



**EAST CENTRAL**  
Regional Development Commission

# ANNUAL REPORT **2025**



# TABLE OF CONTENTS

- 04** Introduction  
Commission Members
- 06** Economic Development  
Revolving Loan Fund
- 09** Local Planning Projects
- 10** Transportation
- 11** Scenic Byways  
Safe Routes to School
- 12** Toward Zero Deaths  
SafeCab
- 14** East Central Regional  
Transportation Coordinating  
Council
- 15** Transportation Grants
- 16** Community Development  
Climate and Energy Projects
- 17** Regional Child Care Initiatives
- 18** Financials
- 19** ECRDC Staff

# FROM THE DIRECTOR

## Strengthening Communities Across East Central Minnesota

Regional growth is not measured only in numbers, but in the connections we make and the lives we improve. The following pages offer a glimpse of why this is truer today than ever before. The strength of our partnerships is critical to the success of the region - whether it's working with transit providers to advance rural transportation options for our citizens; or partnering with local stakeholders to promote tourism and economic development along our region's Scenic Byways.

The Commission spent much of the past year building on prior successes. For example, the Commission continued to expand our revolving loan program, providing gap financing for new and growing businesses. New partnerships with the Minnesota Department of Commerce and the McKnight Foundation allowed us to focus on securing federal funding for climate- and energy-conscious projects. In addition, our joint efforts with the Initiative Foundation advanced multiple initiatives addressing the region's childcare needs. It's clear, once again, that relationship building remains central to the Commission's success.

Many thanks for the steadfast support of our elected officials and the local units of government they represent. This along with the dedication and hard work of our talented eight-member staff makes for a winning combination!



Executive Director,  
Robert Voss

***“What defines growth in our region is not based solely on metrics, but the lasting impacts on people’s lives.”***

# THE EAST CENTRAL REGIONAL DEVELOPMENT COMMISSION

The East Central Regional Development Commission (ECRDC) is a public agency dedicated to serving the diverse needs of Chisago, Isanti, Kanabec, Mille Lacs, and Pine Counties. Our stakeholders include not only residents and businesses, but also state, federal, and local governmental partners.

ECRDC's governing board is composed of representatives appointed by county boards, townships, municipalities, school boards, Native American Tribal Councils, and citizens at large—ensuring that a broad spectrum of perspectives guides our decision-making.

Through innovative thinking and collaborative problem-solving, ECRDC provides leadership that drives regional solutions. We identify opportunities, initiate projects, and support programs that strengthen communities, stimulate economic growth, and improve quality of life. By advocating for initiatives that bring measurable, positive change, we remain committed to building a vibrant and resilient East Central Minnesota.

## COMMISSION MEMBERS

- Tom Anderson, Isanti Co. Townships
- Wallace Bengston, Isanti Co. Public Interest
- Dave Dillan, Mille Lacs Co. Municipalities
- Alan Duff, Isanti Co. Commissioner
- Jack Edmonds, Mille Lacs Co. Public Interest
- Bruce Fitzwater, Chisago Co. Townships
- Nate George, Isanti Co. Municipalities
- Robert Hoefert, Mille Lacs Co. Townships
- Shelly Johnson, Southern School Boards
- Jeannette Kester, Pine Co. Public Interest
- Scott Moe, Northern School Boards
- Ben Montzka, Chisago Co. Commissioner
- Rick Olseen, Chisago Co. Public Interest
- Dave Patenaude, Kanabec Co. Townships
- Genny Reynolds, Mille Lacs Co. Commissioner
- Peter Ripka, Kanabec Co. Commissioner
- Kevin Schieber, 10,000+ Population
- Sara Jayne Treiber, Kanabec Co. Public Interest
- JJ Waldhalm, Pine Co. Commissioner
- Dave Waldoch, Chisago Co. Municipalities
- Glen Williamson, Pine Co. Townships
- Dave Youngquist, Kanabec Co. Municipalities

# COMMISSION MEMBERS



Front row l-r: Shelly Johnson, Bruce Fitzwater, Rick Olseen, Genny Reynolds, Alan Duff, Dave Waldock, and Ben Montzka.

