

Road-trip to Chaska:  
*A Comparison of Two  
Minnesota Cities*

March 25, 2008

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# Overview of Chaska Economic Development Authority

According to the City of Chaska website:

“In 1987, the City of Chaska established its Economic Development Authority (EDA) to help address the City's need to proactively deal with economic development, housing and redevelopment issues within the City. The EDA was an offspring of the City's Housing and Redevelopment Authority, who until that time had served as the entity ensuring that there was not a shortage of safe and decent housing within the City, and that key blighted properties were redeveloped into a use that would serve the entire public's best interest. The Economic Development Authority took the functions of the City's Housing and Redevelopment Authority, and added to their functions the ability to help with the development of new businesses and properties throughout the City. While the Chaska Economic Development Authority is technically a separate entity from the City Council, the EDA's power is derived from the authority that the City Council bestows upon it. Also, the EDA board's membership is comprised of the members of the City Council.

The Chaska Economic Development Authority is in existence not only to help promote new businesses within the City, but to also help retain and redevelop businesses already in existence within the City. The main goal of the EDA is to assist in increasing the amounts and types of services offered within the City, to help restore blighted properties and downtown historic buildings by encouraging redevelopment activities, to achieve development on sites which would be economically infeasible to develop without public assistance, and to encourage the development of housing within the City that is safe, diverse, and which gives our citizens affordable options to own a home. All of the activities that the Chaska Economic Development Authority does revolve around the City's mission of being "The Best Small Town in Minnesota". The staff of the EDA work hard to make sure that we not only promote development and redevelopment, but that it is done in a manner that will help preserve our small-town atmosphere.”

The Chaska EDA provides assistance to businesses interested in development/redevelopment activities by using:

- Tax Increment Financing
- Storefront Redevelopment Loans (specifically for downtown historic business owners with upgrades to the buildings)
- Various State and County activities

Sources:

<http://www.chaskamn.com/>

## Comparisons of Chaska and Northfield

### POPULATION

	<b>CHASKA: 2006 Estimate</b>	<b>NORTHFIELD: 2006 Estimate</b>	<b>CHASKA: 2000 Census</b>	<b>NORTHFIELD: 2000 Census</b>
<b>Community</b>	23,216	19,413	17,449	18,961
<b>County</b>	86,236	62,323	70,205	61,547

*Source: US Census, State Demographer*

### MAJOR EMPLOYERS

	<b>Employer</b>	<b>Product/Service</b>	<b>Employee Count</b>
<b>CHASKA</b>	School District #112	Elementary & Secondary Schools	1,200
	Entegris	Semiconductor & other Electronic Component Mfg.	960
	Lake Region Manufacturing	Medical Equip. & Supplies Mfg	750
	Beckman Coulter	Navig, Meas, Electromedical & Control Instrum. Mfg	700
	County of Carver	Executive, Legislative & other Gen. Govt Support	631
<b>NORTHFIELD</b>	Malt-O-Meal	Grain & Oilseed Milling	861
	St Olaf College	Colleges & Prof. Schools	830
	Carleton College	Colleges & Prof. Schools	690
	Northfield Hospital	Gen. Medical and Surgical Hospital	542
	Northfield Public Schools	Elementary & Secondary Schools	500

## WORKFORCE

	CARVER COUNTY	RICE COUNTY
Total Employment	48,170	30,513
Available Workforce	50,151	32,128
Unemployment Rate	4.0%	5.0%
<i>Source: DEED Labor Market Information: LAUS Annual Average 2007</i>		

## GOVERNMENT

	CHASKA	NORTHFIELD
Organization:	Council/Manager	Council/Manager
Budget:	\$9,200,000 (per Chaska City Administrator, 3/25/08)	\$22,771,632 (per approved Resolution 2007-137)
Community Bond Rating:	Standard & Poor's—A+	Moody's—A2
Comprehensive Land Use Plan?	YES	YES
Locally Controlled Loan Program?	YES	YES

