



ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

City of New Prague

Wednesday, December 10, 2025 at 7:30 AM

City Hall Council Chambers - 118 Central Ave N

-
1. CALL TO ORDER
 2. CONSENT AGENDA
 - [a.](#) November 19, 2025 EDA Meeting Minutes
 - [b.](#) Claims for Payment: **\$583.78**
 3. BUSINESS RETENTION AND EXPANSION (BR&E) PROGRAM
 4. BUSINESS UPDATES
 - [a.](#) December 2025
 5. ECONOMIC DEVELOPMENT STRATEGIC PLAN
 - [a.](#) Strategic Plan
 6. CDA UPDATE
 7. SCHOOL DISTRICT UPDATE
 8. EXECUTIVE DIRECTORS REPORT
 9. MISCELLANEOUS
 10. ADJOURNMENT

Next Meeting: Wednesday, January 14, 2026

OUR MISSION IS TO PROMOTE AND FACILITATE ECONOMIC DEVELOPMENT IN THE NEW PRAGUE AREA:

- * Strengthen existing businesses and non-profits *
- * Create an environment conducive to new economic development *
- * Create long term funding strategy *

Brent Quast, President
Troy Pint, Vice President
Eric Krogman, Secretary
Nick Slavik
Austin Reville
Charles Nickolay, Mayor
Bruce Wolf, Councilmember
Joshua Tetzlaff, City Administrator & Executive Director

Term Ending 5/31/26
Term Ending 5/31/27
Term Ending 5/31/31
Term Ending 5/31/30
Term Ending 5/31/29



ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

City of New Prague

Wednesday, November 19, 2025 at 7:30 AM

City Hall Council Chambers - 118 Central Ave N

1. CALL TO ORDER

The meeting was called to order by EDA President Brent Quast at 7:30 a.m. with the following members present: Brent Quast, Eric Krogman, Troy Pint, Austin Reville, Bruce Wolf and Charles Nickolay. Absent was Nick Slavik.

Staff Present: City Administrator Joshua Tetzlaff and Planning/Community Development Director Ken Ondich.

2. CONSENT AGENDA

Motion to approve the consent agenda was made by Reville, seconded by Pint.

Motion carried (6-0)

- a. October 8, 2025 Regular EDA Meeting Minutes
October 20, 2025 Closed EDA Meeting Minutes
- b. Claims for Payment: **\$800.25**

3. PUBLIC HEARING - PROPOSED SALE OF LAND

Ondich provided an overview of the proposed sale of the last two EDA owned lots in the industrial park.

- a. Proposed Sale of Land to Aventus Investments LLC
PID No. 24.124.0050 & 24.124.0060
701 & 703 6th Street NW
- b. Resolution #25-11-19-01 - Approving Sale of Land and Purchase and Development Agreement between the Authority and Adventus Investments, LLC
Resolution #25-11-19-02 - Approving Sale of Land and Purchase and Development Agreement between the Authority and Adventus Investments, LLC
- c. Purchase and Development Agreements - Lots 4 & 5

A motion to open the first public hearing for Lot 4 (Resolution #1) at 7:36 a.m. was made by Nickolay, seconded by Wolf.

Motion carried (6-0)

No public comment received.

Motion to close the first public hearing at 7:37 a.m. was made by Nickolay, seconded by Pint.

Motion carried (6-0)

A motion to open the second public hearing for Lot 5 (Resolution #2) at 7:38 a.m. was made by Pint, seconded by Nickolay.

Motion carried (6-0)

No public comment received.

Motion to close the second public hearing at 7:39 a.m. was made by Nickolay, seconded by Reville.

Motion carried (6-0)

At this time, Brent Quast and Austin Reville recused themselves from voting.

Motion to approve Resolution #25-11-19-01 was made by Krogman, seconded by Nickolay.

Motion carried (4-0)

Motion to approve Resolution #25-11-19-02 was made by Pint, seconded by Wolf.

Motion carried (4-0)

4. MHFA 2026 MINNESOTA CITY PARTICIPATION PROGRAM

Ondich provided an overview of the MHFA 2026 MCPP Program. The EDA consensus was to participate again in 2026.

a. Memo MCPP

5. BUSINESS RETENTION AND EXPANSION (BR&E) PROGRAM

No update.

6. BUSINESS UPDATES

Ondich presented the monthly update.

a. November 2025

7. CDA UPDATE

No update.

8. SCHOOL DISTRICT UPDATE

No update.

9. EXECUTIVE DIRECTORS REPORT

Tetzlaff stated that the EDA Strategic Plan would be reviewed by the EDA at the December meeting. He noted that there's been behind the scenes discussions for various developments, but no formal applications at this time. He also noted that staff is beginning to put together information on a trunk sanitary sewer line along Alton Ave. NE which is necessary to further build out of the east side of the City.

10. MISCELLANEOUS

None.

11. ADJOURNMENT

Motion to adjourn the meeting at 7:48 a.m. was made by Quast, seconded by Reville.

Motion carried (6-0)

Respectfully Submitted,

Joshua M. Tetzlaff
City Administrator / EDA Executive Director

| Vendor Name | Description | Net Invoice Amount |
|---------------------|--------------------|-----------------------|
| EHLERS | STRATEGIC PLANNING | 562.50 |
| US BANK CREDIT CARD | MN CAR EVENT | 15.00 |
| US BANK CREDIT CARD | MN PAID LEAVE | 6.28 |
| Total EDA: | | 583.78 |
| Grand Totals: | | 583.78 |

