Steele County
Comprehensive Land Use Plan

September 25, 2007

Steele County Land Use Plan

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The Future of Steele County

Steele County is beginning to experience what many Counties within 50 to 60 miles of the Minnesota Twin Cities metropolitan area are experiencing; essentially the possible beginnings of a great transition. Many of Minnesota's counties within this rural growth ring have seen tremendous growth pressures out in traditionally rural areas, pressuring historically agricultural users into a competitive situation with land sales and nuisance complaints.

To its credit, Steele County has avoided many of the problems experienced by other ring counties by taking a hard line regulating stance more than 13 years ago when dealing with the issue of scattered housing development. At that time, the County stated it was adopting a county policy to "promote orderly development within or near existing cities while limiting development in outlying areas." The purpose for undertaking this stance was to limit "needlessly high public service costs, overloading of natural ecological systems and gradual degradation of the environment."

Steele County continues to see growth pressures pushing out from urban employment centers, including Owatonna. Many County residents welcome this growth as a sign of healthy progress and economic growth, while others fear it as a major change threatening the quality of life and as a force that will further the degradation of the County's environment. Regardless, change is an ongoing force facing the County's decision makers, and how the County and its communities respond to this change will set the tone of community quality and livability for generations to come. The manner in which land is used, whether or how open space and farmland is preserved, where public infrastructure is provided, and the overall management of growth will all be determined by the current set of County and community leaders.

The legal and political environment in which decisions are made is complex. There are at least 17 different jurisdictions in the County that have a stake in local land use decisions. Most public infrastructure services, particularly those that support urban growth, are provided at the municipal level with little regional coordination. Likewise, decisions about municipal boundary changes are made at the local level with little regard to regional impact. While some responsibilities for regional growth rest with the County, such as transportation planning, there has historically been little in the way of regional planning and coordination. The system of managing growth in Steele County is fragmented.

Why engage in countywide planning in this environment? Why not just let each community look after its own interests? After all, community character, identity, and pride are better achieved at the local city level. Community distinction and a sense of neighborhood are better achieved at a small scale than at the County level. People from an area rarely, if ever, identify themselves as residents of a certain County. At the same time, there are many issues affecting quality of life that transcend municipal and township boundaries. Environmental quality knows no artificial boundaries, nor does the need for people to move around the region recognize government borders.

Through public involvement efforts, the need for regional cooperation and leadership is typically referred to as a priority for managing land resources at the County level. County's typically are seen as the logical place for regional coordination to occur and is usually seen as a critical issue for the County's future. How can Steele County achieve the kinds of regional coordination that is needed while still recognizing the need and the right for local autonomy? The answer lies in recognizing that there are certain land use decisions that are best handled at the local level, and other actions that the County is uniquely able to take that cannot be accomplished locally.

Preparing the County-wide Land Use Plan can be viewed as an activity that sharpens and focuses the many concerns of citizens and provides a framework for forging these often conflicting concerns into a common vision of the future. By focusing attention on the issues facing the County and placing them in an expanded time frame, the general plan helps citizens to see their community as a complex and evolving system. It helps guide the County along an agreed upon course.

Plan Purpose

The purpose of this Land Use Plan is to provide an objective study of Steele County's physical features, land use, population, natural resources, development trends and other factors in order to guide future decision making as it relates to land use.

Preparing, adopting, and maintaining a County Land Use Plan serves the following purposes:

- Expand the capacity of County Government to analyze local and regional conditions and needs in order to respond effectively to the problems and opportunities facing the County;
- Define the County's environmental, social, and economic goals;
- Record the County's policies and standards for the maintenance and improvement of existing development and the location and characteristics of future development;
- Provide citizens with opportunities to participate in setting goals and determining policies and standards for future development;
- Foster coordination of community development and environmental protection activities among local, regional, state, and federal agencies;
- Guide and coordinate the many actions and day-to-day decisions for local government that are necessary to developing and protecting the community; and
- Provide decision makers, County land owners & residents, and land developers with a forum for resolving conflicts among competing interests and values.

Although this plan does not make specific recommendations pertaining to development within corporate limits, it does make specific recommendations regarding the future use, development and intensity of development for the vast majority of land in the County.

Specific land use applications, proposals, and decisions in the future will be reviewed by the Steele County Board of Commissioners, Planning Commission and Board of Adjustment with the adopted land Use Plan as a primary guide. Proposals which conflict with the adopted plan will only be approved in extraordinary circumstances, when unique reasons justify the departure, and the basic policies and intent of the Land Use plan are not compromised. Changes in the Plan should involve broad citizen participation, be supported by a proper, objective study based on planning principles, and reflect the interests of a majority of the County's citizens. Land Use Plan changes that are made to benefit an individual or small group, or on an "ad hoc" basis, damage the credibility of the planning process and the usefulness of the plan.

Because the majority of the unincorporated land area in Steele County is agricultural in nature, a major thrust of this Land Use Plan is toward the protection and preservation of agricultural land and the agricultural economy and community. The intent is **not just** to protect prime, cultivated land from conversion to other uses. Rather, the intent is to protect areas that are and can remain rural or "agricultural" in nature. Small woodlots, pasture, wetlands and other rural land types are an integral part of farm areas in the Upper Midwest, in addition to cultivated fields. In the past, farms and agricultural lands were viewed by planners and developers as "idle" land, waiting for something "better" to happen. In recent years, agriculture and agricultural areas have come to be viewed as much more important land uses, deserving of special consideration just the same as commercial, industrial and residential areas need specific treatment. Just as residential and industrial areas are kept separated to their mutual benefit, so the protection of agricultural areas can benefit all the citizens of Steele County, not just the minority actively engaged in farming.

Uncontrolled growth can lead to many problems, including land use conflicts, needlessly high public service cost, the overloading of natural ecological systems and gradual degradation of the environment, both natural and manmade. Land and water are the most precious resources available to any society, and the protection of the public health, safety and welfare demand that there be some controls on the use of privately owned land, especially in rapidly growing areas. Such controls are never without controversy, especially in an area (or nation) where tradition and law attach great importance to the rights of landowners. However, all individual rights and freedoms are restricted to some degree, to preserve order and promote the good of the public as a whole. The purpose of this Steele County Land Use Plan is to provide a decision making guide which will serve the best interest of current and future citizens of Steele County as a whole by controlling, not hindering, the growth of the County in a manner which best serves the public health, safety, and welfare.

The actual implementation of the plan is a complex and lengthy process in its own right. Local officials must make decisions on many separate but interconnected actions, according to the direction set out in the general plan. These various actions rest on two

essential powers of local government: corporate and police powers. Using their corporate powers, local governments will collect money through bond sales, fees, assessments, and taxes, and spend it to provide services and facilities such as police protection, roads, land records, parks, and others. Using their police powers, local governments regulate citizen's use of their property through zoning, subdivision, and others to promote health, safety, and welfare of the public.

Goals of the Plan

In order to consider and interpret the data and policies contained within this Land Use Plan, it is helpful to establish a set of goals which serve as an overall guide. These goals are broad, as they set a framework within which the plan is to be considered and reviewed. These are not meant to be measurable standards by which future success of the Plan can be judged, but rather as ideals for Steele County to strive towards.

OVERALL GOAL: To Guide the Growth and Development of Steele County so as to:

1. To protect, preserve and enhance the quality of the natural environment and require development to take place in a manner, which makes wise use of Steele County's resources without degradation;

2. To make the most efficient and economical use of public funds and investments; and

3. To protect agricultural lands from encroachment by incompatible uses and provide assurance that such areas will remain agricultural in nature.

This overall goal in, in effect, a summary of the purpose of the plan, as described in the previous section. Within this goal, the three subparts, which are not necessarily listed in order of importance, serve as major goals for the plan. These major goals will be used to establish policies that will serve as more specific action guides later in this document. Brief discussions of each major goal that point out the importance of the goal to land use planning and the public policy implications area as follows:

Major Goal: To protect, preserve and enhance the quality of the natural environment and require development to take place in a manner, which makes wise use of Steele County's resources without degradation.

Pollution, or any degradation of the environment, can be viewed as one individual pushing costs onto his/her neighbors or the public. A gravel pit that generates unnecessary noise and dust can harm neighboring property values and the neighbor's health. Improper sewage treatment systems can save money for individuals, but cost the public by threatening health and potentially lowering property values by affecting surface water and groundwater resources. All individuals and groups should be held responsible for the costs of their actions, though all costs may be difficult to determine. By requiring that development take place in a manner which does not degrade the

natural environment or compensates for changes which area absolutely necessary, the County can help protect the public interest.

While exact cost figures are impossible to determine, there is no doubt that property values are negatively affected when the development occurs which has gross adverse impacts on the natural environment. Obvious examples are easily found in the difference in values between lakeshore homes on clear, clean lakes versus those on eutrophic, polluted lakes. These environmental factors must be considered and weighted heavily when development proposals are reviewed.

Major Goal: To make the most efficient and economical use of public funds and investments.

While this goal may at first appear to be too obvious, the implications for land use planning are not so obvious and are often quite subtle. The benefits of land use planning, and of environmental protection also, are not often immediately apparent nor felt in the short run. Incremental changes in the community may seem to have little or no fiscal impact until suddenly a new school, or added bus routes, or sewer interceptors, or roadwork, or added police and fire protection become necessary. Most, if not all, public services can be more economically provided to development that makes efficient use of land near existing urban centers rather than sprawling over the countryside. While some developers begin every presentation with a statement that their proposal will “add to the tax base,” many types of residential development can actually detract from the public economy by costing more in public services (over the long run) than the added value is worth. In an early case study conducted by the American Farmland Trust, Density Related Public Cost (Washington, D.C. 1986), it showed that in areas of low density residential development, $1.28 in municipal services was required for every $1.00 in taxes collected. This type of fiscal analysis was replicated in Steele County in 2006, with similar findings (a copy of the study’s summary is found in this plan’s appendix). While not all developments will mimic this pattern, it is intuitively clear that it will be more economic to provide public services to a population that is in a more compact area, especially if planning for the provision of services coincides with the development of the area.

Perhaps as important as the economics of “compact” development patterns are the qualitative differences in service needs (and demands) between an agricultural and “suburban” or urban community. An agricultural community generally requires and demands the minimal level of public services. Traditionally, township government in Minnesota provided few services besides local road maintenance, as other services could be obtained by contract or through the County or School District. Where uncontrolled growth occurs, many townships are faced with service demands from “new” residents which they may be ill equipped to meet. The economies of providing such services for the first time, and providing them over a very large land area can be most problematic. Since the property tax is the primary revenue source for these local units of government, the farmers who have not converted their land could easily end up partially subsidizing the new development. From the standpoint of efficiency and economy it makes more sense, in so far as it is possible, for city governments to provide

an urban level of service while townships provide only what is needed to maintain agricultural, or rural needs.

Major Goal: To protect agricultural lands from encroachment by incompatible uses and provide assurance that such areas will remain agricultural in nature.

Planning by definition, must prepare for the future and must not make recommendations based solely on the vagaries of short term factors. Farming is the basic industry of the nation and particularly the Midwest. Hundreds of agricultural and directly related jobs exist in Steele County. Despite advances in technology, nothing can replace good soils for producing food and fiber and the supply of farmland is absolutely finite. Once converted to urban uses, farmland is lost to production for generations at least. With an ever growing world population and starvation and malnutrition far from eradicated there is bound to be an ever growing need for production. Short term surpluses can dwindle very quickly due to war, famine, political change and the age old bane of farming, the weather. To allow the **unnecessary** loss of farms and farmland to proceed with no attempt at preservation can and will be viewed as folly by future generations. Steele County alone cannot affect the global and national factors affecting the farm economy. However, the County can take certain actions to protect farmland and farming.

Farmland includes cultivated fields, pasture, vineyards, woodlots, wetlands and other rural lands. The protection of prime farmlands (soils) from conversion to non-farm uses is only the most obvious facet of agricultural protection. Tree lines and woodlots help prevent erosion, stabilize steep slopes and provide habitat for wildlife. Wetlands also provide wildlife habitat, maintain natural water systems and prevent flooding. Specialty farms (sod, berries, vegetable) can often utilize lands that are not well suited to traditional cultivation. The protection of large areas for farming is essential, not just the protection of cultivated fields with prime soils. Farmland must be viewed as a variety of land types, for the cultivated fields and feedlots cannot exist if surrounded by development on all the other types of land.

Farming is an economic and social activity, which utilizes farmland for production. While Steele County can do much to protect farmland, farming is subject to many economic and political factors beyond local control. However, the County can enact several policies and programs to assist farming. Most important is the adoption of programs that clearly establish the importance and stability of farming. If the County designates areas as agricultural and has the courage to resist pressures to needlessly change these areas, the stability alone could help farming. Farmers cannot compete with land speculators and developers for land; young farmers trying to become established especially cannot afford such bidding wars. If the County is form in its policies toward conversion it can benefit both the farmers and developers. Developers know which areas of the County can be developed and will avoid the agricultural areas. If the policy is maintained, farmland can seek its price at farmland values. Farmers will know it is worthwhile to make capital investments because they need not fear being surrounded by development and bid or harassed out of existence.

The “harassment” is a problem which has become particularly acute in areas where farming and residential development are mixed. As mentioned earlier, farming, like any industry, does not always mix well with residential developments. Normal farm practices such as manure spreading, running machinery all night during the harvest or planting seasons, slow vehicles on the road, etc. can surprise and dismay residents who expected to find the rural lifestyle to be all fresh air, peace, and quiet. In some exurban communities, ordinances are passed which restrict farm practices and hasten the demise of farming. By assuring the primacy of farming in agricultural areas, Steele County can help avoid such problems.

Description of the Planning Area

History: The area now known as Steele County was opened to legal settlement when the Sioux Indians transferred a large area of land west of the Mississippi by the Treaty of Traverse de Sioux in1851. Steele County was settled in 1854 and organized in 1855. The majority of settlers came from eastern areas of the United States and from Canada. The County seat is Owatonna.

Geologic History: There are four basic subdivisions to the geology of the southern half of Minnesota. The following three basic subdivisions are found predominantly in Steele County.

Pleistocene glacial drift: The youngest material, which makes up nearly 100% of the present land surface.

> **Glacial till-** Variable mixture of clay, silt, sand, and boulders. Often described in drillers' logs as clay, boulder clay, or sandy clay, typically red, brown, yellow, gray, or blue. Low water-bearing potential if clay-rich, moderate if sandy.
> **Glacial outwash-** Sand and gravel with lesser amounts of silt or clay. Primary source of water throughout central Minnesota.

Paleozoic Sedimentary rocks: Mainly restricted to southeastern Minnesota, consisting of interlayered sequences of sandstone, shale, and limestone; low water-bearing potential in shale beds, high in sandstone and fractured limestone beds. Paleozoic rocks are not present in most of central Minnesota, but are very important aquifers in southeastern Minnesota.

Precambrian rocks: are the first bedrock encountered in most of south-central Minnesota.

> **Weathering residuum-** White and green clay, variable proportions of white to gray grit. Forms a cap on top of Precambrian rocks. Low water-bearing potential, except for low-capacity wells in areas where grus is developed, but these are hard to predict.
> **Keweenawan System-** Yellowish-brown sandstone, underlain by volcanic basalt flows with thin brown sedimentary rocks between flows. High water-bearing potential in upper sandstones, moderate in interflow sedimentary rocks.

Topography (from Steele County Water Plan): The characteristics of the present land surface in Steele County, including the topography and nature of surficial materials, are the result of the action of glacial ice and flowing water. The surficial materials are chiefly glacial deposits, collectively called drift, from the continental glaciers that covered Steele County during the last million years. The continental glaciers were centered over southern Canada and extended into southern Minnesota. These continental glaciers expanded and contracted several times.

The southwestern and southeastern parts of Steele County are covered by recessional moraines that exhibit a rolling to hilly landscape with relief ranging from 10 to 50 feet. The southwestern moraine is a wide area of hills that are circular with flat tops, exhibiting a rolling landscape. The southeastern moraine is a narrow belt of hills that are more irregular in shape. The hills in both moraine belts are separated by lowlands that serve as drainage ways and contain lakes and other wetlands. The northern and eastern parts of the county contain a nearly level to gently rolling ground moraine that exhibits a local relief of 5 to 20 feet. In the north central part of the county the relief may be as much as 90 feet where the Straight River has carved a valley into the nearly level uplands. Many of the nearly flat areas of the ground moraine are artificially drained to improve agricultural conditions. The highest surface elevation, about 1330 feet mean sea level, is located in the southeastern part of the county. The lowest elevation, about 1060 feet mean sea level, is located on the north central edge of the county where the

Straight River leaves Steele County to the north. The maximum total relief is approximately 270 feet.

Aquifer Systems and Confining Layers (from Steele County Water Plan): In Steele County, groundwater exists in unconsolidated glacial deposits and in the underlying bedrock. The possibility of developing adequate supplies of groundwater from the glacial deposits is generally poor. However, the bedrock aquifers are among the highest yielding in the United States.

