



A Department of Labor WIRED Initiative
Workforce Innovation in Regional Economic Development



Implementation Plan
November 21, 2008



Achieving long-term sustainable economic vitality and the ability to compete in a global economy through the retention, creation, and attraction of an educated and skilled workforce.

Renewable Energy Marketplace – Alliance for Talent Development Implementation Plan

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Executive Summary

The ‘Renewable Energy Marketplace – Alliance for Talent Development’ (MNREM) is an industry-led consortium of economic development, workforce development, education and workforce leaders that provides the framework and commitment to transform the 36 county region from primarily agriculture-dependent to a knowledge and innovation-based economy that capitalizes on the region’s strength in agriculture and renewable energy. Critical emerging industries based in renewable energy and biosciences are revitalizing the inherent know-how and spirit of entrepreneurship in the region, and will form the foundation for the regional transformation. Industry sectors targeted for the focus of the MNREM initiative include renewable energy, value-added agriculture, bioscience, and the supporting industries.

The 36-county Renewable Energy Marketplace region of Minnesota is at a crossroads as the region transitions from primarily agriculture-dependent to a knowledge and innovation-based economy that capitalizes on the region’s strength in agriculture and renewable energy. While the agriculture industry will continue to be foundation of the economy, the emerging renewable energy/bioscience industry and supporting industry sectors are igniting the economic engines of the region, and opening up new opportunities for regional transformation.

However, this opportunity could be lost if we do not cultivate the region’s talent pool to take advantage of our valuable resources. To do this, we need a coordinated strategy in which industry and its public allies determine the critical skills and other resources needed, and then develop collaborative initiatives to provide and grow these skills. Our momentum, based on a critical mass of industry, natural resources and leadership holds the potential for global competitiveness. Yet, it lacks the conditions to complete the transformation to a knowledge and innovation-based economy due to a shortage of skilled workers. Through this initiative, the Renewable Energy Marketplace – Alliance for Talent Development (MNREM) will provide the framework and foundation for the region to achieve long-term sustainable economic vitality and compete in a global economy through the retention, creation, and attraction of an educated and skilled workforce.

The mission of MNREM is to develop regional talent and businesses, boost innovation and support the cultivation of new technologies, in order to achieve a competitive advantage in the global economy.

The number one goal of this initiative is to achieve long-term sustainable economic vitality and compete in a global economy through the retention, creation, and attraction of an educated and skilled workforce.

The key strategies that will help achieve our goal are:

- Provide a diverse, skilled workforce for the renewable energy industry to strengthen the Marketplace region’s competitiveness in the global economy.
- Improve recruitment, retention, and credentialing of talent
- Establish a regional leadership framework to define and support a regional agenda, evaluate its success, and preside over a meaningful change mechanism

- Advise on public policy to support the renewable energy industry cluster, driving the region to provide solutions for energy production and other value-added products
- Develop a regional culture that supports and attracts new firms and new ideas that can create new products for the emerging renewable energy/bioscience industry and supporting industry sectors
- Build on the opportunity to drive research and development to create additional products that use agricultural inputs and entrepreneurship, and develop/expand technology transfer to business

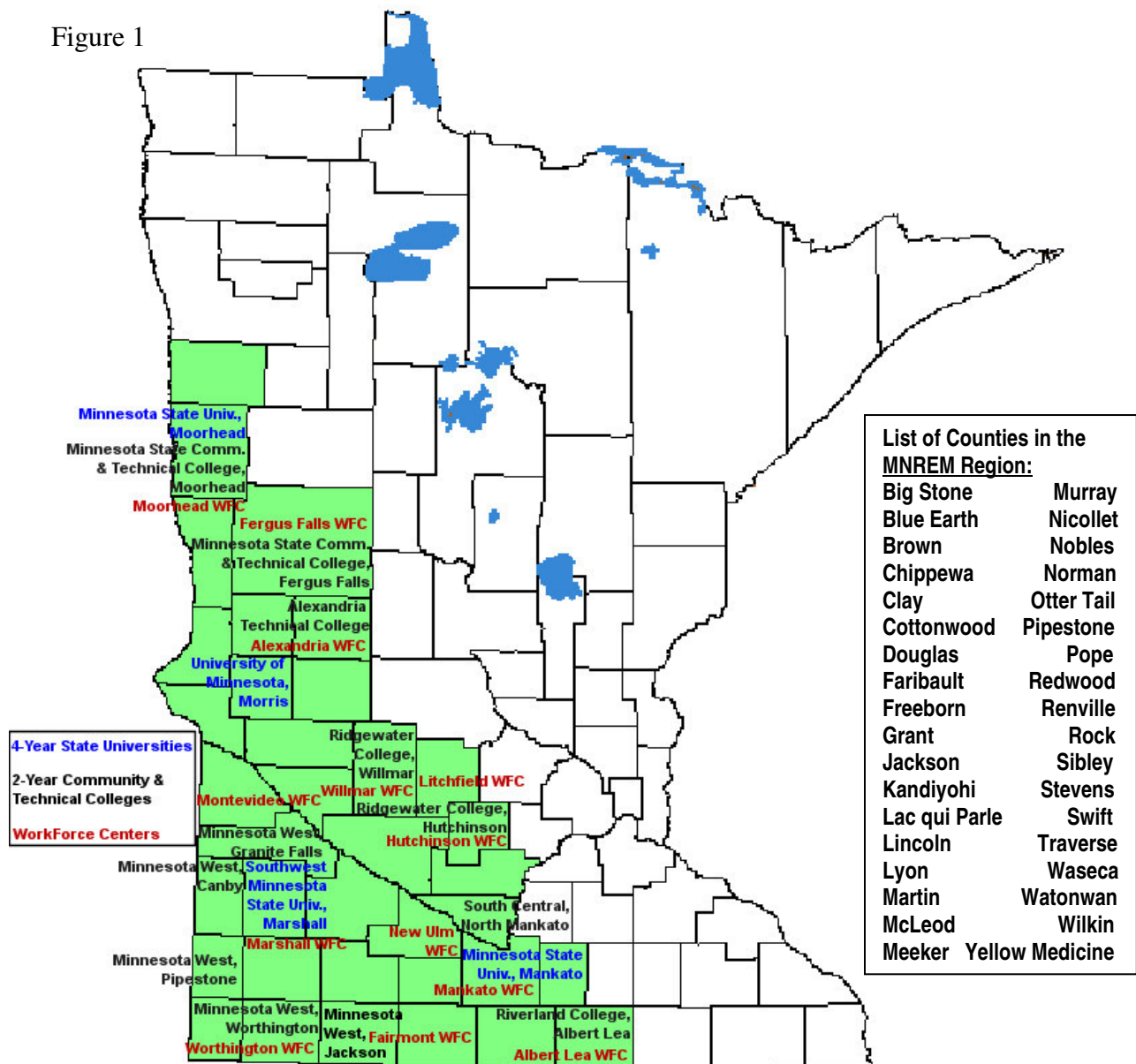
The Renewable Energy Marketplace – Alliance for Talent Development is about cultivating the region’s talent pool to take advantage of our valuable resources. It is about working together across political boundaries and jurisdictions to develop a diverse, skilled workforce that can compete and benefit from jobs the economy is producing, and that will help regional businesses to compete in a global economy. It is also about transforming the way we do business in the region and involving the community in a sustainable partnership that will continue to produce an educated and skilled workforce far beyond the three year WIRED investment.

Note: While the MNREM region is made up of the 36 counties identified in this plan, that does not preclude partnerships and inter-regional collaborations that extend beyond those 36 counties. The region is bordered by Iowa, South Dakota, and North Dakota, all of which have similar demographic trends and industry sectors. The MNREM Board and partners recognize that we must be able to transcend arbitrary boundaries and jurisdictions if we are to truly transform our region.

Background – The Region

The Renewable Energy Marketplace (MNREM) region covers 36 geographically contiguous counties in West Central, Southwest, and South Central Minnesota, stretching from Norman County in the northwest to Freeborn County in the southeast. The region is distinctively rural, with only 42 percent of the population living in urban areas, as compared to 79 percent of the United States and 71 percent of Minnesota. However, the MNREM region also includes part of the Fargo-Moorhead metropolitan area and 11 micropolitan statistical areas (counties with a principal city having more than 10,000 but less than 50,000 people). Larger cities in the region include Moorhead, Mankato/North Mankato, Willmar, Albert Lea, New Ulm, Fergus Falls, Hutchinson, Marshall, Worthington, Fairmont, and Alexandria. (See Figure 1 below).

Figure 1



Despite the large number of counties – MNREM covers 24,236 square miles – demographic trends and industry sectors across the region are very similar. The region has 33,470 farms; more than 800 agriculture establishments and over 1,300 manufacturing firms that share related and supported infrastructure. To that end, the defining industries in the region are primarily built on agriculture and related manufacturing sectors. Unfortunately, both of those industries are adapting to rapid changes in technology, productivity, and global competition, while simultaneously dealing with an aging and less-educated workforce.

Fortunately, a renewable energy and biotechnology industry cluster is emerging in the region that has the unique ability to transform the region's economy. More than 85 percent of the state's identified renewable energy projects are located in the MNREM region, including sixteen of the nineteen operating ethanol plants, all three of the biodiesel plants, and sixty-one of the seventy-two wind farms in the state. Only three states currently produce more wind-generated electricity than Minnesota, and Xcel Energy is currently constructing a \$300 million transmission line in the southern area of the region. Xcel plans to add another \$700 million of transmission lines to increase its capacity to capture wind energy. At least three of the ethanol plants are pursuing expansions, and two new plants are planned to be built in the region in 2008.