EDA

| Account | Account Code Description | 2025 CURRENT Budget | Current Period | Year to Date Thru 10/31/2025 | Budget Balance |
|------------------|---------------------------------|---------------------------|--------------------|------------------------------------|---------------------|
| 680-3-0000-31010 | CURRENT PROPERTY TAXES | \$ 75,000.00 | \$ - | \$ 38,779.80 | \$ 36,220.20 |
| 680-3-0000-31020 | DELINQUENT PROPERTY TAXES | \$ - | \$ - | \$ 94.05 | \$ (94.05) |
| 680-3-0000-36210 | INTEREST INCOME | \$ 250.00 | \$ 347.04 | \$ 8,713.59 | \$ (8,463.59) |
| | TOTAL OPERATING REVENUE | \$ 75,250.00 | \$ 347.04 | \$ 47,618.35 | \$ 27,631.65 |
| 680-4-4650-101 | WAGES FULL-TIME | \$ 47,111.00 | \$ 1,940.55 | \$ 29,538.52 | \$ 17,572.48 |
| 680-4-4650-103 | WAGES PART-TIME | \$ - | \$ - | \$ - | \$ - |
| 680-4-4650-113 | EMPLOYEE BENEFITS | \$ 24.00 | \$ - | \$ - | \$ 24.00 |
| 680-4-4650-121 | EMPLOYER CONT. PERA | \$ 3,532.00 | \$ 145.52 | \$ 2,251.57 | \$ 1,280.43 |
| 680-4-4650-122 | EMPLOYER CONT. FICA | \$ 3,604.00 | \$ 143.19 | \$ 2,270.81 | \$ 1,333.19 |
| 680-4-4650-129 | GERF CHANGE | \$ - | \$ - | \$ - | \$ - |
| 680-4-4650-131 | HEALTH INSURANCE | \$ 6,728.00 | \$ 38.95 | \$ 3,152.95 | \$ 3,575.05 |
| 680-4-4650-132 | DENTAL INSURANCE | \$ 670.00 | \$ - | \$ 196.80 | \$ 473.20 |
| 680-4-4650-133 | LIFE & S-T DISABILITY INS. | \$ 128.00 | \$ - | \$ 79.42 | \$ 48.58 |
| 680-4-4650-151 | WORKER'S COMPENSATION INS. | \$ 365.00 | \$ - | \$ 182.03 | \$ 182.97 |
| 680-4-4650-200 | SUPPLIES | \$ 500.00 | \$ - | \$ 0.55 | \$ 499.45 |
| 680-4-4650-220 | REPAIRS & MAINT. SUPPLIES | \$ 500.00 | \$ - | \$ - | \$ 500.00 |
| 680-4-4650-301 | AUDIT | \$ 725.00 | \$ - | \$ 356.65 | \$ 368.35 |
| 680-4-4650-305 | CIVIL LEGAL FEES | \$ 3,000.00 | \$ 618.75 | \$ 3,425.30 | \$ (425.30) |
| 680-4-4650-310 | PROFESSIONAL SERVICES | \$ 327.00 | \$ - | \$ 274.41 | \$ 52.59 |
| 680-4-4650-320 | POSTAGE | \$ 200.00 | \$ - | \$ - | \$ 200.00 |
| 680-4-4650-322 | COMPUTER COMM/MAINT | \$ - | \$ - | \$ 21.10 | \$ (21.10) |
| 680-4-4650-330 | TRAVEL, CONF, MILEAGE ALLOW. | \$ 300.00 | \$ - | \$ 150.00 | \$ 150.00 |
| 680-4-4650-340 | ADVERTISING & PUBLICATIONS | \$ 1,200.00 | \$ - | \$ 781.50 | \$ 418.50 |
| 680-4-4650-369 | INSURANCES | \$ 2,954.00 | \$ 9.30 | \$ 428.30 | \$ 2,525.70 |
| 680-4-4650-433 | DUES & SUBSCRIPTIONS | \$ 545.00 | \$ - | \$ - | \$ 545.00 |
| 680-4-4650-441 | SPECIAL PROJECTS | \$ 2,837.00 | \$ - | \$ - | \$ 2,837.00 |
| 680-4-4650-490 | DONATION OTHER CIVIC ORG. | \$ - | \$ - | \$ - | \$ - |
| 680-4-4650-720 | TRANSFER-OUT | \$ - | \$ - | \$ - | \$ - |
| 680-4-4650-905 | DEBT PAYMENT | \$ - | \$ - | \$ - | \$ - |
| | TOTAL OPERATING EXPENSES | \$ 75,250.00 | \$ 2,896.26 | \$ 43,109.91 | \$ 32,140.09 |

EDA Industrial Park

| Account | Account Code Description | 2025 CURRENT Budget | Current Period | Year to Date | Budget Balance |
|------------------|---------------------------------|---------------------------|-------------------|--------------------|----------------------|
| 681-3-0000-36210 | INTEREST INCOME | \$ - | \$ 154.63 | \$ 3,861.06 | \$ (3,861.06) |
| | TOTAL OPERATING REVENUE | \$ - | \$ 154.63 | \$ 3,861.06 | \$ (3,861.06) |
| 681-4-4650-305 | CIVIL LEGAL FEES | \$ - | \$ - | \$ - | \$ - |
| 681-4-4650-420 | DEPRECIATION EXPENSE | \$ 1,773.00 | \$ - | \$ - | \$ 1,773.00 |
| 681-4-4650-500 | CAPITAL PROJECTS | \$ - | \$ - | \$ - | \$ - |
| | TOTAL OPERATING EXPENSES | \$ 1,773.00 | \$ - | \$ - | \$ 1,773.00 |

EDA

| | | 2024 | 2025 |
|--|-------------------------------|----------------------|----------------------|
| | | YTD BALANCE | CURRENT YTD BALANCE |
| | | 10/31/2024 | |
| ASSETS | | | |
| 680-10101 | CLAIM ON CASH | \$ 166,123.10 | \$ 190,840.63 |
| 680-10120 | MONEY MARKET-FIRST BK & TRUST | \$ 25,712.78 | \$ 25,795.51 |
| 680-10125 | MONEY MARKET-4M | \$ 252,992.52 | \$ 264,062.05 |
| 680-11500 | ACCOUNTS RECEIVABLE | \$ - | \$ - |
| 680-15501 | PREPAID OTHER | \$ - | \$ - |
| 680-15696 | DEFERRED OUTFLOW - OPEB | \$ - | \$ - |
| 680-15699 | GERF DEFERRED OUTFLOW | \$ - | \$ - |
| TOTAL ASSETS | | \$ 444,828.40 | \$ 480,698.19 |
| LIABILITIES | | | |
| 680-20210 | ACCOUNTS PAYABLE | \$ 1,266.00 | \$ 628.05 |
| 680-21717 | OPEB LIABILITY | \$ - | \$ - |
| 680-22296 | OPEB DEFERRED INFLOW | \$ - | \$ - |
| 680-22299 | GERF DEFERRED INFLOW | \$ - | \$ - |
| 680-23999 | GERF PENSION LIABILITY | \$ - | \$ - |
| TOTAL LIABILITIES | | \$ 1,266.00 | \$ 628.05 |
| RETAINED EARNINGS | | \$ 443,562.40 | \$ 480,070.14 |
| TOTAL LIABILITIES & FUND EQUITY | | \$ 444,828.40 | \$ 480,698.19 |