Groundwater can be obtained from four bedrock aquifer systems in Steele County: the Cedar Valley-Maquoketa-Galena aquifer system, the St. Peter-Prairie du Chien-Jordan aquifer system, the Franconia-Ironton-Galesville aquifer system, and the Mt. Simon-Hinckley aquifer system. These bedrock aquifer systems are separated from each other by confining layers of shale, dolomite, and/or siltstone.

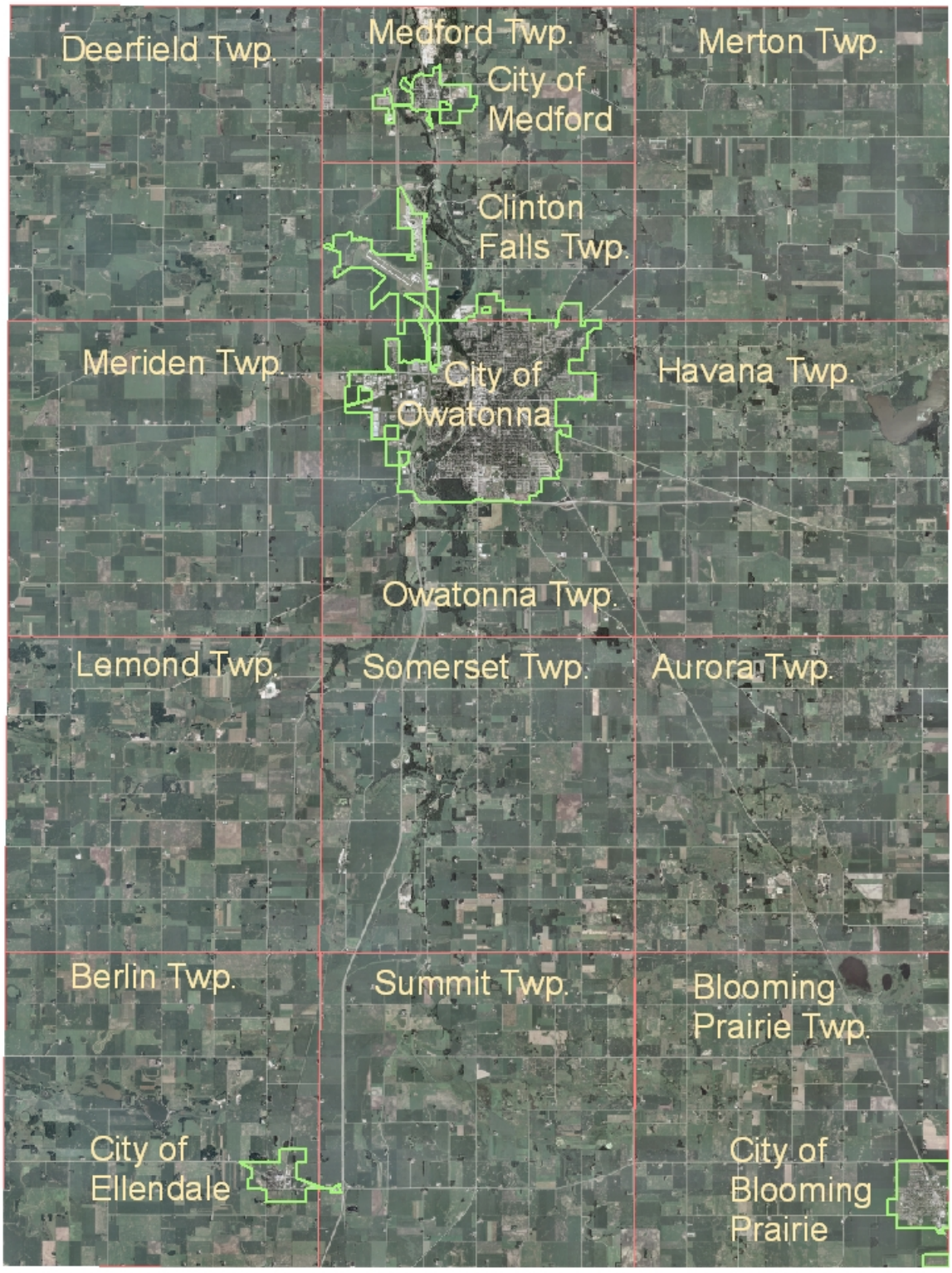
In Steele County, most farm and domestic wells draw water from the uppermost bedrock aquifer that is locally available. Throughout most of the county the upper bedrock aquifer consists predominantly of Cedar Valley, Maquoketa, and Galena limestones. In the northeast corner of the county the St. Peter sandstone represents the uppermost bedrock aquifer. Some municipal wells and other wells that require high pumping capacity are often drilled through two or more bedrock aquifers.

Protected Waters: The protected waters inventory list for Steele County identifies basins, natural and altered natural watercourses, and wetlands that have identified shoreland areas protected by County ordinance. On this list are eight (8) basins, nine (9) watercourses, and eight (8) wetlands.

Watersheds (from the Steele County Water Plan): Steele County contains portions of four major watersheds within its boundaries: Cannon River Watershed, LeSueur River Watershed, Zumbro River Watershed, and Cedar River Watershed. Approximately 84% of the land area in Steele County is in the Cannon River watershed, which includes the area drained by the Straight River and its tributaries: Turtle Creek, Maple Creek, Crane Creek, Medford Creek, and Rush Creek. The southeastern corner of the county lies within the Cedar River watershed. The eastern and northeastern edge of Steele County lies within the Zumbro River watershed and the southwestern part of the county lies within the LeSueur River watershed.

Soils (as described in the Steele County Soil Survey): There are six soil associations within Steele County. The first group – Webster-Clarion-Nicollet association – formed in calcareous, loamy glacial till and occupies about 26% of the County. The second group – Lester-Webster-Le Sueur association – also formed in calcareous, loamy glacial till and occupies about 35% of the County. The third group – Lerdal-Kilkenny-Shields association – formed in 3 to 10 feet of shaly, calcareous, fine-textured till and occupies about 4% of the County. The fourth group – Hayden-Webster-Lester association – formed in calcareous, loamy glacial till and occupies about 13% of the County. The fifth group – Maxcreek-Moland-Merton association – formed in a silty mantle and the underlying friable, calcareous loam or light clay loam till and occupies about 7% of the

Steele County



County. The sixth group – Bixby-Dakota-Biscay-Estherville association – formed in medium-textured and moderately coarse textured material and the underlying sand or sand and gravel and occupies about 15% of the County. All associations are further described as being poorly drained to well drained or excessively drained and being nearly level to either gently, undulating, silty soils, or rolling loamy soils, or steep loamy soils.

The predominant original vegetation of the County was mainly prairie, wet prairie, and brushland prior to extensive settlement.

Geography: Steele County, located in southern Minnesota, is approximately 60 miles south of the City of St. Paul. The County is bounded on the north by Rice County, on the west by Waseca County, on the south by Freeborn County, and on the east by Dodge County. The County's area is 429.55 square miles.

Steele County is comprised of 4 incorporated cities and 13 townships. There are a number of unincorporated areas in the County as well.

Incorporated City	***Population Estimates - 2005***	***Township***	***Population Estimates - 2005***
Blooming Prairie	1,963	Deerfield	706
Ellendale	636	Havana	586
Medford	1,135	Lemond	508
Owatonna	24,255	Medford	704
Township		Meriden	633
Aurora	607	Merton	381
Berlin	514	Owatonna	760
Blooming Prairie	488	Somerset	842
Clinton Falls	428	Summit	516

Comprehensive Planning Process

This Comprehensive Plan update was prepared under the direction of the Steele County Planning Advisory Committee and County Planning and Zoning Staff. Initial meetings were held with Township Officials and interested citizens. Additional data and a list of County issues were assembled with the aid of County staff. The Committee met seven (7) times between January, 2006 and November, 2006, formulating rough policy positions and land use recommendations. In addition, a fiscal impact analysis was conducted by Bob Patten of the Minnesota Department of Agriculture to illustrate the costs of rural housing development versus urban housing development. A summary of this study is found in the appendix. An open house was held in the County Administration building to allow for public comment on a draft of the land use policies.

This open house was held on January 17, 2007. A summary of the feedback from the open house is found in the appendix. A public hearing was held on May 29th & August 6th, 2007 to take comment on the final draft of this Land Use Plan.

Goals & Policies

The following section contains the specific and practical guidelines for improving existing conditions and controlling future growth.

Environmental Protection Goal: To protect, preserve and enhance the quality of the natural environment and require development to take place in a manner, which makes wise use of Steele County's resources without degradation.

Policies:

1. The County will work with farmers and encourage them to use the "Agricultural Best Management Practices" as guidelines for farming practices to reduce erosion, groundwater contamination, or degradation of surface water features.

    a. To address concerns with erosion and water quality, Steele County will extend its current one (1) rod buffer strip requirement it has for the County Ditch system and apply it to rivers, streams, creeks, public and private ditches, and other surface water features deemed vulnerable to field runoff (see appendix A for stream & ditch map).

    b. To address erosion concerns, Steele County will adopt an Erosion Control Ordinance as an enforcement tool to help persuade land owners to adopt erosion control measures as a part of their operating procedures.

2. The intensity of development in rural areas shall be restricted so as not to overload natural surface drainage systems. Where proposed development will add significant impervious surface areas that will result in runoff volumes that would interfere with natural drainage systems, the developer may be required by the County Board to provide facilities to compensate for any negative impacts, or have their development application denied.

3. Steep slopes, wetlands, unstable soils, woodlots and other forested areas, and other sensitive environmental features will be protected, as determined through an environmental assessment and through comment from the Steele County Soil & Water staff. Development on or near such areas may be required to provide larger lot sizes, increased setbacks or other conditions to protect the sensitive features.

4. The County will investigate whether it can sign up for a tax reduction program that is tied to a wetlands delineation program, whereby a landowner officially delineates wetland areas and registers them with the County in return for reduced taxes on those portions of land. The State would provide reimbursement to the County for lost tax revenue.

5. Development of shoreland property shall abide by State Shoreland Management rules, as adopted by Steele County.

6. It is Steele County's intent that development activity should take place in harmony with the existing, stable, natural environment. Development proposals should be adapted to suit the natural landscape rather than altering the land to suit the development.

7. Gravel extraction operations and other commercial/industrial operations shall be required to screen adjoining residential uses from the operations conducted on-site and control those effects which may migrate to adjoining property (see copy of quarry site location map in appendix A).

    a. In the permitting process for mining operations, the County will set a timetable for operations, shutdown, and reclamation activities and will require the CUP to be renewed by the owner if the operation has not been closed out and/or reclamation activities have not been completed within the original timetable established in the permit.

    b. In the permitting process for mining operations, the County will seek guidance from a hydrologist for each mining site to protect groundwater sources.

    c. The County will work with existing extraction operations to develop a plan detailing activities that will constitute a suitable land reclamation program.

        i. A final grading plan will be submitted by the operator;

        ii. A description of the final land use will be stated for the mining site. Wherever possible, the land should be returned to its original use. When agricultural lands are not to be returned to agricultural production, the plan should indicate the reason for the proposed land use change, compatibility of the end use with surrounding land uses, and consistency of the end use with local land use plans and zoning.

    d. A phasing plan will also be submitted as part of the CUP application, including:

        i. A drawing showing areas to be excavated and the dates of expected excavation;

        ii. The plan should indicate that areas will remain in their original state until excavation;

        iii. The plan should indicate the locations for stockpiling top soil and the methods proposed to prevent erosion of the stockpiled soil, including seeding, mulching, silt fencing, berming, or other approved methods;

        iv. When an area is no longer being mined, the land should be final graded, covered with topsoil, and seeded as soon as possible; and

        v. If the phasing plan does not include all of these elements, it should explain why the excluded elements are not feasible and propose reasonable alternatives.

8. Aggregate resources are a valuable finite resource that is directly impacted by rural scattered site development. The County should protect its aggregate resources from premature development.

    a. *The County should adopt an aggregate resource protection ordinance designed to protect areas that have been identified as having high and moderate value resources. The County should consider an ordinance that contains good standards for preserving these areas from development pressure, sets up standards for guiding mining operations use of aggregate resources, and requirements for reclamation of the mining site once closed.*

    b. The County should require developers of rural sites adjacent to and up to ½ mile away from sites determined to contain protected aggregate resources to take deeper soil borings to determine if there are potential aggregate resources contained on the site during the information stage of the development process. This information will add to the County's knowledge data base on aggregate resources.

Public Investment Efficiency Goal: To make the most efficient and economical use of public funds and investments.

Policies:

1. The County or Township government will not provide expensive levels of urban services outside incorporated areas unless it is necessary to protect the public health or safety.

2. Land uses that require or should be served by a high level of urban services will be encouraged to locate within cities and prohibited in the Agricultural District or rural areas.

3. Steele County will continue to employ an Interim Agricultural District to identify areas of the County that are expected to become urbanized in the future. The boundaries of this land use district will be redrawn to reflect expected urban growth (see copy of Interim Ag District map in appendix A).

4. Steele County wants to plan cooperatively with its Cities and Townships. Cities are encouraged to identify future growth areas so that development applications reviewed and approved at the County do not conflict with future growth plans of the City. Townships will be encouraged to communicate with the County regarding their planning for making public improvements or the development of Capital Improvement Programs so that County development issues do not conflict with such improvements (see copy of City of Owatonna's development growth map and copy of beltline improvement map in appendix A).

5. All newly created lots must have frontage on a public road, as determined by the Zoning and Subdivision Ordinances.

6. The existing unincorporated centers in Steele County, such as Meriden, Bixby, and Hope will be allowed to expand by giving special consideration to small development proposals, provided the development can be accommodated with existing public services. This is not intended to allow major commercial or housing developments, but rather, respond reasonably to proposals with unique conditions that may provide justification for minor zoning changes or allowance for the development that would not otherwise be permitted.

Agricultural Protection Goal: To protect agricultural lands from encroachment by incompatible uses and provide assurance that such areas will remain agricultural in nature.

Policies:

1. The County will not adopt rules that restrict farm practices in Agricultural Districts unless they are directly related to public health or safety.

2. Scattered rural residential subdivisions will not be allowed in the Agricultural Districts. In particular, no new "spot zones" will be created which further provides for development encroachment in the agricultural areas. Sufficient development opportunities have been provided for within the incorporated cities of Steele County.

3. General Housing Density Policy: In the Agricultural District, the residential density of one residence per ¼ ¼ will be maintained. The lot size in this district will be 2.5 acres, provided the residence is located on land that has not been historically tilled for five (5) years. Limiting development densities is intended to increase the protections to agriculturally used land, promote economical farming operations, avoid farmer/non-farmer disputes regarding nuisances, fence maintenance, odors, etc.

4. Ag District Structure Location Policy. The County will alter its rural structure setback rules to the following standard:

    a. Ag structures, such as feedlots, storage sheds, barns, etc. will not be required to meet the 700' road setback standard. No maximum structure setback will be implemented for these types of uses.

5. Agricultural support industries will be considered in small unincorporated towns only upon careful review of any environmental impacts. Likewise, support industries will also be carefully evaluated in the Agricultural Districts and must demonstrate a direct relationship to agricultural uses or a need to be isolated from urban areas.

    a. These uses will be allowed through issuance of a CUP. If growth and expansion of uses exceeds CUP, then the owner of the business will need to undergo further expansion in an urban area and not out on the site conditionally permitted in the Ag District.

b. A timeline review of conditional use permits will be instituted for Ag commercial uses.

6. No new junkyards or salvage yards will be permitted in the Agricultural District of Steele County. These uses are industrial in nature and should be encouraged to locate within urban industrial areas.

7. The woodlands and wetlands of Steele County will not receive favorable development considerations and will remain subject to the one (1) residential dwelling unit per ¼ ¼ development regulation standard. No “density bonus” provisions will be developed as part of the ordinance amendments for these areas of rural Steele County. Many woodlands are in agricultural districts and by allowing non-farm development at greater densities in these areas, the viability of the agricultural area would be jeopardized.