After leading the charge for renewable energy over the last several years, Governor Tim Pawlenty signed a landmark bipartisan "green energy" bill in February 2007 that set a renewable energy requirement for the state of 25 percent by 2025, further establishing Minnesota's position at the head of the pack. "In many ways, Minnesota has been the birthplace of the renewable energy movement," Governor Pawlenty said. "Today, we are leading the nation on the path to a better, cleaner, more independent energy future." If Minnesota leads the nation, then the MNREM region has the opportunity to lead the state. MNREM already has a critical mass of industry, natural resources, and regional leadership, but it lacks the skilled workers required to complete the necessary transformation to a knowledge and innovation-based economy that capitalizes on the region's strength in agriculture and renewable energy.

For decades, the Renewable Energy Marketplace region has been dependent upon agriculture for its economic vitality. But agricultural commodities are subject to price volatility, creating cycles of boom and bust. For example, the high crop prices and booming land prices of the 1970's led many farmers to take on high debt. But the 1980's brought about a return to 1960's commodity prices, coupled with tight money and high interest rates, which burst agriculture's speculative bubble. Farmland values dropped by nearly 60 percent and many farm operators found it impossible to retire their debts as their assets declined. From 1987 to 2002, the number of farms in the MNREM region declined from 37,429 to 33,470 for a loss of 3,959 farms, or a 10.6 percent decrease. Farm foreclosures rose dramatically and the crisis had a ripple effect, negatively impacting the sale of farm machinery, seed, and fertilizer. Rural banks went into receivership and main street businesses closed up shop. Many communities in the region were devastated – in 1986, the Minnesota Dept. of Agriculture calculated that every farm loss wiped out three non-farm jobs.

From 1970 to 2000, the MNREM population actually declined slightly, dropping from 707,321 to 705,076 people. In comparison, the population in Minnesota jumped 29.3 percent from 3.8

million to 5 million people. According to the Minnesota State Demographic Center, the population in the state is expected to rise another 27.4 percent from 2000 to 2030, while the MNREM population is projected to gain just 11.4 percent, primarily due to increased life expectancies of the region’s older population rather than more births or in-migration. Likewise, the region’s labor force is expected to expand only 11 percent from 2000 to 2030, mostly due to older workers staying in the labor force longer. In fact, the 25 to 44 year old age labor force is expected to decline in the region through 2030. (See Table 1 below.)

Population Group	2000	2030	2000 - 2030 % Change
Total population	705,076	785,620	11.4%
Total labor force	369,943	408,580	10.4%
Male labor force	196,155	212,650	8.4%
Female labor force	173,788	195,930	12.7%
Age 16-24	69,872	73,500	5.2%
Age 25-44	159,008	155,150	-2.4%
Age 45-64	123,488	138,440	12.1%
Age 65 plus	17,575	41,520	136.2%

Source: Minnesota State Demographic Center projections

The region’s workforce and demographic realities threaten to slow or halt progress in the emerging industries. The MNREM region has the highest average age in the state and the lowest number of elementary and secondary school students. In many parts of the region, more than 20 percent of the population is aged 65 years and over. Twenty counties currently have a negative natural rate of increase – more deaths than births – and only eight counties had positive net migration – more people moving in than moving out. Perhaps the most dynamic demographic change occurring in the region is the in-flow and settling of migrant workers for the region’s agriculture and food manufacturing industries. The number of minorities nearly tripled in the region over the last decade, with the largest concentrations locating around regional employment centers like Willmar, Mankato, Albert Lea, Worthington, and Marshall. This influx of immigrant families may provide hope for a future workforce in the region. However, the “new Minnesotans” do not come without challenges needing support and investment. In order for these workers to participate and contribute to the region’s economy, many will need English language skills and almost all will need more education and training in the higher-skilled occupations demanded by the region’s emerging industries.

Regional Assets

Despite the current workforce challenges, the MNREM region has many other vital infrastructure assets including an abundant source of water, wind, and fertile land; ten-ton roads and two interstate highway systems; local and regional airports; and railway service with connections to markets and suppliers. The region is supported by stable telecommunications networks, new cellular towers, and expanding broadband infrastructure. Two of the three Agricultural Utilization Research Institute (AURI) field offices in Minnesota are in the MNREM region; providing technical assistance, product feasibility and analysis, access to laboratory

facilities, and technology-transfer services to businesses that add value to agricultural commodities. In addition, the region houses a campus of the University of Minnesota land grant college in Morris, which has recently won a national award for its innovation in renewable energies. Other research investments in biotechnology in MNREM are taking place at the Center of Excellence at Minnesota State University, Mankato, which is a campus of the Minnesota State College and Universities (MnSCU) system; and at Minnesota West, a two-year community and technical college that is conducting applied research with agri-business and industry-specific training for companies like Suzlon Energy.

The region is also home to many large agri-business companies who help drive the regional economy. Some of the leading national and international companies in MNREM include: Jennie-O Turkey Store, the world's largest turkey processors and marketers; Schwan Food Co., one of the world's largest frozen food providers; major meat processors like Swift & Co., Ellison Meats, Monogram Meat Snacks; feed and fertilizer producers like Big Grain, Ralco Nutrition, Form-A-Feed, Cargill, Cenex Harvest States Co-op; poultry producers like Willmar Poultry Companies, Golden Oval Eggs, Sparboe Farms; dairy product companies like AMPI, Land O' Lakes, and Cass-Clay; agriculture machinery manufacturers like AGCO, Case CNH, Redball, Suzlon Rotor Corp.; and industry-leading seed genetics companies like BASF, Monsanto, and Pioneer.

The region has six engaged and committed Workforce Investment Boards (WIBs) overseeing 13 WorkForce Centers (WFC) in cooperation with the Minnesota Department of Employment and Economic Development (DEED), reaching out to local businesses and jobseekers. The MNREM region also encompasses five Economic Development Regions (EDRs) and three Initiative Foundation areas (supported in part by the McKnight Foundation) that are investing in the region's future. As referred to previously, the region has a strong post-secondary education infrastructure with one University of Minnesota campus, three MnSCU four-year state institutions, and twelve MnSCU community and technical college campuses, as well as a number of private colleges and training centers. Additionally, there are more than 100 local city and county economic development organizations participating in regional partnerships in the MNREM region, with most efforts focused on renewable energy and biotechnology. Finally, local school districts and their corresponding Adult Basic Education (ABE) partners are actively engaged as well.

Many state and local elected officials have also been instrumental leveraging investments that have moved the region forward. For example, in 1996 a group of local elected officials formed a joint powers agreement of 15 counties to form the Rural Energy Board to provide policy guidance on issues surrounding energy development. Likewise, Community-Based Energy Development (C-BED) is an organization of farmers and landowners, main street businesses, bankers, wind developers, component fabricators, educators, renewable energy advocates, and community members interested in promoting environmental and economic benefits of renewable energy facilities that are owned and operated by members of the local community. This organization has grown significantly in the past twelve years as a result of a series of regulatory incentives, and C-BED was instrumental in passing legislation in 2005 that established a framework for qualifying owners of wind generation projects to negotiate power purchase agreements with Minnesota's electric facilities.

In sum, we believe the Renewable Energy Marketplace – Alliance for Talent Development has the organizations, networks, and resources to leverage financial capital investments in the region. This WIRED initiative will help the region expand its statewide leadership role into a national and global leadership position in renewable energy and biotechnology by building, recruiting, retaining, and retraining the workforce. Additional resources from this grant will seek to foster more entrepreneurship and stewardship, which captures the essence of how this comprehensive initiative will link leadership to transform the region’s economy.

Note: While the MNREM region is made up of the 36 counties identified in this plan, that does not preclude partnerships and inter-regional collaborations that extend beyond those 36 counties. The region is bordered by Iowa, South Dakota, and North Dakota, all of which have similar demographic trends and industry sectors. The MNREM Board and partners recognize that we must be able to transcend arbitrary boundaries and jurisdictions if we are to truly transform our region.

Regional Labor Market and Economic Landscape

The tight labor market and the aging population have a significant impact on the region’s economy, which is still primarily based on agriculture and manufacturing. According to Quarterly Census of Employment Wages (QCEW) data from DEED, nearly 26 percent of total covered employment in the MNREM region is in the goods-producing domain, which is 7.5 percentage points higher than the state concentration of goods-producing jobs (18.3%). Manufacturing is the largest employing industry domain in the region, with 18.2 percent of total covered employment, followed closely by healthcare and social assistance with 16.7 percent of regional jobs. Other large sectors include retail trade, educational services, accommodation and food services, construction, and public administration.

Like many areas of the state that were affected by the 2001 recession, the manufacturing sector endured significant job loss in MNREM from 2000 to 2005, most notably in food manufacturing. However, while other areas continued to suffer, this region actually added 745 net new manufacturing jobs from 2002 to 2007. Other growing industries in the region included healthcare and social assistance – which expanded 4,482 jobs –, transportation and warehousing, management of companies and enterprises, administrative and waste services, and agriculture, forestry, fishing and hunting. In contrast, the region saw significant declines in retail trade, information, and educational services. (See Table 2 below.)

