

Comprehensive Economic Development Strategy (CEDS) Update

I. ECRDC – CEDS Update

CEDS Committee

The East Central Regional Development Commission (ECRDC) has implemented the new Comprehensive Economic Development Strategy (CEDS) governance structure as prescribed by the EDA, with the creation of a CEDS Advisory Committee, which makes recommendations to the CEDS Governance Board, and a CEDS Governance Board, which has final approval over the CEDS process (see Attachments A & B for a list of members for these groups).

Prioritized Action Plan Changes

The new five year CEDS was implemented in April 2009, which contained a 16 point prioritized action plan (p. 50, Five year CEDS). Seven additional priorities were added in the EDA planning grant extension. These prioritized action plan initiatives are continued and ongoing in the CEDS update.

II. DEMOGRAPHICS

Population

As detailed in Table 1, annual population estimates have shown measurable growth for each of the five Region 7E counties. Sustained growth has also been achieved in 1990 and from 2000 to 2008 based on census data and estimates from the State Demographer, although growth appears to be slowing. Region 7E continues to be one of the fastest growing regions in the State of Minnesota with greater growth being achieved in Isanti and Chisago Counties compared to Kanabec, Pine, and Mille Lacs counties; this is attributed to their close proximity to the Twin Cities MSA. Cost competitive lake shore and recreational land, a larger available rural residential opportunities and direct interstate and state transportation systems also explains this increased growth. Chisago and Isanti counties' population growth between 1990 and 2000 exceeded that of the State's total growth, while Kanabec, Mille Lacs, and Pine Counties' are less than the State's total growth during that same time period.

**Table 1
Population Trends 1990 – 2008**

	Chisago	Isanti	Kanabec	Mille Lacs	Pine	Region 7E	Minnesota
2008 Estimates	50,384	39,059	16,311	26,397	28,328	160,479	5,287,976
2006 Estimates	50,278	38,436	16,279	26,057	28,355	159,405	5,231,106
2005 Estimates	49,417	37,699	16,213	25,598	28,453	157,380	5,205,091
2004 Estimates	48,424	36,512	16,054	25,018	28,071	154,079	5,145,106
2003 Estimates	46,472	35,321	15,831	24,254	27,734	149,612	5,088,006
2002 Estimates	44,780	33,757	15,468	23,531	27,340	144,876	5,033,661
2001 Estimates	43,090	32,332	15,285	22,954	26,939	140,600	4,977,976
Census 2000	41,101	31,287	14,996	22,330	26,530	136,244	4,919,479
Census 1990	30,521	25,921	12,802	18,670	21,264	109,178	4,375,099

Source: Minnesota Planning State Demographic Center

Table 2 summarizes the percent change in population over the last seventy years. Prior to 1930 there were large increases in the Region 7E population resulting from the influx of people moving into Minnesota. Kanabec, Mille Lacs and Pine counties experienced a higher percentage growth than Chisago and Isanti counties. Starting in the 1940's though the 1960's the region lost population, migration continued into Minnesota however it localized toward the Metro Areas and less in Region 7E. In the 1960's and 1970's the region experienced its highest percent increase in population, this growth increased to a lesser extend in the 1980's and has reached more than a double digit increase in the 1990's.

Table 2
Percent Change Population Trends in Minnesota

	% Change 1930-'40	% Change 1940-'50	% Change 1950-'60	% Change 1960-'70	% Change 1970-'80	% Change 1980-'90	% Change 1990-2000
Minnesota	8.9	6.8	14.5	11.5	7.1	7.3	12.4
Region 7E	6.7	-7.4	0.2	13.1	30.7	9.4	24.8
Chisago	0.5	-3.5	5.9	30.4	47.0	18.7	34.7
Isanti	7.2	-6.4	11.6	22.4	42.5	9.8	20.7
Kanabec	12.8	-4.8	-2.0	8.5	24.4	5.3	17.1
Mille Lacs	10.5	-2.5	-4.0	7.9	17.4	1.3	19.6
Pine	6.0	-15.2	-6.7	-1.1	18.1	7.0	24.8

Source: Minnesota Planning State Demographic Center

As summarized in Table 3, estimates show Region 7E projects a cumulative population increase of 70% from 2008 (the most recent full year available) to 2035. Each of the individual counties are projected to have a positive growth over this period time as well, from an increase of 93% in Isanti County on the high end, to 30% in Pine County on the low. Spill-over development from the current outer ring suburbs into Region 7E will undoubtedly be the major factor in this growth. Additionally, the population growth in the lower two counties reflect a growth in “families” who can commute to the metro area for better-paying jobs. Their “housing” dollars stretch farther, buying them more house and property in Chisago and Isanti Counties, than in the seven-county metro area.