8. Turkey Manure Stockpiling Changes: Currently, short term stockpiling of turkey manure has a set of setback standards that apply to water features only. The County will extend the setback standards from schools, churches, cemeteries, and dwellings (except for the operator’s dwelling) for this use based on the following anticipated storage timelines:

    a. For storage stockpiling of 60 or fewer days, the setbacks from the uses listed above will be 500’;

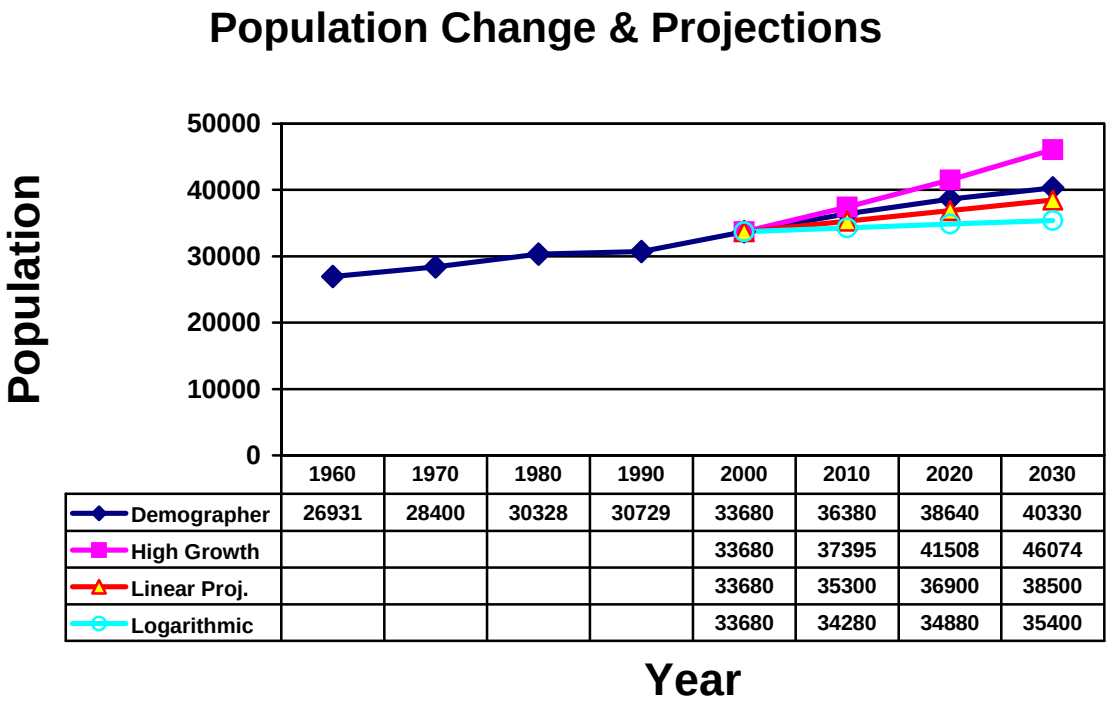
    b. For storage stockpiling greater than 60 days, the setbacks from the uses listed above will be 1,000’.

9. Develop a uniform standard for controlling advertising devices along the major transportation routes through the County. Controlling advertising signs should be directed toward presenting an attractive atmosphere to highway travelers and enhancing commercial/industrial areas. Highway advertising provides a useful service when properly placed. The County should not totally prohibit such advertising.

    a. The County will review and consider new signage standards that would eliminate poor quality signage currently being employed along highway corridors.

POPULATION CHANGE:

Steele County is seeing the effects of the metropolitan fringe growth phenomenon. Between 1980 and 1990, the County experienced an increase of just 400 people, an aberration in the growth trend for this Minnesota County. Prior to this decade, Steele County's growth had been at least 800 people (the 1940s) and had been up to nearly 2000 persons (1970s). The 2000 census found a completely different trend occurring, a growth rate eclipsing that which occurred during the 1970s. Estimates from the State Demographer's office for the years 2001 through 2005 show a decennial growth rate of nearly 12% for the County. The chart below is a trend line chart illustrating the population thresholds found in the County during the census periods of 1960 through 2000, then four projection lines from 2000 to 2030.



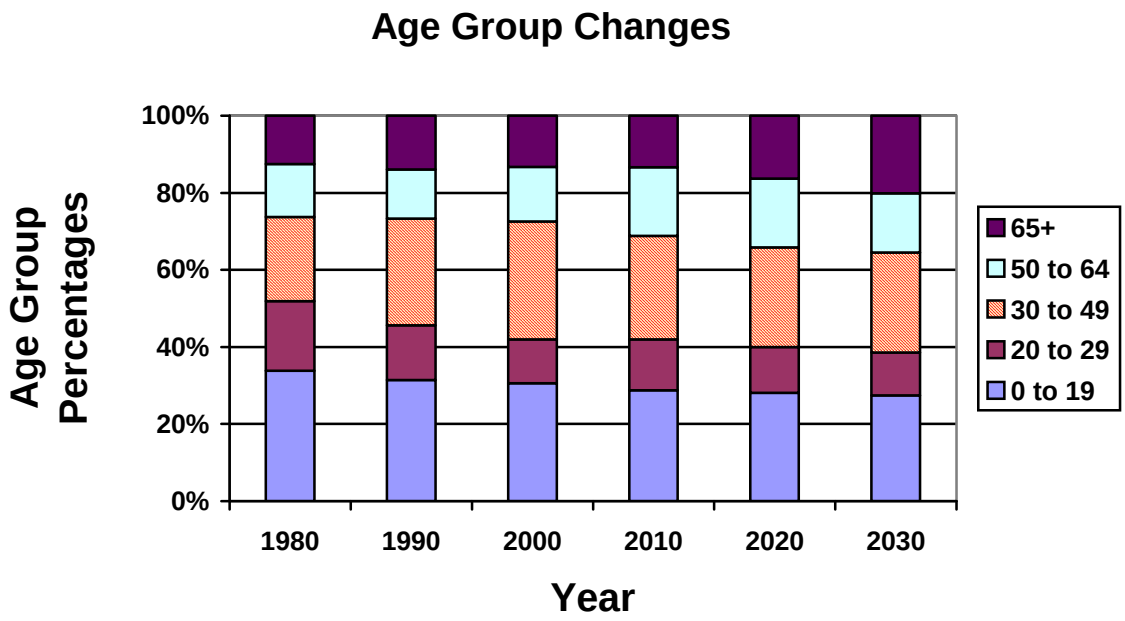
	1960	1970	1980	1990	2000	2010	2020	2030
Demographer	26931	28400	30328	30729	33680	36380	38640	40330
High Growth					33680	37395	41508	46074
Linear Proj.					33680	35300	36900	38500
Logarithmic					33680	34280	34880	35400

The County's average population growth rate from 1960 to 2000 was 5.8%. The first projection is from the demographers office, compiled after the 2000 census, and shows the County growth continuing but at a continuing slowed rate, a little more than 8% for 2010, 6.2% for 2020, and 4.4% for 2030, or a 30 year average growth of 6.2%, or an increase of a little less than 7,000 persons in the coming 30 years. The second projection is based upon the high growth rates being estimated for the County for the most recent four years. The high growth rate (11%) would result in the addition of more than 12,000 persons by the year 2030. The third and fourth projections are based upon two charting functions, with the base information of the five previous census findings. The third projection method is a linear projection, which estimates a decennial growth rate of less than 5%. The fourth method is a logarithmic projection based upon the four previous census findings. It is the most conservative, estimating a decennial average growth rate of less than 2%. What is the likely scenario for population change in Steele

County? In the short term, it is likely that some version of quick growth will continue, reflecting the first or second projection to the year 2010. Beyond that, many factors will have an impact upon population shifts, including transportation costs, housing costs, job location, and other economic and political factors.

Other population observations:

The male/female mix in the County mirrors statewide and national trends with a slight majority of female persons in the 1980, 1990, and 2000 census periods. However, projections from the demographer's office indicate this trend will change. The mix of males to females in the 2000 census was 49.4% to 50.6%. Projections out to the year 2030 predict a male/female mix of 50.5% male to 49.5% female.



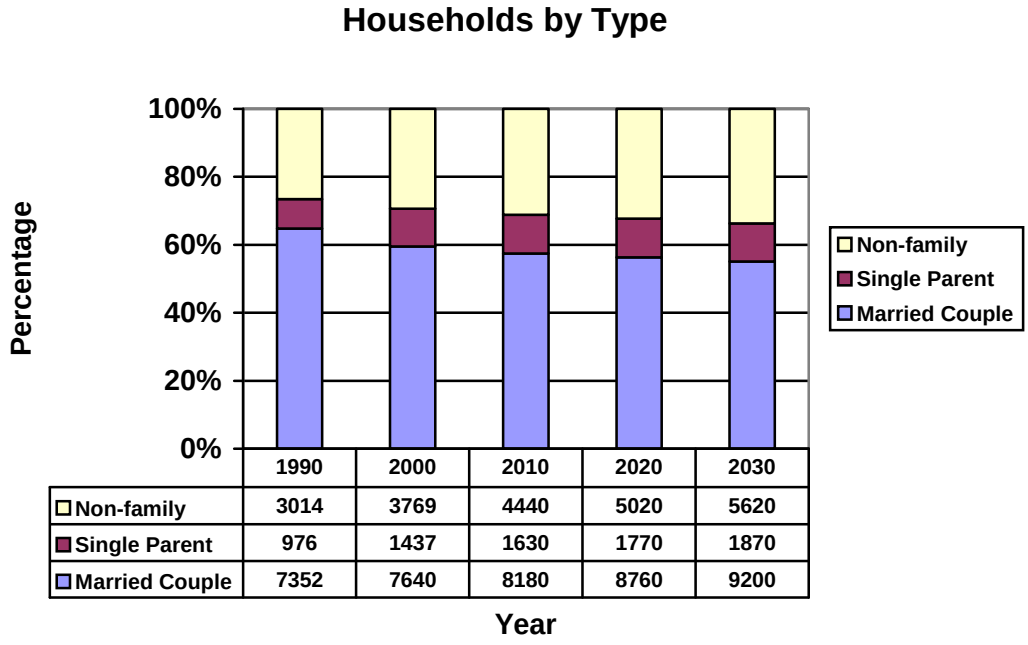
In the chart above, changes in age groups are shown for 1980 through 2000, with projections shown for the following three decades, as projected by the State Demographer's office. As can be seen, declines in overall percentages of the entire population were seen in the youngest age groups from 1980 through 2000. In 1980, those aged 29 or younger made up nearly 52% of the County's population. By 2000 this age group made up 42% of the County's population. During this same time period, the big growth occurred in those aged 30 to 49. In 1980 nearly 22% of the population fell into this age group. By the year 2000, more than 30% of the population was aged 30 to 49. Continued aging of the County population is predicted to continue. Projections for 2010 show declines in those aged 30 to 49, and an associated growth in those aged 50 to 64. By 2020, those aged 49 or younger will continue to make up a smaller percentage of the population, with growth in numbers and overall percentage will be seen by those aged 50 and older. By 2030, those aged 65 or older will make up a little more than 20 percent of the population and will be the fastest growing segment of the population.

One final population observation regards the changing racial makeup of County residents. In 1990, only 1.5% of the County's population was some race other than white and less than 1.8% of the County's population reported being of Hispanic ethnicity. By the year 2000, significant changes have occurred. The racial makeup of the County is still predominantly white, non-hispanic, but growth in those with a different racial and ethnic background are becoming more visible simply due to their numbers. The 2000 census shows that nearly 6.7% of the County's residents were of a race other than white and more than 3.7% of the County's population was of Hispanic ethnicity.

HOUSEHOLD CHANGE:

With the growth in population comes growth in the number of households. In fact, the trend seen in virtually all regional areas of Minnesota, the growth in households exceeds that of population and even in areas where population thresholds are declining, the number of households seems to increase. In Steele County, while the growth in population increased at a ten year average of 5.5% from 1980 to 2000, the increase in households every ten years was at an average of 9.9% during this same time period. Projections provided by the Demographer's Office indicate that this trend will continue. Again, while population projections for 2010, 2020, and 2030 are projected to see increases of 8%, 6.2%, and 4.4% respectively, increases in households are projected to see increases of 10.9%, 9.1%, and 7.3% during the same three decades. What is going on that would cause this effect?

To answer that we need to look at the makeup of households. In the chart below we can see the answer lies primarily with the projected aging of our population. We can see a decline in the percentage of married couples between 1990 and 2000, which is predicted to continue through to the year 2030. The family households headed by a



	1990	2000	2010	2020	2030
Non-family	3014	3769	4440	5020	5620
Single Parent	976	1437	1630	1770	1870
Married Couple	7352	7640	8180	8760	9200

single parent, while increasing in 2000 from 1990, are projected to stabilize at the current percentage through the next 30 years. The growth will occur in non-family households, primarily in the number of single person households. As the population continues to age, married couples will lose a spouse and end up living alone in some type of housing unit.

HOUSING:

What does this look at households have to do with our concern with land use? The simple answer is that if we are seeing a growth in households, we need more housing units in which the householders can live, and the demand for these housing units impact land use. If we take the two most likely population projections illustrated earlier, and apply an assumed average household size to the population numbers, we can illustrate possible housing needs for each of those projections.

Projected Housing Needs by Decade

Demographer	*2000*	*2010*	*2020*	*2030*
Population	33680	36380	38640	40330
Households	12846	14250	15550	16690
# Change by decade		1404	1300	1140
High Growth				
Population	33680	37935	41508	46074
Households	12846	14876	16737	19039
# Change by decade		2030	1861	2302

As can be seen above, the County's housing needs for the current decade is somewhere between 140 to 200 units per year. The following decade's needs will be between 130 per year to 186 units, and for the final decade illustrated, needs will be somewhere between 114 and 230 units per year. These are units over and above what the County has now. As current units become obsolete, converted to other uses, or are demolished for some reason, those must be replaced.

The table below illustrates housing resources by year built. As can be seen, housing in the 1970s was an active home building decade in the County. The 1950s, 1960s, and 1980s are all similar showing approximately 1200 to 1700 per decade. The 1990s appears to reflect a heated up housing development trend with more than 2100 units.

Structures Built by Year	*1990*	*2000*
Built 1939 or earlier	3626	3662
1940 to 1949	819	740
1950 to 1959	1825	1715
1960 to 1969	1496	1375
1970 to 1979	2760	2465
1980 to 1989	1314	1187
1990 to March, 2000		2162
Total Units	11840	13306

One other item to note, the total number of housing units increased by 1466 units between 1990 and 2000, yet units added in the 1990s was found to be more than 2100. So this illustrates the need to replace units that are lost to the County, through obsolescence, fire, natural disasters, conversion, or some other reason. If a housing development need is 140 units per year, and the County loses six existing units per year, the development need becomes 146 units.

What is the occupancy status of County housing? Primarily, units are owner occupied, and most of the growth that is occurring is of owner occupied structures. As can be seen in the table below, owners occupied nearly 74% of the housing structures in 1990, but increased to more than 77% in 2000. A surprising statistic found in the 2000 census, fewer renters were found in 2000 than in 1990.

Occupancy Status of Housing Units

	1990	*2000*
Owner Occupied	8746	10296
Renter Occupied	2596	2550
Vacant	498	460
Total	11840	13306

The vacancy rate appears to be fairly typical for a County, sitting at 3.4% for 2000, but it is much tighter than that. Looking at the details of the vacancies, 103 of the 460 housing units were seasonal, recreational, or were for occasional use by the owner. This accounts for more than 22% of the vacant units. The vacancy rate in 2000 for owned homes that were for sale was less than 1% and the vacancy rate in the rental units was less than 3%. Both are very low vacancy rates.

Housing values increased dramatically during the 1990s. The median housing value in 1990 for Steele County was $61,200. By the year 2000, this median housing value increased to $102,300, a 67.2% jump in the median value measure for housing in the County. How does this compare to the change seen statewide? Median housing values statewide increased from $74,000 in 1990 to $122,400 in 2000, a 65.4% increase. So even though the median housing value in Steele County is 83.6% of the statewide median value, the growth being seen in the County in the last decade was slightly higher than the change seen statewide.

INCOME MEASURES:

How are the County's residents doing in terms of income, relative to the data for the State? Referring to the data in the table below, income growth is being seen in the

	1990	*2000*
Median Household Income	$30,571	$46,106
% change		50.8%
Per Capita Income	$12,993	$20,328
% change		56.5%

County. The median household income increased by nearly 51% during the 1990s and the per capita income increased by more than 56% during the same decade. Statewide data for the same two measures show that income measures in Steele County are still less than the same income measures specified for statewide residents. Growth in income during the 1990s occurred at a slower rate for Steele County residents than is seen statewide. Median household income grew at a 52.4% rate statewide and 58.7% for per capita income.

LABOR FORCE CHARACTERISTICS:

With the population growth that has occurred in the County, one would expect to see a corresponding growth in the labor force. This is indeed seen in Steele County, but with some surprising numbers. As can be seen in the table below, the growth in the number employed grew remarkably faster than the number of persons (aged 16 and older) participating in the labor force. Females are participating in the labor force at increased rates. Unemployment was at very low rates in 2000 compared to 1990.