Table 2: Industry Employment Statistics, 2007

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Percent of Total Jobs	Numeric Job Change 2002-2007	Total Wages	Average Weekly Wages
Total, All Industries	0	24,616	330,407	100.0%	9,011	\$10,049,113,963	\$585
Goods-Producing Domain	101	5,325	85,203	25.8%	1,857	\$3,201,544,875	\$723
Agriculture, Forestry, Fish & Hunt	11	813	7,872	2.4%	960	\$220,038,281	\$538
Mining	21	52	579	0.2%	-8	\$27,887,690	\$926
Construction	23	3,095	16,433	5.0%	170	\$647,908,483	\$758
Manufacturing	31	1,318	60,170	18.2%	745	\$2,301,654,741	\$736
Service-Providing Domain	102	19,292	245,205	74.2%	7,155	\$6,847,569,088	\$537
Utilities	22	120	2,055	0.6%	123	\$128,953,528	\$1,207

Wholesale Trade	42	1,367	14,703	4.4%	11	\$646,067,498	\$845
Retail Trade	44	3,531	40,473	12.2%	-1,287	\$779,944,714	\$371
Transportation & Warehousing	48	1,442	10,598	3.2%	1,553	\$330,948,816	\$601
Information	51	480	5,948	1.8%	-1,135	\$223,730,159	\$723
Finance & Insurance	52	1,575	9,995	3.0%	256	\$403,435,051	\$776
Real Estate & Rental & Leasing	53	614	2,099	0.6%	152	\$42,455,756	\$389
Professional & Technical Services	54	1,211	7,006	2.1%	-42	\$267,846,976	\$735
Mgmt. of Companies & Enterprises	55	98	2,730	0.8%	1,134	\$149,245,729	\$1,051
Administrative & Waste Services	56	850	8,220	2.5%	1,101	\$186,402,701	\$436
Educational Services	61	523	28,760	8.7%	-486	\$989,212,059	\$661
Healthcare & Social Assistance	62	1,785	55,171	16.7%	4,482	\$1,610,335,291	\$561
Arts, Entertainment, & Recreation	71	447	3,437	1.0%	503	\$34,871,978	\$195
Accommodation & Food Services	72	1,763	24,508	7.4%	314	\$229,571,871	\$180
Other Services, Ex. Public Admin.	81	2,026	10,018	3.0%	-282	\$181,532,858	\$348
Public Administration	92	1,234	17,273	5.2%	336	\$584,678,064	\$651

Source: DEED Quarterly Census of Employment & Wages (QCEW) program

Most geographic areas also have high numbers of jobs in service sectors such as educational services, retail trade, and health care and social assistance, so they do not define or set the region apart. The Triangle's distinguishing industries – those that have a higher than expected concentration of statewide industry employment – are quite unique and strengthen the identity of the region. For example, the region had nearly two-thirds of the state's employment in animal production (62.7 percent), and more than one-third of the statewide food manufacturing jobs (37.7 percent). Other distinguishing industries include agriculture support activities (30.5 percent), electrical equipment and appliances manufacturing (23.0 percent), nursing and residential care facilities (22.0 percent), crop production (21.4 percent), merchant wholesalers of nondurable goods (20.4 percent), truck transportation (20.2 percent), and machinery manufacturing (20.0 percent).

With the exception of nursing care facilities, which have grown to serve the region's older population, the defining industries are all built on the strength of the region's agricultural and manufacturing foundation. Animal and crop production, agriculture support, and food manufacturing are interdependent and several industry networks exist within the region. But other direct links are highlighted by merchant wholesalers of nondurable goods (which includes grocery products, farm products, chemicals, and petroleum wholesalers) and machinery manufacturing (including farm machinery and food processing machinery). The region also relies heavily on truck transportation to get their products to larger consumer markets. But QCEW data does not include a complete count of agriculture jobs in the region, as most family farms do not report covered employment. Instead, the number of farms in the region (33,470 farms) easily outnumbers establishments (24,616 establishments). These farms are highly interconnected with, and a key input for, many of the region's distinguishing industries as described above.

Unfortunately, the region's two defining industries are facing significant challenges. According to the USDA, "agricultural productivity has more than doubled over the past 50 years. The rapid adoption of new technology, improved crop varieties, improved insect and disease control, and other changes have boosted agricultural productivity so that more production can be obtained from the same cropland base."

[<http://www.ers.usda.gov/Briefing/LandUse/majorlandusechapter.htm>]

According to the Census of Agriculture, the number of farms in the state of Minnesota declined from 110,747 in 1969 to 80,839 in 2002, but the number of acres in farm land has remained relatively stable, from 28,785,240 in 1969 to 27,512,270 in 2002. The average size of farm has increased from 260 acres in 1969 to 340 acres in 2002, and the number of farms that are 1,000 acres or more has increased from 1,935 in 1969 to 6,389 in 2002. But even as many farms are getting larger to accommodate technological advances and increased equipment costs, the majority of the farmers in the region are getting older and they are not being replaced by the next generation. Twenty years ago, nearly 25 percent of farm operators in Southwest Minnesota were under 35 years of age, while just over 11 percent were 65 years and over. Since then the younger farming population has declined nearly 70 percent as the number of farm operators who have reached retirement age has jumped more than 50 percent. Now only one in ten farmers is under the age of 35; while one in five farmers is 65 years or older.

Manufacturing has also faced significant changes in this decade, following a statewide recession in 2001 and the difficult challenges of automation, globalization, and off-shoring. The recession sliced over 6,250 manufacturing jobs in the MNREM region from 2000 to 2005, and the region reported more than 200 mass layoff events from 1995 to 2005, leading to more than 40,000 worker separations and 35,000 initial claims for unemployment insurance filed. Additionally, The U.S. Dept. of Labor certified 29 manufacturing sites as Trade Adjustment Act-related events in the region between 1997 and 2007, affecting thousands of workers. Despite losses in the first half of this decade, manufacturing still provides one in every five jobs in the MNREM region. Local manufacturers have been recovering in the last two years, showing a net gain of 745 jobs from 2002-2007. And as they've started expanding again, many employers are reporting difficulty finding skilled workers.

In addition, certain manufacturing specialties have been expanding in the region, including chemical manufacturing (which includes ethanol production) and wind turbine manufacturing, requiring new skills. Employment in ethanol production has increased 158 percent between 2000 and 2006, making it one of the most important distinguishing industries in MNREM. Total employment in the MNREM region has increased only 7.1 percent over the same period. Other ag-based industries with lesser amounts of value-added impact have declined or experienced slower growth. For example, crop production employment has declined by 20 percent over six years, while animal production has grown by 13.4 percent. As referenced in *Cluster-Based Strategies for Growing State Economies*, "Rural clusters often depend more on a sense of how local businesses relate to one another than on comparative concentrations or scale. In rural areas, clusters may need larger areas, more diverse membership, and more active cooperation to be called a cluster". The report also identifies renewable energy in Southwestern Minnesota as a "distinctive and dominant micro-cluster that would not easily be found by analyzing data".

When surveyed in late 2001, workers in the region said that the most important factor they consider when choosing a job is the pay. Unfortunately, the median wage in the MNREM region is only 75 percent of the comparable rate in the Twin Cities metro area – nearly a \$5 per hour difference – and the wage gaps are more pronounced for the higher skilled occupations. Consequently, a high percentage of the young and entry-level workforce – especially among the best and brightest – has been leaving the region for the job opportunities and higher salaries in

other parts of the state. The remaining labor force in the region is less educated than other parts of the state, and tends to earn lower incomes. (See Tables 3 and 4.)

Table 3: Minnesota Salary Survey Data, 2nd Qtr. 2008			
Occupational Title	Median Hourly Wage		
	Southwest Region	Twin Cities Metro	State of Minnesota
Total, All Occupations	\$14.04	\$18.82	\$17.09
Management Occupations	\$34.39	\$48.30	\$44.55
Business & Financial Oper. Occs	\$22.73	\$27.92	\$26.41
Computer & Mathematical Occs	\$25.83	\$35.45	\$34.46
Architecture & Engineering Occs	\$24.34	\$31.62	\$30.09
Life, Physical, & Social Science Occs	\$25.12	\$30.14	\$28.72
Farming, Fishing, & Forestry Occs	\$13.32	\$11.22	\$12.86
Installation, Maint., & Repair Occs	\$17.37	\$21.64	\$20.26
Production Occupations	\$13.47	\$16.41	\$15.29
Transportation & Mat'l Moving Occs	\$13.41	\$14.91	\$14.31

Source: DEED Minnesota Salary Survey, 2nd Qtr. 2008

Table 4: Educational Attainment Rates	Renewable Energy Marketplace		State of Minnesota	United States
Educational Attainment	Number	Percent	Percent	Percent
Less than H.S. Diploma	77,007	17.1%	12.1%	19.6%
High School Diploma	156,269	34.6%	28.8%	28.6%
Some college, no degree	104,706	23.2%	24.0%	21.0%
Associate degree	35,163	7.8%	7.7%	6.3%
Bachelor's degree or higher	78,005	17.3%	27.4%	24.4%
Total Pop., 25 years & over	451,150	100.0%	100.0%	100.0%

Source: U.S. Census Bureau

Median household incomes in the MNREM region were also comparatively low, ranging between \$34,369 in Big Stone County and \$49,593 in Nicollet County in 2004, according to the U.S. Census Bureau. None of the 36 counties in the region surpassed the state median household income of \$51,202, and more than half of the counties had median incomes less than 80 percent of the state level.

With lower wages leading to a smaller number of entry-level workers and a projected decline in the 25- to 44-year-old workforce, the region is dealing with a very tight labor force. MNREM's annual unemployment rate was 4.6 percent in 2007, which was equal to the state rate (4.6 percent) and the U.S. rate (4.6 percent). However, Rock County's unemployment rate dipped to 3.2 percent in 2007, and eight other counties had rates below 4.0 percent. While these rates have been inching upwards in 2008 (6.2% in Minnesota in August 2008), the region's rates generally remain lower than the state rate – only seven counties in the region had an unemployment rate above 6% in August 2008. With the exception of the Micropolitan areas, the region is not a big draw for workers, either. In fact, nearly three out of every four workers (74.9 percent) in the MNREM region work in their county of residence, which is significantly higher than the state rate (66.3 percent).