EDA Industrial Park

| | | 2024 | 2025 |
|--|-------------------------------|----------------------|----------------------|
| | | YTD BALANCE | CURRENT YTD BALANCE |
| CURRENT ASSETS | | | |
| 681-10101 | CLAIM ON CASH | \$ 76,624.03 | \$ 72,544.75 |
| 681-10120 | MONEY MARKET-FIRST BK & TRUST | \$ 12,857.25 | \$ 12,898.95 |
| 681-10125 | MONEY MARKET-4M | \$ 111,642.20 | \$ 116,537.69 |
| TOTAL CURRENT ASSETS | | \$ 201,123.48 | \$ 201,981.39 |
| NON CURRENT ASSETS | | | |
| 681-16100 | LAND | \$ 453,940.38 | \$ 453,940.38 |
| 681-16300 | INFRASTRUCTURE | \$ (0.32) | \$ - |
| 681-16310 | ACCUM. DEPRECIATION-INFRASTR | \$ (591.17) | \$ - |
| TOTAL NON CURRENT ASSETS | | \$ 453,348.89 | \$ 453,940.38 |
| TOTAL ASSETS | | \$ 654,472.37 | \$ 655,921.77 |
| LIABILITIES | | | |
| 681-20210 | ACCOUNTS PAYABLE | \$ - | \$ - |
| 681-20610 | CIP RETAINAGE PERCENTAGE | \$ 6,286.00 | \$ - |
| TOTAL LIABILITIES | | \$ 6,286.00 | \$ - |
| RETAINED EARNINGS | | \$ 648,186.37 | \$ 655,921.77 |
| TOTAL LIABILITIES & FUND EQUITY | | \$ 654,472.37 | \$ 655,921.77 |

December 2025 EDA Business Updates:

- **0 new home permits** were issued in November (0 single family homes, 0 townhome units and 0 apartment units). 57 residential units have been issued so far in 2025 (3 single family, 0 townhomes and 54 apartment units).
- **Bruzek Funeral Home,** located at 610 Main Street E., was sold to new owners in November. It will continue to operate under the same name with the new owners.
- **Autowash Systems, Inc.** purchased the car wash adjacent to Casey's located at 201 4th Ave. NW. It will serve as a training facility at times during the day, but will also showcase new automatic carwash technology and be available to the public for use as well.
- **Bargain Lodge,** located at 114 Main Street W., is in the process of moving to their new location at 105 Main Street W., Suite #1. This space has been vacant since Small Town Girl closed this past summer.

City of New Prague, MN

ECONOMIC DEVELOPMENT STRATEGIC PLAN 2026 – 2030

APPROVED BY EDA: TBD



Prepared by:

Ehlers
3060 Centre Pointe Drive
Roseville, Minnesota 55113

ACKNOWLEDGMENTS

The Economic Development Authority (EDA) for the City of New Prague developed this document to guide a pragmatic and intentional approach to growth and development over the next five years. The EDA consists of seven commissioners: the Mayor, one City Councilmember appointed by the Council, and five at-large commissioners who are either residents of New Prague or individuals with a demonstrated interest in the community's growth, with no more than two commissioners permitted to be non-residents.

Economic Development Authority Board Members:

- Brent Quast, President
- Troy Pint, Vice President
- Eric Krogman, Secretary
- Nick Slavik
- Austin Reville
- Chuck Nickolay, Mayor
- Bruce Wolf, Councilmember

Staff Liaisons:

- Joshua Tetzlaff, Executive Director & City Administrator
- Ken Ondich, Planning/Community Development Director

Consultants:

- Keith Dahl, Ehlers and Associates
- Jason Aarsvold, Ehlers and Associates

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Introduction

OVERVIEW

The City of New Prague, Minnesota is a growing community located in Scott and Le Sueur Counties, about 35 miles south of the Minneapolis–Saint Paul metropolitan area. It is known for its strong sense of community, family-friendly environment, and a mix of residential, commercial, and light industrial development. The city has a population of roughly 8,000–8,500 residents as of recent estimates and has experienced steady growth in recent years, driven in part by the availability of developable land and proximity to larger urban centers. The State Demographer estimated in April of 2024 the city had a population of 8,244. This is an increase of about 13% from the 2010 census.

Economically, New Prague maintains a diversified tax base, with residential properties comprising the largest portion, complemented by commercial, industrial, and agricultural contributions. The city offers key amenities such as parks, recreational facilities, a strong school system, and community events that foster civic engagement. Demand for both residential and industrial growth is strong, supported by available land and New Prague’s strategic location within the Twin Cities Metropolitan Area. Historically, the EDA has pursued proactive growth strategies, including the acquisition of property to expand the city’s industrial park. With the recent sale of last two lots in the industrial park, the EDA sought to explore its next steps in shaping economic development. The EDA is keenly aware of the city’s assets, competitive position, and growth potential, and is committed to capitalizing on opportunities in a way that aligns with community values, strengthens the city’s economic position, and enhances quality of life for residents while maintaining its small-town charm. To guide this effort, the EDA undertook an in-depth, intentional strategic planning process to shape economic development over the next five years.

This Strategic Plan sets forth an achievable, strategic economic development plan for the EDA and city. The Strategic Plan identifies specific goals, strategies and actions which build upon unique strengths and distinct characteristics of the city. Each of the goals focus on one or more priorities of the EDA which factors in the economic health and enhanced

vitality of the city. The Strategic Plan's purpose is to articulate a set of measurable strategic actions that facilitate development within the city and provide guidance to staff on where to spend their time and city resources.

The Strategic Plan is not meant to be an exhaustive outline but rather is intended to be a roadmap for guidance and direction. In addition, the Strategic Plan is meant to be fluid in that it should be reviewed regularly to determine if there is a change in priorities or if resources need to be shifted. A key aspect of this Strategic Plan is to assure the mechanisms are in place to recognize success, big or small, in development and to continuously realign the resources and policies of the city to meet the goals of the EDA.

PROCESS

The strategic planning process began on May 14, 2025, when Ehlers provided the EDA with an overview of the process, an assessment of current economic conditions, key themes identified through research on New Prague, and a review of the strengths, weaknesses, opportunities, and threats (SWOT) analysis conducted as part of the Comprehensive Plan, which was adopted by the City Council on February 3, 2025. This session established a common understanding for the EDA and served as a starting point for discussions. Staff sought to achieve four objectives:

- 1) Understand the EDA's perspectives, perceptions, and realities of New Prague
- 2) Identify priorities for the development of the Strategic Plan
- 3) Clarify roles and responsibilities for its implementation
- 4) Assess the city's future direction and determine how success would be measured over the next five years

Following this initial session, Ehlers collaborated with city staff to formulate goals, strategic priorities, and actionable items. Several meetings were held to ensure the EDA could provide feedback, raise concerns, and offer guidance throughout the process:

- **July 9, 2025:** Formulated goals were presented to the EDA
- **September 10, 2025:** Revised goals were presented along with potential strategies to achieve the identified goals
- **September 15, 2025:** EDA-supported goals and strategies were shared at a joint EDA and City Council meeting to confirm alignment and City Council support
- **December 9, 2025:** An initial draft Strategic Plan was shared with the EDA for review and consideration

This structured process allowed the EDA to engage thoughtfully, ensuring that the Strategic Plan reflects the community's priorities, leverages New Prague's assets, and provides a clear roadmap for economic development over the next five years.

Current Conditions

The EDA spent time reviewing data about the City of New Prague to help inform development of the Strategic Plan. The following information and key “take-aways” provided through the planning process allowed the EDA to review the state of New Prague in context against that of other communities and the State of Minnesota.

