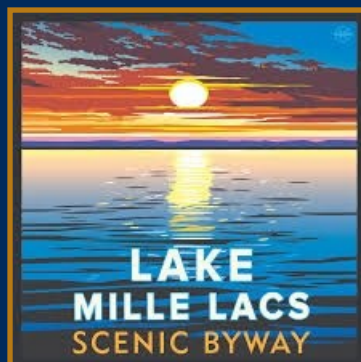
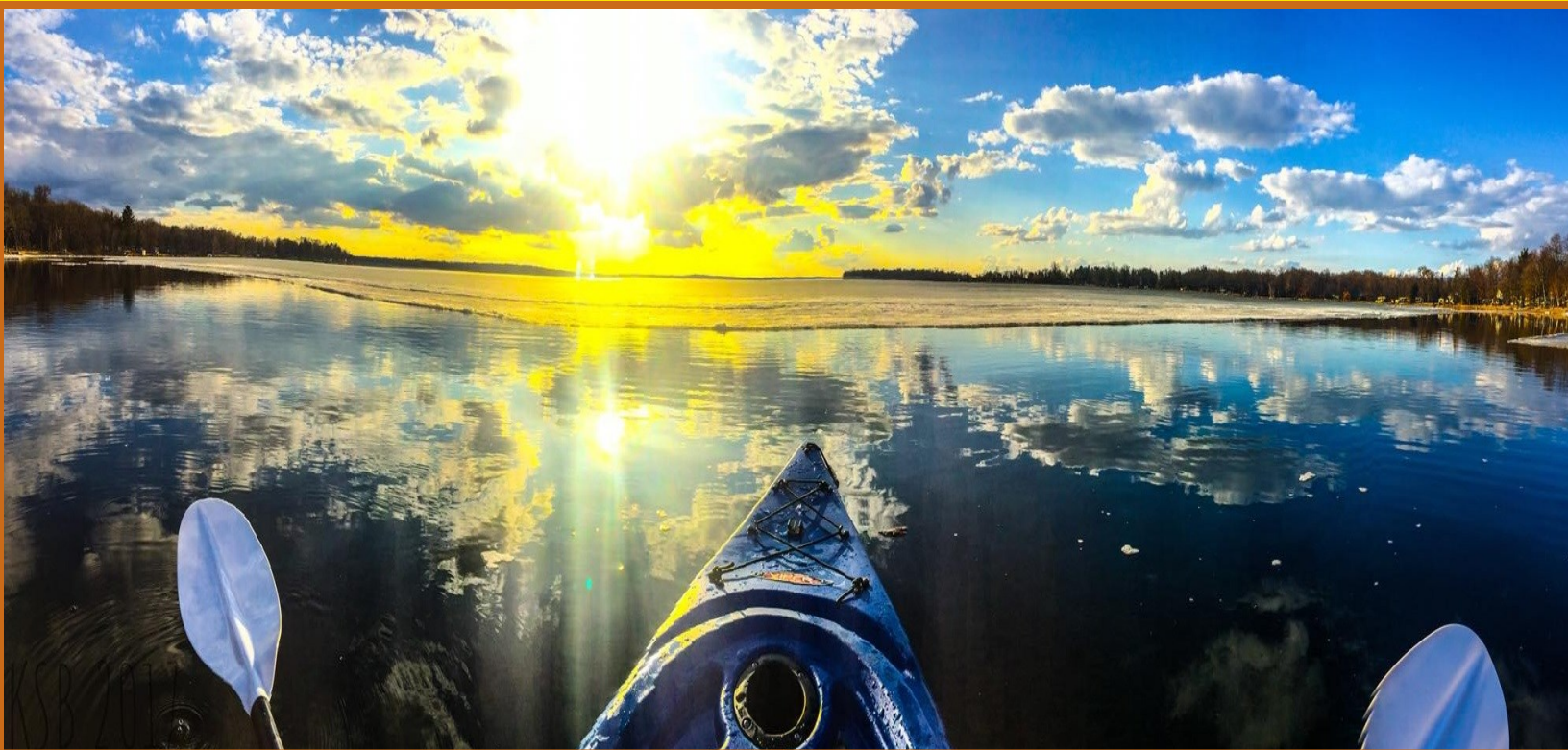




2019 Annual Report



Serving Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties



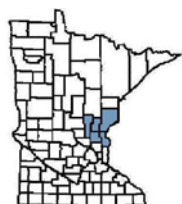
Greetings East Central Minnesota!