Back row l-r: Tom Anderson, Kevin Schieber, Scott Moe, Wallace Bengston, Nate George, Dave Dillan, Jack Edmonds, and Robert Voss.

# ECONOMIC DEVELOPMENT

## FILLING GAPS, FUELING GROWTH: REVOLVING LOAN FUNDS INVESTED TO ASSIST REGIONAL BUSINESSES

The East Central Regional Development Commission small business Revolving Loan Fund (RLF) continued to strengthen the regional economy by providing leveraged financing, often in conjunction with banks, credit unions and other gap lenders to assist regional companies maintain, pivot, or grow their business and diversify the local and regional economy. This work has also helped to retain or create hundreds of jobs. Through four distinct loan funds, the Commission managed a total asset base of nearly \$1.4 million.

Beyond financing, ECRDC delivered technical assistance and connected borrowers to valuable business development resources, ensuring long-term success and sustainability. At the close of FY2024, the RLF portfolio consisted of 32 active loans.

ECRDC remains committed to fostering innovation, and building strategic partnerships that support business growth and economic vitality throughout the region.



Total receivables | **\$765,202**

Loans in portfolio | **32**

Available to lend | **\$654,840**

# STRENGTHENING REGIONAL COMMUNITIES

## *Advancing East Central Minnesota Through DevelopMN's Four Cornerstones*

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 helps identify needed alignment and documents a broadly supported strategy for creating shared prosperity.

### 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.

### 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 requires that communities link all assets of the community to generate new knowledge, 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.

## PARTNERSHIPS CREATING OPPORTUNITIES

### *Federal Reserve Bank of Minneapolis Business Surveys*

Multiple times per year the East Central Regional Development Commission, along with other regional planning organizations from Minnesota, partners with the Federal Reserve Bank of Minneapolis to conduct surveys of local business conditions to help the Federal Reserve better understand not only our regional business economy, but Greater Minnesota.



*The ECDP Annual Meeting in Braham, Minnesota, October 2024.*

helping to shape the region's child care landscape. Panelists included Beth Gruber (Mille Lacs Corporate Ventures), Staci Gilpin (Rural Pathways), Tamara Lowrey (Itasca Economic Development Corporation), Jackie Skelly (Itasca Area Schools Collaboration), and Kathy George (City of Sandstone).

### *Administrators City/County Clerks, & Economic Development Professionals Meetings*

Approximately quarterly, the ECRDC convenes meetings with City and County Clerks/Administrators and Community and Economic Developers to address key issues in Region 7E. Held in both virtual and in-person formats, these sessions foster collaboration and the exchange of best practices in local economic development. Topics have included grant opportunities, business recruitment, succession planning, entrepreneurship, workforce training, and regional marketing. Guest speakers and issues are carefully selected to provide actionable insights that strengthen local governments, businesses, and communities.

### *East Central Development Partnership*

In October 2024, ECRDC partnered with the East Central Development Partnership to host a child care focused Annual Meeting, attracting over 45 attendees. The event highlighted strategies for achieving child care success and improving outcomes locally, while a panel of industry leaders shared their experiences, projects and insights that are



## *Local Planning Projects*

The East Central Regional Development Commission is in the process of assisting the City of Finlayson with their comprehensive plan project, as well as Mission Creek Township updating their comprehensive plan and land use ordinances. ECRDC also worked with several other local units of government to provide technical assistance on a variety of other planning and development projects.

Implementation of our current five-year Comprehensive Economic Development Strategy (CEDS) began in 2022. 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 this tool. An approved CEDS is required to maintain East Central Minnesota's designation as a federal Economic Development District. The current document can be found on our website at [ecrdc.org](http://ecrdc.org).

Federal EDA 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.