TAX BASE

Growing the tax base is one of the central goals of any economic development effort. Tracking the growth in New Prague’s tax base will be one important way to measure success. Comparing that growth to the state, as well as other peer communities will help the city understand if the tax base growth is simply inflationary, or if the city’s growth is increasing relative to its peers. A strong economic development strategy is one factor that can contribute to tax base growing faster than peer communities. The table below compares New Prague’s market value, which is a measure of the city’s tax base, to selected peer communities, Le Sueur County, Scott County and the State of Minnesota.

Table No. 1

| City | 2023 Population | Estimated Market Value | | Change 2020 - 2024 | | Market Value |
|-------------------|-----------------|------------------------|------------------------|----------------------|---------------|---------------------|
| | | 2020 | 2024 | Amount | Pct. | Per Capita |
| Belle Plaine | 7,401 | \$629,596,700 | \$878,013,400 | \$248,416,700 | 39.46% | \$118,634.43 |
| Farmington | 10,348 | \$2,213,833,900 | \$3,183,742,500 | \$969,908,600 | 43.81% | \$307,667.42 |
| Jordan | 6,704 | \$535,449,700 | \$781,919,200 | \$246,469,500 | 46.03% | \$116,634.73 |
| New Prague | 8,195 | \$747,422,300 | \$1,054,994,500 | \$307,572,200 | 41.15% | \$128,736.36 |
| Northfield | 20,678 | \$1,567,039,400 | \$2,184,921,700 | \$617,882,300 | 39.43% | \$105,664.07 |
| Waconia | 13,223 | \$1,578,425,800 | \$2,319,953,800 | \$741,528,000 | 46.98% | \$175,448.37 |
| Le Sueur County | 28,936 | \$4,490,435,100 | \$6,210,109,900 | \$1,719,674,800 | 38.30% | \$214,615.35 |
| Scott County | 152,957 | \$20,000,196,701 | \$28,663,639,100 | \$8,663,442,399 | 43.32% | \$187,396.71 |
| Minnesota | 5,713,716 | \$770,439,239,781 | \$1,088,044,535,158 | \$317,605,295,377 | 41.22% | \$190,426.78 |

Source: US Census Bureau - ACS 5-Year Estimates; Minnesota Department of Revenue; Metropolitan Council

As shown in Table No. 1, New Prague shows steady market value growth, a healthy per-capita tax base, and a competitive economic standing relative to peer communities. While the city is neither at the top nor at the bottom of the group, it demonstrates solid property value strength for its size and population. Key takeaways are as follows:

- New Prague shows a positive increase consistent with the general trend across the comparison cities, which all appear to have grown in the mid-40% range. This suggests steady and healthy property market expansion.
- New Prague's market value per capita is \$128,736.36, which is above the levels seen in several similarly sized communities. This indicates comparatively strong tax base value relative to its population.
- New Prague ranks favorably in per-capita market value when compared with smaller cities.
- However, New Prague sits near the middle of the pack compared with the entire list, as the higher per-capita values are primarily in larger or higher-valued communities.

This comparison provides helpful context for understanding whether the city's market value growth aligns with general inflationary trends in the region or if other factors, such as targeted economic development efforts, may be influencing valuation increases. For New Prague, the data suggests that its status as a growing community, combined with land availability, has played a significant role in sustaining the steady increase in market value over the last five years. These conditions position the city to continue experiencing consistent growth.

While market value growth is a strong indicator of the overall health of a community's tax base, it must be assessed alongside tax capacity, since property taxes in Minnesota are calculated using tax capacity rather than market value. Evaluating both measures together provides a clearer picture of how much tax base is truly available to disburse the tax levy across. As Table No. 2 shows on the following page, the market value gains New Prague has experienced have been translated into corresponding tax capacity increases, confirming that the city's growth is strengthening its tax base.

Table No. 2

| Tax Capacity | 2020 | 2024 | Amount | Pct. |
|-------------------|--------------------|---------------------|--------------------|---------------|
| Belle Plaine | \$6,465,672 | \$9,261,138 | \$2,795,466 | 43.24% |
| Farmington | \$22,295,716 | \$32,710,959 | \$10,415,243 | 46.71% |
| Jordan | \$5,783,535 | \$8,737,703 | \$2,954,168 | 51.08% |
| New Prague | \$7,963,971 | \$11,474,271 | \$3,510,300 | 44.08% |
| Northfield | \$17,152,413 | \$24,318,297 | \$7,165,884 | 41.78% |
| Waconia | \$17,587,648 | \$26,048,540 | \$8,460,892 | 48.11% |
| Le Sueur County | \$41,276,306 | \$59,282,881 | \$18,006,575 | 43.62% |
| Scott County | \$219,694,002 | \$326,004,404 | \$106,310,402 | 48.39% |
| Minnesota | \$8,276,941,784 | \$11,826,855,122 | \$3,549,913,338 | 42.89% |

Source: Minnesota Department of Revenue

In addition, breaking down New Prague's total tax capacity in Table No. 2 by property classification provides valuable insight into which sectors are driving the city's growth. Table No. 3 on the following page further details this breakdown, showing the changes in tax capacity by classification between 2020 and 2024. This allows us to clearly identify where increases or decreases have occurred, and which property types are contributing most significantly to the city's expanding tax base.

New Prague experienced a substantial increase in tax capacity between 2020 and 2024, growing by more than \$3.5 million, an increase of approximately 44%. It is important to clarify that Table No. 3 on the following page presents each property classification's share of total tax capacity, meaning that a negative figure in the "change" column does not necessarily indicate an actual decline in that classification's tax base. Instead, it reflects how the proportion of total tax capacity has shifted among various property types. From this breakdown, it is evident that residential growth has outpaced commercial and industrial development during this period, resulting in residential property making up a larger share of New Prague's expanding tax base from 2020 to 2024.