Table 3
Region 7E and County Population with Projections - 2000-2035

	2000	2008	2010	2015	2020	2025	2030	2035	2000 - 2035 % Change
Chisago	41,101	50,384	59,160	67,880	75,600	82,100	89,320	96,080	134%
Isanti	31,287	39,059	45,080	51,730	57,710	62,950	68,770	74,250	137%
Kanabec	14,996	16,311	17,560	18,710	19,710	20,520	20,970	21,360	42%
Mille Lacs	22,330	26,397	29,620	33,000	35,970	38,540	40,630	42,390	90%
Pine	26,530	28,328	30,660	32,600	34,320	35,740	36,450	37,030	40%
Region 7E	136,244	160,479	182,080	203,920	223,310	239,850	256,140	271,110	99%

Source: Minnesota Planning State Demographic Center – October 2007

Commuting

The number of Region 7E residents that commute longer than 15 minutes to work has increased by more than 50%, since 1990. Table 4 summarizes the current trend in commuting for each county. The largest percent of the population commuting to work has a travel time of 10 – 59 minutes. Much of this traveling is attributed to the proximity to large employment centers including the Twin Cities Metro Area, Duluth, and St. Cloud.

Table 4
Travel Time to Work

	Chisago	Isanti	Kanabec	Mille Lacs	Pine
Population By Travel Time To Work	20,772	16,085	7,038	10,531	11,602
Work At Home	4.2 %	3.9 %	5.5 %	5.8 %	6.3 %
0 – 9 minutes	12.9 %	14.3 %	19.2 %	25.3 %	17.4 %
10 To 29 Minutes	31.3 %	33.0 %	39.0 %	35.1 %	41.3 %
30 To 59 Minutes	39.4 %	31.5 %	19.0 %	22.0 %	18.3 %
60 To 89 Minutes	10.4 %	14.5 %	8.8 %	6.9 %	10.0 %
90+ Minutes	1.8 %	2.8 %	8.6 %	4.9 %	6.8 %
Average Travel Time to Work	31.9 min.	32.6 min.	31.3 min.	27.1 min.	30.2 min.

Source: Office of Social and Economic Trend Analysis and Minnesota State Demographic Center. 2000.

Employment

Besides having the highest unemployment rate for an economic development region, Region 7E has historically had a higher unemployment rate than the State of Minnesota and the Nation as detailed in Table 5.

**Table 5
Unemployment Rate 1993 - 2007**

Year	Chisago	Isanti	Kanabec	Mille Lacs	Pine	Region 7E	Minnesota	United States
2009	10.1	10.3	13.4	12.8	11.3	11.1	7.9	9.3
2008	6.8	7.0	10.2	9.2	8.6	7.8	5.5	5.8
2007	5.8	6.0	8.5	7.7	7.7	6.7	4.6	4.6
2006	4.8	4.9	6.9	6.7	6.3	5.6	4.0	4.6
2005	4.8	4.9	6.8	6.7	6.6	5.6	4.1	5.1
2004	5.3	5.2	7.4	7.1	6.6	6.0	4.6	5.6
2003	5.8	5.7	8.1	7.3	6.9	6.4	4.8	6.0
2002	5.4	5.3	7.4	6.5	6.5	5.9	4.5	5.8
2001	4.8	4.3	6.5	5.5	6.3	5.2	3.8	4.7
2000	4.2	3.4	4.7	4.4	5.2	4.1	3.1	4.0
1999	3.2	3.5	6.5	6.2	6.3	4.6	2.8	4.2
1998	2.9	3.3	6.4	6.6	6.4	4.6	2.7	4.5
1997	4.0	4.1	7.8	7.6	7.7	5.7	3.3	4.9
1996	4.9	5.0	9.4	8.9	8.7	6.7	3.9	5.4
1995	4.5	4.5	8.0	8.1	8.0	6.1	3.7	5.6
1994	5.0	4.8	8.5	7.2	9.0	6.5	4.1	6.1
1993	6.9	6.6	10.7	8.1	9.5	7.9	4.9	6.9

Source: MN Dept. of Employment and Economic Development

Unemployment rates for Kanabec, Mille Lacs, and Pine counties are on average 2 -4 percentage points higher than either Chisago or Isanti Counties. This is due to these two counties close proximity to the Twin Cities Metro area resulting a higher number of job vacancies, shorter commute to potential employment, and growth of these counties business opportunities.