Through the EDRDC's designation as a Federal EDA Economic Development District, several applications to the Federal EDA were fostered in recent years by the ECRDC, including projects in Rush City, Isle and Sandstone, and the Mille Lacs Band of Ojibwe / Mille Lacs Corporate Ventures.

# TRANSPORTATION

## PAVING THE WAY

*ECRDC's regional advising and statewide planning efforts support safe, efficient, and sustainable transportation across the region.*

Each year, a group of committed stakeholders convenes to support state and federal transportation initiatives. ECRDC staff coordinate the work of MnDOT staff, county and city engineers, and state, regional, and local bike and pedestrian staff. The Region 7E Regional Transportation Advisory Committee (TAC) provides a forum for reviewing and recommending multiple sources of funding and serves as a conduit for federal and state resources related to roadway improvements.

In 2025, the Region 7E TAC continued development of the regional long-range transportation plan initiated in 2024. A consultant firm, funded by MnDOT, is guiding the planning process, with completion expected by the end of the year.

### *Transportation Alternatives and Surface Grant Funding*

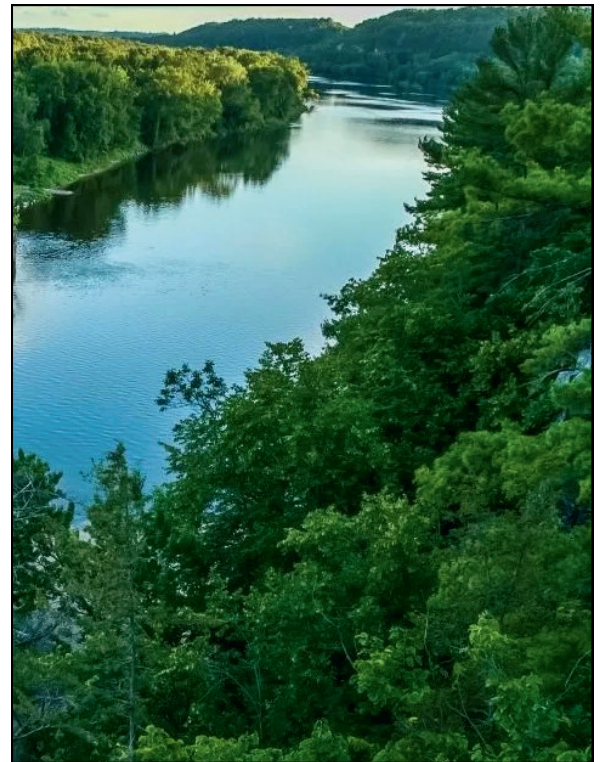
Federal funding available through these two primary sources continue to be applied for by communities and/or counties in the East Central Regional Development Commission five county area and administered through three Minnesota Department of Transportation Districts (1, 3, and Metro). Work related to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

Communities and counties across the ECRDC five-county region continue to apply for federal funding through the Transportation Alternatives and Surface Grant programs, administered via MnDOT Districts 1, 3, and Metro. Throughout 2024–2025, ECRDC facilitated solicitation, review, and selection for these programs. Notably, Chisago County and the Mille Lacs Band of Ojibwe were awarded Transportation Alternatives funding for upcoming projects that include sidewalk and trail improvements.

## *Taking the Scenic Route: East Central's Byways*

The ECRDC continues its role as administrative host for two State of Minnesota designated scenic byways, Veterans Evergreen Memorial Drive Scenic Byway in Pine County and Lake Mille Lacs Scenic Byway in Mille Lacs County.

In the past year, the Veterans Evergreen Memorial Drive Scenic Byway (VEMDSB) received funding from the Minnesota Department of Administration to support the initial development of a wayside rest in Askov along MN 23, adjacent to the Pine County Historical Museum. Improvements included the installation of a mural depicting the scenic byway, park benches, picnic tables—including ADA-compliant tables—and veteran museum display materials. A rededication ceremony was planned for July 2025.



