



## CITY COUNCIL MEETING STAFF REPORT

**Meeting Date:** December 8, 2025

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### **Agenda Item:** 2026 RAEDI Investment Invoice

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**Subject | Summary:** Thank you for your continued support and partnership. Your commitment has helped make our economy the envy of communities far larger than ours. Together, we're keeping the Rochester area strong, resilient, and full of opportunity for all who live and work here.

This past year has shown just how vital RAEDI's mission is. We're here to build a stronger, more diverse economy—one that expands opportunity and strengthens our entire region. Amid constant change, RAEDI leads with purpose—driving growth, empowering entrepreneurs, and uniting partners to shape a vibrant and inclusive future.

#### Driving Regional Economic Development

To keep our region competitive and future-ready, RAEDI has advanced several key initiatives:

- Partnered with CEDA, DEED, DMC, Mayo Clinic, and SMIF.
- Supported development of agriculture, manufacturing, and technology.
- Collaborated with DMC and Mayo Clinic to expand the med-tech sector.
- Supported Olmsted County's Energy Park master plan.
- Engaged in Region 10's CEDS planning.
- Led long-term growth planning through the RAEDI Communities Council.
- Advanced regional development and innovation projects.
- Continued support for the Southeast Minnesota Capital Fund.

Since its inception in 2012, the Economic Development Fund (EDF)—a partnership with the City of Rochester—has delivered measurable impact:

- \$3.6 million invested in 39 companies.
- \$174 million leveraged in additional funding.
- 187 direct jobs created, with an annual payroll exceeding \$8 million.

Building on this success, RAEDI and the City are relaunching the EDF as the Economic Vitality Fund, ensuring continued investment in regional innovation and growth.

#### Supporting Small Business Growth

The Southeast Minnesota Small Business Development Center (SBDC), hosted by RAEDI, remains a cornerstone for entrepreneurs—serving 50+ new clients each month with free, confidential guidance.

This year, the SBDC:

- Coordinated the Small Business Assistance Partnership Grant.
- Delivered 15+ workshops, including a new Kasson series.
- Hosted the Knowledge Exchange Program (KEP) with 120+ consultants statewide.
- Earned national AI certification to enhance advisory services.
- Partnered with SMIF on the Prosperity Initiative and expanded collaborations with regional business organizations including Alliance for Chicanos Hispanics and Latin Americans, Collider, Development Corporation of Austin, Faribault Chamber of Commerce, IgniteMN, and Owatonna Area Business Development Center.

The SBDC is also reviewing its RFP to ensure a long-term Rochester presence.

#### Celebrations

In November, we will host the 12th Annual R.A.V.E. (Recognizing Awarding Valuing Entrepreneurs) celebration—honoring the achievements of local entrepreneurs.

In February 2026, we're excited to welcome Craig Culver, founder of Culver's, as keynote speaker at the

RAEDI Annual Meeting—an inspiring opportunity to learn from a nationally recognized entrepreneur.

Looking Ahead

Our focus remains clear—to strengthen Rochester’s position as a hub of innovation and opportunity. Progress is possible because of our dedicated investors, partners, and community leaders. Together, we’ll continue building an economy that grows, adapts, and thrives for generations to come.

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**Agenda Category:** Consent Agenda

**Submitted By:** Michele Peterson

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**Recommended Motion:**

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**Community Engagement and Outreach:**

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**FISCAL IMPACT:**

**Amount:** \$5,250

**Ongoing Cost :**

**One-Time Cost :**

**Included in Current Budget?:** Yes

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**FISCAL DETAILS:**

**Fund Name(s) (Operations | Capital):** Operations

**Account Code:** 100-41100-433

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**Background:**

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**Attachments:**

[2026 RAEDI Investment Invoice City of Chatfield.pdf](#)