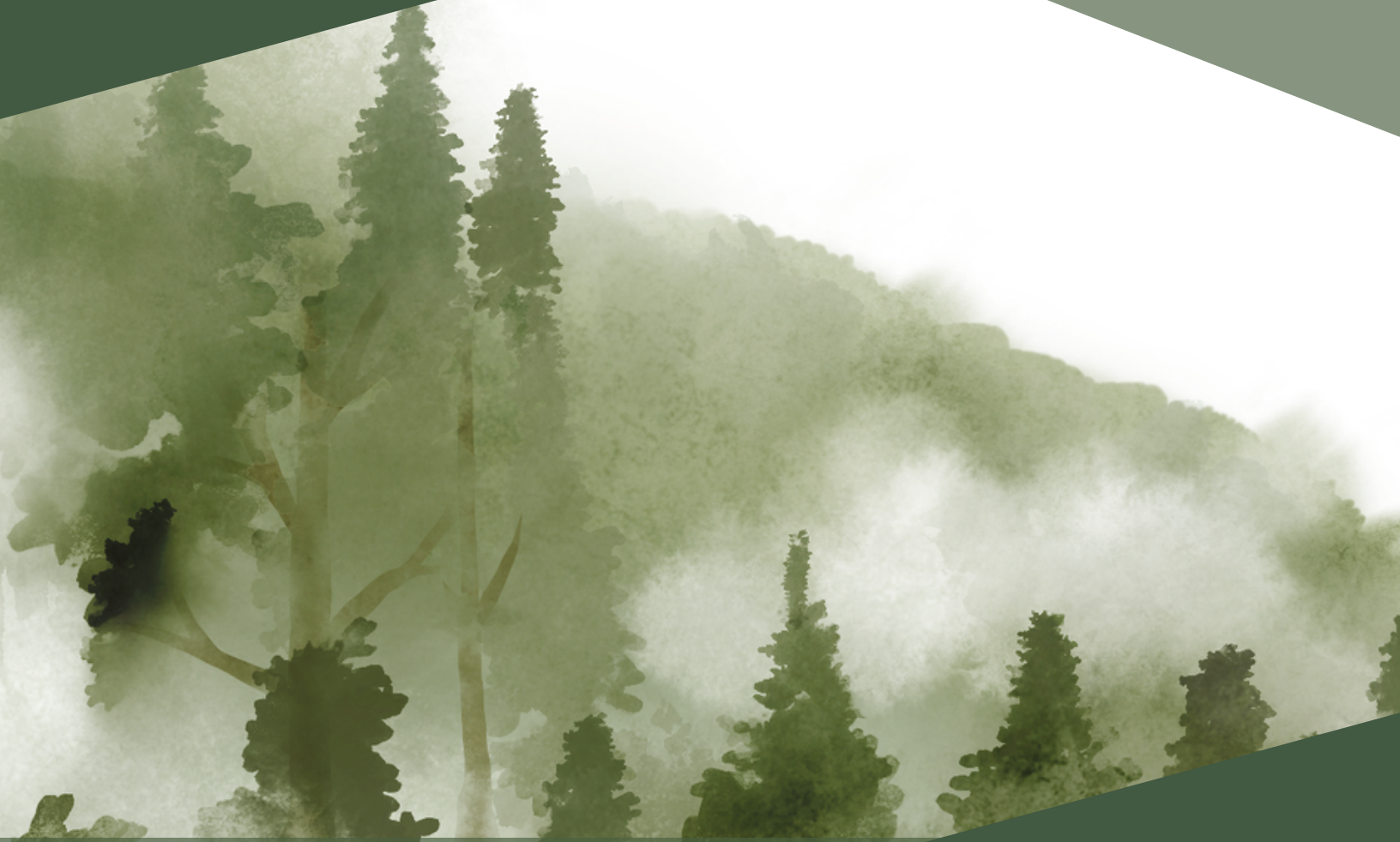


ANNUAL REPORT 2026

East Central Regional Development Commission

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



EAST CENTRAL
Regional Development Commission

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Message from the Executive Director

This year marked an important transition for the East Central Regional Development Commission (ECRDC) —and the beginning of a new chapter for the organization. I stepped into the Executive Director role following Robert Voss's retirement after 30 years of steady leadership. My first months were focused on learning about the agency, building relationships, and listening to communities across East Central Minnesota.

