural Metal Mfg.

13.6% Wage Growth Over the Last 3 Years
Average Salary: \$61,377

OUR PROCESS

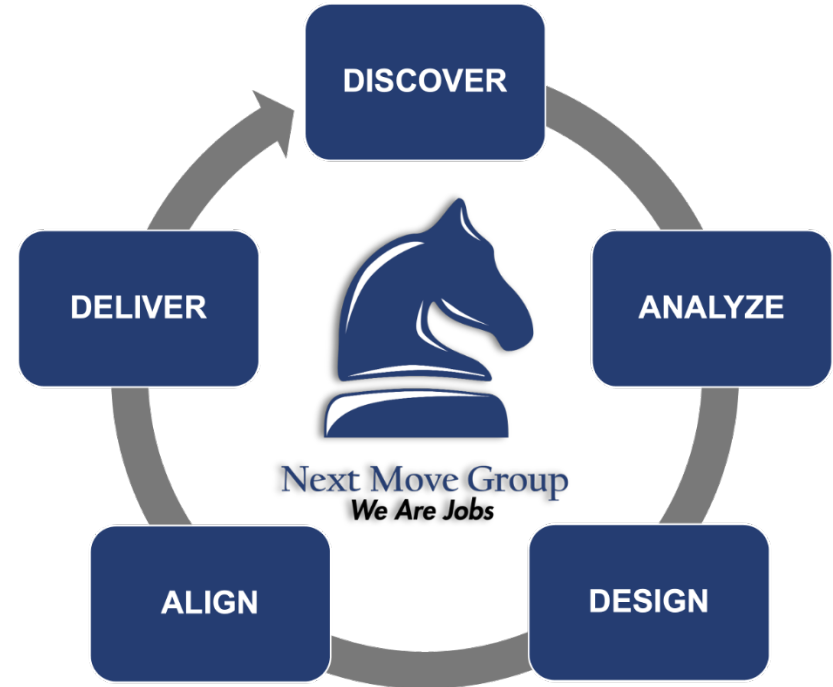
This economic development plan and process was initiated by leadership to *focus strategy toward action driving results*.

The primary objective of this strategy as requested by the Bismarck-Mandan Chamber EDC is to maximize the economic development marketing efforts for Bismarck-Mandan. Our strategic planning process began with a community visit, leadership meetings, and stakeholder interviews to **Discover** the goals, wants, and needs of the community. During the meetings, interviews, and our community visit, our team uncovered several key takeaways, that can be found in the section "What Bismarck-Mandan Stakeholders Told Us".

This step also included research into key economic data with our partners at the University of Southern Mississippi's Trent Lott Center for Economic Development so that we could then **Analyze** the following:

- Economic indicators
- Population and demographics
- Tax revenues
- Land availability & potential
- Infrastructure layout & capacity
- Stakeholder input
- Previous plans and reports analysis

The next step was to **Design** a draft with primary recommendations and examples of success from similar communities based on location, population, state capitol, etc. Our focus was on strategies to address the major pain points discovered from Bismarck-Mandan stakeholders and leadership. All participants said they wanted more aggressive marketing, the recruitment of new jobs, and to be a more



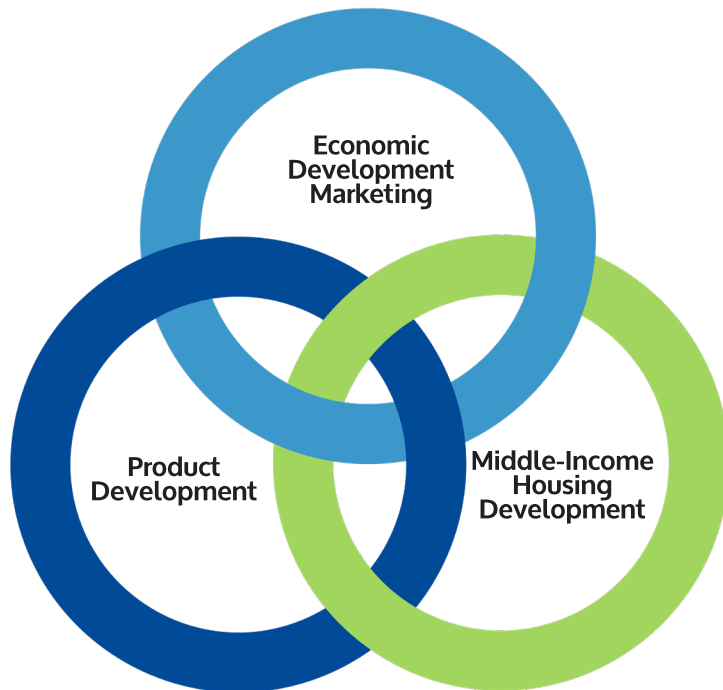
attractive community to the private sector. A common concern was that too much reliance on state government jobs and the energy sector could result in an economic downturn if Bismarck-Mandan doesn't diversify.