Labor Force Participation & Employment

	1990	*2000*	*% change*
# Persons in labor force (age 16 & older)	17477	18651	+ 6.7%
# Males	9442	9848	+ 4.3%
# Females	8035	8803	+ 9.6%
# Labor Force who are Employed	15553	18005	+ 15.8%

Where are all these people employed? In the table below, we can see that the largest employment sector in both census periods continues to be manufacturing. Education and health sectors are the second largest employment sector for residents of the County. The retail sector, even with decreasing numbers from 1990 to 2000, continues to be a major employment sector. Although the census accounting of employment has changed some of its employment categories to reflect the changing job market, it is

Job Sector - 1990	# employed	Job Sector - 2000	# employed
Farming, fisheries, forestry, & mining	*988*	*Farming, fisheries, forestry, & mining*	*617*
Construction	*656*	*Construction*	*1047*
Manufacturing	*4932*	*Manufacturing*	*5086*
Transportation	*399*	*Transportation, warehousing, & utilities*	*565*
Communication & public utilities	*346*	*Information*	*360*
Wholesale Trade	*479*	*Wholesale Trade*	*499*
Retail Trade	*2205*	*Retail Trade*	*2126*
Finance, insurance, real estate	*1292*	*Finance, insurance, real estate, rental/lease*	*1744*
Business and repair services	*426*	*Professional, scientific, management, admin*	*785*
Personal & entertainment recreation	*495*	*Arts, entertainment, recreation, food service*	*992*
Education & health services	*2195*	*Education, health, social services*	*2946*
Other professional services	*890*	*Other services (except public admin)*	*741*
Public Administration	*250*	*Public Administration*	*497*
Total Employed	*15,553*	*Total Employed*	*18,005*

easy to see that the service industry has become a major source for employment growth. If you consider the last six sectors listed in the table above as making up the service industry side, then the growth in the number of Steele County residents employed in the service sectors grew by nearly 39%.

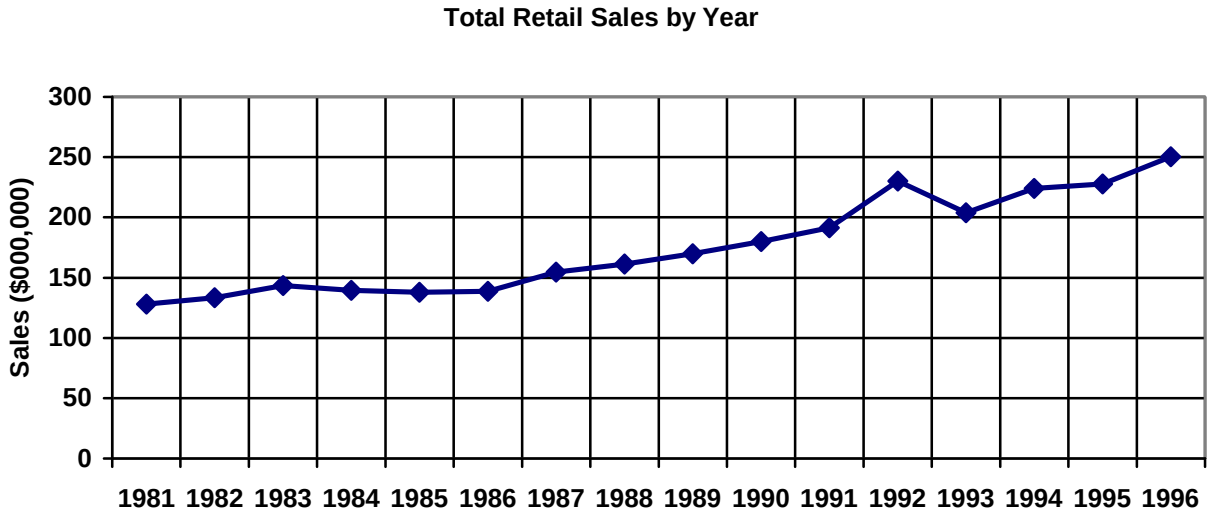
The State Demographer has supplied projections for future labor force thresholds by County also. For Steele County, the projections are listed below. The demographer's office projects continued growth in the labor force, as is the case for population. However, the growth in the labor force for the year 2010 will be 150% of the rate projected for population. Then the growth rate for the next ten years is projected to slow considerably, moving from a 16% growth rate to less than 5% growth rate, which is less than the projected population growth rate for the same time period. For the last time period, the labor force growth rate slows way down to less than 2%, again less than the projected population growth rate for the same decade. One interesting item to note, those aged 65 and older are projected to participate at increased numbers as time goes along. Since these folks will be making up more than 20% of the population by the year 2030, they will be a more vital component to the overall labor force needs by this time.

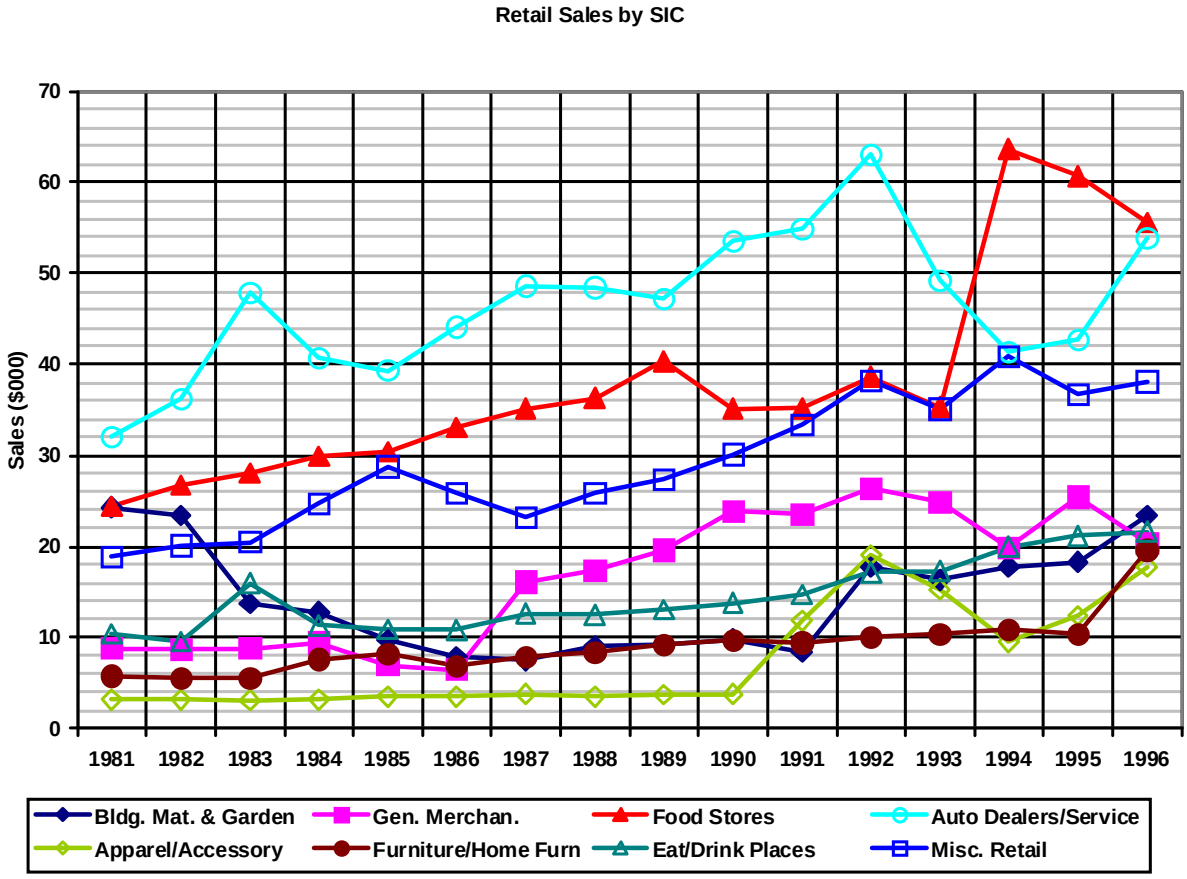
Labor Force Projections

	2010	2020	2030
Total Labor Force	20890	21830	22220
# Males	11060	11570	11800
# Females	9830	10260	10420
Age 16 – 24	3540	3460	3670
Age 25 – 64	16500	17000	16790
Age 65 or older	860	1360	1770

RETAIL SALES:

The Minnesota Department of Revenue collects and assembles retail sales data by County. The information below illustrates the retail sales trend for Steele County from

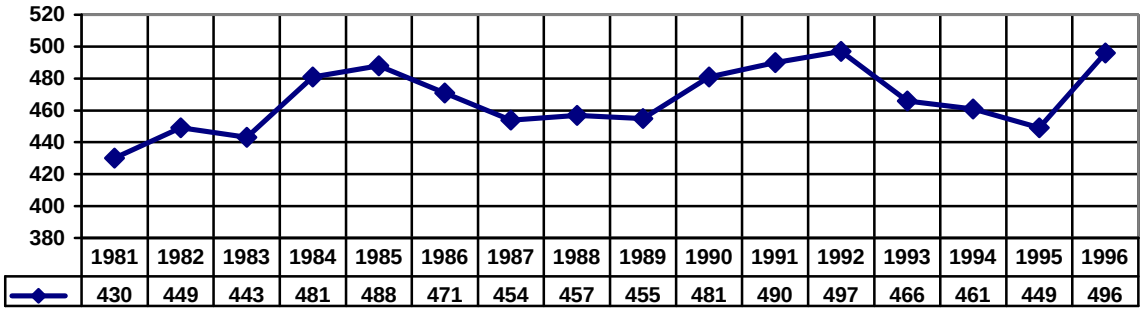




1981 through 1996. As seen, the trend is an overall increase in sales, with some apparent large swings seen from one year to another, especially from 1991 to 1993 In looking at the data from individual retail sectors, we can see that the largest increase in sales from 1991 to 1992 occurred in the miscellaneous sales sector, the auto dealers and service station sector, the building materials and garden supplies sector, and the apparel and accessories sector. The auto dealers and service station sector took a huge loss in sales the following year, which accounts for most of the drop in total sales.

The trend for the number of establishments reporting to the state on retail sales is fairly stable over time, with periods of growth and retraction. Most of the increase in establishments can be accounted for through the growth of retailers falling within the definition of "miscellaneous retail." Other than this sector, only apparel and accessory stores and eating & drinking places experienced increases in numbers of reporting establishments during the reporting period illustrated.

 # Retail Establishments by Year



	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
	430	449	443	481	488	471	454	457	455	481	490	497	466	461	449	496

MN Department of Revenue

OTHER ECONOMIC DATA:

Every five years, those ending with a 2 or 7, the Census Bureau releases an Economic Census report, covering both employers and non-employers with statistics for the nation, by state, by metropolitan area, and by county. The 2002 statistics by county have just been released, allowing a comparison to be made between it and the previous two census periods, 1997 and 1992, for purposes of illustrating the economic health of Steele County.

The table below specifies the data for employers that have paid employees in the County for 2002 and 1997, and a few comparison numbers are available from the 1992 census. Manufacturing is the largest employment industry in the County, and although the number of establishments increased in 2002 from 1997, during this same time period, this industry experienced job losses. In 1997 this industry had slightly more than $1 billion in sales while paying out nearly $192 million in wages. In 2002, the total sales in the manufacturing industry nearly hit $1.2 billion with a payroll of more than $236 million. There were 75 manufacturing establishments working in the County in 2002, up from 67 found in 1997, with 5,965 employees, down from the 6,292 employees in 1997. Two heavy growth employer sectors during this period were the health and social assistance industry and the retail sector. The health and social assistance sector more than doubled the number of reporting establishments and nearly tripled the number of employees during the five year reporting periods. The payroll for this industry grew by nearly 300% between 1997 and 2002. Retail trade added nearly 1,200 employees between 1997 and 2002 and saw a payroll double during this time period. The "services industry" shows its strength as a growth sector in this data. There are eight service employment categories in the 2002 data and six in the 1997 data, illustrating that more specialized industries in the services sector are growing to the point where the data for the industry is not suppressed for privacy reasons.

Employer Economic Census Data – Steele County

2002 Census Period	# estabs.	Sales ($000)	Payroll ($000)	# employ.
Manufacturing	75	$1,186,976	$236,025	5,965
Wholesale Trade	44	$205,155	$14,963	402
Retail Trade	218	$517,241	$54,552	3,231
Real estate, rental, lease	19	$14,756	$2,748	171
Information	21	n/a	$18,898	561
Professional, scientific, & technical services	55	$14,401	$5,022	214
Administrative & support & waste mgt &	39	$18,534	$9,812	491
Education Services	6	$614	$305	31
Health & social assistance	110	$104,917	$50,141	1,865
Arts, entertainment, recreation	15	$5,913	$980	120
Accommodation & Food Services	69	$39,261	$11,491	1,216
Other services (except pub. admin.)	81	$34,303	$10,071	615
1997 Census Period				
Manufacturing	67	$1,006,942	$191,701	6,292
Wholesale Trade	55	$225,744	$13,090	415
Retail Trade	174	$272,443	$27,549	2,042
Real estate, rental, lease	17	$7,293	$1,412	125
Professional, scientific, & technical services	55	$10,537	$3,630	162
Administrative & support & waste mgt &	37	$24,261	$13,228	909
Education Services	5	$1,312	$414	24
Health & social assistance	46	$33,168	$17,209	667
Arts, entertainment, recreation	5	$1,645	$428	42
Other services (except pub. admin.)	65	$26,392	$7,032	1,004
1992 Census Period				
Manufacturing	61	$699,000		5,500
Wholesale Trade	62	$181,000		604
Retail Trade	213	$215,000		2,457
Services	176	$62,000		1,821

US Census Bureau – Economic Census, 1992, 1997, & 2002

The table below illustrates the number of persons who operate a business in the County but do not have employees. This information is collected and released in report form each year. The information is available through 2002. As can be seen the number of small businesses run by the owner who has no employees increased from 1998 to 2002 by 188 businesses, a 9% increase over the five year period. Total sales by these owners in 2002 was more than $81 million, a 24.9% increase over the 1998 sales total.

Non-Employee Business Data – Steele County

	1998		1999		2000		2001		2002	
	# of Estab	Sales ($000)	# of Estab	Sales ($000)	# of Estab	Sales ($000)	# of Estab	Sales ($000)	# of Estab	Sales ($000)
Forestry, fishing, hunting, ag support services	25	$356	20	$235	26	$259	28	$274	33	$325
Construction	280	$13,157	304	$12,476	289	$14,451	309	$14,403	311	$15,035
Manufacturing	66	$1,673	69	$1,897	68	$1,882	64	$1,758	57	$1,396
Wholesale Trade	42	$2,507	49	$2,826	42	$1,908	56	$2,186	52	$2,854
Retail Trade	268	$6,716	293	$7,355	305	$9,318	314	$10,065	338	$9,044

	1998		1999		2000		2001		2002	
	# of Estab	Sales ($000)	# of Estab	Sales ($000)	# of Estab	Sales ($000)	# of Estab	Sales ($000)	# of Estab	Sales ($000)
Transportation & Warehousing	94	$6,292	$102	$7,745	108	$7,451	114	$7,510	106	$7,252
Information	11	$390	12	$85	n/a	n/a	n/a	n/a	15	$93
Finance & Insurance	75	$2,069	75	$2,389	75	$2,698	87	$3,717	74	$6,780
Real Estate & rental & leasing	187	$13,210	190	$15,004	194	$15,832	204	$18,195	231	$19,624
Professional, scientific, & technical services	222	$5,989	222	$6,565	231	$6,400	202	$7,466	215	$5,597
Administrative & support & waste mgt. & remediation services	99	$1,768	93	$1,936	113	$1,860	127	$1,613	150	$2,238
Educational services	30	$152	25	$225	22	$204	31	$294	32	$253
Health care & social assistance	284	$4,051	274	$4,460	261	$4,186	283	$5,170	255	$4,586
Arts, entertainment & recreation	78	$750	74	$567	74	$647	76	$754	91	$766
Accommodation & food services	18	$665	17	$401	15	$656	15	$410	n/a	n/a
Other services (except public administration)	301	$5,472	299	$5,024	311	$5,831	308	$5,925	299	$5,502
Totals	2,087	$65,321	2,124	$69,270	2,152	$73,766	2,235	$79,899	2,275	$81,555

US Census Bureau – Economic Census, 1998 to 2002

The top three industries with self employed people are retail trade, construction, and other services, all with 299 businesses or more. The top three industries in sales are real estate, rental, & leasing ($19.62 million), construction ($15 million), and retail trade ($9 million). Which sectors have seen the most growth during the period being looked at? In terms of the number of persons joining the self employed ranks, retail trade (70 new businesses), administrative & support & waste management & remediation services (51 new businesses), and the real estate, rental, and leasing sector (44 new businesses). In terms of increased sales (by percentage), the largest increases were seen by finance and insurance (+228%), educational services (+66.4%), real estate, rental, and leasing services (+48.6%), and retail trade (+34.7%).

AGRICULTURAL DATA:

Steele County is a rural, agricultural place. Farming and the production of agriculturally based products is an influential economic force in the County. What are the trends in farming? How is this industry doing over time?

The popular conception is that the number of farms is historically declining. Production expenses are outpacing sales income. Young people no longer want to stay on the farm and take over from the parents operations. The industry is too unpredictable. These reasons may be true, but the five year agricultural census results shown for 1997 and 2002, in the tables below, illustrates that the farming industry in Steele County is growing. As can be seen in the table, declines in the number of farms in Steele County are seen in each of the reporting periods for the 1990s, but changed abruptly in 2002. The average size of farms has grown steadily during the time period reviewed, increasing in size by 68 acres or nearly 28% over the 15 years reported. Again, referring to the table, the growth occurred in the number of smaller farms, those sized less than 50 acres, and in those sized 1,000 or more acres.