While ECRDC's leadership changed, its work continued. Our staff maintained momentum by securing and leveraging funding, completing important projects for communities, and developing new and expanded partnerships. Their expertise, commitment, and adaptability ensured that ECRDC remained a dependable resource for communities and partners across the region.

The transition also unfolded amid federal funding uncertainty and as local governments faced emerging fiscal pressures and capacity constraints. Together, these conditions reinforced the importance of building on ECRDC's strong foundation while ensuring the organization is prepared to respond to changing regional needs and emerging opportunities.

In the coming year, we will position ECRDC for continued growth by strengthening our internal capacity, pursuing new funding and program opportunities, and increasing awareness of our resources and expertise. Working with our Commission and regional partners, we will establish a clear strategic direction that expands our ability to respond to regional needs and create lasting value for our communities.

I am grateful to my predecessor for the foundation built over three decades, to our staff for their knowledge and commitment, and to our Commission members for their trust and guidance. The accomplishments highlighted in the pages that follow reflect the strength we carry forward—and provide a foundation for the next chapter we will shape together.

A handwritten signature in black ink that reads "Natalie Koerber". The script is fluid and cursive.

Natalie Koerber



Message from our Commission Chair

This year was one of both transition and continued progress for the East Central Regional Development Commission. Following the retirement of ECRDC's longtime Executive Director, Bob Voss, the Commission welcomed Natalie Koerber into the role and began a new chapter in the organization's leadership. Throughout this transition, ECRDC remained focused on its mission and continued providing valuable service to the counties, cities, townships, businesses, and residents of East Central Minnesota.

The Commission is grateful to ECRDC's staff for maintaining this continuity while advancing projects, securing resources, and supporting communities across our five-county region. We also appreciate the many local, state, federal, and regional partners whose collaboration makes this work possible. As our communities navigate fiscal pressures, funding uncertainty, and increasingly complex needs, ECRDC's role in bringing partners together and supporting regional solutions remains important.

Looking ahead, the Commission is committed to building on ECRDC's strong foundation while thoughtfully planning for its future. We look forward to working with the Executive Director, staff, Commission members, and regional partners to identify new opportunities and ensure ECRDC continues responding effectively to the needs of the region. On behalf of the Commission, thank you to everyone who contributed to ECRDC's work this year.

A handwritten signature in black ink that reads "Ben Montzka". The signature is written in a cursive style.

Ben Montzka

Progress through leadership and advocacy.



ECRDC Board, l to r: Front Row – Scott Moe, Ben Montzka (ECRDC Chairman), Rick Olseen, Natalie Koerber (ECRDC Executive Director), Genny Reynolds (ECRDC Treasurer), Julena Rahier
Back Row – Dave Youngquist, Jack Edmonds, Dave Waldoch, Kevin Schieber, Glen Williamson (ECRDC Vice-Chairman), Peter Ripka, Bruce Fitzwater, Tom Anderson, Wallace Bengtson, and Todd Christensen.

COMMISSION MEMBERS

Chisago County

Bruce Fitzwater, Townships
Ben Montzka, County Commissioner
Rick Olseen, Public Interest
Dave Waldoch, Municipalities

Pine County

Steve Hallan, County Commissioner
Jeannette Kester, Public Interest
Julena Rahier, Municipalities
Glen Williamson, Townships

Kanabec County

Dave Patenaude, Townships
Peter Ripka, County Commissioner
Sara Treiber, Public Interest
Dave Youngquist, Municipalities

Mille Lacs County

Dave Dillan, Municipalities
Jack Edmonds, Public Interest
Robert Hoefert, Townships
Genny Reynolds, County Commissioner

Isanti County

Tom Anderson, Townships
Wallace Bengtson, Public Interest
Todd Christensen, County Commissioner