Table No. 3

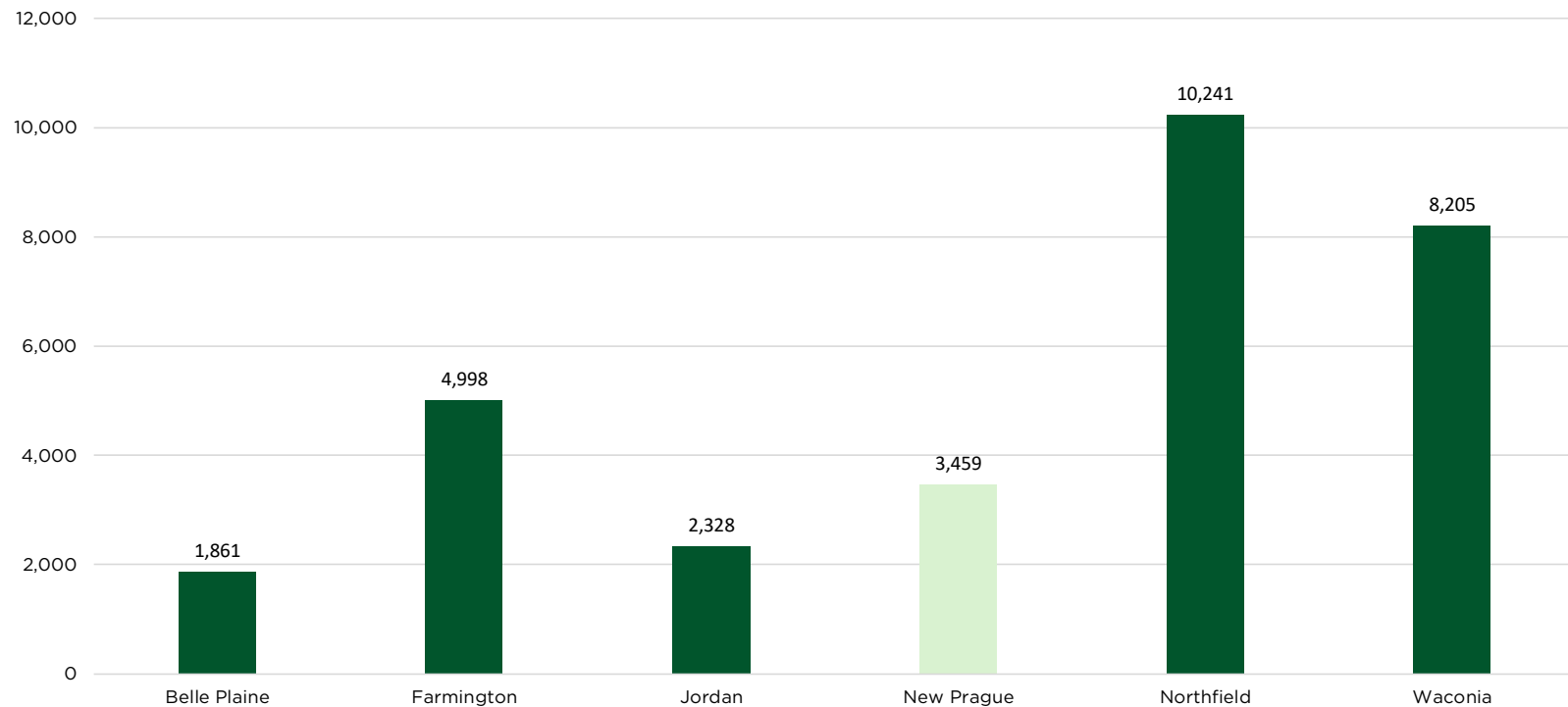
| | Payable Year | | Change |
|-----------------------------|---------------------|----------------------|---------------------|
| | 2020 | 2024 | 2020-2024 |
| Tax Capacity | \$ 7,963,971 | \$ 11,474,271 | \$ 3,510,300 |
| Residential - homestead | 63.46% | 65.99% | 2.54% |
| Residential - non-homestead | 7.73% | 7.14% | -0.59% |
| Farm | 0.32% | 0.37% | 0.05% |
| Commercial/Industrial | 20.42% | 20.07% | -0.34% |
| Apartments | 6.93% | 5.43% | -1.50% |
| Other | 1.15% | 1.00% | -0.15% |

Source: Minnesota Department of Revenue

EMPLOYMENT

Existence of job opportunities within a community is one indicator of economic strength. Jobs provide opportunities for residents, but they also bring significant economic activity that helps support additional growth in the commercial sector. New Prague has experienced about an 18% job growth since 2020. Graph No. 1 below compares the number of jobs in New Prague to selected peer communities at the end of 2024.

Graph No. 1



Source: Source: MN Department of Employment and Economic Development

The US Census Bureau's American Community Survey 5-year estimates about 16% of residents employed within the labor force remain within New Prague for employment as slightly under 84% of residents commute outside of New Prague for employment. Understanding these metrics are crucial when developing an economic development strategy. This ultimately led us to review and evaluate the types of industries New Prague residents are employed in. Table No. 5 below breaks down employment by industry based on residents employed within the labor force. As indicated on the table, the majority of residents are employed in 1) educational services, and health care and social assistance, 2) retail trade, 3) manufacturing, and 4) arts, entertainment, and recreation, and accommodation and food services.

Table No. 5

| Industry | New Prague | Pct. | Minnesota | Pct. |
|--|------------|--------|-----------|--------|
| In Labor Force - Employed | 4,068 | | 2,989,357 | |
| Agriculture, forestry, fishing and hunting, and mining | 75 | 1.84% | 62,540 | 2.09% |
| Construction | 270 | 6.64% | 188,990 | 6.32% |
| Manufacturing | 505 | 12.41% | 403,105 | 13.48% |
| Wholesale trade | 54 | 1.33% | 78,624 | 2.63% |
| Retail trade | 563 | 13.84% | 318,205 | 10.64% |
| Transportation and warehousing, and utilities | 123 | 3.02% | 146,097 | 4.89% |
| Information | 34 | 0.84% | 41,961 | 1.40% |
| Finance and insurance, and real estate and rental and leasing | 335 | 8.24% | 213,961 | 7.16% |
| Professional, scientific, management, administrative, and waste management | 313 | 7.69% | 312,923 | 10.47% |
| Educational services, and health care and social assistance | 1,067 | 26.23% | 765,033 | 25.59% |
| Arts, entertainment, and recreation, and accommodation and food services | 434 | 10.67% | 217,376 | 7.27% |
| Other services, except public administration | 188 | 4.62% | 129,472 | 4.33% |
| Public administration | 107 | 2.63% | 111,070 | 3.72% |

Source: Source: MN Department of Employment and Economic Development

Another way to review employment data is analyzing the location quotient, which is a statistical measure used in economic and workforce analysis to compare the concentration of a particular industry, occupation, or demographic group in a specific region to its concentration in a larger reference area. Table No. 6 on the following page provides the location quotient to show how concentrated employment by industry type is in New Prague to the State of Minnesota.