Thank you for taking a moment to check out the annual report of the East Central Regional Development Commission. Each year the Commission prepares a report listing its accomplishments toward fulfilling the ECRDC's mission.

This report includes the programs, projects, and related financial information for the period starting on July 1, 2018 and ending on June 30, 2019.

Among the highlights of the past year include the official ribbon cutting for the Lake Mille Lacs Area Scenic Byway which took place last November. This milestone event marked the beginning of an effort by many to improve tourism by promoting this 68-mile route in new and innovative ways. The Commission also partnered with Pine Technical and Community College to successfully secure a federal EDA grant to modernize their campus in Pine City to better meet the current and future workforce needs of the region. The planning phase to establish a Regional Transportation Coordinating Council (RTCC) for the region was also completed this past year to improve coordination of the region's public and private transportation resources. The Community Development program continued its work on Safe Routes to School planning; Safe Roads/Toward Zero Deaths programs, and a number of local land use plans. Finally, our Economic Development department worked closely with employers in the region to establish an *Inventors and Entrepreneur Club* to connect valuable resources and mentorship to emerging new businesses in our area.

Steve Dubbs, Chairman of the Lake Mille Lacs Scenic Byways, spoke at the ECRDC Annual meeting which was held at Eddy's Resort on June 24th.



As always, we like to offer our hails and farewells to members on our Commission. We want to take this opportunity to thank outgoing Commission Members Tim Franklin (Pine County Municipalities); Greg Anderson (Isanti County Commissioner); Marlys Palmer (Isanti County Municipalities); Tom Walker (Mille Lacs County Municipalities); and Steve Odegard (Northern Schools) for their service to the ECRDC over the years. Also, a hearty welcome to our newly appointed Commission Members Scott Moe (Northern Schools); Carrie Levitski (Southern Schools); Dave Dillan (Mille Lacs County Municipalities); Tish Carlson (Isanti County Municipalities); Terry Turnquist (Isanti County Commissioner); and Peter Spartz (Pine County Municipalities). This year we also welcomed a new staff person, Ashley Eckdahl, who will lead our efforts to establish a Transportation Management Coordinating Center for the RTCC.

Finally, a special thanks to the ECRDC Board, our various advisory committees, and staff for a truly rewarding and productive year. The Commission's success would not be possible without your support, hard work, and dedication.

Sincerely,



Robert L. Voss
Executive Director



MISSION OF THE EAST CENTRAL REGIONAL DEVELOPMENT COMMISSION

The mission is to provide leadership and direction through creative problem solving. We do this by initiating projects and programs that lead to creative solutions to regional problems, providing technical assistance and identifying and developing available resources. We serve in a leadership role as an advocate for East Central Minnesota to bring about positive change.



WHO IS THE EAST CENTRAL REGIONAL DEVELOPMENT COMMISSION?

The East Central Regional Development Commission (ECRDC) is a public agency serving a variety of constituents within Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties. Other constituents include various state, federal, and local governmental bodies.

The board members are represented by officials appointed by county boards, townships, municipalities, school boards and citizens at large.

The ECRDC is funded through a local tax levy and planning/program grants and contracts from state agencies, federal agencies and foundations.

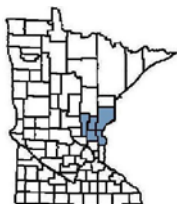
ECRDC Annual Meeting

Front l-r: Robert Voss, Ben Montzka, Loren Davis, Jeannette Kester, Tom Lawlor, Genny Reynolds, Diane Larkin

Second l-r: Kevin Stenson, Dave Dillan, Linda Evans, Bob Bollenbeck, John Mikrot, Richard Hansen, and Robert Hoefert.