School Boards

Shelly Johnson, Southern School Boards
Scott Moe, Northern School Boards

10,000+ Population

Kevin Schieber, City of North Branch

YEAR IN REVIEW

Responsible Stewardship of Public and Private Resources, Supporting Regional Economic Growth

Agencywide			
Revenues (by source)	FY26 Adopted Budget	FY26 Unaudited Prelim	FY27 Adopted Budget
County Tax Levy	\$ 368,783	\$ 368,391	\$ 380,769
Grant Revenues	\$ 549,082	\$ 523,825	\$ 433,901
Local Contract Revenues	\$ 80,241	\$ 115,120	\$ 109,659
Other Sources	\$ 21,840	\$ 22,248	\$ 24,540
Total Revenues	\$ 1,019,946	\$ 1,029,584	\$ 948,869
Expenditures (by program)			
General Fund	\$ 185,828	\$ 173,959	\$ 229,008
Economic Development	\$ 184,678	\$ 164,893	\$ 177,129
Transportation/Safety	\$ 410,362	\$ 379,510	\$ 358,852
Other Programs	\$ 199,372	\$ 240,937	\$ 183,334
Total Expenditures	\$ 980,240	\$ 959,299	\$ 948,323
Revolving Loan Fund			
Revenues	FY26 Adopted Budget	FY26 Unaudited Prelim	FY27 Adopted Budget
Principal Repaid	\$ 145,006	\$ 176,522	\$ 129,765
Interest/Other Revenue	\$ 34,055	\$ 51,039	\$ 44,885
Total Revenues	\$ 179,061	\$ 227,561	\$ 174,650
Expenditures			
Administration Expense	\$ 22,136	\$ 17,285	\$ 10,160

ECONOMIC DEVELOPMENT

Filling Gaps and Fueling Growth

Since 1994, the ECRDC's Revolving Loan Fund has strengthened the regional economy by providing financing to small businesses throughout East Central Minnesota. ECRDC often works alongside local banks, credit unions, and other gap lenders to help businesses open, remain financially stable, adapt to changing conditions, and pursue new opportunities.

These investments support entrepreneurship while helping create and retain jobs across the region. ECRDC manages three separate loan funds with a combined asset value of more than \$1.2 million.

ECRDC's support extends beyond financing. Staff provide technical assistance and connect business owners with programs, resources, and partners that can contribute to their long-term success. ECRDC remains committed to supporting entrepreneurs, encouraging innovation, and building partnerships that strengthen regional businesses and communities.

Empowering Entrepreneurs with Practical Training

A year-long Entrepreneur Workshop Series was launched to support business growth and sustainability providing practical instruction and resources for current and aspiring business owners.

Strong participation and positive feedback demonstrates interest in entrepreneurship and the value of locally accessible business-development resources.

ECRDC RLF Portfolio	
\$789,180	34 Outstanding Loans
\$416,693	Available for Lending
\$1,205,873	Total Loan Fund
ECRDC New Loans in 2026	
Braham Country Floral, Braham	\$67,500
El Limon Restaurant, Wahkon	\$40,000
Lee's Pro Shop, Pine City	\$60,000
The Powder Room, Willow River	\$73,000

Building a Stronger Entrepreneurial Ecosystem

ECRDC partnered with Isanti County organizations to secure Isanti County's selection as a Rural Entrepreneurial Venture (REV) community through the Initiative Foundation and University of Minnesota Extension.

The community-driven initiative focuses on supporting existing businesses, encouraging new business development, and fostering long-term economic resilience.

Shaping the Future of East Central Minnesota Through a Comprehensive Economic Development Strategy

ECRDC's current five-year Comprehensive Economic Development Strategy (CEDS) was adopted in 2022. Work has begun on the next five-year strategy, which is expected to be adopted in late 2026 or early 2027.

The CEDS analyzes population trends and economic conditions, identifies regional challenges and opportunities, and establishes strategies to strengthen the economy. The planning process also brings local leaders and regional partners together to discuss East Central Minnesota's future and set shared priorities.