As detailed in Table 6, Region 7E has the highest unemployment rate in the State of Minnesota compared to other regions.

**Table 6
2006 – 2007 Annual Average Regional Comparison of Labor Statistics**

	Labor Force Dec 2009	Employment Dec 2009	Unemployment Rate - 2007	Unemployment Rate – Dec 09
Region 1 - Northwest	50,752	47,464	5.9%	6.5%
Region 2 - Headwaters	40,396	36,751	6.5%	9.0%
Region 3 - Arrowhead	166,450	152,129	5.9%	8.6%
Region 4 – West Central	119,671	112,292	4.6%	6.2%
Region 5 – North Central	83,236	74,558	6.1%	10.4%
Region 6E – Southwest Central	66,633	61,307	5.0%	8.0%
Region 6W – Upper MN Valley	25,348	23,646	4.6%	6.7%
Region 7E – East Central	84,887	75,504	6.7%	11.1%
Region 7W - Central	223,924	205,538	4.9%	8.2%
Region 8 - Southwest	68,708	65,043	4.0%	5.3%
Region 9 – South Central	131,172	121,814	4.5%	7.1%
Region 10 - Southeast	276,797	258,318	4.4%	6.7%
Region 11 – 7 County Twin Cities	1,603,894	1,492,423	4.0%	7.0%

Source: MN Dept. of Employment and Economic Development

Census statistics for region 7E indicate that the population is growing older. The 55 – 64 and 65 and older age brackets will comprise the fastest-growing segments of the population. Table 7 suggests a more than 131 % increase in the 65 – 85 year old population by 2030. This may have significant ramifications for the region’s workforce. There is some debate as to whether the economic conditions and longer lives might compel older workers to remain in or reenter the market. Unless labor force participation rates change dramatically, the size of the active workforce will level off. As noted in Table 6, growth of the working-age population (20-64) will level off around 2020. In most industries this may pose challenges to staffing and successful planning.

**Table 7
Region 7E Projected Population Trends 2000-2030 by Age**

Age Group	2000*	2005	2010	2015	2020	2025	2030	2000 - 2030 % Change
Region 7E	136,244	150,400	162,100	174,100	185,300	196,100	205,500	50.8
0-19	41,838	44,400	45,600	47,500	49,500	51,500	53,100	26.9
20-64	77,264	86,800	94,800	100,900	104,500	106,500	107,900	39.7
65+	17,142	19,200	21,700	25,700	31,300	38,100	44,500	159.6

Source: Minnesota Planning State Demographic Center – 2000 Census

Workforce

As noted in Table 8, Region 7E residents hold a higher percentage of manufacturing jobs (20.9 %) than the State of Minnesota average. Moreover, sales and office employment (23.2 %) replaced manufacturing (20.9 %) as the highest occupation in the region, a significant change from the 1990 Census, when manufacturing was the highest occupation in the region. The loss of manufacturing jobs and increase in service related positions more than likely influenced this change. Region 7E measured a higher percentage of occupancy in service, construction, and manufacturing, but scored a lower percentage in executive and professional positions.

**Table 8
Occupation of the Population Over 16 Years in Age**

	Chisago	Isanti	Kanabec	Mille Lacs	Pine	Region 7E	Minnesota
Population 16+ By Occupation	21,084	16,370	7,180	10,660	11,895	67,189	2,580,046
Executive & Managerial	13.0 %	10.3 %	10.7 %	9.7 %	10.2 %	11.1 %	14.9 %
Professional Specialty	15.9 %	16.9 %	12.8 %	14.5 %	14.2 %	15.3 %	20.9 %
Service	13.8 %	12.9 %	16.1 %	16.1 %	22.5 %	15.7 %	13.7 %
Sales & Office	25.1 %	23.3 %	22.2 %	22.7 %	20.5 %	23.2 %	26.5 %
Farming, Fishing, Forestry	0.5 %	0.8 %	1.2 %	1.0 %	1.7 %	0.9 %	0.7 %
Construction, Extraction, Maintenance	12.7 %	14.1 %	14.0 %	11.4 %	12.3 %	12.9 %	8.4 %
Production, Transportation, Material Moving	19.0 %	21.7 %	23.0 %	24.6 %	18.6 %	20.9 %	14.9 %

Source: Minnesota State Demographic Center, 2004

Workforce issues will continue to be a major concern to area businesses in the future. Besides the higher than usual unemployment situation, the close proximity of the Metro region and its resulting competition for jobs, and the lower wage of local jobs is resulting in a significant increase in commuting to work outside the region.