## HOUSING AND COMMERCIAL ACTIVITY

### Chaska:

<b>Housing Information</b>			
Single Family Units:	4,770	Percent Owner Occupied:	76%
Multiple Family Units	3,454	Median Sales Price:	\$275,000
Mobile Homes	729	Median Rent (City Wide)	\$757
# of Residential Bldg Permits for 2006	81	Value of Residential Bldg Permits for 2006	\$34,596,578
<i>Source: Chaska Community Development</i>			
<b>Commerical Activity Information</b>			
# of Commercial Bldg Permits for 2006	39	Value of Commercial Bldg Permits for 2006	\$4,153,043
# of Public Bldg Permits for 2006	10	Value of Public Bldg Permits for 2006	\$2,944,803
<b>Retail Sales Information</b>			
	Year	Community Sales	County Sales
	2005	\$355,790,002	\$789,121,234

	2004	\$320,355,843	\$709,160,157
	2003	\$306,044,644	\$684,949,491

**Northfield:**

<b>Housing Information</b>			
Single Family Units:	3,825	Percent Owner Occupied:	64%
Multiple Family Units	2,560	Median Sales Price:	\$241,500
Mobile Homes	216	Median Rent (City Wide)	\$545
# of Residential Bldg Permits for 2006	195	Value of Residential Bldg Permits for 2006	\$39,930,249

*Source: Northfield Building Permits*

<b>Commerical Activity Information</b>			
# of Commercial Bldg Permits for 2006	32	Value of Commercial Bldg Permits for 2006	\$4,681,490
# of Public Bldg Permits for 2006	15	Value of Public Bldg Permits for 2006	\$9,305,337

<b>Retail Sales Information</b>			
	<b>Year</b>	<b>Community Sales</b>	<b>County Sales</b>
	2005	\$156,161,995	\$580,725,024
	2004	\$148,005,368	\$551,270,213
	2003	\$144,960,426	\$521,233,168

*Source: MN Dept. of Revenue*

**PROPERTY TAXES – PAYABLE 2007**

<b>Property Tax Info:</b>	<b>CHASKA</b>	<b>NORTHFIELD</b>
State Tax Rate	48.05%	48.05%
Municipal Tax Rate	19.29%	35.63%
County Tax Rate	37.8%	27.12%
School Tax Rate	35.83%	31.34%
Misc. Tax Rate	5.28%	3.10%
Total Tax Rate	146.25%	145.23%

<b>Assessed Market Value Info:</b>	<b>CHASKA</b>	<b>NORTHFIELD</b>
Commercial	\$338,822,333	\$182,634,800
Residential	\$1,539,108,780	\$920,712,880

Other	\$302,311,181	\$196,394,449
Total	\$2,180,242,294	\$1,299,742,129

## ECONOMIC DEVELOPMENT ORGANIZATIONS

	CHASKA	NORTHFIELD
Economic Development Authority:	Yes-Chaska EDA	Yes-Northfield EDA
Housing & Redevelopment Authority	Yes	Yes
County Development Corp:	No	No
Chamber of Commerce:	Yes	Yes
Port Authority:	No	No
County EDA:	Yes-Carver County Community Development Agency	No-Director position with no Authority yet developed
County HRA:	Yes-Carver County Community Development Agency	Yes-Rice County HRA
Other:		Northfield Downtown Development Corporation
Other:		Northfield Enterprise Center

\*Source for all information contained in the comparison section came from League of MN Cities, *Postively Minnesota!* website, as maintained by DEED. <http://www.mnpro.com/>

- To maintain the same standard of living, your salary of **\$50,000** in Faribault-Northfield, Minnesota should increase to **\$52,970** in Minneapolis-St. Paul-Bloomington, Minnesota
- Stated another way, it's **5.9% more expensive** to live in Minneapolis-St. Paul-Bloomington, Minnesota than Faribault-Northfield, Minnesota

Cost of Living Indexes	Minneapolis-St. Paul-Bloomington, Minnesota	Faribault-Northfield, Minnesota	United States
<a href="#">Overall</a>	107	101	100
<a href="#">Food</a>	100	97	100
<a href="#">Housing</a>	95	81	100
<a href="#">Utilities</a>	148	148	100