The 36-county Renewable Energy Marketplace region of Minnesota is at a crossroads as the region transitions from primarily agriculture-dependent to a knowledge and innovation-based economy that capitalizes on the region's strength in agriculture and renewable energy. While the agriculture industry will continue to be the foundation of the economy, the emerging renewable energy/bioscience industry and supporting industry sectors are igniting the economic engines of the region, and opening up new opportunities for regional transformation. The Renewable Energy Marketplace – Alliance for Talent Development (MNREM) will provide the framework and foundation for the region to achieve long-term sustainable economic vitality and compete in a global economy through the retention, creation, and attraction of an educated and skilled workforce, focused on the industry sectors of value-added agriculture, renewable energy, bioscience, and the supporting industries.

Partnership Members

The Renewable Energy Marketplace is based on a common vision to transform, innovate, and develop talent to propel the regional economy. The Leadership Board is made up of strategic partners who represent an existing alignment of education, workforce development, economic development and private sector businesses that will guide the MNREM-WIRED initiative implementation process. A list of the members of the Leadership Board and Executive Committee is included as Appendix 1.

Key partners include many business partners representing renewable energy, bioscience, agriculture, and manufacturing; the Southwest Minnesota Workforce Council (co-lead and fiscal agent) and the Minnesota Department of Employment and Economic Development (co-lead and grantee); three regional Initiative Foundations; Minnesota State Colleges and Universities; University of Minnesota – Morris; Agriculture Utilization Research Institute (AURI); Energy Consortium; K-12; and Adult Basic Education.

Operating Principles

The Renewable Energy Marketplace – Alliance for Talent Development is about cultivating the region's talent pool to take advantage of our valuable resources. It is about working together across political boundaries and jurisdictions to develop a diverse, skilled workforce that can compete and benefit from jobs the economy is producing, and that will help regional businesses to compete in a global economy. It is also about transforming the way we do business in the region and involving the community in a sustainable partnership that will continue to produce an educated and skilled workforce far beyond the three year WIRED investment.

MNREM-WIRED investments will be used to develop skills and talent in the targeted industry sectors (renewable energy, value-added agriculture, bioscience, and the supporting industries). There are multiple combined efforts that have already begun to transform the regional economy. MNREM-WIRED investments could be used to expand and replicate these efforts, as well as to support new pilot and demonstration projects that could change the face of talent development in the region.

Goals and Key Outcomes

Talent Development

Develop collaborative initiatives to cultivate and grow the region's talent pool to support the emerging renewable energy/bioscience industry and supporting industry sectors.

Outcomes

- An enhanced educational pipeline supporting competency development enabling high-wage job growth in targeted industries
- Increased awareness of career and educational opportunities, and the skills needed, in the targeted industries
- Increased number of individuals enrolled in and completing career pathway programs in the targeted industries
- An increase in the size and quality of the workforce necessary to support and expand those targeted industries that create high-skill, high-wage jobs and provide the region with a competitive advantage

Regional Leadership and Identity

Build a regional leadership network to promote and support the emerging industries that are the future of the region, and build a long-term funding strategy to sustain innovation and workforce competitiveness.

Outcomes

- An established regional network integrating business, workforce development, and education
- Better informed policymakers who are aware of regional needs and issues in order to implement relevant regional policy
- An established regional identity and voice
- Effective communication process throughout the region
- Regional investments dedicated for project sustainability, supporting a vital economy

Entrepreneurship/Innovation/Business Growth

Build and promote entrepreneurship and innovation in the targeted industries as a foundation of our regional economy.

Outcomes

- Increasing numbers of residents receiving entrepreneurship training
- Development of mentorship programs linking entrepreneurs with regional business leaders
- Potential technology transfer for training workforce talent pool
- Resulting technology is used by industry and for workforce training

- An increase in the number of academic and industry partnerships to accelerate the commercialization of regional technologies and diversify biotechnology research.
- An increase in the number of high quality, reviewed business plans and new business start-ups
- An increased success rate for new business start-ups
- Increased innovation, advanced entrepreneurship, and new options for talent development

The MNREM-WIRED project represents an opportunity to support and accelerate the region's transformation into a knowledge-based renewable energy and biotechnology region. The region is home to 85% of the renewable energy projects/activities taking place in the state. A momentum based on a critical mass of industry, natural resources and leadership holds the potential for global competitiveness, but lacks the conditions to complete the necessary transformation to a new knowledge and innovation-based economy due to a shortage of skilled workers. Through this project, the region has identified the blueprint to transform to a vibrant economy through leadership, public awareness, financial investments, innovation, and talent development.

As outlined in the following matrices, MNREM-WIRED's integrated goals and strategies are designed to close the industry skill gaps and transform the region's economy. By building a well-educated, highly skilled talent pool, the Minnesota Renewable Energy Marketplace – Alliance for Talent Development will position the region as a leader in renewable energy and biosciences, and increase employer confidence to create, maintain and grow their competitive advantage through the people they hire.

As the region transforms and strengthens, the MNREM partners anticipate that the increasing regional attractiveness and economic viability will have the potential to diminish the out-migration of our youth. In addition, the partners will be promoting the regional changes to former residents of the region, both to engage their support in marketing regional assets and opportunities, but also to offer opportunities for them to return to the region.

Related Strategies and Activities

Goal 1 – Talent Development: Develop collaborative initiatives to cultivate and grow the region’s talent pool to support the emerging renewable energy/bioscience industry and supporting industry sectors.					
Key Strategies	Activities	Key Partners	Timeframes and Milestones	Resources Needed	Desired Outcomes and Metrics
1.1 Identify industry needs for talent	Skills gap analysis Education gap analysis	Leadership Board Industry Education Workforce Development	Year 1	WIRED funds	Knowledge of industry workforce needs Industry-responsive training curriculum developed on timely basis Collaboration across institutions to deliver needed training
1.2 Provide a diverse, skilled workforce for the renewable energy industry to strengthen the Marketplace region’s competitiveness in the global economy	Identification of current and future talent pool Identification of skills training needs Offer internships, mentorships, and scholarships (tuition assistance) to help students achieve	Economic Development ESL/ABE organizations Workforce Development Boards and agencies Regional tourism agencies	Year 1: Identification of talent pool and training needs Year 2: Innovative projects to engage employers and talent pool	WIRED funds Leveraged funds Data from MN state demographer	Increased numbers of people pursuing occupations in target industries Increase in the number of new immigrants developing basic skills needed to enter career pathways in target

	<p>educational certification in targeted industries (guidelines under development)</p> <p>Increase employers awareness and acceptance of non-traditional workforce (e.g., seniors, women, diverse populations)</p> <p>Provide assistance to private sector for process to integrate non-traditional workforce</p>	<p>Regional foundations</p> <p>DEED LMI</p>			<p>industries</p> <p>Increased diversity in regional workforce</p> <p>Increased integration of new talent into existing workforce</p>
1.3 Improve recruitment, retention, and credentialing of talent	<p>Fund promising practices that support innovative Education and training programs that increase skill competencies for employment in targeted industries (guidelines under development)</p> <p>Develop articulation agreements between</p>	<p>Leadership board, Action teams, Executive Committee, educational partners, Workforce boards, industry employers</p>	<p>Issue RFPs by November 1, 2008</p> <p>Award first round of allocated funds by December 31, 2008</p>	<p>WIRED funds</p> <p>Leveraged funds</p>	<p>Industry employers supplied with adequate trained workforce in skills required to transform region to knowledge based economy</p> <p>Skilled workforce pool developed that will attract new businesses in targeted industries</p>

	MnSCU and the University of MN				for relocation/ expansion/startup within region
1.4 Develop and provide industry-led training for needed occupations in the targeted industries	Offer development and training grants to education-industry partnerships to meet industry-specific training needs	Leadership Board Education partners Industry	Issue RFPs by November 1, 2008 Award first round of allocated funds by December 31, 2008	Industry input WIRED funds	Increased skills in needed occupations Increased wages for incumbent workers
1.5 Increase student (age 16+) participation in STEM (Science, Technology, Engineering, Math) programs	Offer training and education grants to support innovative programs that increase student interest and participation in STEM programs Fund industry-education partnership projects that increase awareness of STEM possibilities and get students excited about the possibilities	Educational Service Cooperatives K-12 Institutions Department of Education Philanthropic Foundations, e.g. Will Steger Foundation	Issue RFPs by November 1, 2008 Award first round of allocated funds by December 31, 2008	WIRED funds Leveraged funds	Increase in number of students enrolled in STEM programs Increase in students' skills in science, technology, engineering, math
1.6 Increase awareness in the region of the	Fund promising practices that support	All partners	Year 1: Identify needs	Data on jobs and related skill sets to build career ladders	Increased numbers of job applicants in targeted industries

<p>emerging industries, opportunities available, and the skills needed, as well as awareness of potential careers in the renewable energy industry</p>	<p>development of activities to increase awareness among youth, parents, and teachers</p> <p>Encourage development of innovative projects that increase interest and career goals, especially among youth, of the relationship between renewable energy and the environment</p> <p>Explore possibility of hosting a regional Green Jobs Conference</p>		<p>Year 2: Issue RFPs</p> <p>Ongoing throughout</p>		<p>Increased number of students applying for training programs in targeted industries</p>
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Goal 2 – Regional Leadership and Identity: Build a regional leadership network to promote and support the emerging industries that are the future of the region, and build a long-term funding strategy to sustain innovation and workforce competitiveness.