Housing

Housing plays an important role in Region 7E's sustained economic vitality and increasing continued economic development opportunities in business recruitment. Issues that are most prominently associated with housing in the Region are the recent spike in foreclosures, and the lack of affordable housing.

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All five counties in our EDD are in the top ten of Minnesota's 87 counties in number of foreclosures as a percentage of housing stock. The ECRDC is partnering with the regional foreclosure prevention group which promotes the MN Home Ownership Center, a non-profit vested with providing foreclosure prevention counseling.

The lack of affordable housing and lack of housing units also impacts the region's ability to attract and retain workers. Affordable housing in general; and in particular customized housing for an aging population is still a scarcity within the region. Community Land Trusts (CLTs), such as Heritage Greens in Cambridge, Minnesota are offering a solution to provide single family housing in areas of increase land value. It is important that businesses in the region offer sufficient wages in order for families to afford housing.

According to Table 9 a family of four in Chisago and Isanti County must make \$49,160 per year or \$23.63 per hour in order to live in a three bedroom apartment. This is based on using 30% of the household income for housing. Using the same family size and apartment size as well as 30% of the household income, a household must earn \$29,600 per year or \$14.23 per hour in Kanabec County; \$27,600 per year or \$13.27 per hour in Mille Lacs County; and \$28,840 per year or \$13.86 per hour in Pine County. Residents that are unemployed or underemployed (single parent families, elderly, disabled) are most affected by these trends.

**Table 9
Fair Market Rents**

County	Average Median Income	Eff. Apt.	1 Bdrm.	2 Bdrm.	3 Bdrm.	4 Bdrm.
Chisago/Isanti	\$63,600	\$651	\$763	\$928	\$1,229	\$1,386
Kanabec	\$38,700	\$385	\$451	\$593	\$740	\$800
Mille Lacs	\$38,200	\$414	\$426	\$561	\$695	\$772
Pine	\$38,000	\$394	\$427	\$552	\$721	\$744

Source: Housing and Urban Development (HUD); February 2005

Table 10 illustrates the occupancy status of homes within the region. Pine County's vacancy rate is extremely high at 35.3 %. This is primarily due to the large number of seasonal dwellings as noted in Table 22 (77.5 %). The percentage of the Region's vacant year round housing units is higher than the state average, a significant reversal from the 1990 census.

**Table 10
Housing Units by Occupancy Status**

	Chisago	Isanti	Kanabec	Mille Lacs	Pine	Region 7E	Minnesota
Housing Units	15,533	12,062	6,846	10,467	15,353	60,261	2,065,946
Occupied	93.1 %	93.2 %	84.1 %	82.5 %	64.7 %	83.0 %	91.7 %
Vacant	6.9 %	6.8 %	15.9 %	17.5 %	35.3 %	17.0 %	8.3 %

Source: Minnesota State Demographic Center, 2004

**Table 11
Region 7E Foreclosure Rates**

County	Foreclosure Rate Ranking in MN	2005	2006	2008	2008 - Number of Foreclosures
Chisago	6 th	.62	.99	2.07	370
Isanti	1 st	.58	1.41	3.27	472
Kanabec	7 th	.55	1.01	1.91	124
Mille Lacs	3 rd	.60	1.02	2.37	247
Pine	9 th	.77	1.06	1.62	179
Greater MN Average		.35	.51	.94	9000

Source: Greater Minnesota Housing Fund

Table 11 shows the foreclosure rate of homes in Region 7E are at a minimum of twice that of the Greater MN average in 2008, the most recent year data is available for. This trend is projected to continue into the future, with Chisago, Isanti and Kanabec being the hardest effected.