ECRDC BOARD MEMBERS		
First Name	Last Name	County/Represents
Greg	Anderson	Isanti Co. Commissioner
Bob	Bollenbeck	Kanabec Public Interest
Tish	Carlson	Isanti Co. Municipalities
Loren	Davis	Isanti Co. Public Interest
Dave	Dillan	Mille Lacs Municipalities
Carla	Dunkley	Native American Rep
Kathi	Ellis	Kanabec Commissioner
Linda	Evans	Mille Lacs Public Interest
Tim	Franklin	Pine Co. Municipalities
Gordon	Gullixson	Kanabec Municipalities
Richard	Hansen	Isanti Co. Townships
Robert	Hoefert	Mille Lacs Co. Twps
Jeannette	Kester	Pine Co. Public Interest
Diane	Larkin	Chisago Co. Townships

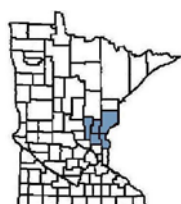
ECRDC BOARD MEMBERS		
First Name	Last Name	County/Represents
Tom	Lawlor	Chisago Public Interest
Carri	Levitski	Southern School Boards
John	Mikrot, Jr.	Pine Co. Commissioner
Scott	Moe	Northern School Boards
Ben	Montzka	Chisago Commissioner
Marlys	Palmer	Isanti Municipalities
Dave	Patenaude	Kanabec Co. Townships
Genny	Reynolds	Mille Lacs Commissioner
Kevin	Stenson	Chisago Co. Municipalities
Jim	Swenson	10000+ Population
Terry	Turnquist	Isanti Co. Commissioner
Thom	Walker	Mille Lacs Municipalities
Glen	Williamson	Pine Co. Townships



Serving Chisago, Isanti, Kanabec, Mille Lacs and Pine Counties

ECRDC Board Members

Financials and Budget



	FY 2019 ADOPTED BUDGET	FY2019 UNAUDITED PRELIMINARY PRIOR TO CLOSE OF YEAR	FY 2020 ADOPTED BUDGET
AGENCYWIDE REVENUES (by source)			
County Tax Levy	318,819	314,004	328,384
Grant Revenues	220,000	231,293	332,028
Local Contract Revenues	23,220	-	54,812
Various Other Sources	25,390	17,037	16,940
Revolving Loan Fund	60,098	91,329	60,098
Total Revenues	647,527	653,663	792,262
AGENCYWIDE EXPENDITURES (by program)			
General Fund	147,765	141,338	150,854
Economic Development	140,000	158,387	140,000
Transportation / Safety	265,888	263,534	370,640
Revolving Loan Fund:			
Administration	12,352	6,066	7,620
Loans Disbursed	45,000	68,000	45,000
Total Expenditures	611,005	637,326	714,114
Fiscal Year ended June 30, 2019 (Unaudited)	General Fund Decrease		(926)
Fiscal Year ended June 30, 2020 (Projected)	General Fund Increase		69,669

Fiscal Year 2018 Audit was conducted by CliftonLarsonAllen LLP, Brainerd, Minnesota. The auditor's report expresses an unqualified opinion on the General Purpose Financial Statements of the East Central Regional Development Commission.



*Regional Transportation Coordinating
Council Public Stakeholder's Meeting held
in Mora.*



Minnesota has significant economic opportunities all across the state. Regions throughout Greater Minnesota share many qualities and challenges, but lack the intentional alignment needed to take advantage of shared priorities and maximize the use of resources. The lack of alignment has led to a limited voice in crafting effective development policy based on regional priorities. DevelopMN will help identify needed alignment and document a broadly supported strategy for creating shared prosperity.



DevelopMN has identified four cornerstones for strong regions and communities:

Human Capital

It is clear that prosperity in the 21st century will be driven by a combination of Human Capital and Innovation. In a world that is constantly shrinking, people with knowledge and skills are becoming ever more mobile and have multiple choices of where to live, work and play. Growing, retaining and attracting talent, and then maximizing its potential, are critical for Greater Minnesota.