Key Strategies	Activities	Key Partners	Timeframes and Milestones	Resources Needed	Desired Outcomes and Metrics
2.1 Establish a regional leadership framework to define and support a regional agenda, evaluate its success, and preside over a meaningful change mechanism	Create governance structure for MNREM-WIRED	Interim Leadership Group, NCEE	Complete by 7/08	WIRED funds and leveraged funds as appropriate	An established regional network integrating business, workforce development, and education
	Establish Executive Leadership Board	All MNREM partners	Complete by 9/08		Leadership Board and Executive Committee formed
	Launch MNREM Alliance for Talent Development	Leadership Board			Implementation plan and Communication Plan completed
	Establish metrics to measure project activities	Executive Committee, NCEE	12/08 and ongoing as project develops		Metrics for activities established as project moves forward
	Establish Action Teams	Leadership Board	Teams established by 12/08		Teams in place to focus on strategies and funding process
	Undertake workforce gap analysis/asset inventory to analyze regional resources and connections	DEED, RUPRI Southern MN Competitiveness Project	Complete by 2/09		Identified regional assets and connections

	Hold regional Leadership Summit	Leadership Board, all partners	Annually		Forum to share resources and lessons learned
2.2 Educate key stakeholders across the region through a comprehensive communications campaign	<p>Identify key stakeholders</p> <p>Develop communications and dissemination plan and products</p> <p>Develop website to communicate with MNREM partners throughout the region on MNREM opportunities and activities</p>	<p>Leadership Board</p> <p>All MNREM partners</p>	<p>Year 1: Build framework</p> <p>Year 2: Roll out plan</p>	Consultant	<p>Defined plan to build strong regional identity</p> <p>New collaborations and cross-sector/cross-regional partnerships</p> <p>Increased awareness of the region's potential</p> <p>Regional voice promoting our opportunities for growth and innovation</p>
2.3 Build the capacity of the MNREM Alliance and the Leadership Board to lead regional innovation	<p>Research other WIRED projects and lessons learned – learn from them</p> <p>Add new partners as innovation and entrepreneurship drives</p> <p>Identify leadership mentors to support emerging leaders</p>	<p>Leadership Board</p> <p>Other WIRED Boards/projects</p> <p>Networks on Sector Partnerships</p> <p>Chambers of Commerce</p> <p>Philanthropic Foundations</p>	<p>Year 1: Identify needs</p> <p>Year 2: Action Plan</p>	<p>WIRED funds</p> <p>Leveraged funds</p>	Strong regional leaders who can identify opportunities and challenges to impact public policy

<p>2.4 Develop plan to identify and engage former residents of the region about regional assets and employment opportunities to recruit them to apply for in-demand jobs in the MNREM-WIRED counties</p>	<p>Identify former residents of the region</p> <p>Develop plan to engage</p> <p>Promotion</p>	<p>All partners</p>	<p>Year 1: Identify former residents of the region</p> <p>Year 2: Action Plan</p>	<p>WIRED funds</p> <p>Leveraged funds</p>	<p>Increased regional awareness</p> <p>Increased competitiveness</p> <p>Increased investments in the region</p>
<p>2.5 Establish industry-led renewable energy network</p>	<p>Identify pertinent topics of engagement of interest to industry</p> <p>Renewable Energy Summit</p>	<p>Renewable energy and supporting industries</p> <p>All Alliance partners</p>	<p>Year 1: Develop action plan to engage industry interest</p>	<p>WIRED funds</p> <p>Leveraged funds</p>	<p>Networking opportunity for industries to meet and identify synergies to work together and build capacity</p> <p>Increased opportunities for local industries to access and expand local partnerships</p>

Goal 3 – Entrepreneurship/Innovation/Business Growth: Build and promote entrepreneurship and innovation in the targeted industries as a foundation of our regional economy.

Key Strategies	Activities	Partners	Timeframes and Milestones	Resources Needed	Desired Outcomes and Metrics
<p>3.1 Develop a regional culture and workforce that can support and attract new firms and new ideas for the emerging renewable energy/bioscience industry and supporting industry sectors</p>	<p>Find and connect with existing entrepreneurs and provide training in skills that will assist them in moving products and prototypes into production</p> <p>Support the education and development of new entrepreneurs</p> <p>Create and support opportunities for innovation and entrepreneurship, and connection with other targeted industry businesses, such as Innovation Forums</p> <p>Offer internships, mentorships, or entrepreneurial training grants for new businesses in the targeted industries</p>	<p>Leadership Board</p> <p>University of MN – Morris</p> <p>Small Business Development Centers</p> <p>Economic Development</p> <p>Enterprise Minnesota</p> <p>Chambers of Commerce</p>	<p>Year 1: Identify Needs</p> <p>Year 2: Action Plan</p>	<p>Business Finance Options</p> <p>Intellectual Property Expertise</p> <p>WIRED funds and leveraged funds as appropriate</p>	<p>Increased number of employers in targeted industries in region</p> <p>Increased number of new businesses in the targeted industries</p> <p>Increased success rate of new businesses</p> <p>Increased number of jobs in the new businesses/industries</p>

<p>3.2 Provide comprehensive services to increase the success rate of new businesses in the targeted industries</p>	<p>Offer grants for industry-developed skills training to financially assist businesses in targeted industries with training new or existing workforce in required skills</p> <p>Assist in the development of peer to peer business support programs</p> <p>Develop and promote mentorship programs linking entrepreneurs with regional business leaders, angel investors, and financial institutions</p>	<p>Leadership Board</p> <p>Industry</p> <p>Education</p> <p>Enterprise Minnesota</p>	<p>Year 1: Develop baseline data</p> <p>Year 2: Action Plan</p>	<p>WIRED funds</p> <p>Leveraged funds</p>	<p>Increased number of high-skill, high-wage individuals/positions in targeted industries in region</p> <p>Increased success rate of new businesses</p>
<p>3.3 Align and encourage public and private investments in targeted industries</p>	<p>Develop actions to engage angel fund investors and financial institutions for seed capital</p>	<p>Leadership Board</p> <p>Enterprise Minnesota</p>	<p>Year 1: Develop better understanding of regional economic landscape and investment outlook</p> <p>Year 2: Develop regional investment plan</p>	<p>Federal Reserve</p> <p>Business Finance Options</p> <p>Venture funds</p> <p>Angel Networks</p> <p>No WIRED funds will be used for this activity</p>	<p>New and expanding businesses able to attract and secure needed funding</p>

Governance

The governance structure of the Renewable Energy Marketplace – Alliance for Talent Development is designed to ensure that the communities of South Central, Southwest, and West Central Minnesota and their renewable energy and related industries have a goal setting role, not simply an advisory role, in the Alliance. The structure is composed of Alliance Participants, a Leadership Board, and an Executive Committee. An organizational chart is included as Appendix 2.

The purpose of the MNREM **Alliance Participant** group is to represent the communities of South Central, Southwestern and West Central Minnesota (the Alliance Region), who share an interest in promoting talent development in the renewable energy and related industries in the 36 county Alliance Region. Due to MNREM's widespread geographical area, the Alliance Participant group will be established and will communicate as a virtual group, although that does not preclude face-to-face meetings.

The primary roles of the Alliance Participants are to provide the Leadership Board with broad recommendations and input on program strategies and to link the Alliance with the community. Its roles include:

- Participate in the development of strategic plan by proposing goals and objectives for consideration by the Leadership Board.
- Identify needs, strategies, and resources in their sub-region or industry sector.
- Provide effective, enthusiastic and representative nominees for openings on the Leadership Board.
- Provide volunteer leadership and work as members of special task forces, working groups, and sector strategy groups.
- Communicate the purpose and objectives of the Alliance to their communities.

The purpose of the Alliance **Leadership Board** is to provide input on program strategies, goals and timetables to achieve the shared objectives of the Alliance. As a sub-set of the Alliance Participants, the Leadership Board is a large enough group to conduct a representative discussion of overall directions and to coordinate the variety of leadership groups needed to implement Alliance strategies. The Leadership Board's primary roles include:

- Decide overall directions for the Alliance and make recommendations on implementation plans and organizational budgets.
- Provide input on implementation plan
- Lead special task forces, working groups and sector strategy groups and special purpose groups, such as communications.
- Coordinate the work of long-term sub-groups leading elements of the strategy.
- Provide Executive Committee nominations to the Interim Executive Committee.
- Nominate Executive Committee replacements should members end their service.

The purpose of the Alliance **Executive Committee** is to provide leadership for executing the plans of the Alliance on behalf of the Leadership Board. It is empowered to act on behalf of the Leadership Board on all matters between Leadership Board meetings. The Executive Committee's primary roles include:

- Assist with the development and oversee execution of the WIRED grant implementation plan on behalf of the Leadership Board.
- Determine when Leadership Board discussion is required, for example the annual budget, implementation plan, etc.
- Make decisions regarding the annual budget and implementation plan.
- Review proposal funding recommendations, and make final approval of proposals to be funded.
- Manage the selection of future Executive Directors, as appropriate, after the first Executive Director is selected by the Interim Executive Committee.
- Provide direction and guidance to the Executive Director on behalf of the Leadership Board, including process and procedure approval.
- Select replacement members based on nominations from the Leadership Board.

Three **Action Teams** will be formed to address the key strategy areas: Talent Development; Regional Leadership and Identity; and Entrepreneurship/Innovation/Business Growth. Each Action Team will be supported by MNREM staff, and will focus on those strategies relevant to their action area. The Teams will be responsible for developing Requests for Proposals (RFPs) to identify projects/grant recipients that will help achieve the goals of the Alliance, reviewing proposals, and making recommendations for funding.

The Action Teams will be developed based on recommendations from the Leadership Team and Executive Committee, and with input from all partnering organizations. Each Action Team will be chaired by a private sector representative.

Conflict of Interest Issues

Although applications for MNREM-WIRED grant funds by individuals representing organizations that are part of the leadership team or action teams are encouraged, any member who is also an applicant should recuse himself/herself from reviewing related proposals or voting on prioritization of funding for competing interests. All governing board members and staff of MNREM shall abide by the Conflict of Interest Policy of the Southwest Minnesota Private Industry Council, the fiscal agent. The MNREM Executive Director should be made aware of any potential conflict of interest in order to ensure that the process remains objective. The fiscal agent's Conflict of Interest policy is included as Appendix 3.