Emerging CEDS Priorities

1. Develop infrastructure
2. Encourage entrepreneurship/develop new businesses
3. Expand childcare capacity
4. Promote the development of workforce housing
5. Work to grow and expand existing business

Maintaining a current CEDS allows East Central Minnesota to retain its designation as a federal Economic Development District. The current plan is available at ecrdc.org

As a federally designated Economic Development District, ECRDC may pursue funding through the U.S. Economic Development Administration. The EDA Partnership Planning grant, for example, supports the development and implementation of the regional CEDS.

The designation also benefits local partners. Cities, counties, townships, tribal governments, and other eligible organizations may compete for EDA Public Works and related grants. These programs help communities invest in infrastructure, support business growth, attract employers, train workers, strengthen local economies, and create or retain well-paying private-sector jobs.

Local Planning and Technical Assistance

ECRDC completed an update to Mission Creek Township's comprehensive plan and land-use ordinances. Staff also provided planning and technical assistance to cities, counties, and townships throughout the region on a variety of development projects.

During the year, ECRDC assisted the City of Rush City with an EDA application for infrastructure improvements supporting the city's new industrial park.

ECRDC also continued working with the Mille Lacs Band of Ojibwe and Mille Lacs Corporate Ventures on a new business incubator. The project received funding from the U.S. Department of Commerce's Economic Development Administration and will support entrepreneurs and small businesses as they grow and create new regional opportunities.

Connecting Communities. Creating Partnerships.

ECRDC continued to play an active role in the East Central Development Partnership (ECDP), a collaborative forum connecting economic and community development leaders from across Chisago, Isanti, Kanabec, Mille Lacs, and Pine counties.

ECRDC helped bring together local governments, economic development organizations, business-support programs, state agencies, educational institutions, and regional partners to share information, build relationships, and identify opportunities for collaboration. As a contributor, ECRDC brought an unique regional perspective and information about local and regional initiatives, resources, and emerging needs to the discussion.

Throughout the year, ECDP members received updates on workforce and demographic trends, entrepreneurship and business development, housing and transportation, business financing, technical assistance, and grant and funding opportunities.

ECRDC's Impact: By actively participating in ECDP, ECRDC strengthened connections among communities and economic development partners across the five-county region. The partnership provided ECRDC with opportunities to share local perspectives, learn from successful approaches in other communities, connect partners to resources, and identify opportunities for regional collaboration. This work reinforces ECRDC's role as a connector and convener, helping communities access information, partnerships, and resources that support economic resilience and long-term growth.

Community Development Increasing Child Care Capacity

Affordable, high-quality child care is essential to working families, workforce participation, and regional economic growth. ECRDC coordinates regional and county-level child care initiatives by convening local partners, securing funding, and providing technical assistance to expand child care capacity across East Central Minnesota.

During the year, ECRDC collaborated with county partners to develop scopes of work and secure funding for regional and county child care initiatives. Executed contracts provided financial support for local coalition activities while establishing a regional framework for coordination, planning, and resource sharing.

County coalitions strengthened partnerships among employers, child care providers, local governments, educators, and community organizations. Business breakfasts, public conversations, and outreach events in Isanti, Chisago, and Mille Lacs counties helped identify local challenges, gather community input, and build momentum for increasing child care availability.

Keeping Residents Safe After Hours with Safe Rides

For more than 20 years, SafeCab has provided safe, reliable rides to help prevent impaired driving in Isanti and Chisago counties.

By offering an alternative to driving after consuming alcohol, the program reduces the risk of crashes, injuries, and fatalities. It also helps reduce impacts on law enforcement, emergency responders, and the criminal justice system.

The Isanti County SafeCab partnership includes area businesses, law enforcement agencies, state initiatives, a taxi provider, and local alcohol distributors. The program's success has helped inspire similar efforts in other communities.

Through continued partnership and coordination, ECRDC supports community-based solutions that improve roadway safety throughout the region.

In 2026, SafeCab provided **1,528** patrons and helped prevent with rides home, helping prevent an estimated **1,002** impaired-driving incidents.

Driving Local Counties Toward Zero Road Deaths

Through MnDOT's Toward Zero Deaths program, ECRDC works with local coalitions in Kanabec and Mille Lacs Counties, law enforcement agencies, public health organizations, schools, businesses, and community partners to reduce traffic fatalities and serious injuries.