Table No. 6

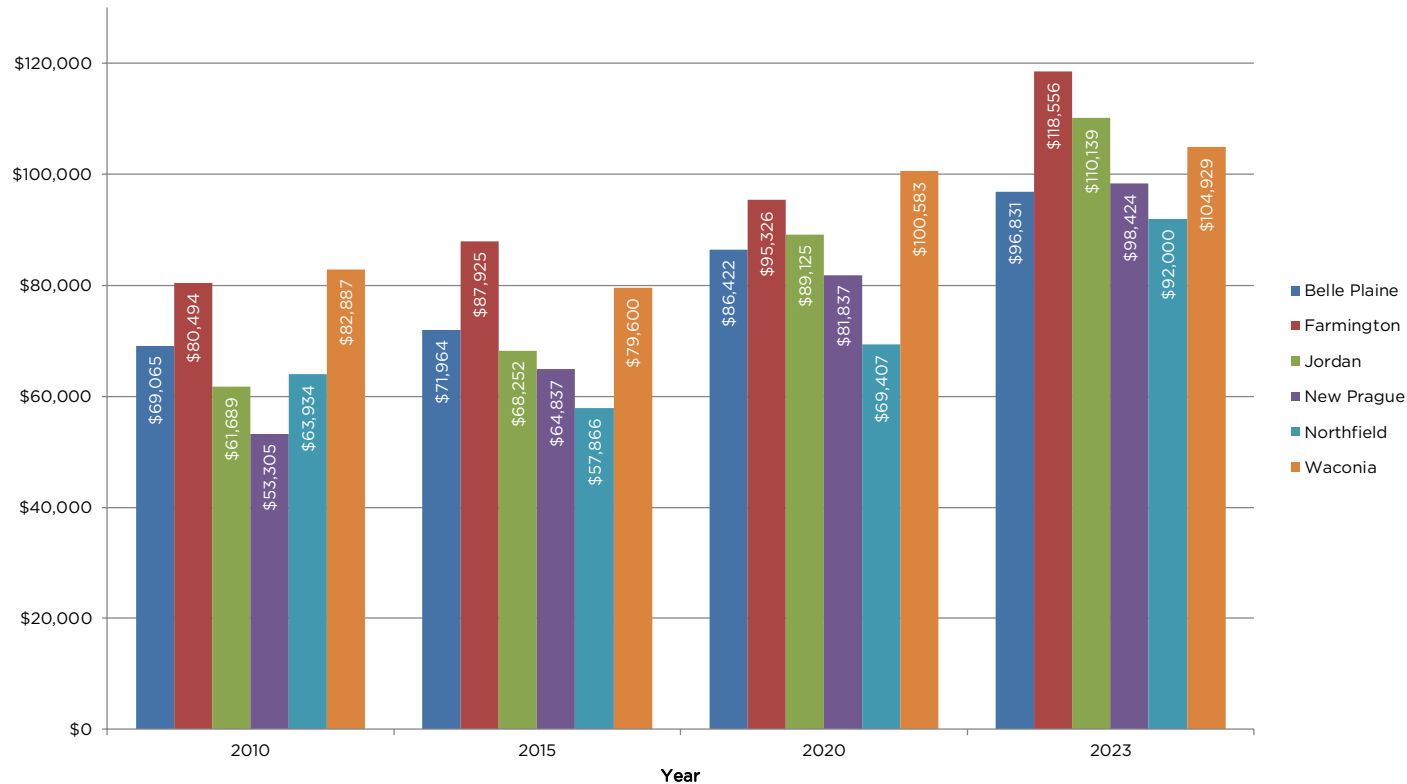
| Industry | Location Quotient |
|--|-------------------|
| Arts, entertainment, and recreation, and accommodation and food services | 1.47 |
| Retail trade | 1.30 |
| Finance and insurance, and real estate and rental and leasing | 1.15 |
| Other services, except public administration | 1.07 |
| Construction | 1.05 |
| Educational services, and health care and social assistance | 1.02 |
| Manufacturing | 0.92 |
| Agriculture, forestry, fishing and hunting, and mining | 0.88 |
| Professional, scientific, management, administrative, and waste management | 0.74 |
| Public administration | 0.71 |
| Transportation and warehousing, and utilities | 0.62 |
| Information | 0.60 |
| Wholesale trade | 0.50 |

Source: Source: MN Department of Employment and Economic Development

When reviewing location quotients, it's important to note that industries at or near 1.0 are typical levels of presence. Industries greater than 1.0 reflect more concentration locally and often represent regional strengths, competitive advantages, while those less than 1.0 are less concentrated and may indicate gaps, reliance on outside regions, or sectors with limited local activity. By comparing the relative heights or positions of the industries on the graph, you can see which sectors stand out as economic drivers and which ones offer opportunities for growth or diversification.

INCOME

Graph No. 2



Source: US Census Bureau

New Prague's median household income increased from \$53,305 in 2010 to \$98,424 in 2023, an 84.6% increase.

Median household income in New Prague has seen steady, consistent growth over time.

Incomes in New Prague have significantly shifted since 2010, when the city ranked the lowest of the comparison set.