Operations

The Renewable Energy Marketplace - Alliance for Talent Development is a WIRED (Workforce Innovation in Regional Economic Development) initiative. WIRED funds flow from the

Department of Labor to the Minnesota Department of Employment and Economic Development (DEED), as the Governor's grant recipient. DEED subcontracts with the Southwest Minnesota Workforce Council/Private Industry Council (WIRED Subgrantee), who serves as the fiscal agent and co-lead for the WIRED grant. Therefore, the SW MN Workforce Council/PIC is programmatically and fiscally responsible to the Department of Labor for the use of these funds.

The majority of funds will be released through a Request for Proposal (RFP) process, focusing on the following three key areas: (1) talent development, (2) regional leadership/identity and (3) entrepreneurship/innovation/business growth in renewable energy, biosciences, and emerging, knowledge-based economies in the region. Non-RFP funds will follow the standard procurement process. All funding requests and RFP's will flow through the Renewable Energy Marketplace Governance Board with the Workforce Council/PIC authorizing final approval. The Southwest MN Workforce Council/PIC is responsible to approve activities and release funds to ensure consistency with the grant document and with federal regulations.

An Executive Director will lead the MNREM Initiative, overseeing the implementation of the region's goals and strategies and serving as the focal point for collaboration and organization across the region. The Executive Director will have lead responsibility for general administrative oversight, reporting on project progress and ensuring that performance metrics are met, and engaging and supporting the regional leadership team and action teams. The MNREM Executive Director will be the principal staff to the Executive Committee, will be the public spokesperson for the MNREM WIRED initiative across the region, and will lead the outreach, media and public relations efforts related to WIRED.

A Program Manager will assist the Executive Director in achievement of project outcomes. The Program Manager will be responsible for effective management and administration of the grant, assuring efficient use of resources, legal compliance, and implementation of the grant and leveraged resources.

Job Descriptions for both positions are attached as Appendix 4.1 and 4.2.

Budget Allocations and Fiscal Management

The majority of the MNREM-WIRED funds will be released through RFPs for projects addressing Talent Development for youth and adults (\$3,100,000). A Budget Summary with examples of types of projects that could be funded is included as Appendix 5.

Since most projects will be funded through Requests for Proposals, at this point it is difficult to identify the specific projects with any more detail. The projects will focus on the following three key areas (1) talent development, (2) regional leadership/identity and (3) entrepreneurship/innovation/business growth in renewable energy, biosciences, and emerging, knowledge-based economies in the region. The budget is based on outcomes that the identified strategies are designed to achieve, and specific grants and allocations will be guided by those outcomes.

The Southwest Minnesota Workforce Council/Private Industry Council is the fiscal agent for the MNREM-WIRED project.

Guiding Principles for Funding Regional Initiatives

The MNREM Initiative will create a regional identity through an integration of regional assets within economic development, industry, education, and workforce development. This integration will transform our talent pool; create an innovation and entrepreneurial climate; and act as a catalyst to leverage resources to sustain and grow the Alliance.

All proposals requesting MNREM funds must be focused on the development of skills and talent in the targeted industry sectors (renewable energy, value-added agriculture, bioscience, and the supporting industries).

Activities and projects receiving funds through the MNREM Initiative will be guided by the following principles:

Regional: Highest priority will be given to projects that transcend political or artificial boundaries in favor of regional economic development. MNREM funding will support projects that cross county lines, school district lines, technical college and workforce development boundaries and that can impact the thirty-six counties of the MNREM region. Projects that do not fully encompass the region or a significant portion of the region must explain how they will impact the region.

Focused: Funded projects must meet the needs of the targeted industry sectors (value-added agriculture, renewable energy, bioscience, and the supporting industries).

Industry-Driven: MNREM-funded projects and activities will be expected to respond to specific business and industry needs.

Collaborative: Funded projects will be expected to engage partners from, at minimum, industry, education, and workforce development. Projects with additional partners will be looked at favorably.

Replicable: Funded projects and activities should produce outcomes or deliverables that can be adopted or duplicated throughout the region or state.

Transformational: Funded projects and activities must provide an improved, evolved, effective, efficient, and/or creative delivery model for talent development. What is proposed should change the nature of the current talent development system.

Sustainable: Funded projects will demonstrate commitment and potential to continue beyond the life of the MNREM-WIRED investment.

Leveraged: Partners in this regional approach to economic diversification and expansion will leverage additional resources in order to maximize the MNREM-WIRED investment.

Positive: Funded projects will positively support and promote the renewable energy industry cluster.

Funding Process

The majority of MNREM-WIRED project funds will be granted through a Request for Proposal process. Requests for Proposal will be developed by each Action Team, following the Guiding Principles outlined above. Proposals may address one of the sample projects included in the Budget Summary, or they could propose a new project. Each Action Team will identify the specific outcomes they expect from the proposals. RFPs will be posted on the MNREM website, will be sent to all partners for outreach among their organizations, and information will be published in the Minnesota State Register.

In addition, as soon as the RFP process is finalized, MNREM staff will be holding community outreach sessions throughout the region, with the intent of publicizing the RFP process and inviting proposals.

RFPs will be issued for the first round of funded projects in late 2008. It is expected that the projects funded will include a mix of both new and innovative projects, as well as requests to expand and/or replicate successful programs. Due to time constraints of getting the action teams up and running, the first RFPs for fall 2008 will be identified by the Executive Committee. The following rounds of RFP's for 2009 and forward will also have the input and recommendations of the action teams.

Proposals will be reviewed by the Action Teams with board defined criteria, and move proposals forward to the Executive Director. The Executive Director will then present the recommendations to the Executive Committee, who will review the recommendations and make the final approval of the proposals to be funded.

All projects funded will meet the WIRED H1B funding guidelines.

Leveraged Resources

MNREM has identified a variety of resources, both existing and new, that can be leveraged for this initiative. For example, the Minnesota State College and University System recently received a \$1,000,000 DOL grant through the President's High Growth Job Training Initiative, to provide potential workers with skills-based job training to enter careers in the energy industry. MNREM will work closely with this project to coordinate curriculum development, and to ensure that the needs of the renewable energy industry are included in the process.

Another initiative that closely connects with MNREM is the Southern Minnesota Competitiveness Project being conducted by the Rural Policy Research Institute (RUPRI). This is a partnership of 18 regional entities, covering 38 counties in southern Minnesota, many of which are included in the MNREM region. This project provides a forum for community leaders to build a development strategy focused on the key assets present within the region. The information will be used to create a regional identity or brand that can distinguish the area from other competing regional economies. With the overlap and connection to MNREM, the information gathered from this project will be used in conjunction with other asset mapping to fully understand the region's assets and interconnections.

Many other potential resources to be leveraged were identified in the original proposal. As appropriate, these resources will be accessed to develop and support the MNREM region and the strategies and activities identified in this plan. With the excitement of the growth of the renewable energy industry in the region, organizations, schools, and other regional groups are focusing on helping the development of this industry sector. Part of MNREM's leadership role will be to ensure that all of these groups are working together to strengthen and transform the region.

Anticipated Technical Assistance Requests

MNREM has been receiving technical assistance from NCEE (National Center on Education and the Economy) for help in defining their governance structure, hiring an Executive Director, and assistance with development of the implementation plan.

Other potential technical assistance needs could include integration of new immigrants into the economy, with a focus on developing the skills needed in the target industries; apprenticeship development, with a focus on renewable energy industries; development of regional leadership strategies; and development and identification of baselines for outcomes and metrics.

List of Appendices

1. Leadership Board and Executive Committee members
2. Organizational Chart
3. Conflict of Interest policy
4. Job Descriptions
 - 4.1. Executive Director
 - 4.2. Project Manager
5. Budget Summary