Change in Number of Farms by Census Period

	1987	*1992*	*1997*	*2002*	*% change*
Number of Farms	951	819	803	899	-5.5%
Average Size of farm (acres)	246	283	294	314	+27.6%
# farms by size					
1 to 9 acres	80	63	52	74	-7.5%
10 to 49 acres	126	140	130	252	+100%
50 to 179 acres	307	229	233	231	-24.8%
180 to 499 acres	329	250	236	203	-38.3%
500 to 999 acres	86	106	81	73	-15.1%
1000 acres or more	23	31	42	66	+187%

US Census of Agriculture, 1987, 1992, 1997, & 2002

More than 90% of the County's land is used for agricultural purposes. As will be seen later in this discussion, the major cash crops are corn, soybeans, poultry and poultry products, cattle, and hogs. The total market value of agricultural products sold by County farmers, as found by the 2002 agricultural census, was nearly $128 million, $80.3 million in crop sales and $47.7 million in livestock sales. The average value of agricultural products sold per farm was $142,327, while the average farm production expense was $127,921. The total estimated market value of land and buildings of the farming community in 2002 was about $572 million, up from the $354 million in the 1997 census period, an increase of 62% in the intervening 5 years. The average estimated market value per farm in 2002 was at $635,872, up from the $457,039 in 1997, a 39.1% increase.

What about the farmers? What is happening with the people who run and operate these farms? As can be seen in the table below, farmers are more likely to be full owners of the land contained in their farms. The number of full owners increased significantly in 2002 reversing a trend seen from 1987 through 1997. The number of owners who rent a portion of the land they farm is declining over time, but the number of acres rented has

Operator Information by Census Period

	1987	*1992*	*1997*	*2002*	*% change*
Full owners	515	423	416	576	+11.8%
# of acres farmed	74,060	56,769	63,792	99,555	+34.4%
Part owners	333	318	295	253	-24%
Owned land (acres)	67,731	75,293	69,353	61,477	-9.3%
Rented land (acres)	70,413	87,232	87,251	110,467	+56.9%
Tenants	103	78	92	70	-32%
# of acres farmed	21,922	12,316	15,476	10,348	-52.8%
Principal occupation					
Farming	663	575	475	577	-13%
Other	288	244	328	322	+11.8%
Average Age of Operator	48.7	48.7	49.7	52.5	+7.8%
# Male Operators	926	795	767	831	-10.3%
# Female Operators	25	24	36	68	+172%

US Census of Agriculture, 1987, 1992, 1997, & 2002

increased. The number of farmers who are tenants of the farm they work continues to decrease over time as is the amount of farmland they work. From 1987 through 1997, the number of farmers indicating that farming was their principal occupation declined significantly. But this has since changed in 2002. The average age of farmers climbs each census report period from 1992 to 2002, and although the industry is predominantly male, an ever increasing number of females are showing up as principal farming operators over time.

Change in Hired Labor by Census Period

	1992	*1997*	*2002*	*% change*
# of Farms with hired labor	271	260	227	-16.2%
# of hired workers	822	965	1,513	+84.1%
Payroll ($1,000)	$1,880	$2,513	$8,548	+354.7%
# of persons working 150+ days	203	255	381	+87.7%
# of persons working less than 150 days	619	710	1,132	+82.9%

US Census of Agriculture, 1992, 1997, & 2002

Farms are an important locale for the County's labor force too. More than 1,500 persons were hired workers in the most recent reporting period and more than $8 million dollars was paid out in wages to workers. Both fulltime and seasonal workers are experiencing increased hiring in the County agricultural community. The number of farmers employing labor has declined, however, by more than 16% in the 10 year time period.

The numbers generated for the 2002 census now come to be seen as problematical. Up to this point, some of the findings could be accepted as odd, but acceptable. In the table below, we can see that the numbers appear to be out of whack. The total land in farms, for example, exceeds the total area for the County. The amount of land contained in cropland is shown to have grown by more than 47,000 acres between 2002 and 1997, without cutbacks in other uses of land. Several observations that can be made, corn and soybean production dominates cropland use, with soybean production rising in each census period and corn production being the use on more than 45% of the cropland in 1997. Woodlands CRP or wetland reserves, and land in home lots, etc.

remained fairly constant through the time period looked at. A wide variety of other agricultural crops are raised in Steele County, but they make up a very small amount of the total agricultural produce in the County.

Change in Farmland by Census Period

	1987	*1992*	*1997*	*2002*	*% change*
Land in Farms	234,126	231,610	226,926	281,847	+20.4%
Total Cropland	216,136	215,571	210,373	257,583	+19.2%
Harvested Cropland	170,297	190,949	199,032	238,805	+40.2%
Selected Crop Acreages					
Corn (grain or seed)	77,222	98,754	96,425	113,639	+47.2%
Soybeans	54,878	61,943	82,074	96,627	+76.1%
Hay	16,217	11,824	11,592	9,904	-38.9%
Wheat	1,578	1,128	612	550	-65.1%
Oats	7,384	4,390	2,521	1,565	-78.8%
Woodland	4,272	4,002	3,601	6,041	+41.4%
Pastureland	9,524	7,305	7,309	9,596	-0.8%
CRP or Wetland Reserve	6,743	9,583	8,500	9,167	+35.9%
Land Enrolled in acreage reduction programs	30,377	5,098			
Land in home lots, ponds, roads, wasteland, etc	10,727	9,804	10,301	14,352	+33.8%

US Census of Agriculture, 1987, 1992, 1997, & 2002

Finally, as seen below, we take a look at the major livestock component of the agricultural community. Over the time period shown, cattle stock declined from 1987 to 1992, but has remained steady since. Hogs and pigs are seen to be on the increase

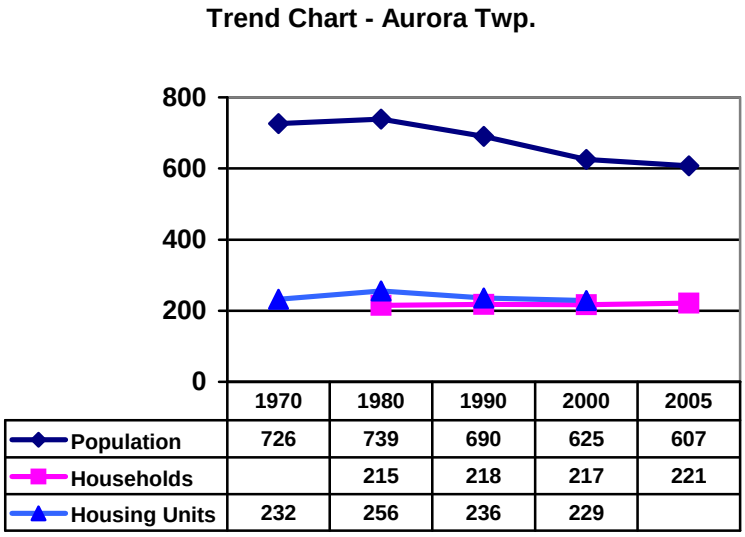
Change in Livestock Production & Inventories by Census Period

	1987	*1992*	*1997*	*2002*	*% change*
Cattle & Calves	25,073	19,613	18,029	19,544	-22.1%
Beef Cows	1,058	872	1,027	1,312	+24%
Milk Cows	9,268	6,777	6,109	6,180	-33.3%
Other Cattle	14,747	11,964	10,893	12,052	-18.3%
Hogs & Pigs	63,942	67,661	77,168	102,303	+60%
Hogs/Pigs used for breeding	7,150	6,471	5,506	4,226	-40.9%
Other Hogs/Pigs	56,792	61,190	71,662	98,077	+72.7%
Poultry					
Chickens (layers)	na	96,572	54,252	na	
Chickens (broilers, meat)	1,755	122	1,201	2,683	+52.9%
Turkeys	40,144	na	44,387	418,419	+942.3%
Sheep & Lambs	1,295	1,321	1,047	1,233	-4.8%

US Census of Agriculture, 1987, 1992, 1997, & 2002

during the time period illustrated, growing by 60% over the intervening 15 years. Growth in the poultry stock is due primarily to turkey production alone. Chickens and other poultry play a much smaller economic role in the County. The number of sheep and lambs raised remains small but stable in Steele County.

TOWNSHIP AND CITY DEMOGRAPHIC PROFILES:



	1970	1980	1990	2000	2005
Population	726	739	690	625	607
Households		215	218	217	221
Housing Units	232	256	236	229	

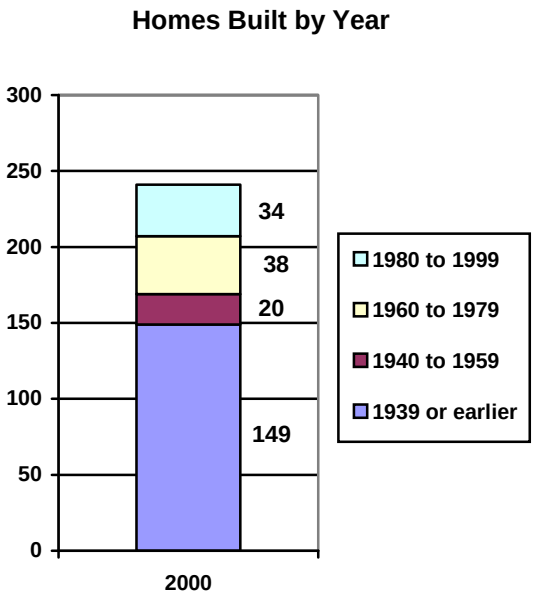
Aurora Township has not seen much change since the 1970s. Population numbers have been slowly declining since 1980. There has been virtually no change in the numbers of households or housing units during the last 20 years either. Population estimates by the State Demographer's office shows the Township continues to lose population from the 2000 census to 2005. The 2000 census indicates this township had only three (3) minority persons as residents. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Aging of the population is seen in the township with those aged 29 or younger experiencing declines in the numbers and as a percentage of the total population in the 2000 census compared to the 1990 census. A small change is also seen in the percentage of males to females in the Township, with males outnumbering females in both time periods.

Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	254	36.8%	205	32.8%
Age 20 to 29	77	11.2%	56	9%
Age 30 to 49	199	28.8%	196	31.4%
Age 50 to 64	87	12.6%	90	14.4%
Age 65 or older	73	10.6%	78	12.5%
Males	358	51.9%	326	52.2%
Females	332	48.1%	299	47.8%

As seen in the table below, a small increase is seen in the number of owner occupied units, and a decrease in the number of renter occupied units. Two of the vacant units were for sale, one was for rent, one was for seasonal or occasional use only, and the remaining eight were vacant for other reasons. The value of homes in Aurora Township

	1980	*1990*	*2000*
Owned Units	190	196	199
Rented Units	25	22	18
Vacant Units		18	12
Median Housing Value	$30,800	$43,500	$108,200
Median Contract Rent	$238	$183	$465



increased by more than 251% between 1980 and 2000. Rents increased also, but at a more modest 95%.

As can be seen in the graphic to the left, more than 60% of the housing stock in Aurora Twp. was built before the 1940s. The busiest housing construction time in the Township was the 1970s with 22 units being reported as being from this time period. Just 13 units were reportedly built in the 1980s and another 21 from the 1990s.

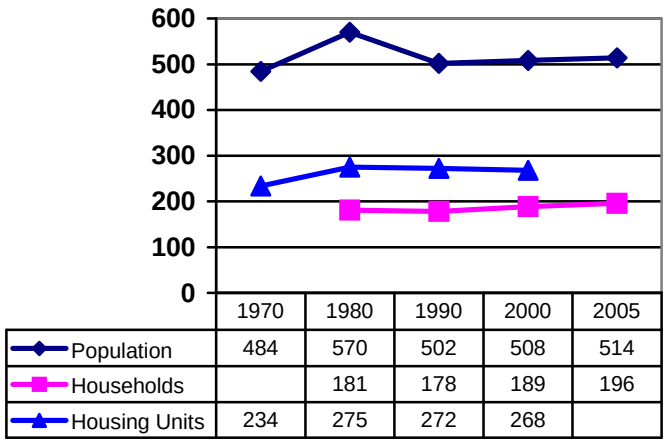
In the table below, income measures for Aurora Township residents are illustrated for the three most recent census periods. The median household income increased by 109% between 1980 and 1990, and by 34% between 1990 and 2000. However, relative to the County median household income, Aurora lost ground in the 1990s that it had gained during the 1980s, going from 112% of the County median income to 99% of the County median income.

	1980	*1990*	*2000*
Median Household Income	$16,312	$34,167	$45,804
% of County Median	97%	112%	99%
# Persons Below Poverty		27	33
% Living Below Poverty		4.1%	5.1%

The persons in Aurora Township who have incomes below poverty level haven't changed much during the last two census periods. In 1990, 4.1% of the residents were determined to be under the poverty cap. By 2000, the number of people living on incomes falling below poverty level increased by six persons, or 5.1%. Minnesota had a 7.9% poverty rate reported in the 2000 census.


Aurora Township

Trend Chart - Berlin Twp.



	1970	1980	1990	2000	2005
Population	484	570	502	508	514
Households		181	178	189	196
Housing Units	234	275	272	268	

Berlin Township. The township saw a big jump in population during the 1970s, an increase of nearly 18%, then fell back to a population number that has remained steady since. The Township appears to be on a small growth track this decade. Population estimates by the State Demographer's office shows an increase of six (6) people and seven (7) households from the 2000 census to 2005. The minority population in Berlin Township in the Year 2000 was nine (9) persons, or less than 2%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. A slight increase in the numbers of young persons occurred in the year 2000 from 1990. Increases are also seen in those aged 30 to 64. Declines occur in ages 20 to 29 and those 65 or older. Changes are also seen in the percentage of males to females in the Township, with the number of males in 2000 growing and the number of females declining from the 1990 census time period.

Persons by Age & Sex

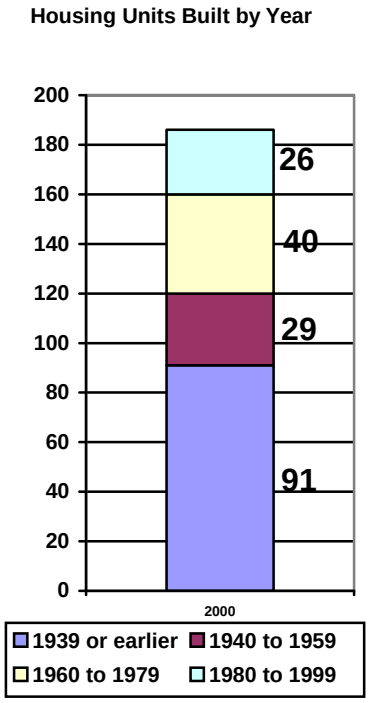
	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	142	28.3%	148	29.1%
Age 20 to 29	59	11.8%	41	8.1%
Age 30 to 49	147	29.3%	165	32.5%
Age 50 to 64	71	14.1%	89	17.5%
Age 65 or older	83	16.5%	65	12.8%
Males	262	52.2%	277	54.5%
Females	240	47.8%	231	45.5%

As seen in the table below, an increase is seen in the number of owner occupied units, a decrease in renter occupied units, and a decrease in the number of vacant units also from 1990 to 2000. There is a large number of vacant units in the township, almost completely due to the seasonal housing that is likely found along the lakes that are found in the township. Seventy-seven of the vacant units were reported as seasonal

	1980	*1990*	*2000*
Owned Units	160	159	179
Rented Units	21	19	10
Vacant Units		94	79
Median Housing Value	$53,600	$56,400	$122,700
Median Contract Rent	$ 0	$188	$425