III. REGION 7E ECONOMIC DEVELOPMENT PROJECTS (UPDATE)

The following is a summary of economic development projects occurring in Region 7E gathered from city administrator meetings, on site visits with local administrators / economic development authorities, and project surveys.

CHISAGO COUNTY:

County EDA

- Center City Business Park Improvements: build infrastructure to allow for future industrial development.
- Create a Chisago City / Lindstrom Bio Business Park with related infrastructure.
- Install 3-phase electric in the Lindstrom, Chisago City & Center City Industrial / Business Parks
- Rush City Industrial Park Improvements: expand infrastructure to allow for future industrial development.
- Wyoming Industrial Park Improvements: expand infrastructure to allow for future industrial development.

Amador Township

- Exploring the possibility of constructing a new fire station.

Center City

- Planning and construction of the new Chisago County Jail.
- Commercial near proposed new jail facility for related businesses, etc.
- Redevelopment of County Road 9 / Summit avenue to mitigate erosion issues.
- Downtown redevelopment projects
- Storm water infrastructure upgrades.

Chisago City

- Develop a new industrial area including bring water / sewer infrastructure to the area. The current industrial park is fully occupied and additional industrial areas and infrastructure are needed to allow for future growth.
- Overlay North Avenue to bring the road from a 7 ton designation to a 9 ton designation allowing commercial traffic and opening up industrial land for future development.
- Placement of a second water tower to accommodate volume and fire suppression needs to allow for further commercial / industrial development.
- Provide water infrastructure to Ojiketa Regional Park to allow for greater use as a recreational draw for area.
- Expand via acquisition of land and develop new industrial park addition.
- Extension of infrastructure and development of a new 120 acre industrial park on Co. Rd 19 / Co. Rd 77
- Installation of a pedestrian tunnel under US Highway 8 to provide a safe route for walkers / bikers.

Lindstrom

- Construct a joint Lindstrom / Chisago city Bio Energy Industrial Park with related infrastructure.
- Construct the Blue Waters Industrial Park with related infrastructure.
- Construct a Elm Estates Commercial District with related infrastructure via redevelopment.

North Branch

- Construction of water infrastructure to the ESSBY Industrial Park to allow for adequate water pressure for fire suppression and general consumption to allow commercial and industrial expansion and development in this 176 acre, \$8.1 million park.
- Development of the North Branch Industrial Park which will require infrastructure as well as the acquisition of additional land to facilitate development.
- Develop and implement a Revitalization Master Plan and Design Guidelines for downtown North Branch. This will help maintain a diversified commercial and industrial based economy.
- Construction of a new North Branch Community Center.

Rush City

- Expand industrial park along with utilities / infrastructure to allow for future commercial and industrial development.
- Reconstruction of State Highway 361/Fourth Street including infrastructure to allow for development and growth.
- Downtown revitalization. City plans to acquire and redevelop substandard buildings as well as infrastructure upgrades in these areas.
- Infrastructure upgrades on the west side of Interstate 35. This project will allow for future residential, commercial and industrial expansion of the community.

Sunrise Township

- Sunrise Township reviewing a proposal for a fire substation.

Wyoming

- Redevelopment of Industrial Park and Commercial area between Viking Blvd & 260th Street.
- Pursuing orderly annexations of land from Wyoming Township
- Exploring downtown redevelopment opportunities.
- Extending utilities to the west side of Interstate 35W freeway
- Extend utilities to the Highway 8 corridor.

Harris

- Extension of water and sewer to Interstate 35 to accommodate future development.
- Develop a “theme” for the city for tourism and marketing.

Taylor's falls

- Development of an 80 acre industrial park along with related infrastructure.
- Development of 2.1 miles of local trails to connection to the regional trail system.
- Realignment of the Tern Avenue / State Highway 95 Intersection

ISANTI COUNTY

County

- Construction of a new railroad spur line between the cities of Cambridge and Isanti. This proposed line will do many things for the region including allowing for business access to rail, potential commuter rail opportunities and to alleviate traffic congestions caused by rail in the region.
- Construction of a new passenger rail service between the Twin Cities and Duluth – potentially having a depot within the county.

Braham

- Creation of a business incubator building to nurture entrepreneurs and assist them in creating new businesses / jobs.
- Initiatives to assist in marketing their existing industrial park.
- Conduct a Business Expansion & Retention program.