Economic Competitiveness

Making Greater Minnesota an attractive environment for growth is critical to creating jobs, raising living standards and financing necessary public services. Economic prosperity

Revolving Loan Fund (RLF):

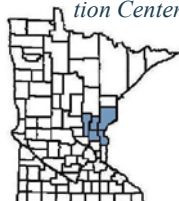
The ECRDC RLF provides gap financing for businesses looking to open, expand or relocate to Mille Lacs, Pine, Isanti, Chisago & Kanabec Counties. The ECRDC employs the RLF as a tool in recruiting new businesses, maintaining and expanding existing ones, creating and retaining good paying jobs and strengthening the economic base of East Central Minnesota.

Currently there are 14 active loans to small businesses in the region and approximately \$100,000 is still available to lend. Loan amounts typically range from \$10,000 to \$60,000 with terms up to 10 years. Informational brochures were recently updated and signs promoting the RLF program are often placed at benefitting businesses. Applications for the RLF are available on the ECRDC website at www.ecrdc.org.

In July 2019 an RLF loan was approved to EZ Box Electrical Systems Solutions, LLC..

This is a family-owned and operated manufacturer of new-to-the-world electrical switch and outlet boxes which work in tandem with other proprietary electrical products as a system designed to save the installer time, and improve the safety of end-users.

EZ Box Electrical Systems Solutions, LLC. is located in the business incubator at Pine Technical & Community College, in the Pine Innovation Center.



requires that communities link all assets of the community to generate new knowledge, new businesses, and transform existing businesses into thriving 21st century companies.

Community Resources

Greater Minnesota communities seek to maintain our rural heritage while creating amenities that in return offer sustainable populations and become defining pillars of our culture.

Foundational Assets

Greater Minnesota communities require proactive and collaborative approaches/strategies to address infrastructure needs in a cost-effective manner. Managing the access to, maintenance, replacement, and growth of these assets is key to preserving and maintaining communities as well as providing for growth opportunities. Foundational Assets include above-ground and below-ground infrastructure including transportation, utilities, and water.

Local Planning Projects

The East Central Regional Development Commission is assisting the City of Rock Creek with updating their Comprehensive Plan, the City of Rush City with developing an Economic Development Strategic Plan, and Pine City Township with updating their Comprehensive Plan.



Economic Development



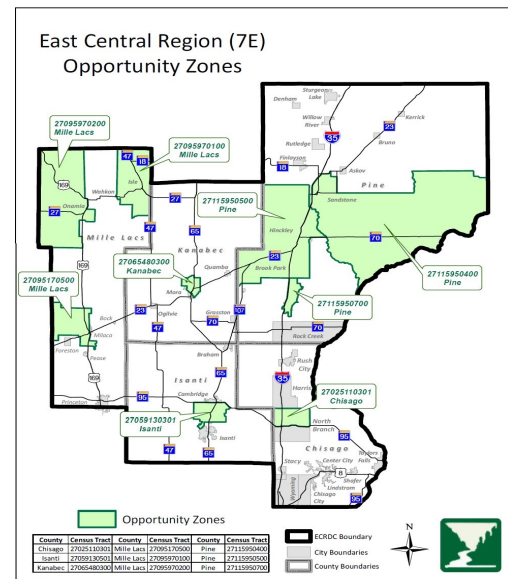
The ECRDC held quarterly City / County Clerks/Administrators & Community / Economic Developers Meeting

Administrators City/County Clerks, & Economic Development Professionals Meetings:

The ECRDC organizes City / County Clerks / Administrator & Community / Economic Developers meetings approximately quarterly to discuss mutual key issues occurring in the Region 7E communities. Past topics include financing opportunities for local units of government and businesses, customized training and workforce needs, business recruitment and expansion initiatives, entrepreneurship, and regional marketing initiatives. These meetings have evolved into a best practices approach to city economic development. Issues and speakers are selected that provide insight that will assist local governments and communities

Opportunity Zone Events

The ECRDC facilitated four Opportunity Zone marketing and educational events in spring, 2019, in North Branch, Milaca, Pine City and Isle. These similarly formatted events featured a subject matter expert to talk on the ins-and-outs of Opportunity Zones, as well as a presentation on other financial resources and technical assistance programs that could complement Opportunity Zone projects. Bob Isaacson, Executive Director of the MN Department of Employment & Economic Development Office of Business Finance spoke at 2 of the events on business finance programs, and representatives of the Minnesota Housing spoke on housing assistance programs offered by the State of MN presented at the other two events. Approximately 60 people attended the Opportunity events.