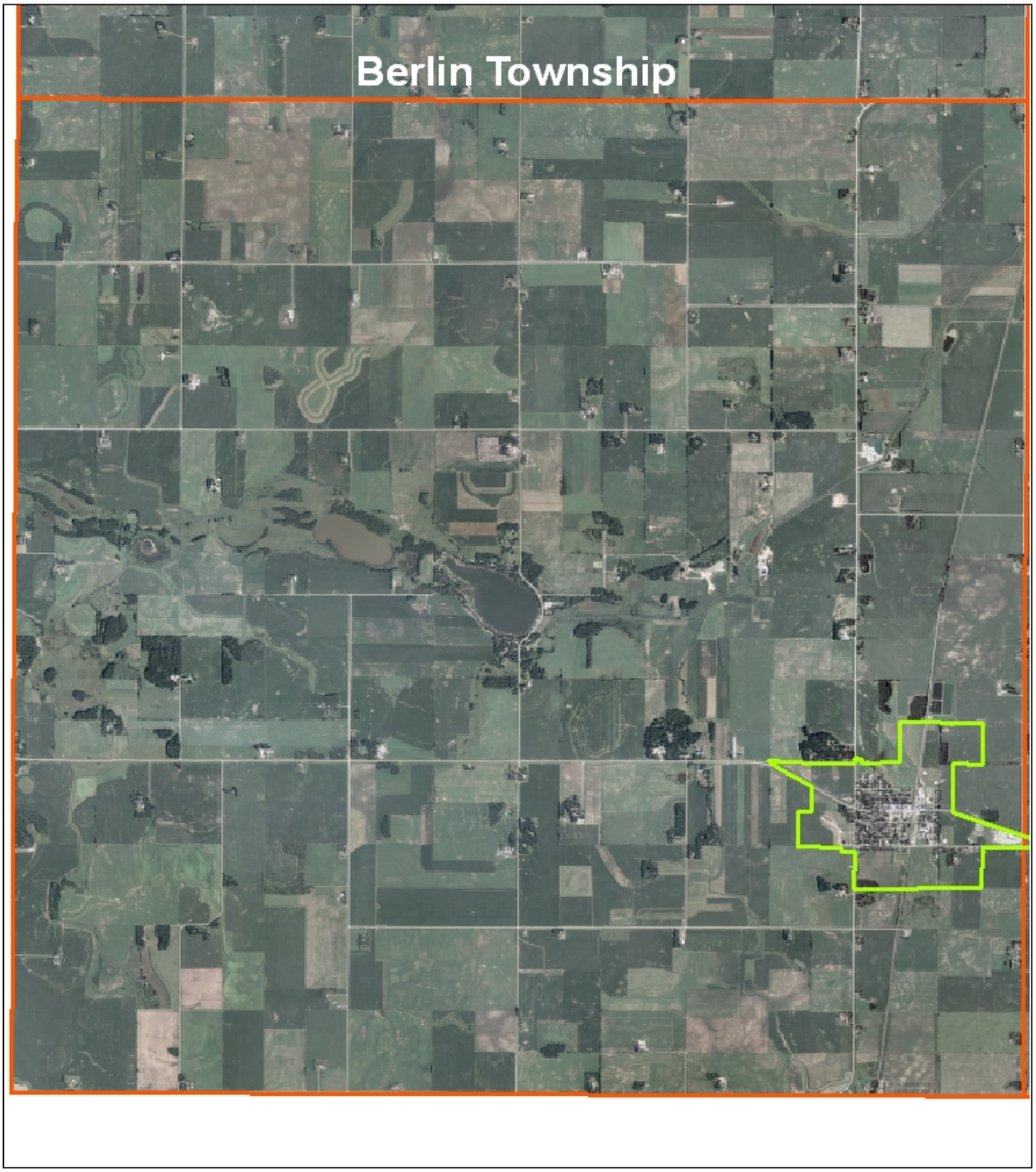
homes. The value of homes in Berlin Township increased by more than 117% between 1990 and 2000, much faster than the Statewide median value in the same time period.

As can be seen in the graphic to the right, nearly half of the housing stock in the township was built prior to 1940. Considering data from each decade since 1939, the 1970s in particular was a busy time, with 36 units being reported as being from this time period. Just four (4) units were reportedly built in the 1960s, 13 in the 1980s, and 13 built in the 1990s as well. It appears as if the current decade may see a slightly faster growth rate in housing than was experienced in the 1990s, with an estimated growth of 6 households from 2000 to 2003. This does not mean that there is a building growth going on, since in many parts of the State, owners of seasonal homes are converting the structures over to serve as year around homes. The next census will show whether this is happening or not.

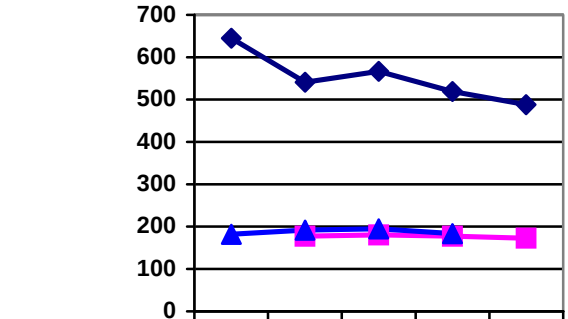


In the table below, income measures for Berlin Township residents are illustrated for the three most recent census periods. The median household income increased by nearly 39.5% between 1990 and 2000. When compared to the County median household income, Berlin Township shows a consistently higher income level, although the growth in the County median incomes was at a higher rate during the 1990s than is seen at the Township. The census findings on other income measures in 2000 also report that 10.7% of Berlin Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.

	1980	*1990*	*2000*
Median Household Income	$18,456	$33,750	$47,083
% of County Median	109%	110%	102%
# of Persons Below Poverty		45	52
% Living Below Poverty		8.6%	10.7%


Berlin Township

Trend Chart - Blooming Prairie Twp.



	1970	1980	1990	2000	2005
Population	645	541	567	519	488
Households		177	180	177	173
Housing Units	182	192	195	183	

Blooming Prairie Township. As can be seen, the township's population has slowly declined over the period illustrated. The high mark in persons was 1970, decreasing the following census period, then a slight increase, followed by another decline. Estimates from the State Demographer's office shows a further decline is being anticipated with the loss of 31 people and four (4) households from the 2000 census to 2005. The minority population in Blooming Prairie Township in the year 2000 was 20 persons, or less than 4%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. A decrease in the numbers of persons aged 29 or younger occurred in the year 2000 from 1990. A decline also occurred in persons aged 50 to 64. Those aged 30 to 49 made up nearly one third of the Township's inhabitants and those aged 65 or older also saw increases in both real numbers and as a percentage of the overall Township's population. Changes are also seen in the percentage of males to females in the Township, with smaller decreases in the number of females in 2000 compared to the number of males.

Persons by Age & Sex

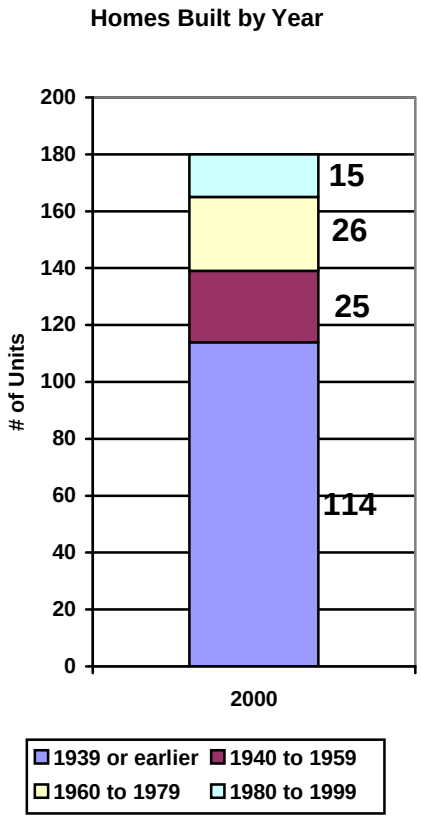
	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	213	37.6%	186	35.8%
Age 20 to 29	64	11.3%	48	9.2%
Age 30 to 49	155	27.3%	164	31.6%
Age 50 to 64	83	14.6%	63	12.1%
Age 65 or older	52	9.2%	58	11.2%
Males	302	53.3%	265	51.1%
Females	265	46.7%	254	48.9%

As seen in the table below, a slight increase is seen in the number of owner occupied units while the number of renter occupied units declined, although this type of housing is not a significant part of the housing mix here. The number of vacant units also declined during the same time period. The value of homes in Blooming Prairie Township

	1980	*1990*	*2000*
Owned Units	153	156	158
Rented Units	24	24	19

Vacant Units		15	6
Median Housing Value	$47,900	$44,600	$111,800
Median Contract Rent	$235	$200	$288

increased by more than 150% between 1990 and 2000, much faster than the Statewide median value in the same time period and reversing the decline in values seen from 1980 to 1990 in the Township.



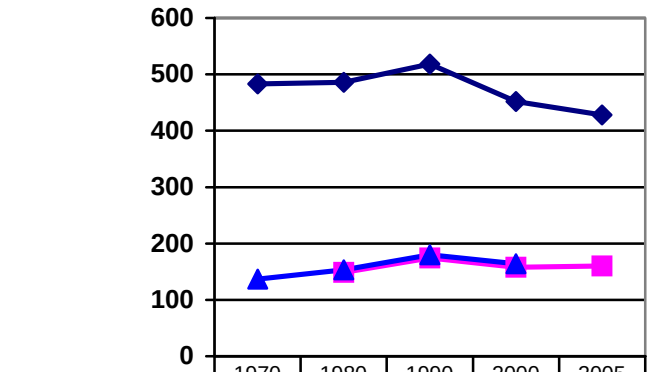
As can be seen in the graphic to the left, more than 60% of the housing stock in the township was built prior to 1940. Considering data from each decade since 1939, the 1950s and 1970s were a busy time for home construction, with more than 20 units being reported as being from each of these time periods. Just 15 units were reportedly built since 1980. There does not appear as if the current decade will see many new homes either, with an estimated decline of four (4) households from 2000 to 2004.

In the table below, income measures for Blooming Prairie Township residents are illustrated for the three most recent census periods. The median household income increased by more than 39.4% between 1990 and 2000. When compared to the County median household income, Blooming Prairie Township household income declined in its relative position from 1990 to 2000, meaning that incomes of residents in this township did not increase at the same rate as is found at the County. The census findings on other income measures in 2000 also report that 8.6% of Blooming Prairie Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. However, this was a big change from the much higher rate seen in the 1990 census.

	1980	*1990*	*2000*
Median Household Income	$13,977	$32,727	$45,625
% of County Median	83%	107%	99%
# Persons Below Poverty		90	45
% Living Below Poverty		16.8%	8.6%


Blooming Prairie Township

Trend Chart - Clinton Falls Twp.



	1970	1980	1990	2000	2005
Population	483	486	518	452	428
Households		149	174	158	160
Housing Units	137	153	180	164	

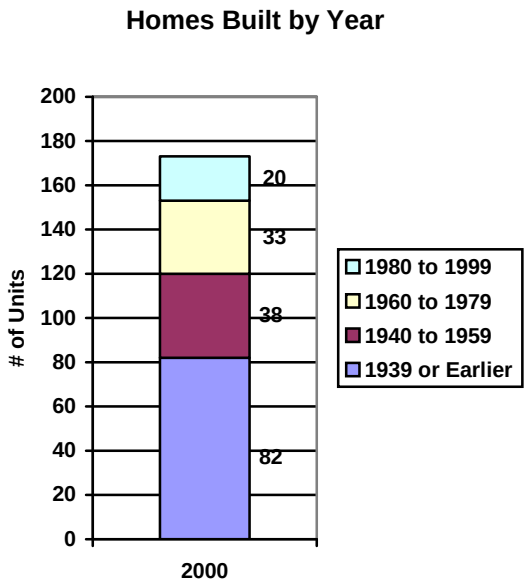
Clinton Falls Township saw a stable to slightly growing population until the 1990s when it experienced a downturn. However, the decline in population may be due to annexation since there was a decrease in the land area of the Township during this decade. But the downward trend in population appears to be expected to continue into the future with estimates for population changes through 2005 provided by the State Demographer's office showing further declines. Oddly, even though a drop of 24 people is estimated to have occurred by 2005, an increase of two (2) households is also estimated to have occurred. The minority population in Clinton Falls Township in the year 2000 was 55 persons, or more than 12%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. A decrease in the numbers and percentages of persons aged 19 or younger and those aged 65 or older occurred in the year 2000 from 1990. Increases in numbers and percentages are seen for those aged 20 to 29 and those aged 50 to 64 are seen during this decade. Those aged 30 to 49 retained the same overall percentage between the two decades. Changes are also seen in the percentage of males to females in the Township, with smaller decreases in the number of males in 2000 compared to the number of females.

Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	173	33.4%	126	27.9%
Age 20 to 29	33	6.4%	40	8.8%
Age 30 to 49	165	31.9%	144	31.9%
Age 50 to 64	78	15.1%	85	18.8%
Age 65 or older	69	13.3%	57	12.6%
Males	272	52.5%	240	53.1%
Females	246	47.5%	212	46.9%

	1980	*1990*	*2000*
Owned Units	132	155	146
Rented Units	17	19	12
Vacant Units		6	6
Median Housing Value	$52,300	$76,300	$143,300
Median Contract Rent	$325	$250	$642

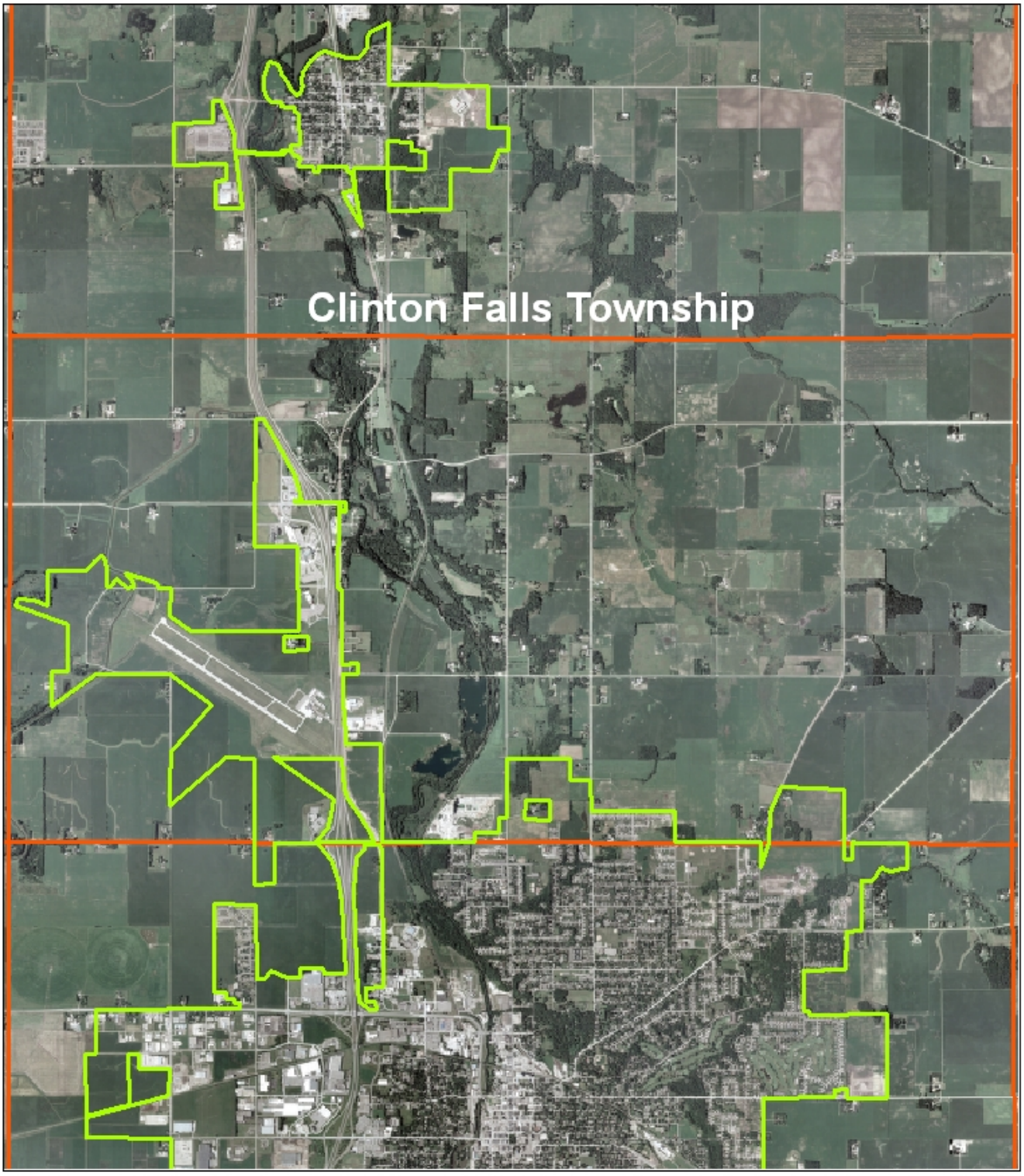
As seen in the table above, a decline is seen in the Township's housing stock. The number of owner occupied units decreased by nine (9) units, while the number of renter occupied units declined by seven (7). The number of vacant units in the Township remained the same over the two census periods, six (6) units. The value of homes in Clinton Falls Township increased by nearly 88% between 1990 and 2000, faster than the County median value in the same time period. Rents also increased at a high rate.



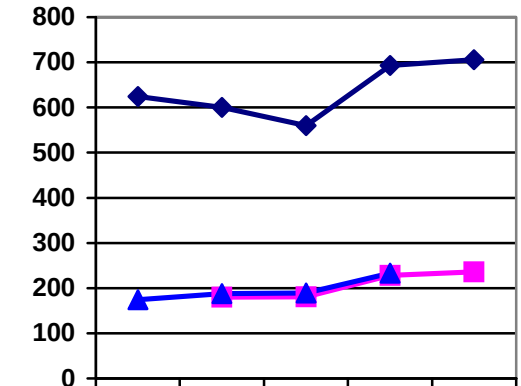
As can be seen in the graphic to the left, more than 47% of the housing stock in the township was built prior to 1940. Considering data from each decade since 1939, the 1950s and 1970s were the busiest times for home construction, with 25 units being reported as being from each of these time periods. Just 15 units were reportedly built since 1990. There does not appear as if the current decade will see many new homes either, with an estimated increase of three (3) households from 2000 to 2004, and declines in the number of people during this same time.