Cambridge

- Acquisition of an additional 72 acres for the Cambridge Opportunity Industrial Park to allow for further industrial and commercial expansion.
- Acquisition of additional land adjacent to the Opportunity Industrial Park for the installation of rail infrastructure to allow the park to have rail access and ease congestion caused by rail issues in downtown Cambridge
- Construction of a 47,040 industrial business incubator building in the Cambridge Opportunity Industrial Park to allow for quicker development.
- Infrastructure development in the Southeast Industrial Park. This infrastructure addition will allow for further commercial and industrial development.
- Develop land adjacent to the Cambridge Airport to allow for airport related industrial companies.
- Development of a depot site and facility for the planned passenger rail line to operate between the Twin Cities and Duluth.

Isanti

- Acquisition and creation of a rail served industrial park including infrastructure.
- Downtown revitalization project.
- Development of a medical clinic.

Cambridge Medical Center

- Construction of 20,000 square foot medical clinic in Isanti.

Anoka Ramsey College – Cambridge Campus

- Construction of 2,900 square foot customized training facility to assist in creating skilled workers for our region's businesses.

KANABEC COUNTY

Ogilvie

- Redevelopment of the old Ogilvie School site into manufacturing, commercial, and residential sites.

Mora

- Construction of a 25,000 square foot business incubator building in the Mora Industrial Park.
- Increase marketing initiatives for the Mora Industrial Park.
- Development of recreational attractions in Mora.

MILLE LACS COUNTY

Bock

- Resolve ongoing inflow and infiltration problem with municipal sewer system. This will allow for increased capacity at the city water treatment system and thus allow for future growth.

Isle

- Development of the 70 acre industrial park. Infrastructure is needed to help develop this park to allow for further commercial and industrial growth.
- Replace outdated and inefficient streetlights with new energy efficient systems to improve public safety and conserve energy.
- Construction of a business incubator to assist in creation and retention of businesses and jobs.

Milaca

- Expansion of utilities in the industrial park to allow for further commercial and industrial expansion.
- Downtown business expansion and regeneration as part of the Healthy Communities Partnership at the Initiative Foundation.
- Attract new, expanding and relocating business to the Milaca industrial park through business retention and expansion survey.
- Assist with expansions of commercial and industrial facilities.

Mille Lacs Band of Ojibwe

- Redevelopment of former wastewater site into industrial park with infrastructure for future development.

Onamia

- Creation of an industrial park to allow for future commercial and industrial growth.

Pease

- Developing comprehensive land use plan.
- Upgrade water / sewer infrastructure to accommodate future growth.

Princeton

- Construction of new wastewater treatment facilities to allow for growth.

Comprehensive Economic Development Strategy Update

- Installation of water / sewer infrastructure for industrial park expansion.
- Development of business incubator / remote worksite facility
- Integration of the Business Community into local School District.

Wahkon

- Developing comprehensive land use plan and zoning ordinance

PINE COUNTY

Askov

- Sewer line rehabilitation and expansion which will allow future growth

Henriette

- Complete sewer project to accommodate future industrial, commercial and industrial growth.

Hinckley

- Infrastructure for the development of a 222 acre regional retail shopping development / lifestyle center.
- Development of a 34 acre regional park
- Infrastructure for the development of a 12 acre 55 and better retirement housing complex.
- Acquire land to facilitate a train depot and related parking for a proposed for passenger rail line between the Twin Cities and Duluth.

Pine City

- Expansion of or construction of a new wastewater treatment system. This will allow for future commercial, industrial and residential development.
- Construction of a business incubator building at the Pine City Technology / Industrial Park to assist in fostering new business development.
- Conduct feasibility study of the potential of a rail spur or intra-city bus to connect Pine City to Hinckley's depot served by the Northern Lights Express passenger rail line.
- Acquisition of additional land to accommodate for the developing Pine City Technology Park Industrial Park.
- Construction of a new cross wind runway and the lengthening of the main runway to 5,000 feet at the Rush City / Pine City / Chisago County Regional Airport.

Pine Technical College – Pine City

- Construct a new business incubator / small business center for light industrial start up companies with office and production spaces in an effort to aid in starting new businesses and job creation.
- Construct a new Early Childhood Center. This will create instructional space for courses in early childhood education and development.

Rock Creek

- Demolish outdated restroom facilities at the public park and replace with modern facility.