GPS 45:93 Collaboration:



The ECRDC continues its economic development partnership with the GPS 45:93 in attracting high technology firms to Region 7E. GPS 45:93 is a regional economic development consortium strategically located along Interstate 35 between Minneapolis/St. Paul and Duluth. This makes it an ideal location for those companies serving the Twin Cities and Duluth area.

The mission of GPS::45:93 is to better position the region to attract high wage, technology based jobs, collaborate on business retention and expansion and encourage entrepreneurial activity. GPS 45:93 is working with Chamber of Commerce, banks and other local partners to support businesses in the region.

GPS 45:93 is dedicated to growing and attracting businesses with high-paying jobs to the 5-county region of East Central Minnesota. It takes its name from the point of latitude and longitude at which the four original counties in the partnership meet.

The Mission Statement of GPS 45:93 is:

Collaborate to strengthen regional economy by:

- Providing a regional approach to workforce development, business attraction, retention and expansion
- Acting as a conduit for members and the region to access resources and educational opportunities.



Comprehensive Economic Development Strategy (CEDS):

The ECRDC has been implementing their five-year CEDS completed and adopted in 2017. The CEDS tracks the region's demographic trends and economic conditions, identifies weaknesses and threats, and identifies strategies that have the potential to help mitigate roadblocks to the region's prosperity. A valuable planning process for regional economic development takes place in the development of a CEDS. An approved CEDS is required to maintain East Central Minnesota's designation as a federal Economic Development District. The current CEDS can be found on our website at www.ecrdc.org.

Economic Development Districts (EDDs) are eligible to apply for various funding opportunities available through U.S. Economic Development Administration (EDA). For example, the ECRDC accesses the Partnership Planning grant to develop and implement the

regional CEDS. More importantly, our local units of government may include regionally significant projects in the CEDS. Eligible projects may apply for federal funding through EDA's Public Works grant program on a competitive basis. The Public Works program seeks to empower distressed communities to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private sector jobs and investment.

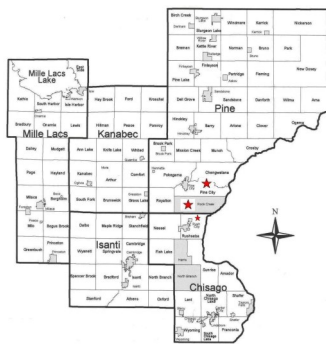
In spring, 2019, the US Department of Commerce / Economic Development Administration awarded Pine Technical & Community College in Pine City a \$1.1 million grant for campus upgrades.



Pine Technical & Community College

Local Planning Projects

The East Central Regional Development Commission is assisting the City of Rock Creek with updating their Comprehensive Plan, the City of Rush City with developing an Economic Development Strategic Plan, and Pine City Township with updating their Comprehensive Plan.



Inventors & Entrepreneur Club

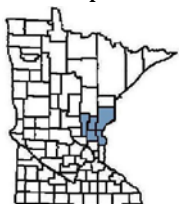
The ECRDC partnered with East Central Energy and GPS::45::93 to hold events to focus on supporting local entrepreneurs and encouraging them to start and grow their business here in the region. The advisory team is working to develop this club and promote a monthly gathering for individuals that are seeking to share ideas and get more information about the first step or next step in starting their business.

Federal Reserve Bank of Minneapolis Business Surveys

The East Central Regional Development Commission, along with other regional planning organizations from Minnesota, have been partnering with Ron Wirtz with the Federal Reserve Bank of Minneapolis to conduct semi-annual surveys of businesses to help the Fed better understand not only our regional business economy, but Greater Minnesota. Mr. Wirtz's boss, Neel Kashkari, President of the Federal Reserve Bank of Minneapolis, sits of the Fed's Federal Open Market Committee, which sets benchmark interest rates in the United States.