	1980	*1990*	*2000*
Median Household Income	$22,143	$33,750	$46,250
% of County Median	131%	110%	100.3%
# Persons Below Poverty		24	32
% Living Below Poverty		4.9%	6.9%

In the table above, income measures for Clinton Fall's residents are illustrated for the three most recent census periods. The median household income increased by more than 37% between 1990 and 2000. When compared to the County median household income, Clinton Fall's household income declined in its relative position, being 31% greater in 1980 but barely above the County median 20 years later. The census findings on other income measures in 2000 also report that 6.9% of Clinton Fall's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. This percentage increased from the low rate found during the 1990s census survey.


Clinton Falls Township

Trend Chart - Deerfield Twp.



	1970	1980	1990	2000	2005
Population	624	600	560	693	706
Households		180	181	228	236
Housing Units	174	188	189	233	

Deerfield Township saw steady population declines from 1970 to 1990, then a startling growth period in the 1990s to the year 2000. From 1970 to 1990, the township's population decreased by 64 people. From 1990 to 2000, the census reports an increase of 133 people and 47 households. So far, in this current decade, the growth looks as if it is on a slower growth rate. Population estimates by the State Demographer's office shows an increase of 13 people and eight (8) households from the 2000 census to 2005. The minority population in Deerfield Township in the year 2000 was 18 persons, or less than 3%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. With the large increase in people, all age groups experienced increases in the numbers of people except for those aged 65 or older. Percentage gainers were those aged 19 or younger, and those aged 30 to 64. Changes are also seen in the percentage of males to females in the Township, with larger increases in the number of males in 2000 compared to the number of females.

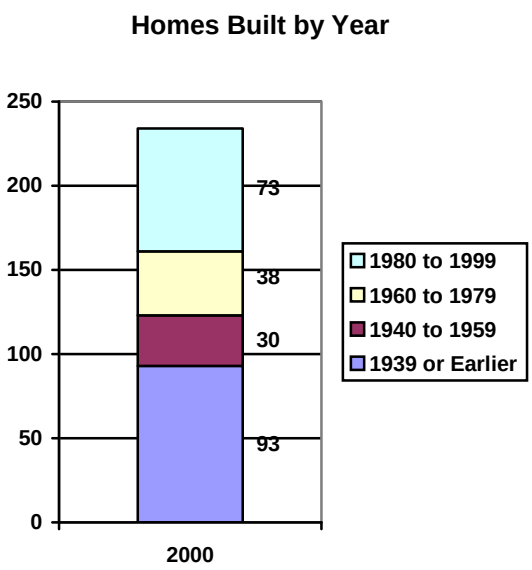
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	194	34.6%	247	35.6%
Age 20 to 29	67	12%	73	10.5%
Age 30 to 49	176	31.4%	220	31.7%
Age 50 to 64	63	11.3%	102	14.7%
Age 65 or older	60	10.7%	51	7.4%
Males	279	49.8%	357	51.5%
Females	281	50.2%	336	48.5%

As seen in the table below, a decline is seen in the Township's housing stock. The number of owner occupied units increased by 52 units in 2000, while the number of renter occupied units declined by five (5). The number of vacant units in the Township

	1980	*1990*	*2000*
Owned Units	156	157	209
Rented Units	24	24	19
Vacant Units		8	5
Median Housing Value	$47,700	$64,700	$114,600
Median Contract Rent	$165	$238	$450

remained virtually the same, eight units in 1990 and five (5) units in 2000. The value of homes in Deerfield Township increased by more than 77% between 1990 and 2000, faster than the County median value in the same time period. Rents also increased at a high rate.



As can be seen in the graphic to the left, nearly 40% of the housing stock in the township was built prior to 1940,a low percentage considering data from other townships. When looking at data from each decade since 1939, the 1970s and the 1990s were the busiest times for home construction, with 27 units being reported as being from the 1970s time period and 66 units from the 1990s. It does not appear as if the current decade will see nearly as many new homes built during the current decade as occurred in the past decade, with an estimated increase of eight (8) households from 2000 to 2005.

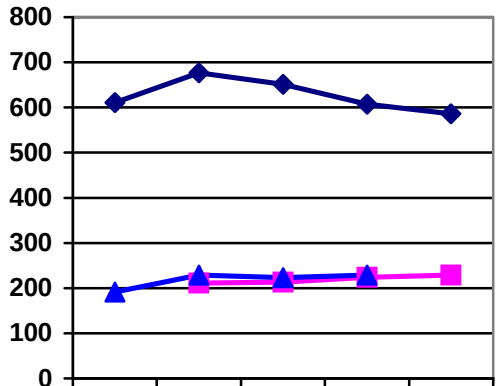
In the table below, income measures for Deerfield Township's residents are illustrated for the three most recent census periods. The median household income increased by nearly 61% between 1990 and 2000. When compared to the County median household income, Deerfield Township's household income increased relative to the overall County income.

	1980	*1990*	*2000*
Median Household Income	$15,583	$32,750	$52,727
% of County Median	92%	107%	114%
# Persons Below Poverty		47	21
% Living Below Poverty		8.2%	3%

The census findings on other income measures in 2000 also report that just 3% of Deerfield Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. This percentage decreased significantly from the poverty rate found during the 1990s census survey.


Deerfield Township

Trend Chart - Havana Twp.



	1970	1980	1990	2000	2005
Population	611	677	651	607	586
Households		211	213	224	229
Housing Units	191	229	223	229	

Havana Township had experienced population growth during the 1970s but decreases since. An interesting observation is that although the number of people reported living in the township in 2000 versus 1990 declined, the number of households during this same time period is shown to have increased. The State Demographer's office projects continued population decreases during the current decade, but with more households. In the 2005 estimates, 21 fewer people are estimated, but with five (5) more households. The minority population in Havana Township in the year 2000 was nine (9) persons, or less than 2%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Havana Township's population got older from 1990 to 2000 with a decreased percentage of persons aged 29 or younger and increases in the percentage of persons aged 30 or older. No changes are seen in the percentage of males to females in Havana Township between the two census periods.

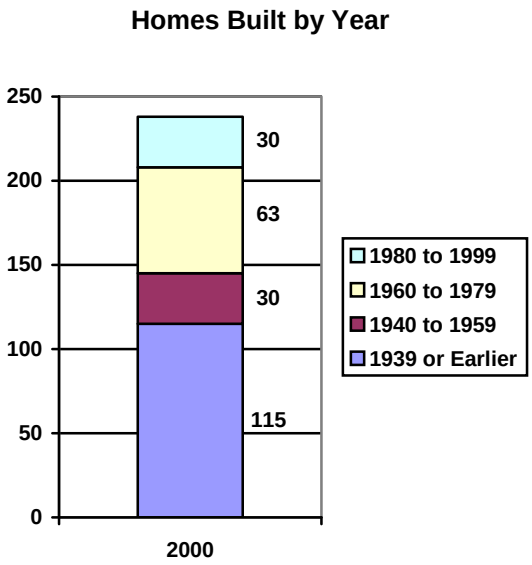
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	221	33.9%	188	31%
Age 20 to 29	80	12.3%	36	5.9%
Age 30 to 49	188	28.9%	196	32.3%
Age 50 to 64	82	12.6%	108	17.8%
Age 65 or older	80	12.3%	79	13%
Males	328	50.4%	306	50.4%
Females	323	49.6%	301	48.6%

As seen in the table below, the number of owner occupied homes increased slightly in 2000, and no change is seen in rental units from 1990. The number of vacancies dropped by half between the last two decades, and is a negligible number. The value of homes in Havana Township increased by nearly 151% between 1990 and 2000, much

	1980	*1990*	*2000*
Owned Units	181	190	201
Rented Units	30	23	23
Vacant Units		10	5
Median Housing Value	$43,500	$60,400	$151,500
Median Contract Rent	$288	$269	$488

faster than the County median value in the same time period. Rents nearly doubled during this same time period.



As can be seen in the graphic to the left, more than 48% of the housing stock in the township was built prior to 1940. Considering data from each decade since 1939, the 1970s was a busy time for housing construction, and in which more than 40 homes were added. No other decade had more than 20 homes. It does not appear as if the current decade will see many new homes either, with an estimated increase of five (5) households from 2000 to 2005, and declines in the number of people during this same time.

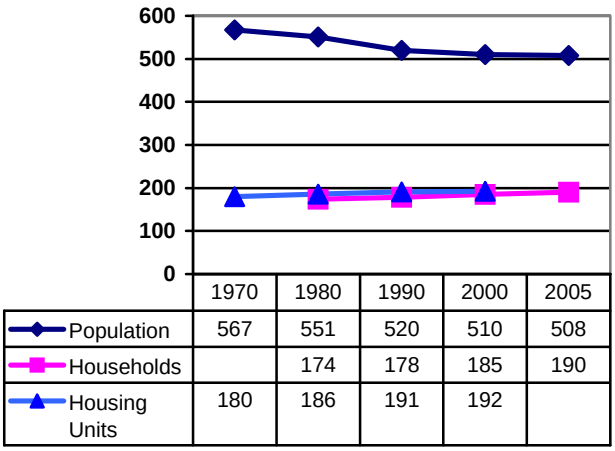
In the table below, income measures for Havana Township's residents are illustrated for the three most recent census periods. The median household income increased by more than 60% between 1990 and 2000. When compared to the County median household income, Havana Township's household income continued improving its relative position, moving from 106% in 1980, to 107% in 1990, then 114% in 2000.

	1980	*1990*	*2000*
Median Household Income	$17,875	$32,750	$52,500
% of County Median	106%	107%	114%
# Persons Below Poverty		56	6
% Living Below Poverty		8.5%	1%

The census findings on other income measures in 2000 also report that a mere 1% of Havana Township's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.


Havana Township

Trend Chart - Lemond Twp.



	1970	1980	1990	2000	2005
Population	567	551	520	510	508
Households		174	178	185	190
Housing Units	180	186	191	192	

Lemond Township is in a period of decline, as are many townships. Population decreased in each of the decennial census surveys, not by much, but still a decline. Interestingly, increases are seen in the number of households and housing units in all census surveys too. Population estimates by the State Demographer's office shows little in the way of change from the 2000 census to 2005, estimating that there has been a decrease of two (2) people and a household increase of five (5). The minority population in Lemond Township in the year 2000 was nine (9) persons, or less than 2%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Lemond Township's population got older from 1990 to 2000 with a decreased percentage of persons aged 29 or younger and increases in the percentage of persons aged 30 or older. Virtually, no changes are seen in the percentage of males to females in Lemond Township between the two census periods.

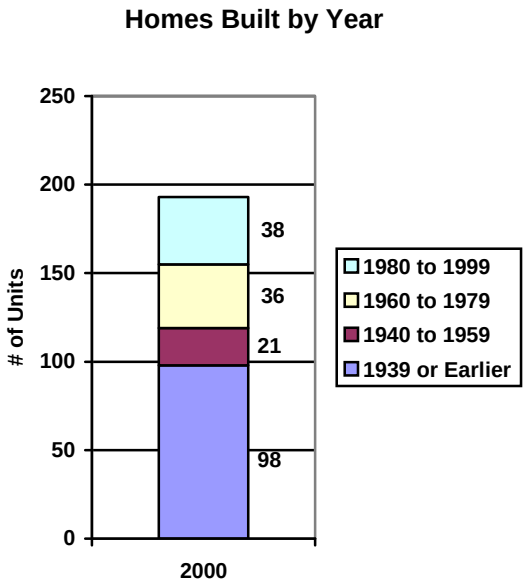
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	171	32.9%	146	28.6%
Age 20 to 29	65	12.5%	48	9.4%
Age 30 to 49	144	27.7%	154	30.2%
Age 50 to 64	84	16.2%	97	19%
Age 65 or older	56	10.8%	65	12.7%
Males	278	53.5%	271	53.1%
Females	242	46.5%	239	46.9%

As seen in the table below, the number of owner occupied homes increased slightly in 2000, and no change is seen in rental units from 1990. The number of vacancies dropped by half between the last two decades, and is a negligible number. The value of homes in Lemond Township increased by nearly 124% between 1990 and 2000, much faster than the County median value in the same time period. Rents more than doubled during this same time period.

	1980	*1990*	*2000*
Owned Units	156	158	165
Rented Units	18	20	20
Vacant Units		13	7
Median Housing Value	$45,000	$55,600	$124,500
Median Contract Rent	$275	$138	$350

The graphic above right indicates that there has been some recent construction. Since there was so little growth in the numbers of housing units over the time period being looked at, it appears as if the new construction is a replacement for older structures that are being demolished. The most active home building decade was the 1970s with 28 housing units, however, the 1990s saw a total of 27 housing units being added to the Township's housing stock. The current decade is not projected to see much growth either with an estimated growth of five (5) households in the Township from the year 2000 through 2005.

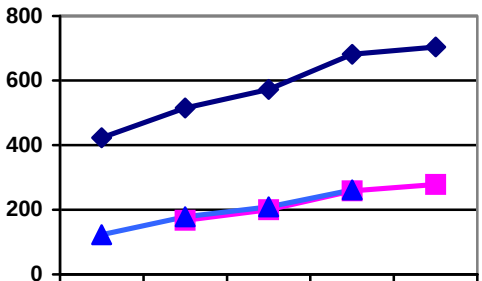


	1980	*1990*	*2000*
Median Household Income	$16,339	$31,397	$47,708
% of County Median	97%	103%	103%
# People Below Poverty		17	30
% Living Below Poverty		3.1%	5.8%

In the table above, income measures for Lemond Township's residents are illustrated for the three most recent census periods. The median household income increased by 52% between 1990 and 2000. When compared to the County median household income, Lemond Township's household income kept pace in its relative position to income growth at the County level. The census findings on other income measures in 2000 also report that 5.8% of Lemond Township's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.


Lemond Township

Trend Chart - Medford Twp.



	1970	1980	1990	2000	2005
Population	423	515	572	681	704
Households		167	200	258	278
Housing Units	123	178	209	261	

Medford Township is a growing township. Population has seen increases in each decade since 1970. In both the 1970s and the 1990s, the number of residents increased by about 90 people. Household growth and housing unit growth occurred just as fast. Population estimates by the State Demographer's office shows continued growth is expected. An estimated increase of 23 persons has been projected to have occurred from 2000 to 2005, as well as an increase in the number of households by 20 during the same years. The minority population in Medford Township in the year 2000 was nine (9) persons, or less than 2%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Because of the increase in population, each one of the age groups increase their numbers during the 1990s. The increases came in such numbers that there was little change in the overall percentages between the two time periods. One third of the total population is still aged 19 or younger, and nearly an additional third is found in the group aged 30 to 49. Virtually, no changes are seen in the percentage of males to females in Medford Township between the two census periods.

Persons by Age & Sex

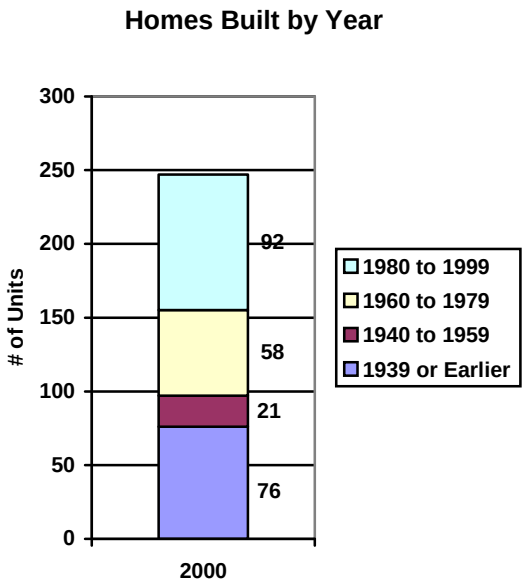
	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	192	33.6%	219	32.2%
Age 20 to 29	83	14.5%	96	14.1%
Age 30 to 49	162	28.3%	211	31%
Age 50 to 64	76	13.3%	89	13.1%
Age 65 or older	59	10.3%	66	9.7%
Males	290	50.7%	348	51.1%
Females	282	49.3%	333	48.9%

As seen in the table below, the number of owner occupied homes increased by nearly 70 units in the 1990s, with little change in rental units. The number of vacancies dropped by two thirds between the last two decades, and is a negligible number. The

	1980	*1990*	*2000*
Owned Units	148	178	239
Rented Units	19	22	19
Vacant Units		9	3
Median Housing Value	$38,100	$63,100	$86,800
Median Contract Rent	$358	$270	$350

value of homes in Medford Township increased by nearly 38% between 1990 and 2000, much slower than the County median value in the same time period. Rents increased by about the same percentage during this time period.