Sandstone

- Provide land and utility infrastructure for development of a 30 to 40 acre medical campus to include construction of a 25 bed critical access hospital.
- Acquire and rehabilitate land to construct a regional passenger rail station as well as overnight maintenance and cleaning facility for these passenger trains.
- Expand infrastructure to a 40 to 50 acre location near new hospital campus for the development of ancillary business such as clinics, hotels, restaurants, etc.
- Expand infrastructure from the medical campus to a 160 acre city owned business park with freeway frontage.
- Acquire land and extend infrastructure to allow for expansion at the municipally owned golf course.

Sturgeon Lake

- Construction of a water distribution facility, two new municipal wells, well house and elevate storage tanks.

Willow River

- Improvements to the city waste water treatment facility, either rehabilitation of existing system or replacement with new system to allow for future commercial, industrial and residential development.

IV. STRATEGIC PLANNING, TACTICS, AND GOAL ASSESSMENT

The ECRDC's mission is to provide regional leadership in economic development and planning services that provide satisfaction to the shareholders or Region 7E. Shareholders are defined as local government, elected officials, private business and the citizenship of the region. Shareholder satisfaction includes but is not limited to the following: increasing property tax revenues from new private business and housing, increasing high wage employment opportunities, devising marketing initiatives to promote the region for business expansion, and provide leadership and direction through creative problem solving. The ECRDC will reach these goals through the following strategic core competencies:

Prospect Marketing and Business Recruitment

Put forth regional marketing initiatives, design technology transfer plans, and advocate funding mechanisms

- Identify needs of existing businesses, developing initiatives to support those needs.
- Foster the expansion and retention of existing businesses in Region 7E.
- Assist and encourage the relocation and expansion of viable out of area businesses.
- Encourage entrepreneurial activity and the development of new businesses.
- Establish comprehensive planning, grant writing, infrastructure assistance to local government.
- Support local units of government on recruitment efforts.

Developing Partnerships

Partnering with local government and private business on planning and infrastructure improvement

- Coordinate the efforts of local, county, state, and regional economic development planning organizations.
- Actively participate with manufacturing, professional and targeted trade groups.
- EDA statewide networking to establish best practices for process efficiency and innovation.

Informational Resource

Ongoing survey of regional shareholders technical planning, economic development, and legislative needs

- Survey needs of existing businesses and local government.
- Provide technical planning assistance, potential funding mechanisms, and logistical analysis to municipalities, local development organizations, and businesses.
- Conduct informational research on recent legislation changes, loan / grant opportunities, and economic development support.
- JOBZ administration, land modification, and community advocacy.

The core competencies detailed are linked with a comprehensive list of tactics to ensure that each core competency is realized. The detailed list of past year economic development activities discussed earlier are directly linked to the tactics and strategy for making the ECRDC mission a reality. In review and assessment of this strategy and weighing the need from the public the following tactics have been to the strategic core competencies:

Developing Partnerships:

Coordinating the economic development efforts of county, city, and local government

Reason: In working with the diverse local economic development organizations there is a need to coordinate economic development efforts for regional business recruitment initiatives.

Informational Resource:

Provide business planning, SBA assessment, and loan packaging services to business startups

Reason: There is only one other Small Business Development Center (SBDC) office in Region 7E, located at Anoka-Ramsey College in Cambridge, MN. This is an opportunity to provide one stop service in loan marketing and packaging.

Continual feedback from private business, local government and private citizenry through onsite visits, collaboration, and economic development meetings has revealed the success of the strategic plan through the Balance Scorecard performance measurement system:

Customer Satisfaction (prospects and financial contributors)

- Critical Success Factors
 - On-time delivery of service
 - Satisfied customers
- Measures
 - Percent on time delivery
 - Service degree

Assessment: The Community / Economic Development services has provided consistent on time deliverables. However there is an opportunity to improve by leveraging assistance through multiple internship and graduate internship programs.

Internal Processes (mission orientated and support orientated)

- Critical Success Factors
 - Process efficiency
 - Process orientation
- Measures
 - Project plan vs. actual outcome
 - Service vs. competition

Assessment: A number of community / economic development projects have been brought to closure. However, managing multifunctional projects require prioritization. Developing a risk management schedule with a priority action plan may provide an improved management of projects.