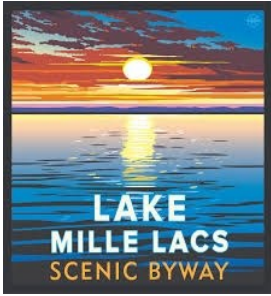
*Business success story presented by
Loren Davis, Diversified Bronze.*



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Economic Development

Lake Mille Lacs Scenic Byway



On July 16, 2018 the Minnesota Scenic Byways Commission designated Lake Mille Lacs as the state's newest scenic byway, culminating a multi-year planning process. The designation will open up opportunities for increased tourism and promote the region's unique character. The commission,

made up of the Minnesota departments of transportation and natural resources, the Minnesota Historical Society and Explore Minnesota offers the structure and guidance for the 22 Scenic Byways throughout the state. The state's byways comprise 2,948 miles of regionally outstanding scenic, natural, recreational, cultural, historic or archaeological significant corridors.

"The Scenic Byways Commission has been tremendously successful in preserving and highlighting some of the very best destinations in Minnesota," said then-Governor Dayton. "Designating Lake Mille Lacs as Minnesota's newest scenic byway corridor will encourage Minnesotans to enjoy a unique part of our state and support the Mille Lacs Area's economic growth and vitality. I encourage all Minnesotans, and visitors beyond our borders, to plan a trip to Mille Lacs and enjoy all that our newest scenic byway has to offer."

"Scenic byways offer the best of Minnesota, by vehicle, foot or bicycle," said Minnesota Department of Transportation Commissioner Charlie Zelle. "Designating scenic byways increases economic benefits through improved traveler and community services, promotion of tourism and a broadened appreciation of the state's historic and natural resources. We are pleased that Lake Mille Lacs now joins the list of scenic byways."

Work on the designation began about two years ago when the ECRDC and the Arrowhead Regional Development Commission led

a grassroots effort to gain support. The two commissions studied the route possibilities, inventoried the prominent features and held public meetings in communities, including tribal communities, to gather input.

"Partnerships were key to getting this historic and popular recreational lake designated as a scenic byway," Zelle said. "The good work of the two development commissions and the support of the Lake Mille Lacs communities made this happen to ensure this northern Minnesota gem will be enhanced and preserved."

All roadways, except one, on the scenic byway are MnDOT-maintained roads. The byway loops around Lake Mille Lacs and includes highways 169, 27, 18 & 47. Shakopee Lake Road, which is a county-owned road, is also part of the loop.



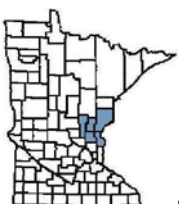
Lake Mille Lacs Scenic Byways ribbon cutting ceremony

In addition to the work related to the Lake Mille Lacs Scenic Byway, the East Central Regional Development Commission hosted a multi-day leadership training for key scenic byway personnel from across the nation. The training held at the Audubon Center of the North Woods just outside of Sandstone, Minnesota offered nationally-known presenters to share their knowledge of beginning and maintaining a scenic route. The Veteran's Evergreen Memorial Scenic Byway and the St. Croix Scenic Byway that run through Pine and Chisago Counties respectively represented themselves at the leadership training.



Scenic Byway training held at the Audubon Center of the Northwoods.

Transportation

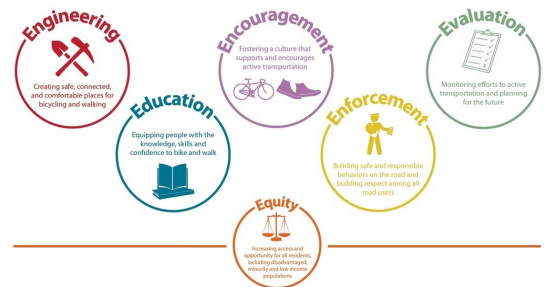




Minnesota's Safe Routes to Schools program, administered by the Minnesota Department of Transportation provides funding for planning, infrastructure and non- infrastructure projects. Isanti County, Minnesota (communities of Braham, Cambridge, and Isanti) along with the City of Pine City, Minnesota chose to undertake this planning initiative, completed in the spring of 2019, in hopes that infrastructure and non- infrastructure funded projects as a natural progression will follow.