*Photo: Sights along Veteran's Evergreen Scenic Byway.*



*Photo: Kids riding their bikes to school.*

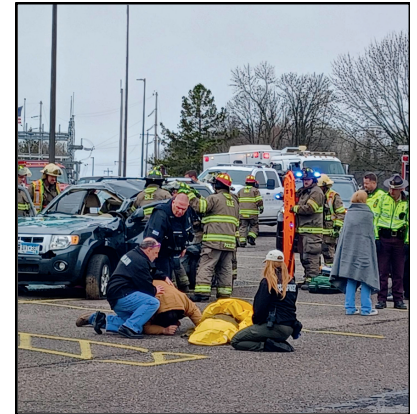
## *Making Routes Safe for All*

Safe Routes to School (SRTS) supports communities in addressing unique challenges and creating opportunities tailored to individual schools and neighborhoods. Across the nation, communities face common trends, including declining physical activity among school-age children, rising rates of childhood and adolescent obesity and related health concerns, increasing traffic congestion near schools.

The City of Pine City successfully secured a MnDOT planning grant for the 2025–26 school year. ECRDC staff completed the planning work outlined in the grant contract and continue to provide outreach and training to support communities in applying for Safe Routes to School funding, including planning, infrastructure, and non-infrastructure projects.

## Strengthening Regional Traffic Safety Through Toward Zero Deaths Partnerships

ECRDC advanced its partnerships with Kanabec and Mille Lacs Counties through a Toward Zero Deaths (TZD) grant from the Minnesota Department of Transportation. This program provides federal funding to support enhanced traffic enforcement targeting impaired driving, occupant protection, speed, and distracted driving, with the overarching goal of reducing crashes, injuries, and fatalities. Through this initiative, ECRDC convened a broad network of county agencies—including law enforcement, public health, public works, county engineering, emergency medical services, and community organizations—to address critical local traffic safety challenges. As part of Minnesota’s flagship traffic safety program, the coalitions employ an interdisciplinary, data-driven Safe System approach grounded in education, engineering, enforcement, and emergency medical services. Over the past year, targeted outreach campaigns, including social media messaging on reducing speeding and impaired driving, community events such as a Mock Crash at the Isle High School, and educational initiatives, have fostered a stronger culture of traffic safety throughout the region.




*Photo: Emergency crews demonstrating a rescue at the Isle High School Mock Crash*

## Minnesota SafeCab



Since the inception of SafeCab over 20 years ago, the program is now serving Isanti and Chisago Counties. At the time, Congressman Oberstar called this new program, ‘The Model for America,’ as it is designed to reduce impaired driving by providing safe, late-night transportation. In 2024, the program delivered 1,419 rides, directly preventing an estimated 970 potential impaired driving incidents.

Alcohol-related crashes and DWI arrests create both emotional and economic costs to our communities. By diverting impaired drivers off the road, SafeCab reduces the risk of fatalities and injuries while also easing the burden on emergency response and the criminal justice system.



Providing East  
Central  
Minnesota  
progress  
through  
leadership and  
advocacy

# EXPANDING MOBILITY AND REDUCING TRANSPORTATION BARRIERS

## *East Central Regional Transportation Coordinating Council*

As transportation projects advance across East Central Minnesota, persistent mobility challenges remain for transportation-disadvantaged residents, particularly older adults who no longer drive and individuals with disabilities. Limited public transportation services and gaps in system connectivity restrict access to essential destinations, including medical care, employment, and community activities. In many cases, residents must rely on costly alternatives or forgo important trips altogether.

The demographic reality of an aging population underscores the urgency for enhanced travel options. ECRDC, through its East Central Regional Transportation Coordinating Council (ECRTCC), has addressed these challenges throughout the last year with coordinated, data-driven strategies designed to strengthen rural transportation systems and improve mobility for underserved populations.