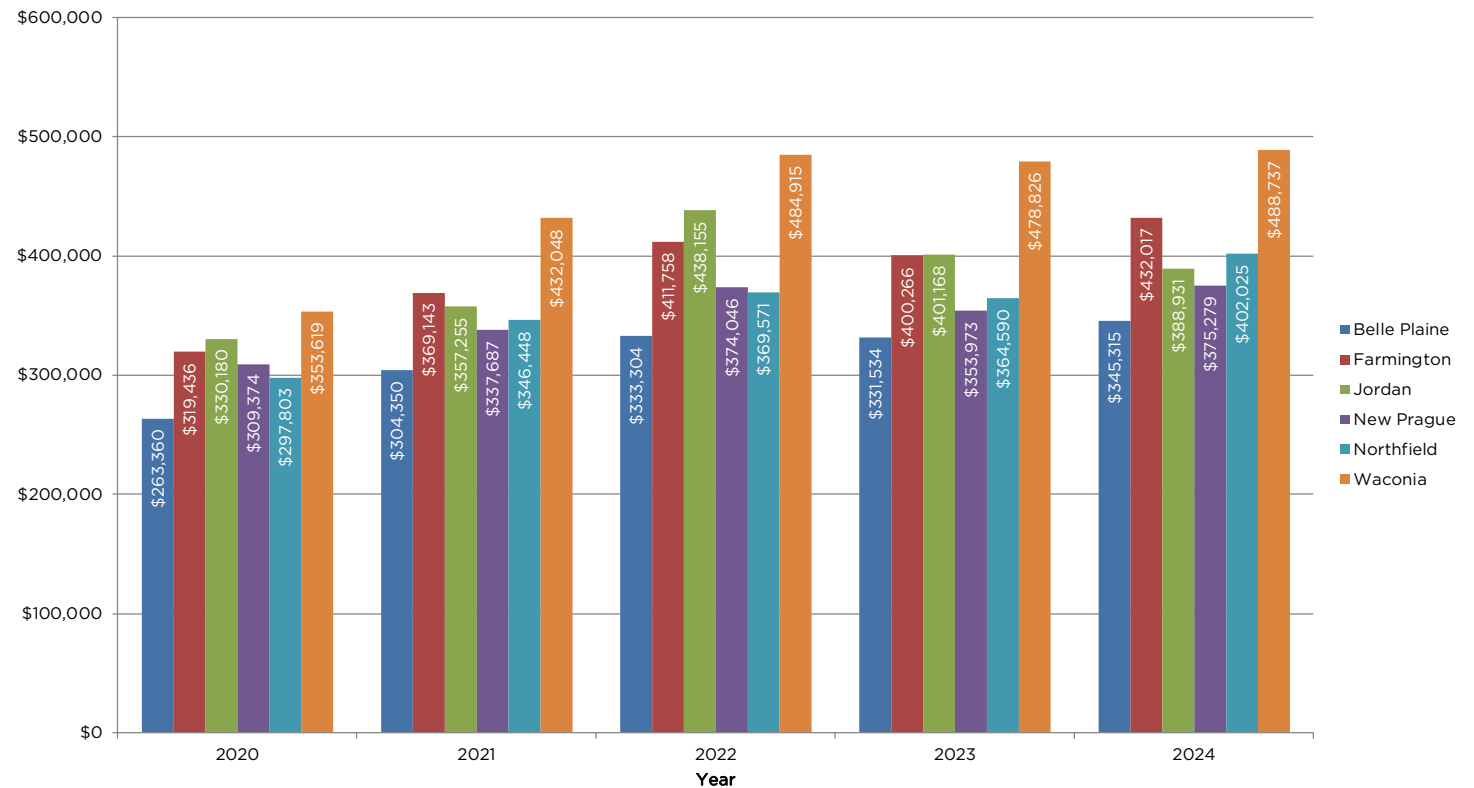
HOUSING SALES

New Prague's median home sale increased 21.3% from 2020 to 2024.

Nationally, many markets slowed in 2023 and 2024, and New Prague experienced a similar cooling. However, New Prague showed a notable rebound in 2024 which indicates a resilient and stable housing market.

The steady increase suggests New Prague is a competitive and desirable market within the region.

Graph No. 3



Source: Redfin

Resources

Successful implementation of New Prague's Economic Development Strategic Plan will require attention to the balance between priorities and available resources. The amount of work in this plan that the city can take on and the timeframe within which it can be accomplished will be a function of available resources. These resources include funding, human capital, and technology. There may always be more activities on the economic development wish list than available resources to give them all the appropriate attention.

The city's staff and other financial resources are finite, and it is difficult to create a large enough "hope chest" in the short-term to address all the city's needs. The city has relied in the past on the use of some public resources and tools that exist to accomplish its goals and will need to in the future as well.



The primary limiting resource for the city is funding availability to fully execute long-term plans. For this reason, prioritizing the city's economic development activities is critical. This exercise in prioritization must be done in the context of the resources available to get the job done. Finding the proper balance will help ensure the city's investment in economic development is achieving the goals most important to the community. If priorities and resources are out of balance, the city will either have trouble accomplishing its goals or will be investing more than may be necessary. The city will need to continually evaluate its economic development program and funding levels to stay in balance.

The plan contemplates time horizons for accomplishing each goal based on a schedule that uses short term and long-term increments within the five-year time span (2026 – 2030). Short-term actions are anticipated to be completed within two years while long-term actions may extend the full five-year time span and possibly beyond. When this plan is updated, long-term actions will be reevaluated and may be carried over into the next plan.

Ongoing actions identify activities that the EDA and staff regularly focus their time, attention, and efforts on as they interact with the public, business community and developers.

We recommend establishing an annual work plan to address these goals and action items. This will allow the EDA to prioritize which items are most important so staff can identify the necessary resources to carry out the plan.

Economic Development Strategy

GOAL 1: FOSTER A SUPPORTIVE ENVIRONMENT FOR NEW PRAGUE'S INDUSTRIAL & COMMERCIAL BUSINESS

| STRATEGY | ACTIONS | TIMELINE |
|--|---|------------|
| 1.A. Encourage growth and diversification of the local tax base | Promote development opportunities and reinvestment in existing properties | Ongoing |
| | Cultivate working relationships with local and regional economic development partners, such as the local Chamber of Commerce, New Prague Area Schools and other educational institutions, Scott County, Le Sueur County, Greater MSP, DEED, Region 9 and SMIF | Ongoing |
| | Respond to site selector RFPs and requests for site information from DEED and Greater MSP | Ongoing |
| | Streamline permitting and zoning processes to make New Prague more business-friendly | Short Term |
| 1.B. Identify target industries for attraction | Conduct a regional market analysis to identify industries aligned with New Prague's workforce, logistics, and infrastructure assets | Long Term |
| | Use data from DEED, labor market info, and regional economic trends to define 3-5 key industry clusters to target (e.g., sector industry analysis, industry cluster analysis) | Short Term |
| | Develop marketing materials and a business attraction package highlighting New Prague's strengths for target industries | Short Term |
| | Attend regional trade shows or industry events to build relationships with site selectors and industry representatives | Ongoing |

| | | |
|---|--|------------|
| 1.C. Strengthen business retention and relationship building | Expand the Business Retention & Expansion (BRE) program to conduct more regular visits and interviews with local businesses | Short Term |
| | Host quarterly events to improve communication and networking between the city and the business community (e.g., business roundtables, business appreciation golf outing, continue the celebration of Dožínky festival, other fairs and festivals to promote businesses) | Long Term |
| | Increase outreach to and understanding of local home-based businesses to assess growth potential, technical needs, and market opportunities | Short Term |

SUCCESS MEASURES

1. Percent of commercial and industrial tax base growth
2. Business retention rate
3. Net new businesses added
4. Total private investment in commercial and industrial projects

GOAL 2: PROMOTE REDEVELOPMENT OPPORTUNITIES AND REINVESTMENT IN EXISTING PROPERTIES

| STRATEGY | ACTIONS | TIMELINE |
|--|--|------------|
| 2.A. Market priority redevelopment sites | Create a Redevelopment Site Inventory that identifies and maps key opportunity sites (vacant, underutilized, blighted, etc.) | Short Term |
| | Develop and maintain site-specific marketing sheets with zoning, utility access, lot size, potential uses, and ownership contact info | Short Term |
| | Promote priority sites through the city website, LoopNet, and local real estate networks | Short Term |
| | Collaborate with county and regional partners to co-market high-priority redevelopment opportunities | Ongoing |
| 2.B. Offer incentives and financial tools for reinvestment | Maintain a toolbox of incentives and create programs (TIF, tax abatement, facade improvement grants, low-interest loans, etc.) for eligible redevelopment projects | Short Term |
| | Review and update established criteria for evaluating incentive requests based on public benefit (jobs, wages, tax base, housing, aesthetics, etc.) | Short Term |
| | Promote the availability of incentives on the city website and through EDA marketing materials | Short Term |
| 2.C. Provide clear guidance and support to property owners and developers | Develop a “Redevelopment Guide” or handbook outlining the city’s process, contacts, and available incentives | Short Term |
| | Create a webpage with FAQs, forms, and past success stories for redevelopment info | Long Term |

| | | |
|--|---|------------|
| 2.D. Encourage infill and redevelopment opportunities that strengthen New Prague's downtown | Identify and prioritize vacant lots, upper-story spaces, and underutilized buildings downtown for redevelopment or reuse | Ongoing |
| | Identify a funding mechanism to provide facade improvement grants or matching funds for exterior building renovations in the downtown core | Long Term |
| | Encourage housing above retail (e.g., second-story apartments) through zoning, incentives, and building code flexibility | Ongoing |
| | Partner with local arts or cultural organizations to activate downtown spaces with events, public art, food truck festivals, or pop-up retail | Short Term |