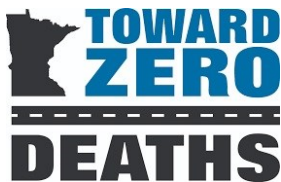
Since its inception, SRTS assists communities in tackling unique challenges and taking full advantage of opportunities specific to individual schools and neighborhoods. Nationwide trends common to most communities include things such as: 1) declining rates of physical activity for school age children; 2) increasing rates of childhood and adolescent obesity and related health problems; 3) increased automobile traffic congestion around schools and on nearby roadways; and 4) continued land use patterns that focus development further away from already developed areas. The Isanti County Safe Routes to School Plan explores each of these.

Flourishing Safe Routes to School projects see remarkable changes in the way students and parents choose to travel to and from school. These projects succeed by including each of the "Six E's" of Safe Routes to School to ensure that their project is a well-rounded, multi-prong and time-tested approach to getting students safely walking and bicycling. The Six E's of Safe Routes to School are: 1) engineering; 2) education; 3) encouragement; 4) enforcement; 5) evaluation; and 6) equity.



Transportation Alternatives and Surface Grant Funding

Federal funding available through these two primary sources continue to be applied for by communities and/or counties in the East Central Regional Development Commission five county area, and administered through three Minnesota Department of Transportation Districts (1, 3, and Metro). Work related to the solicitation, application, review, and selection processes were completed in 2018 and 2019 as an on-going work effort from the ECRDC.



Mille Lacs County Safe Roads/TZD

The ECRDC implemented Toward Zero Deaths/Safe Roads programs this past fiscal year for Mille Lacs County in Region 7E. The coalitions, made up of community members, utilize the four E's in addressing safety issues. The E's represent Education, Enforcement, Engineering, and Emergency Services. Examples of projects implemented this past year include awareness campaigns for law enforcement mobilizations, and a mock crash. Some of these activities were funded through grants from the Minnesota Department of Public Safety, Office of Traffic Safety, and others. They operate under the Transportation Program of the ECRDC. The traffic safety issues facing counties include distracted driving, speed, seat



Princeton High School students observed a pre-prom mock crash in May 2019 that involved distracted driving, serious injuries, and one fatality.



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Transportation



Eckdahl, newest member of ECRDC planning staff

The East Central Regional Development Commission welcomed Ashley Eckdahl as the newest member of our planning staff. Ashley joins the ECRDC after more than 8 years at Pine County in Accounting for Health and Human Services. She also has been working as the Transportation Director for TRY (Transportation Resources for You), a volunteer driver program for Northern Mille Lacs and Northern Kanabec Counties. Her first major responsibility will be to initiate the establishment of a regional Transportation Management Coordination Center. This is due in part to the second phase of grants funded by MnDOT and the FTA as the East Central Regional Transportation Coordinating Council progresses into its second year. Ashley can be reached at (320)679-4065 x24 or email at ashley.eckdahl@ecrdc.org

Regional Transit Coordinating Council (RTCC)

Last year, the Minnesota Departments of Transportation (MnDOT) and Human Services, in collaboration with other state agencies, worked with the Metropolitan Council and other local governments and organizations to create eight regional transportation coordination councils (RTCCs) throughout Minnesota. These councils are now into their second year, continuing their goals to improve coordination between transportation providers and service agencies, to fill transportation gaps, provide more service with same or fewer resources, to streamline access to transportation and to provide customers more options of when and where to travel. The focus is particularly driven to improve mobility for the transportation disadvantaged such as older adults, individuals with disabilities, lower income individuals and/or military veterans.