## *Strategic Capacity Building*

### *ILT Academy Training*

In fall 2024, ECRTCC staff participated in training with the ILT Academy, conducting a comprehensive analysis of regional transportation barriers. The process identified several viable solutions and highlighted the need for additional funding and collaboration to advance implementation strategies.

## *Regional Connectivity Projects*

### *Intersystem Connections*

ECRTCC's partnership with Arrowhead Transit and Anoka Transit Link has developed new transfer points to connect riders traveling north-south through Isanti and Chisago Counties into Anoka County and the Twin Cities metropolitan area.

### *East-West Expansion*

ECRTCC identified growing east-west travel needs in the region and worked to support Tri-CAP's launch of their new service between Milaca and Princeton (Mille Lacs County) and St. Cloud. This expansion aligns with ECRTCC's long-term mobility strategies and strengthens connections to key regional destinations.

## Grant Funded Initiatives

### *Empowering Small Minnesota Communities Grant*

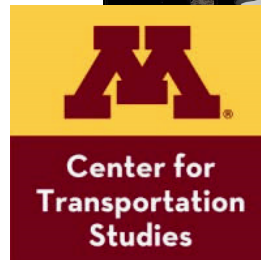
Funded through the University of Minnesota's Center for Transportation Studies, this initiative brought together ECRTCC, Lighthouse Child & Family Services, and ECRDC to align resources, avoid duplication, and develop a unified strategy for improving mobility.

#### Project Process:

- **Baseline Assessment:** Mapped current providers, coverage areas, schedules, and populations served.
- **Qualitative Research:** Focus groups with residents, service providers, and stakeholders revealed recurring challenges such as limited-service hours, geographic gaps, scheduling conflicts, and lack of awareness about available services.
- **Quantitative Research:** Conducted transit coverage and gap analysis, measuring service capacity against demand and mapping travel patterns to guide route adjustments and potential expansions.

#### Key Findings:

- Expand transit coverage to unserved/underserved communities.
- Increase public awareness of available services.
- Improve coordination among providers to enhance efficiency.
- Develop sustainable funding strategies for service expansion.
- Identify current east-west transportation gaps and barriers.



*Photo: Empowering Small Minnesota Communities Grant Presentation, July 2025*

### *Mobility Access and Transportation Insecurity (MATI) Grant*

In early 2025, ECRTCC submitted an Expression of Interest for a national MATI initiative. The proposal, while not selected for funding, was recognized as eligible and outlined a plan for:

- Creating east and west transit hubs.
- Collaborating with Jefferson Lines for intercity connectivity.
- Integrating Minnesota Department of Transportation's Mobility as a Service (Maas) initiative.

ECRTCC remains committed to pursuing this vision, continuing to engage local partners and consultants such as the Great Plains Institute to move the project forward.

# COMMUNITY DEVELOPMENT

## HELPING COMMUNITIES THRIVE

### *Supporting Local Climate and Energy Projects*

Nicole Klosner started with the Commission as the Regional Development and Grant Specialist in March 2024. The work is funded in part by the Department of Commerce's State Competitiveness Fund with the purpose of increasing the success of Minnesota applicants in the pursuit of federal funds for energy projects. These programs are available through the Infrastructure Investment and Jobs Act and the Inflation Reduction Act. Technical assistance has been provided for many projects in our service area including a grant for City Center Market's expansion in Cambridge, Pine Technical and Community College's Golf Cart Pilot Program, cities in our service area looking to apply for the Department of Employment and Economic Development's Small Cities Development Program.

### *Supporting Small Cities and Towns*

ECRDC applied for the Energy Efficiency Community Block Grant Program and was approved to receive funding in July. Under this award, ECRDC will administer sub-grants to local governments in small cities or towns (population under 15,000). Awards to local governments can be between \$2,000 - \$20,000. There have been two contracts sent for projects in our service area. Local governments may use the funds for a variety of energy planning and project development uses, such as:

1. Climate and resiliency planning grants
2. Energy audits on government buildings
3. Engineering and technical assistance services
4. Other energy related studies for public buildings and community plans





## *ILT Academy*

Pine Technical and Community College (PTCC) asked ECRDC for technical assistance to purchase a golf cart for students and staff to use on campus. Over the course of 10 weeks, the idea was pitched to MNDOT and others at the ILT Academy. Funds were secured to help PTCC purchase the golf cart for campus and save energy as well as keep students and staff safe.