Appendix 1

Leadership Board and Executive Committee Members

Executive Committee

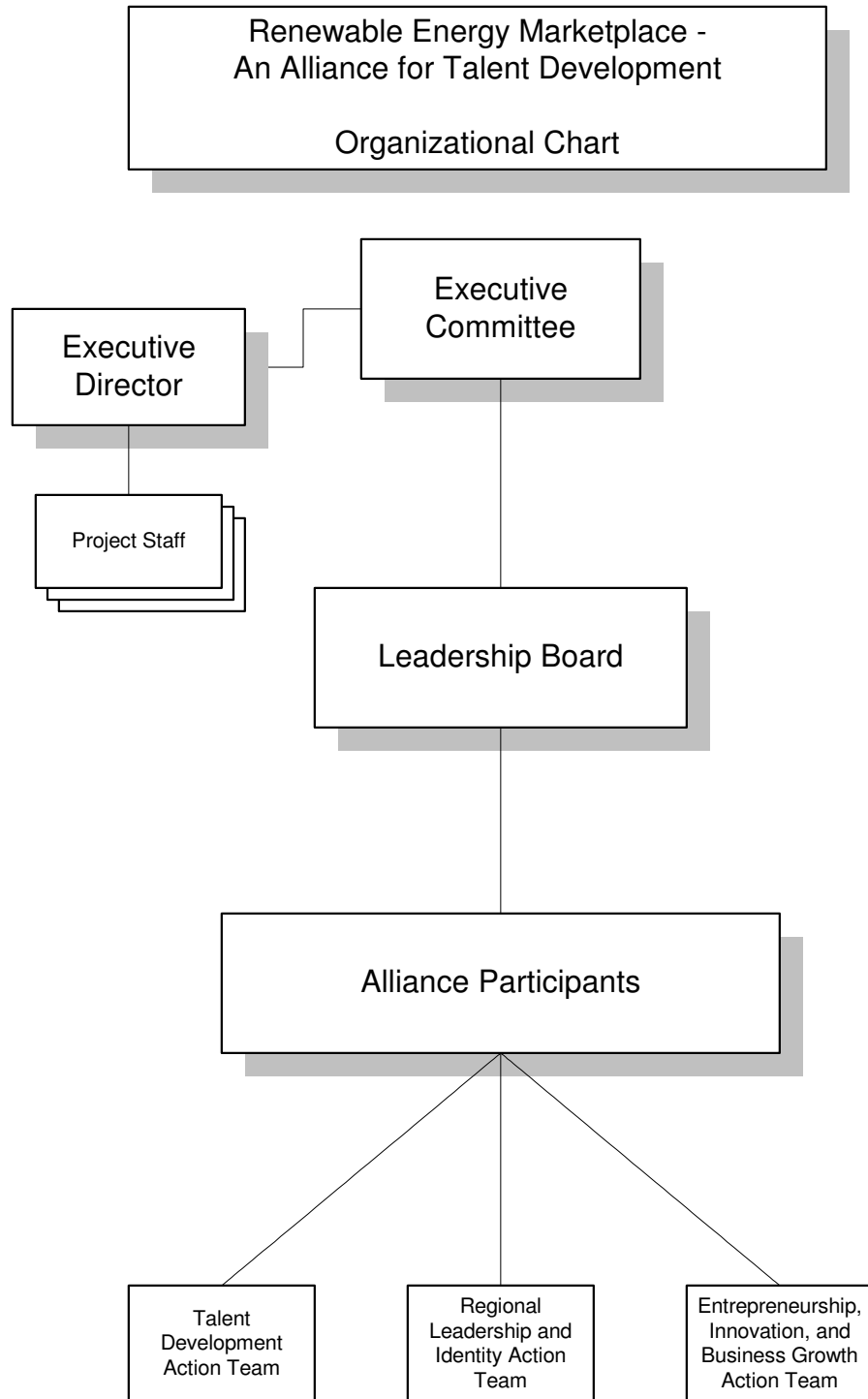
Mark Willers, CEO, Minwind Energy, Luverne – Chair
Tom Daggett, President, Hutchinson Manufacturing, Hutchinson – Vice-Chair
Dave Sunderman, Member Services Manager, Benco Electric, Mankato – Secretary-Treasurer
Randy Hagen, President, Solar Skies, Starbuck
Connie Ireland, Regional Administrator, Minnesota Department of Employment and Economic Development, Mankato
Juanita Lauritsen, Executive Director, Southwest Minnesota Workforce Council, Marshall
Bob Neal, former Executive of Cargill, Alexandria
Lowell Rasmussen, Vice Chancellor, University of Minnesota, Morris
Sherry Ristau, President, Southwest Initiative Foundation, Hutchinson
Richard Shrubbs, President, Minnesota West Community & Technical College, Worthington

Other members of the Leadership Board

Warren Anderson, Attorney, Morris
Marty Davis, President/CEO, Davisco Industries, LeSueur
Diane Halvorson, Director, South Central Workforce Council, Mankato
Tom Hoff, Career and Technical Project Coordinator, Southwest/West Central Service Cooperative, Marshall
Bob Hoffman, Vice President, Minnesota State University, Mankato
Dan Kieffer, Business Representative, International Brotherhood of Electrical Workers (IBEW), Litchfield
Jeremy Kovash, Executive Director, Lakes Country Service Coop, Fergus Falls
Jerry Larson, Farmer & Chair of Ottertail Ag Enterprises, Elbow Lake
Larry Larson, Founding Partner, High Country Energy, Northfield
Jan Ludenbrek, President, First Security Bank, CVEC Board Member, Benson
Tim Penny, President, Southern Minnesota Initiative Foundation, Owatonna
Nancy Straw, President, West Central Initiative, Fergus Falls
Kent Thiesse, Vice President, MinnStar Bank; School Board Chair, Lake Crystal
Robert Thurston, President, Thurston Genetics, Olivia
Dennis Timmerman, Senior Project Development Director, Agricultural Utilization Research Institute (AURI), Marshall
Bob Weerts, Owner and Operator, Weerts Construction, Winnebago
Dan Wenner, Director, Rural MN CEP, Detroit Lakes

Appendix 2

Organizational Chart



Appendix 3

Conflict of Interest Issues and Policy

Although we encourage applications by individuals representing organizations that are part of the leadership team or action teams, any member who is also an applicant should recuse himself/herself from reviewing related proposals or voting on prioritization of funding for competing interests. All governing board members and staff of the Renewable Energy Marketplace – An Alliance for Talent Development (MNREM) shall abide by the Conflict of Interest Policy. The MNREM Executive Director should be made aware of any potential conflict of interest in order to ensure that the process remains objective.

RENEWABLE ENERGY MARKETPLACE – ALLIANCE FOR TALENT DEVELOPMENT (MNREM)

CONFLICT OF INTEREST POLICY

PURPOSE:

The purpose of this policy is to protect the Renewable Energy Marketplace – Alliance for Talent Development (MNREM)'s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or employee of MNREM. This policy is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Definitions:

1. Interested Person – Any director, officer, employee, or member of a committee with board delegated or other powers, who has a direct or indirect financial interest, as defined in #2, is an interested person.
2. Financial Interest
 - A. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - 1) An ownership or investment interest in any entity with which the MNREM has a transaction or arrangement, or
 - 2) A compensation arrangement with MNREM or with any entity or individual with which MNREM has a transaction arrangement, or
 - 3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which MNREM is negotiating a transaction or arrangement
 - B. An employee has a financial interest if the person is using his or her position as an employee to further his or her financial interests, directly or indirectly.

Compensation includes direct and indirect remuneration as well as gifts or favors of any kind.

Procedures:

1. Duty to Disclose – In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her financial interest to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement or to an appropriate supervisor.
2. Certain acts give rise to a public perception of a conflict of interest. Therefore, an officer, agent or employee of MNREM, Inc. shall avoid any action which might result in or create the appearance of:
 - a) Using public office for private gain;
 - b) Giving preferential treatment to any person;
 - c) Losing complete independence or impartiality; or
 - d) Making a MNREM decision outside official channels.
3. Except as otherwise provided in this paragraph, an officer, agent, or employee of MNREM, shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from a person who:
 - a) Has, or is seeking to obtain, contractual or other business or financial relations with MNREM, including those participating or seeking to participate in programs supported by State and Federal funds;
 - b) Conducts operations or activities that are regulated by his/her agency; or
 - c) Has interests that may be substantially affected by the performance or nonperformance of his/her official duty;
 - d) Acceptance of food and refreshment of nominal value on infrequent occasions in the course of a meeting or inspection where the officer, agent or employee may properly be in attendance, or acceptance of plaques or similar mementos recognizing individual services will be deemed to not violate the provisions of this paragraph.
4. An officer, agent, or employee of MNREM shall not use inside information as a result of his/her employment for private gain for himself/herself, or another person either by direct action on his/her part or by counsel, recommendation, or suggestion to another person, particularly one with whom he/she has family business or financial ties. For purposes of this paragraph, inside information means information obtained under MNREM authority which does not become part of public information.
5. An officer, agent, or employee shall not:
 - a) Have direct or indirect financial interest that conflicts substantially or appears to conflict substantially with his/her MNREM duties and responsibilities;
 - b) Directly or indirectly engage in a financial transaction as a result of, or primarily relying on, information obtained through his/her government employment; or
 - c) Use or attempt to use his/her official position to secure benefits, privileges, exemptions, or advantages for himself/herself or his/her immediate family or an organization with which the employee is associated.

6. No officer, agent, or employee shall participate in the award or administration of a contract if the officer, agent, or employee of MNREM, any member of his/her immediate family, his/her partner, or an organization which employs or is about to employ any of the above has a financial or other interest in the firm selected for an award. Individuals who identify a conflict of interest will excuse themselves from voting on such matters.

Effective: November 10, 2008

**RENEWABLE ENERGY MARKETPLACE – ALLIANCE FOR TALENT
DEVELOPMENT (MNREM)
CONFLICT OF INTEREST**

As a member of the Executive Committee of the Renewable Energy Marketplace – An Alliance for Talent Development (MNREM):

I, _____, have read and agree to abide by the Renewable Energy Marketplace – Alliance for Talent Development (MNREM) Conflict of Interest Policy as outlined on the attached document.

Printed Name

Signature

Date

Effective: November 10, 2008

Appendix 4.1

Renewable Energy Marketplace – Alliance for Talent Development

Executive Director Job Description

Organizational Background

Minnesota’s Renewable Energy Marketplace – Alliance for Talent Development is a regional partnership of business, education, workforce and economic development partners leading the implementation of a \$5-million, three-year federal grant to enhance the renewable energy labor force in southwest and west-central Minnesota.

The Alliance’s mission is to boost innovation and cultivate new technologies in order to achieve a competitive advantage through business and talent development in Minnesota’s 36-county “Ag Innovation Triangle.” This Triangle stretches from Norman and Rock counties on the west to Freeborn County on the east and includes 85 percent of the state’s renewable energy projects, including 14 ethanol plants, three bio-diesel plants and 53 wind turbine farms and numerous institutions of excellence in applied research, training and education for the renewable energy industry.

The number one goal of the Alliance is to increase the long-term sustainable economic vitality of the region by competing successfully in the global renewable energy industry.

The Alliance will achieve this goal by creating five impacts in the region:

1. Lift the region’s applied research capacity to the most advanced in the world and create a self-sustaining process for maintaining its leading edge capacity.
2. Implement a system of exchange and collaboration between businesses and education institutions to cultivate more highly skilled production, research and entrepreneurial workers in the region.
3. Organize a powerful, unified voice among the region’s renewable energy companies in order to promote a competitive environment for the industry and its community stakeholders.
4. Showcase the region nationally and globally to attract and retain leading edge companies, technology and talent.
5. Assist the region’s strong manufacturing and bioscience companies to participate in the growth of the renewable energy industry.