These efforts are continuing to create safer driving behavior and increased awareness of roadway risks.

Know Your Limits Events

ECRDC partnered with local law enforcement and businesses to host two *Know Your Limits* impaired driving education events in Mille Lacs County.

Participants learned about alcohol impairment through field sobriety demonstrations, preliminary breath tests, and conversations with law enforcement officers about safe transportation options and their personal alcohol limits.

Approximately 120 people attended. Strong community participation reinforced the importance of education-based prevention, and both venues and law enforcement expressed interest in hosting future events.

TRANSPORTATION

Building Connections. Strengthening Communities.

Transportation is more than roads and bridges—it connects people to jobs, schools, healthcare, recreation, and economic opportunity. Throughout FY2026, ECRDC partnered with local governments, MnDOT, transportation agencies, and community organizations to advance projects that improve safety, mobility, and quality of life across East Central Minnesota. From securing transportation funding to coordinating regional planning efforts and supporting scenic byways, ECRDC continues to help communities prepare for the future.

Long-Range Transportation Planning

FY2026 marked the completion of the Region 7E Long-Range Regional Transportation Plan, providing a roadmap for future transportation investments across East Central Minnesota. The plan focuses on improving transportation safety, strengthening connections between communities and transportation systems, and supporting economic vitality through strategic planning.

The completed plan helps communities identify shared priorities and compete for state and federal transportation funding. ECRDC presented the plan alongside MnDOT at the 2026 Minnesota Transportation Conference, highlighting the collaborative regional planning process as a model for transportation planning statewide. Staff also continued working with MnDOT and neighboring Regional Development Organizations on Functional Classification updates, GIS mapping, and future transportation planning efforts.



GOAL 1
**IMPROVING
TRANSPORTATION SAFETY
THROUGHOUT THE REGION.**

We promote safer roads and behaviors through data-driven planning, safety initiatives, and collaboration with local partners.



GOAL 2
**STRENGTHENING
CONNECTIVITY AMONG
COMMUNITIES AND
TRANSPORTATION SYSTEMS.**

We enhance connections between communities and transportation networks to improve access, mobility, and quality of life.



GOAL 3
**SUPPORTING COMMUNITY
AND BUSINESS VITALITY
THROUGH EFFECTIVE
TRANSPORTATION PLANNING.**

We support economic growth and community vitality by planning for transportation solutions that help people, businesses, and communities thrive.



Securing Transportation Funding

ECRDC coordinated the Transportation Advisory Committee (TAC), bringing together local transportation partners to evaluate and prioritize projects competing for more than \$3.2 million in federal Surface Transportation Block Grant Program funding for FY2030 and FY2031.

Through this competitive process, ECRDC helps ensure federal transportation investments support projects that provide the greatest regional benefit.

Congratulations to Kanabec and Isanti Counties on receiving funding for the following projects:

- **Kanabec County CSAH 11** – Fully funded with **\$1.62 million** in FY2030 and an **\$84,524** advance-construction payback in FY2031.
- Combined **Isanti County CSAH 3** Projects – Recommended for the remaining **\$1.53 million** available in FY2031.

Scenic Byways: Preserving History, Inspiring Travel

Transportation planning expanded beyond Region 7E when MnDOT selected ECRDC to lead the Historic Bluff Country Scenic Byway Corridor Management Plan, recognizing the Commission's expertise and proven track record in successfully completing previous planning projects.

Staff launched the project through community outreach, stakeholder meetings, and public engagement while continuing support for the Lake Mille Lacs Scenic Byway and Veterans Evergreen Memorial Scenic Byway. Highlights included coordinating a scenic byway rededication, assisting with a grant-funded wayside improvement in Askov, organizing community clean-up efforts, and pursuing new grant opportunities to enhance regional tourism and transportation assets.

Climate and Energy



Energy Audits and Local Government Assistance

Through the Minnesota Department of Commerce and the Energy Efficiency and Conservation Block Grant, ECRDC partnered with Michaels Energy and Lakes and Pines to conduct energy audits of seven buildings across the region's five counties.