## *Clean Energy Resource Teams (CERTS)*

ECRDC plans to apply for a seed grant from CERTS in September 2025 for a community-led project related to energy efficiency. The idea is to make people in the community learn about clean energy, build community by engaging a variety of partners, and to remove barriers to make clean energy more accessible for everyone. The grant period is open and closes October 1, 2025.

## *Driving Regional Solutions for Child Care Challenges*

In 2024, East Central Minnesota made measurable strides in closing the child care gap –adding 20 new family child care businesses and two centers, creating 266 additional slots for local families. While Minnesota overall lost 300 providers last year, our region continues to grow, reducing the gap from 4,116 needed slots in 2022 to 3,140 today.



*Photo: New Compass Child Care Center in North Branch*

ECRDC and county coalition partners leveraged over \$100,000 in ARPA funding for facility improvements, provider support, and start-up incentives. Communities explored innovative approaches such as the “Child Care House” concept, while partnerships advanced creative solutions like incorporating dedicated child care space in Stacy’s new hockey arena.

Recognition and retention remained priorities, with counties issuing proclamations, hosting appreciation events, and distributing thank-you packages to providers. Business engagement grew through a new Child Care Business Packet and employer outreach. With coordinated training, marketing, and grant assistance, ECRDC and its partners are expanding child care capacity, supporting local economies, and helping parents stay in the regional workforce.

# A YEAR IN REVIEW

## Agencywide

<b>Revenues (by source)</b>	<b>FY25 Adopted Budget</b>	<b>FY25 Unaudited Prelim</b>	<b>FY26 Adopted Budget</b>
County Tax Levy	\$ 355,610	\$ 331,317	\$368,783
Grant Revenues	\$507,874	\$528,591	\$ 497,421
Local Contract Revenues	\$ 161,241	\$ 212,221	\$ 76,241
Other Sources	\$ 16,540	\$ 19,632	\$ 70,169
<b>Total Revenues</b>	<b>\$1,041,265</b>	<b>\$1,091,761</b>	<b>\$1,012,614</b>
<b>Expenditures (by program)</b>			
General Fund	\$ 159,244	\$ 180,104	\$ 236,262
Economic Development	\$ 193,425	\$ 178,564	\$ 185,947
Transportation/Safety	\$345,778	\$362,973	\$ 381,556
Other Grants	\$ 290,817	\$ 224,711	\$ 208,839
<b>Total Expenditures</b>	<b>\$989,264</b>	<b>\$946,352</b>	<b>\$1,012,604</b>

## Revolving Loan Fund

<b>Revenues</b>	<b>FY25 Adopted Budget</b>	<b>FY25 Unaudited Prelim</b>	<b>FY26 Adopted Budget</b>
Principal Repaid	\$145,006	\$ 159,042	\$ 145,006
Interest/Other Revenue	\$ 34,055	\$ 35,682	\$ 34,056
<b>Total Revenues</b>	<b>\$ 179,061</b>	<b>\$ 194,724</b>	<b>\$ 179,062</b>
<b>Expenditures</b>			
Administration Expense	\$ 9,258	\$ 11,649	\$ 9,244
<b>Loans Dispersed by County</b>			
Mille Lacs County	\$ 40,000		
Pine County	\$ 50,000		

# ECRDC STAFF

## **ECRDC Staff**

### **Robert Voss**

Executive Director

### **Nicole Klosner**

Climate & Energy Grant Specialist/Economic Dev

### **Karen Onan**

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### **Trish Rydlund**

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