Bismarck-Mandan Chamber EDC leadership then met with Next Move Group staff to review draft strategies and rank each recommendation on a scale of 1 to 5. This meeting, along with our follow-up survey to stakeholders, was very important to ensure **Alignment** with expectations.

Additional research and analysis were conducted for final **Delivery** of this plan which includes 8 total strategies with action steps along with multiple examples of successful results. A 9th strategy of Non-Chamber EDC Related items is also included based on stakeholder interest in those priorities.

EXECUTIVE SUMMARY

This plan represents the priorities that Bismarck-Mandan stakeholders ranked highest during our initial discovery as well as highest during our alignment meetings. **The three priorities below represent the majority of strategy and action items for the Bismarck-Mandan Chamber EDC:**



• Product Development

- « Take Action Steps to Land One Deal on the Remaining 25 Acres at Northern Plains Commerce Centre
- « Partner with Airports On New Development Opportunities
- « Develop the next Northern Plains Commerce Centre Business Park
- « Develop a BNSF Certified Megasite to Land Large Projects

• Economic Development Marketing

- « Prominently Feature the Built-In Advantages for Business to Locate in Bismarck on Your Website and Marketing such as:
 - Low Utility Rates
 - LIFT Innovation Loan Fund
 - North Dakota Sales and Use Tax Exemption
 - Shovel-Ready Industrial Sites
 - 10-Year Property Tax Exemption
 - Pace & Match Loan Program – *Bank of North Dakota*
 - Payroll Tax Rebate
 - Corporate Income Tax Exemption
 - Research Expense Credit
 - Agricultural Facility Tax Credit
- « Study Incentives Offered by Competing Locations
- « Target 3 to 4 Industry Trade Shows to Attend Annually
- « Meet with 40 CEOs of Growing Companies Annually
- « Develop Geofence Advertising in Canada
- « Create a Video Series of People Who Are Not From Bismarck But Live Here Now and Love It!

• Middle-Income Housing Development

- « Commission a Housing Study
- « Study Housing Incentives being Implemented by South Dakota and Iowa
- « Redevelop and Reuse Vacant Buildings in Downtown

EXECUTIVE SUMMARY

Economic Development Marketing was by far the highest-ranked strategy, and you will see in our recommendations that there are a variety of reasons why the Bismarck-Mandan Chamber EDC should develop this strategy going forward. The second highest-ranked priority was Product Development, as you cannot market and sell the community without appropriate real estate for business prospects. Housing Development is an issue across the nation. With 10% population growth projected, this strategy not only ranked third in importance, but it is also critical to the future value proposition that Bismarck-Mandan has a strong and available workforce.

Although these three scored highest, it is not to discount the additional high-ranking items. Stakeholder voting also revealed the following strategies as top priorities:

- **Add a Survey to Your Existing Business Retention & Expansion Program**

- « Identify macro-level issues across all businesses as well as across industry sectors
- « Implement annually to spot trends over time

- **Tribal Partnerships & Strategic Development**

- « Partner together to develop industrial land
- « Create a pipeline of workers to existing businesses

- **Add 2 New Plays To Your Governmental Affairs Playbook**

- « Create more focus on local government issues
- « Develop a similar community visitation program

- **Create Economic Growth in Bismarck-Mandan by Helping Existing Small Businesses Double Their Revenues**

- « Emulate Goldman Sachs 10,000 Small Business Program for Stage 2 companies
- « Develop 5-part curriculum with the college or a partner
- « Develop a Revolving Loan Fund for participants in the program

- **Elevate Your Talent Attraction Efforts**

- « Create a standalone talent attraction website
- « Market and promote Bismarck-Mandan to target demographics

Finally, there were several Quality of Life priorities that ranked high, but do not fall within the actions of the Chamber EDC. The Next Move Group team included the following items as suggestions for other entities or partners to take the lead on:

- **Quality of Life (Non-Chamber EDC Related)**

- « Create a College Town Feel
- « Create More Affordable and Accessible Childcare
- « Riverfront Development
- « Winter Tourism

ACKNOWLEDGMENTS

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