Innovation

- Critical Success Factors
 - Ideas applied to future business processes
 - Ideas generated
- Measures
 - New ideas applied to business concepts
 - New ideas generated per week

Assessment: As detailed in past years activities there has been a very diverse group of successes. Continual collaboration and discourse of community / economic development projects at the local level of government is a key to generating innovative ideas.

Knowledge and Learning

- Critical Success Factors
 - Attitudes of employees
 - Relevant competence of employees
- Measures
 - Knowledge level of economic development concepts
 - Employee satisfaction

Assessment: Working to improve the internal workings of the organization through monthly staff meetings has been instrumental in development of the organization.

Comprehensive Economic Development Strategy Update

Attachment A

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES (CEDs) GOVERNANCE BOARD

Name	Organization	Term Expires
Jill Behnke	Chisago County Municipalities	2010
Marlys Palmer	Isanti County Municipalities	2012
Dave Chmiel	Kanabec County Municipalities	2011
Dr. Jeremy Riddle ** CHAIR **	Mille Lacs County Municipalities	2010
Paul Venhusien	Pine County Municipalities	2012
Dr. Robert Musgrove	Post Secondary Education	2012
Terry Dalbey	Workforce Development	2011
Ginger Glenn	Private Industry	2010
John Schlagel	Workforce Development	2011

Attachment B

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES (CEDs) ADVISORY COMMITTEE

Advisory Committee Member	Organization
Dennis Fischer	Superintendent of Schools – Pine City (Secondary Ed.)
Rebecca Fuller	Oakland Vocational (Secondary Ed.)
Christy Flaspeter	HR / Safety Director – Isanti Tool Co. (Private Ind.)
Ryan O’Donovan	Anoka Ramsey College (Workforce Development)
Joan Danielson	Department of Employment & Economic Development (Workforce)
Ginger Glenn	Pres & CEO Glenn Metalcraft (Private Ind.)
Jason Spaeth	Pine Technical College (Post Secondary Ed.)
John Schlagel	Schlagel Mfg. – Cambridge (Private Industry)
Diane Knutson	Department of Employment & Economic Development (Workforce)
Loren Nelson	Aurelius Manufacturing (Private Industry)
Matt Mathiasen	Executive Director, Communities Investing in Families (Workforce)
Nancy Mach	Dean of Students, Pine Technical College (Post Secondary)
Dr. Robert Musgrove	President, Pine Technical College (Post Secondary)
Beth Nelson	MN Workforce Center (Workforce)
John Norris	President & CEO, Atscott Mfg. (Private Ind.)
Bruce Novak	Superintendent of Schools - Cambridge / Isanti District (Secondary Ed.)
Deidra Peaslee	Dean of Students, Anoka Ramsey College – Cambridge Campus (Post Secondary Ed.)
Bridget Moeller	Greater MN Credit Union (Private Industry)
Rick Lehn	Superintendent of Schools - Princeton (Secondary Ed.)
Sarah Treiber	Mille Lacs Band of Ojibwe (Government)
Craig Schultz	Superintendent of Schools – Mora (Secondary Ed.)
Gregory Winter	Superintendent of Schools – Braham (Secondary Ed.)
Dennis Korpi	East Central Energy (Private Ind.)
Sarah Anderson	HR Director, Schlagel Mfg. – Cambridge (Private Ind.)
Greg Owens	President, Community Pride Bank (Private Ind.)
Rita Borchert	Central MN Jobs and Training (Workforce)
Kim Schreur	MN Workforce Center (Workforce)
Kurt Robertson	Department of Employment & Economic Development (State)
Joan Bloemendaal-Gruett	Pine Technical College (Post Secondary Education)
Valorie Arrowsmith	Braham Chamber of Commerce (Chamber)
Dan Fosse	Cambridge / Isanti School Board (Education)
Anne Klein	Anatomical Advisory (Private Industry)
Heidi Braun	Pine Technical College (Post Secondary Ed.)

Comprehensive Economic Development Strategy Update

JoAnn Faust	RISE Inc. (Workforce)
Bob Strub	MN DEED
Steve Hammero	Oak Land Vocational
Jill Johnston	RISE Inc. (Workforce)
Char Gatewood	Crystal Cabinets (Private Industry)
Rebecca Perrotti	Central MN Jobs and Training (Workforce)
<u>Ex-officio:</u>	
Robert Voss	Executive Director, East Central Regional Development Commission
Jordan Zeller	East Central Regional Development Commission