Position Overview

The Alliance's Executive Director is responsible for overall achievement of grant objectives, project leadership, development of policies and procedures, financial management, and successful working relationships between the WIRED project operators, the staff, and the Renewable Energy Innovation Alliance members and boards. In this role, the Executive Director's essential job functions include:

- Provides leadership and direction to the organizations collaborating on the WIRED project and to project personnel and, in conjunction with the Leadership Board, develops strategic short- and long-range goals and objectives for efficient operations. Ensures that the WIRED grant will provide maximum impact on the economic vitality of the 36-county region. Develops and recommends major policies to improve workforce programs.
- Directs operations related to the WIRED grant to achieve project goals within budgeted funds and with available personnel.
- Performs tasks related to effective management and administration of the grant. In addition to staff oversight, provides financial management and assures efficient use of resources, legal compliance and timely execution of duties and roles performed in the implementation of the grant and of leveraged resources.
- Establishes work rules, performance standards and measurements. Determines WIRED staff training needs to meet changing systems or program demands. Plans and organizes workloads and staff assignments, reviews progress, and adjusts priorities as needed to assure work is performed efficiently. Conducts and/or reviews performance evaluations, maintains a record of performance and ensures consistent evaluations.
- Manages the procurement process to select contractors; oversees monitoring of contractor performance; initiates corrective action to improve poor performance.
- Manages the grant contract. Confers with staff regarding contractor negotiations and selection ensuring appropriate protocol is followed. Oversees grant applications submission and compliance. Oversees development of periodic reports for contract/grant compliance and target goals are met. Ensures adequate funding of program by identifying additional sources of funding;
- Resolves or redirects inquiries, problems, complaints, or emergencies affecting availability or quality of services funded by WIRED. Efficiently addresses the most sensitive or complex inquires or service complaints.
- Creates positive public image and awareness of the services of the education and workforce programs in the region. Represents the Alliance at civic and community meetings; plans and participates in community relations programs; maintains close contact with the news media; and interprets and articulates intent of the WIRED Grant, job market conditions, and progress of program.

- Promotes cooperative programs with other organizations in the Alliance region and avoids duplication of efforts. Coordinates program activities with businesses, economic development organizations, organized labor, chambers of commerce, the K-20 education system, and other organizations committed to the community's growth and renewable energy competitiveness.
- Coordinates with industry, education, economic development, citizen groups, state and local agencies to assure all parties meet their mutual responsibilities. Communicates information related to WIRED to the media and the general public.

Profile and Requirements

The ideal candidate for the Alliance Executive Director will have demonstrated energetic and decisive leadership abilities coupled with an ability to build consensus and collaborative relationships across the private and public sectors.

He or she must be capable of working well with elected officials, local business personnel, staff, stakeholders and the general public.

He or she will be a strong leader, manager, entrepreneur, relationship-builder and educator capable of communicating effectively with both business and public policy leaders in Minnesota, and conversant in the issues of workforce and economic development in our region.

The candidate will have substantial relationships, experience and standing in the region's business, education, workforce and economic development communities and will have successfully managed programs/projects of comparable complexity, size and budget.

He or she will have exceptional skills in listening, writing, public speaking and presentation; building positive relationships, partnerships and collaborations with regional communities, organizations and employers; establishing positive working relationships with volunteer board members, various local governments, State agencies and federal departments; and the ability to sustain this initiative through partnerships, grants award, and other revenue-generated activities.

He or she will establish an atmosphere of mutual respect and cooperation and be receptive to new ideas, encourage innovation, and have a positive attitude. He or she will also demonstrate an ability to work effectively with diverse populations.

The ideal candidate will also have demonstrated skill in staffing boards and commissions as well as skill in development of organizational or inter-jurisdictional liaison relationships. Additional or concurrent experience in marketing and public relations is also preferred.

Appendix 4.2

Program Manager Job Description

Renewable Energy Marketplace – Alliance for Talent Development

Organizational Background

Minnesota's Renewable Energy Marketplace – Alliance for Talent Development (the Alliance) is a regional partnership of business, education, workforce and economic development partners leading the implementation of a \$5-million, three-year federal grant to enhance the renewable energy labor force in South Central, Southwest and West Central Minnesota.

The Alliance's mission is to boost innovation and cultivate new technologies in order to achieve a competitive advantage through business and talent development in Minnesota's 36-county Alliance Region. This region stretches from Norman and Rock counties on the west to Freeborn County on the east and includes 85 percent of the state's renewable energy projects, including 14 ethanol plants, three bio-diesel plants and 53 wind turbine farms and numerous institutions of excellence in applied research, training and education for the renewable energy industry.

The number one goal of the Alliance is to increase the long-term sustainable economic vitality of the region by competing successfully in the global renewable energy industry.

Position Overview

The Alliance's program manager, under the direction of the Executive Director, is responsible for the achievement of grant objectives, project management, and successful working relationships between the WIRED project operators, and the Alliance members and boards. In this role, the program manager's essential job functions include:

- Performs tasks related to effective management and administration of the grant and provides support Executive Director. With direction of Executive Director, assures efficient use of resources, legal compliance and timely execution of duties and roles performed in the implementation of the grant and of leveraged resources.
- Plans and organizes workloads to assure work is performed efficiently.
- Confers with ED regarding contractor negotiations and selection ensuring appropriate protocol is followed. Completes grant application submission and compliance, periodic reports and identifies additional sources of funding; availability or quality of services funded by WIRED. Efficiently addresses the most sensitive or complex inquires or service complaints.
- Creates positive public image and awareness of the services of the education and workforce programs in the region. Represents the Alliance at civic and community meetings; plans and participates in community relations programs;

- Promotes cooperative programs with other organizations in the Alliance region and avoids duplication of efforts. Coordinates program activities with businesses, economic development organizations, organized labor, chambers of commerce, the K-20 education system, and other organizations committed to the community's growth and renewable energy competitiveness.
- Coordinates with industry, education, economic development, citizen groups, state and local agencies to assure all parties meet their mutual responsibilities. Communicates information related to WIRED to the general public.

Profile and Requirements

The ideal candidate will have the ability to build consensus and collaborative relationships across the private and public sectors. He or she must work well with elected officials, local business personnel, staff, stakeholders and the general public. He or she will be a strong project manager, relationship-builder and communicating effectively with both business and public policy leaders in Minnesota, and conversant in the issues of workforce and economic development in our region.

The candidate will have relationships and experience in the region's business, education, workforce and economic development communities and will have successfully managed programs/projects of comparable complexity, size and budget.

He or she will have strong skills in listening, writing, web communications, public speaking, and presentation; building positive relationships, partnerships and collaborations with regional communities, organizations and employers; and the ability to sustain this initiative through partnerships, grants award, and other revenue-generated activities.

He or she will establish an atmosphere of mutual respect and cooperation and be receptive to new ideas, encourage innovation, and have a positive attitude. He or she will also demonstrate an ability to work effectively with diverse populations.

Additional or concurrent experience in marketing and public relations is also preferred.

Qualifications

The candidate will have three or more years of experience in a private sector business, and three or more years of experience collaborating with public sector institutions.

The candidate will hold a Bachelor's degree with course work in public administration, business administration, human services administration, vocational education or a related field.

The Candidate will have experience on grant administration and/or project management.

He or she should also hold a current Minnesota State Driver's License or have requested and obtained an appropriate accommodation, and have the ability to utilize a personal computer and thorough knowledge of related software packages to perform word processing, financial reporting and analysis, information retrieval, tracking and communications.

Appendix 5

Renewable Energy Marketplace – Alliance for Talent Development

Budget Summary

Below is the project budget summary as outlined in the proposal. This will serve as a starting point/guide as we develop the RFP process and determine the allocation of funds.

Category	Approximate Amount	Examples of Projects (<i>intended to promote ideas, and not limit the types of projects submitted</i>)
Talent Development – Youth (age 16+)	\$1,500,000	Youth leadership Educator development (<i>alternative energy and related mfg, engineering, industrial technology, etc.</i>) Internships/Tuition assistance Expand exposure and access to STEM programs Science & Technology career and education camps Implement entrepreneurial curriculum Pilot/demonstration projects to increase awareness of, participation in, or skills needed for targeted industries Diversity outreach Host Green Jobs Conference
Talent Development – Adult	\$1,600,000	Internships/Tuition assistance Alternative Energy/Bioscience career awareness Career assessment to identify career interests and skills gaps Curricula development ABE/ESL Assessment/Instruction to increase skills needed for targeted industries Diversity outreach Incumbent worker training to upgrade employee skills Industry-developed skills training Manufacturing Skill Standards Cert (MSSC) pilot Energy skills credentialing Pilot/demonstration projects to increase awareness of, participation in, or skills needed for targeted industries Host Green Jobs Conference
Entrepreneurship/Innovation/ Business Growth	\$650,000	Entrepreneurial training Provide industry specific assistance Business network development Mentorship Programs Minority entrepreneurial networks

		<p>Industry-developed skills training</p> <p>Increase awareness of alternative energy and bioscience assets, activities, and opportunities</p> <p>Align MNREM initiatives with AURI/Action Now Coalition</p>
Transformation/Leadership	\$550,000	<p>Develop MNREM website/Web-based networking portal</p> <p>Develop International Partnerships (MN Trade Office)</p> <p>Convene Regional Leadership Summit</p> <p>Disseminate project strategies and successes</p> <p>Community Forums</p> <p>Student Forums</p> <p>Conduct Workforce Gap Analysis/Asset Inventory</p> <p>Ag Innovations Trade Show</p> <p>Develop Comprehensive Regional Profile</p> <p>Develop and Disseminate Best Practices</p> <p>Community Outreach and Education</p> <p>Host Green Jobs Conference</p>
Project Administration	\$700,000	<p>Staff Salaries and Benefits</p> <p>Consulting Fees</p> <p>DEED Overhead</p> <p>PIC Fiscal Services</p> <p>Travel and Board Meetings</p>