SUCCESS MEASURES

1. Total number of properties or dollar amount of reinvestment in existing properties
2. Number of redevelopment projects completed
3. Reduction in vacant and underutilized properties
4. Downtown storefront vacancy rate
5. Number of priority redevelopment sites with active progress

GOAL 3: ESTABLISH NEW PRAGUE'S COMPETITIVE EDGE

| STRATEGY | ACTIONS | TIMELINE |
|---|---|------------|
| 3.A. Define and promote an economic identity | Develop a clear, research-based economic identity or brand that reflects New Prague's strengths (e.g., location, workforce, industry focus) | Short Term |
| | Conduct surveys or stakeholder workshops with businesses, residents, and partners to define what differentiates New Prague | Short Term |
| | Create a tagline or positioning statement that can be used consistently across economic development marketing materials | Short Term |
| 3.B. Implement a business-focused marketing campaign | Launch a digital campaign targeting site selectors, brokers, and prospective businesses highlighting location, infrastructure, workforce, and amenities | Long Term |
| | Develop a suite of professional marketing tools: print brochures, one-pagers, videos, and social media content | Short Term |
| | Solicit testimonials from local business who endorse New Prague as a great place to do business | Short Term |
| | Update the city's economic development webpage with interactive maps, property listings, demographic data, and success stories | Long Term |
| 3.C. Differentiate through quality of life | Create promotional content that highlights New Prague's strengths: schools, parks, events, safety, and small-town charm | Short Term |
| | Partner with the Chamber to develop "Live Here, Work Here" materials | Short Term |
| | Conduct a community perception survey and use the results to address gaps in amenities or services | Short Term |

| | | |
|--|---|---------|
| 3.D. Enhance workforce and talent development | Partner with local school districts, trade schools, and colleges to create career pathways tied to target industries (e.g., manufacturing, healthcare, logistics) | Ongoing |
| | Work with local employers to identify workforce gaps and develop tailored training or apprenticeship programs | Ongoing |
| | Host or support job fairs, internship expos, and career awareness events for students and adult learners | Ongoing |

SUCCESS MEASURES

1. Establishment of an economic identity and brand
2. Creation of a subpage on the city's website dedicated to economic development
3. Completion and distribution of new marketing tools (brochures, one-pagers, videos, digital assets)
4. Collected and published 5+ business testimonials
5. Positive trend in new business openings or expansions (e.g., number of new business licenses issued)
6. Growth in population of working-age residents (indicating talent attraction)
7. Year-over-year improvement in median household income
8. Percent of commercial and industrial tax base growth
9. Growth in jobs within target industries (manufacturing, healthcare, logistics, etc.)

GOAL 4: SUPPORT HOUSING OPPORTUNITIES TO MEET COMMUNITY NEEDS

| STRATEGY | ACTIONS | TIMELINE |
|--|---|------------|
| 4.A. Explore possible consolidation of the Economic Development Authority and Housing & Redevelopment Authority | Conduct a legal and organizational review of the powers, duties, and enabling statutes of both the EDA and HRA | Short Term |
| | Evaluate benefits and drawbacks of consolidation, including governance efficiency, funding flexibility, and staff capacity | Short Term |
| | Host a joint workshop with EDA and City Council members to discuss consolidation goals and implications | Short Term |
| | Consult with similar Minnesota communities that have merged their EDA and HRA bodies to gather lessons learned | Short Term |
| 4.B. Assess existing housing stock and housing growth needs | Conduct a housing study or partner with a consultant to evaluate current inventory, affordability, condition, and gaps | Short Term |
| | Use demographic and workforce data to project future housing needs by type (single-family, rental, senior, workforce, etc.) | Short Term |
| | Identify areas with aging or underperforming housing stock and assess potential for reinvestment or redevelopment | Short Term |
| | Share study results with the development community, nonprofits, and regional partners to align future housing strategies | Ongoing |

| | | |
|---|---|------------|
| 4.C. Collaborate with the city to encourage infill development and identify opportunities for residential subdivisions | Identify and map vacant or underutilized parcels within city limits that are suitable for infill housing development | Short Term |
| | Issue RFPs or hold developer roundtables to attract interest in strategic infill parcels | Ongoing |
| | Coordinate infrastructure planning (water, sewer, streets) to proactively support future residential subdivision growth | Ongoing |

SUCCESS MEASURES

1. Complete review and evaluation on whether to consolidate the EDA and HRA
2. Complete of a housing study that identifies inventory, affordability, condition, and future housing needs by type
3. Increased engagement from developers, nonprofits, and regional partners – measured by meetings, inquiries, and project proposals following the housing study
4. Identification and marketing of infill or underutilized parcels, demonstrated by completed site inventory, RFPs, and developer interest
5. Track year-over-year increases in new housing units, improved diversity of housing types, and reinvestment in aging stock

GOAL 5: SECURE RESOURCES FOR ECONOMIC DEVELOPMENT

| STRATEGY | ACTIONS | TIMELINE |
|--|--|------------|
| 5.A. Explore available resources for economic development | Conduct an inventory of existing local, county, state, and federal funding sources available for business attraction, redevelopment, infrastructure, and housing | Short Term |
| 5.B. Evaluate resources necessary to accomplish goals identified in the Strategic Plan | Develop cost estimates for high-priority projects (e.g., marketing campaign, industrial site readiness, housing study) | Short Term |
| | Evaluate current EDA budget and staff capacity to determine what additional resources are needed (e.g., grants, consultants, inter-agency support) | Short Term |
| 5.C. Review and update public financing policies | Conduct a comprehensive review of current policies governing TIF, tax abatement, and other business subsidies | Short Term |
| | Update policies to ensure alignment with the new strategic plan's priorities (e.g., targeted industries, infill redevelopment, workforce housing) | Ongoing |
| | Define clear evaluation criteria and application procedures to improve transparency and predictability for developers (e.g., minimum qualifications, desired qualifications) | Ongoing |
| 5.D. Strengthen outside partnerships with local and regional funding agencies | Establish or maintain active relationships with key partners such as Scott and Le Sueur Counties, MN Housing, Greater MSP, DEED, Region 9 and SMIF | Ongoing |
| | Regularly attend economic development forums, summits, and partner meetings to stay current on funding trends | Ongoing |

SUCCESS MEASURES

1. Track the development ratio of public to private funds invested
2. Update public financing policies
3. Track capitalization of internal and external resources available for economic development
4. Implementation of this economic development strategic plan