In June the ECRDC was notified by MnDOT that the Phase two application was approved for funding to begin implementing the plans determined through the 2018-2019 Planning phase. The East Central Regional Transportation Coordinating Councils' (ECRTCC) focus is to provide transportation solutions for the residents of Region 7E.

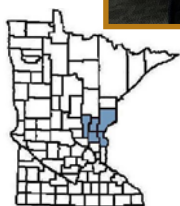
The ECRTCC moved into the Implementation Phase on July 1, 2019. The ECRTCC Advisory Board, established in the Planning phase, is represented by aging, workforce, healthcare, human services, transportation, Tribal, Veteran, and a variety of pertinent governmental agencies.

The focus will be on these five ECRTCC Implementation tasks for the 2019 – 2020 fiscal year:

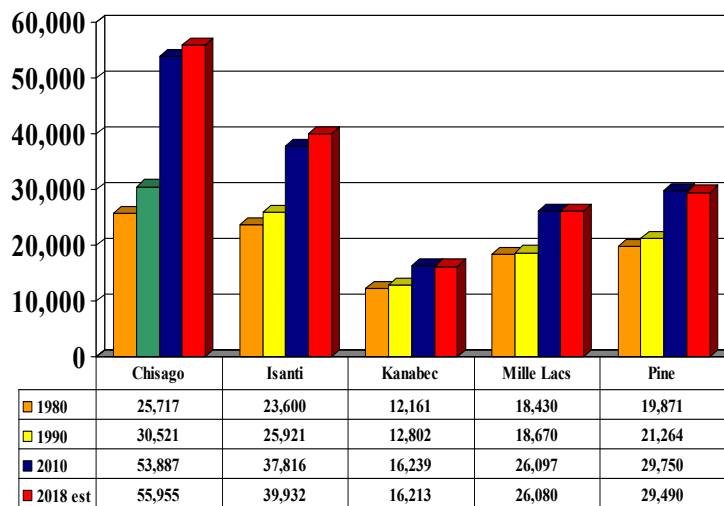
1. Transportation Management Coordination Center Development
2. Volunteer Driver System Development
3. Policy Action
4. Centralized Training for Riders and Drivers
5. Ongoing Transportation Exploration.



Public Stakeholder's Meeting in North Branch (left) and Sandstone (above)..

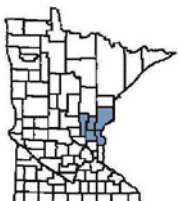


Area	1980	1990	2000	2010	2018 Est.
Chisago County	25,717	30,521	41,101	53,887	55,955
Isanti County	23,600	25,921	31,287	37,816	39,932
Kanabec County	12,161	12,802	14,996	16,239	16,213
Mille Lacs County	18,430	18,670	22,330	26,097	26,080
Pine County	19,871	21,264	26,530	29,750	29,490
Region 7E	99,779	109,178	136,244	163,789	167,670
Minnesota	4,075,970	4,375,099	4,919,479	5,303,925	5,611,179



<u>Staff</u>	<u>Email</u>	<u>Phone</u>
Robert Voss, Executive Director	Robert.voss@ecrdc.org	320-679-4065 x22
Ashley Eckdahl, Transportation Management Coordinator	Ashley.eckdahl@ecrdc.org	320-679-4065 x24
Karen Onan, Regional Transportation Coordinating Council Director	Karen.onan@ecrdc.org	320-679-4065 x32
Trish Rydlund, Office Manager	ecrdc@ecrdc.org	320-679-4065 x25
Penny Simonsen, Transportation Director	Penny.simonsen@ecrdc.org	320-679-4065 x23
Jordan Zeller, Economic Development Director	Jordan.zeller@ecrdc.org	320-679-4065 x29

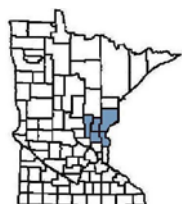
ECRDC Staff



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ANNUAL REPORT
EAST CENTRAL REGIONAL DEVELOPMENT COMMISSION
100 PARK STREET SOUTH
MORA, MN 55051
JUNE 30, 2019



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