The detailed audits identified potential improvements that could help participating local governments save as much as \$100,000 annually in energy costs.

Pine City Elementary School plans to apply for funding to replace its outdated HVAC system. ECRDC staff will provide technical assistance with the grant application.



Regional Energy Partnerships

ECRDC partnered with the Initiative Foundation to assist larger facilities whose energy-audit needs exceeded the available Energy Efficiency and Conservation Block Grant resources.

Rush City Elementary School and Rush City High School used available funding to complete audits conducted by Michaels Energy. Although remaining program funds were insufficient to cover an audit of the Rush City Aquatic Center, the Initiative Foundation secured grant funding for that facility's audit.



Residential Energy Conservation

ECRDC staff explored the development of a conservation improvement program that would help eligible homeowners replace older refrigerators, washers, dryers, and furnaces with ENERGY STAR-certified equipment.

The proposed program would serve low- and moderate-income households throughout ECRDC's five-county service area, helping participants reduce energy use and household expenses.



Business Energy-Efficiency Assistance

ECRDC assisted City Center Market in Isanti County with a refrigeration grant application supporting the business's expansion. The upgraded systems increased refrigeration capacity while improving energy efficiency and reducing operating costs.

Regional Transportation Coordinating Council

Creating a Connected Transportation Network

The East Central Regional Transportation Coordinating Council (ECRTCC) serves as the regional convener for transportation coordination across East Central Minnesota.

ECRTCC brings together transportation providers, healthcare organizations, local governments, community partners, and residents to identify mobility needs, strengthen connections, and develop solutions.

This collaborative approach helps address transportation barriers to healthcare, employment, education, and other essential destinations—particularly for rural residents, older adults, people with disabilities, and those with limited incomes.

In FY2026, ECRTCC focused on strengthening regional partnerships, improving coordination among transportation providers, increasing awareness of available resources, and advancing innovative mobility solutions.

Strengthening Coordination & Partnerships

ECRTCC strengthened partnerships across the region to identify service gaps, share resources, and improve transportation connections.

Collaboration included:

- Great Plains Institute – advancing innovative transportation strategies
- University of Minnesota Center for Transportation Studies – providing research and technical expertise
- MN DEED – connecting transportation and workforce priorities
- Intercity bus providers – exploring additional regional connections
- Shared Mobility Collaborative – advancing coordinated mobility approaches

ECRTCC also worked with transit providers, volunteer-driver programs, private transportation services, and community organizations to address gaps between systems and expand transportation options for residents beyond established service areas.

Advancing Innovative Mobility Solutions

ECRTCC continued exploring innovative approaches to improve transportation access in rural areas, building on research from the University of Minnesota Center for Transportation Studies and collaboration with the Great Plains Institute.

Three concepts advanced during FY2026:

- Mobility Hubs and Transfer Points – creating designated locations where transportation services can connect and riders can access information.
- SmartShuttle – exploring technology-supported transportation that connects rural residents to existing transit services.
- Connected Transportation Solutions – identifying new ways to address first- and last-mile barriers and connect residents to essential destinations.

Selected for Statewide Mobility Initiative

ECRTCC was selected as **one of five communities statewide** to participate in MnDOT's Community Driven Connected Automated Vehicle (CAV) Initiative.

Through this initiative, residents in northern Kanabec and Mille Lacs counties will explore how emerging technology could **improve rural first- and last-mile transportation** in northern Kanabec and Mille Lacs counties.

Community Outreach and Public Engagement

Community engagement remained central to ECRTCC's work. Through events, health expos, county fairs, stakeholder meetings, advisory committees, presentations, and regional partnerships, ECRTCC increased awareness of transportation resources while gathering input on local mobility needs.

ECRTCC also maintained the East Central Regional Transportation Directory, providing current transportation information in print and online. Website improvements and updated outreach materials further expanded access to regional transportation resources.

By maintaining a strong presence in communities and connecting directly with residents and partners, ECRTCC helps ensure that local experiences and priorities continue to shape regional transportation planning and coordination.



EAST CENTRAL

Regional Development Commission

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