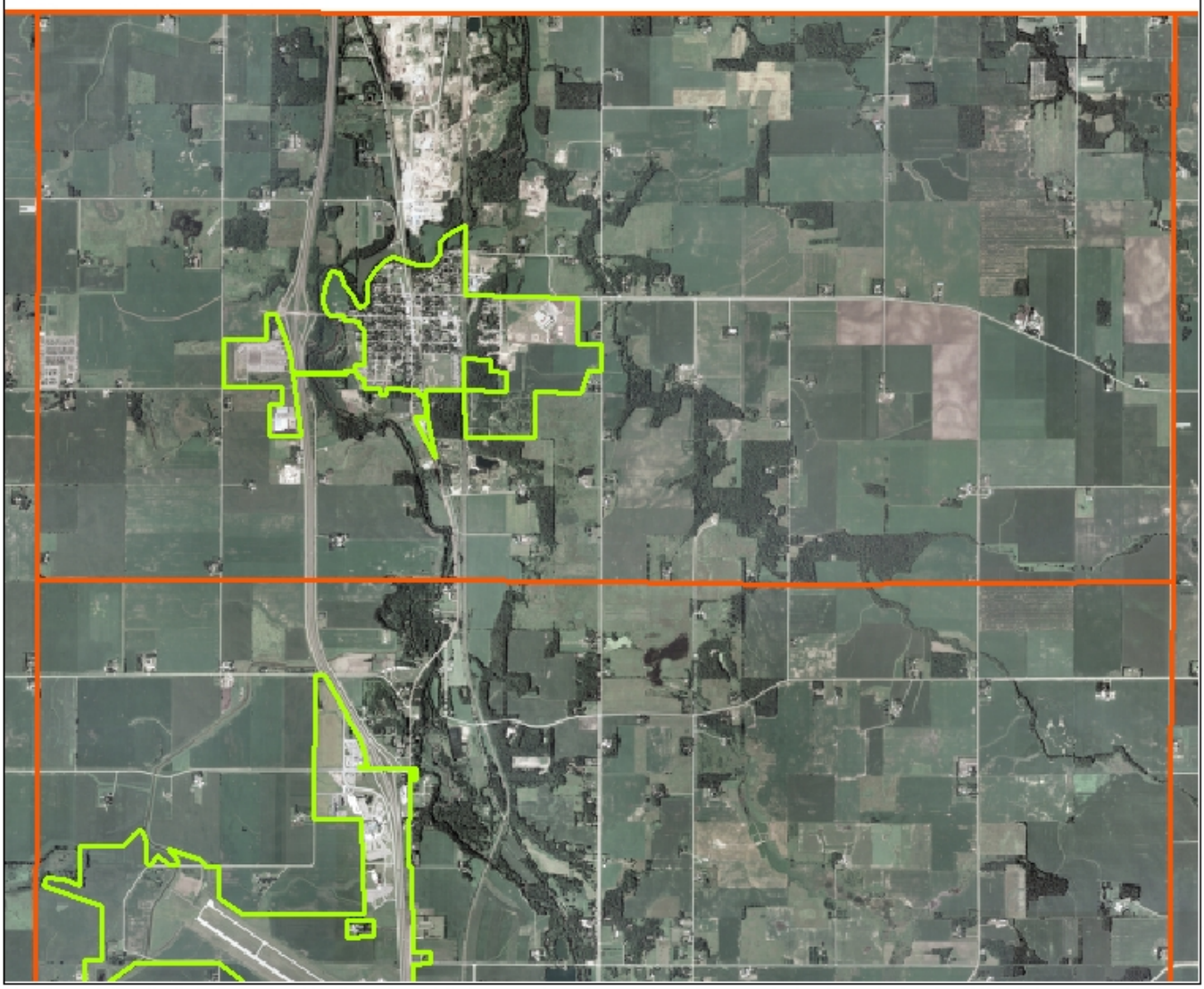
The graphic above right shows the extent of extensive recent construction. The 1990s saw the most activity, showing 83 units from that decade. The 1970s were the next most active with 47 units. On the other end of the spectrum, the 1980s had just nine (9) units. The current decade is projected to see significant growth too. There is an estimated growth of 20 households projected by the State Demographer from the year 2000 through 2005. If this continues, the Township could see as many as 40 new households during the current decade.

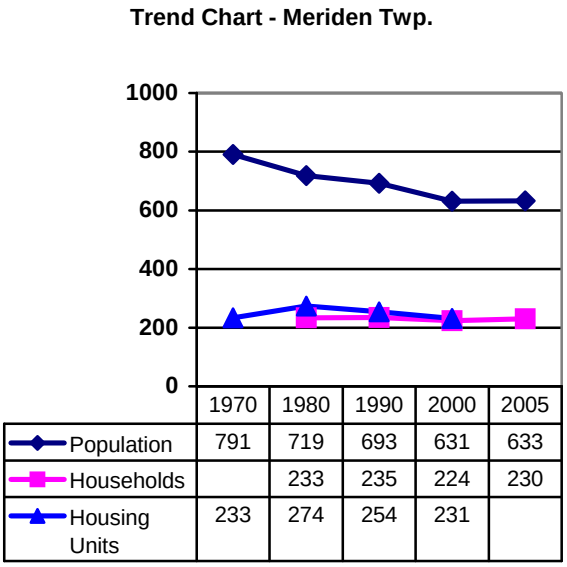


In the table below, income measures for Medford Township's residents are illustrated for the three most recent census periods. The median household income increased by nearly 31% between 1990 and 2000. When compared to the County median household income, Medford Township's household is losing pace in its relative position to income growth at the County level. Resident's incomes have gone from 102% to 84% of the median income levels seen at the County. The census findings on other income measures in 2000 also report that 4.2% of Medford Township's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.

	1980	*1990*	*2000*
Median Household Income	$17,228	$29,844	$39,000
% of State Median	102%	98%	84.6%
# Persons Below Poverty		19	26
% Living Below Poverty		3.4%	4.2%

Medford Township





Meriden Township. As can be seen, the township's population has dropped steadily over the period illustrated. The high mark in persons was 1970, decreasing in each of the following census periods. Households saw small increases in 1990. Estimates from the State Demographer's office shows that little to no growth is expected to occur in this Township during the current decade either. The 2005 estimate shows an increase of two (2) persons to have occurred from the 2000 census and an increase of six (6) households. The minority population in Meriden Township in the year 2000 was seven (7) persons, or a little more than 1%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Because of the decrease in population, each one of the age groups shows an actual decline in their numbers during the 1990s. The age group taking the biggest plunge in total percentage of the Township's population was those aged 19 or younger. Gainers in overall percentage were those aged 30 to 49 and those aged 65 and older. Virtually no change is seen in the mix of males to females in Meriden Township.

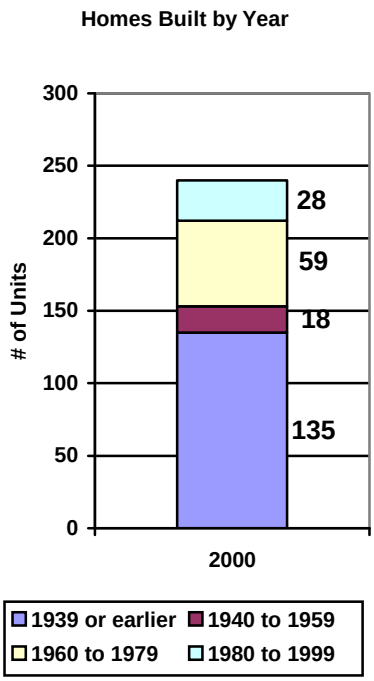
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	224	32.3%	187	29.6%
Age 20 to 29	80	11.5%	73	11.6%
Age 30 to 49	192	27.7%	186	29.5%
Age 50 to 64	105	15.2%	94	14.9%
Age 65 or older	92	13.3%	91	14.4%
Males	356	51.4%	326	51.7%
Females	337	48.6%	305	48.3%

As seen in the table below, the number of owner occupied homes increased by 12 units in the 1980s and just one (1) unit in the 1990s, with steady decreases in rental units. The number of vacancies dropped by two thirds in 2000 compared to 1990, but is a negligible number. The value of homes in Meriden Township increased by nearly 103%

	1980	*1990*	*2000*
Owned Units	192	204	205
Rented Units	41	31	19
Vacant Units		19	7
Median Housing Value	$40,000	$55,500	$112,500
Median Contract Rent	$225	$213	$408

between 1990 and 2000, faster than the County median value in the same time period. Rents increased by about the same percentage during this time period.



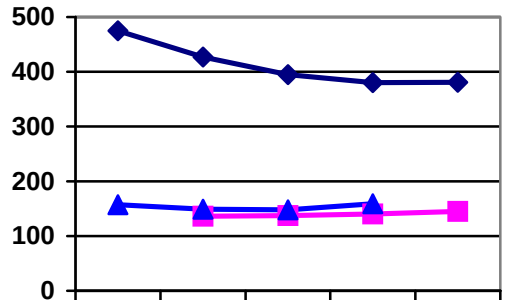
As can be seen in the graphic to the left, the age of the Township's housing stock is on the older side, at least as compared to the rest of the County to this point. More than 56% of the Township's housing stock was built prior to 1940. The busiest decade of building after 1939 was the 1970s, as is the case for most jurisdictions. The 2000 census shows 44 housing units are from this particular decade. The 1950s was the next busiest decade with 16 units, the 1990s had 13 units. It appears as if the current decade may see a similar growth rate experienced in the 1990s, with an estimated growth of just six (6) households from 2000 to 2005.

In the table below, income measures for Meriden Township residents are illustrated for the three most recent census periods. The median household income increased by more than 57% between 1990 and 2000. When compared to the County median household income, Meriden Township household income increased in its relative position. The census findings on other income measures in 2000 also report that 4.1% of Meriden Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.

	1980	*1990*	*2000*
Median Household Income	$18,144	$32,784	$51,477
% of County Median	108%	107%	111.6%
# Persons Below Poverty		55	26
% Living Below Poverty		7.7%	4.1%


Meriden Township

Trend Chart - Merton Twp.



	1970	1980	1990	2000	2005
Population	475	427	395	380	381
Households		136	137	140	145
Housing Units	157	149	148	159	

Merton Township. There has been a steady decline in population from 1970 through 2000. The number of households increased slightly, and the number of housing units remains virtually unchanged. Estimates from the State Demographer's office shows that it expects little growth to occur in this Township during the current decade, with projections of just one (1) more person and five (5) more households between the year 2000 and 2005. The minority population in Merton Township in the year 2000 was a surprising 31 persons, or a little more than 8%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Because of the decrease in population, all but one of the age groups show an actual decline in their numbers during the 1990s. The age group taking the biggest plunge in total percentage of the Township's population was those aged 19 or younger. The biggest gainer in overall numbers and percentage were those aged 30 to 49. Little change is seen in the mix of males to females in Meriden Township. Males still outnumber females in the Township, as they did in 1990.

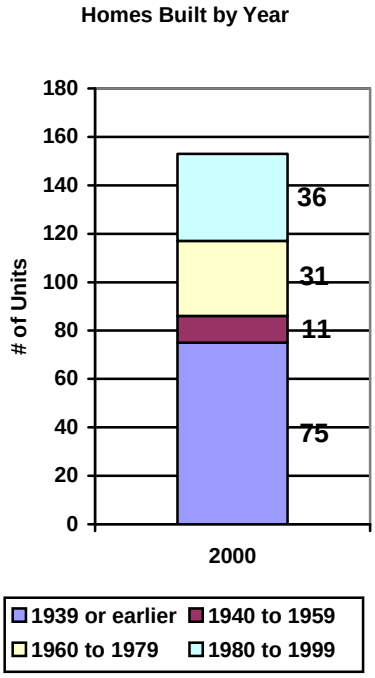
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	125	31.6%	109	28.7%
Age 20 to 29	49	12.4%	37	9.7%
Age 30 to 49	98	24.8%	123	32.4%
Age 50 to 64	55	13.9%	48	12.6%
Age 65 or older	68	17.2%	63	16.6%
Males	204	51.6%	199	52.4%
Females	191	48.4%	181	47.6%

As seen in the table below, the number of owner occupied homes increased by three (3) units in the 1980s and eight (8) units in the 1990s, with small and steady decreases in rental units. The number of vacancies increased by 8 units in 2000 compared to 1990.

	1980	*1990*	*2000*
Owned Units	111	114	122
Rented Units	25	23	18
Vacant Units		11	19
Median Housing Value	$33,300	$49,200	$130,200
Median Contract Rent	0	$275	$525

Most of the vacancies were units used for migrant workers (12 units). Just one (1) was for sale, and the remaining six (6) were vacant for other reasons. The value of homes in Meriden Township increased by more than 160% between 1990 and 2000, much faster than the County median value in the same time period. Rents nearly doubled during this time period.



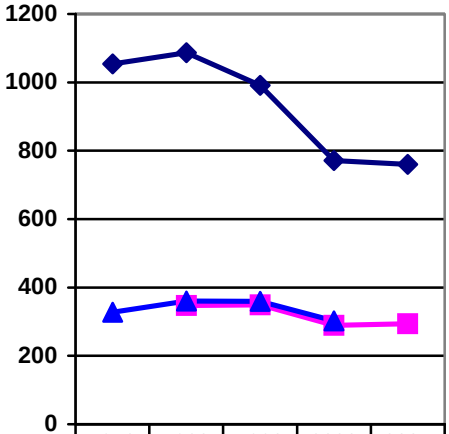
As can be seen in the graphic to the left, at least half of the Township's housing stock is on the older side, with 49% built prior to 1940. Interestingly, the busiest building period for units currently in the Township shows that the 1990s had 28 units built, 12 more than any other decade since 1939. It appears as if the current decade is predicted to be much slower with an estimated growth of just five (5) households from 2000 to 2005.

In the table below, income measures for Merton Township residents are illustrated for the three most recent census periods. The median household income increased by more than 81% between 1990 and 2000. When compared to the County median household income, Merton Township household income increased in its relative position. The census findings on other income measures in 2000 also report that 2.7% of Merton Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.

	1980	*1990*	*2000*
Median Household Income	$12,917	$29,167	$52,875
% of County Median	77%	95%	114.7%
# Persons Below Poverty		53	10
% Living Below Poverty		14%	2.7%

Merton Township

Trend Chart - Owatonna Twp.



	1970	1980	1990	2000	2005
Population	1054	1087	991	771	760
Households		347	349	289	294
Housing Units	328	360	359	302	

Owatonna Township. Annexations have impacted this Township's demographic trends. Big population declines in both the 1980s and 1990s are accompanied by reductions in the land area for the township. An odd statistic for the 1990 census, is seeing a drop in population by 96 people, but an increase in the number of households by two (2). The population declines seen in the 2000 census are also accompanied by declines in households. Estimates from the State Demographer's office shows that it expects to see further population declines in this Township during the current decade, with projections showing reductions of 11 persons and a small increase in households between the years 2000 and 2005. The minority population in Owatonna Township in the year 2000 was 39 persons, or a little more than 5%. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. Because of the big decrease in population, all but one of the age groups (those aged 65 or older) show an actual decline in their numbers during the 1990s, and that age group gained just two (2) persons from 1990 to 2000 and was the biggest percentage gainer during this time with a 3.5% increase. The age group change that was most surprising was the big decrease in the numbers of people aged 30 to 49. This is the age group that was the biggest growth group in most jurisdictions during the 1990s. The Township experienced the loss of more males than females during the 1990s.

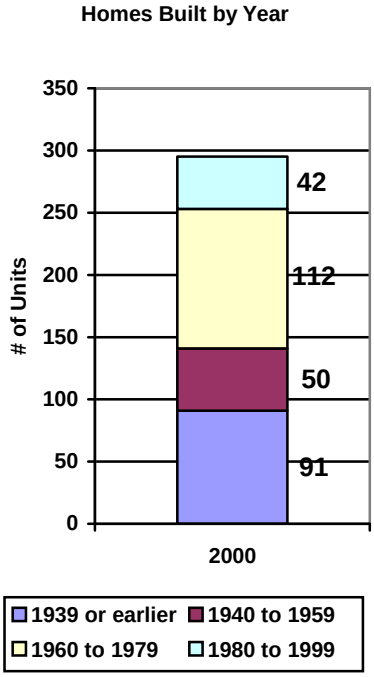
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	290	29.3%	231	30%
Age 20 to 29	97	9.8%	65	8.4%
Age 30 to 49	311	31.4%	226	29.3%
Age 50 to 64	179	18.1%	133	17.3%
Age 65 or older	114	11.5%	116	15%
Males	528	53.2%	400	51.9%
Females	463	46.8%	371	48.1%

	1980	*1990*	*2000*
Owned Units	282	302	248
Rented Units	65	47	41
Vacant Units		10	13
Median Housing Value	$66,700	$85,800	$139,700
Median Contract Rent	$238	$206	$425

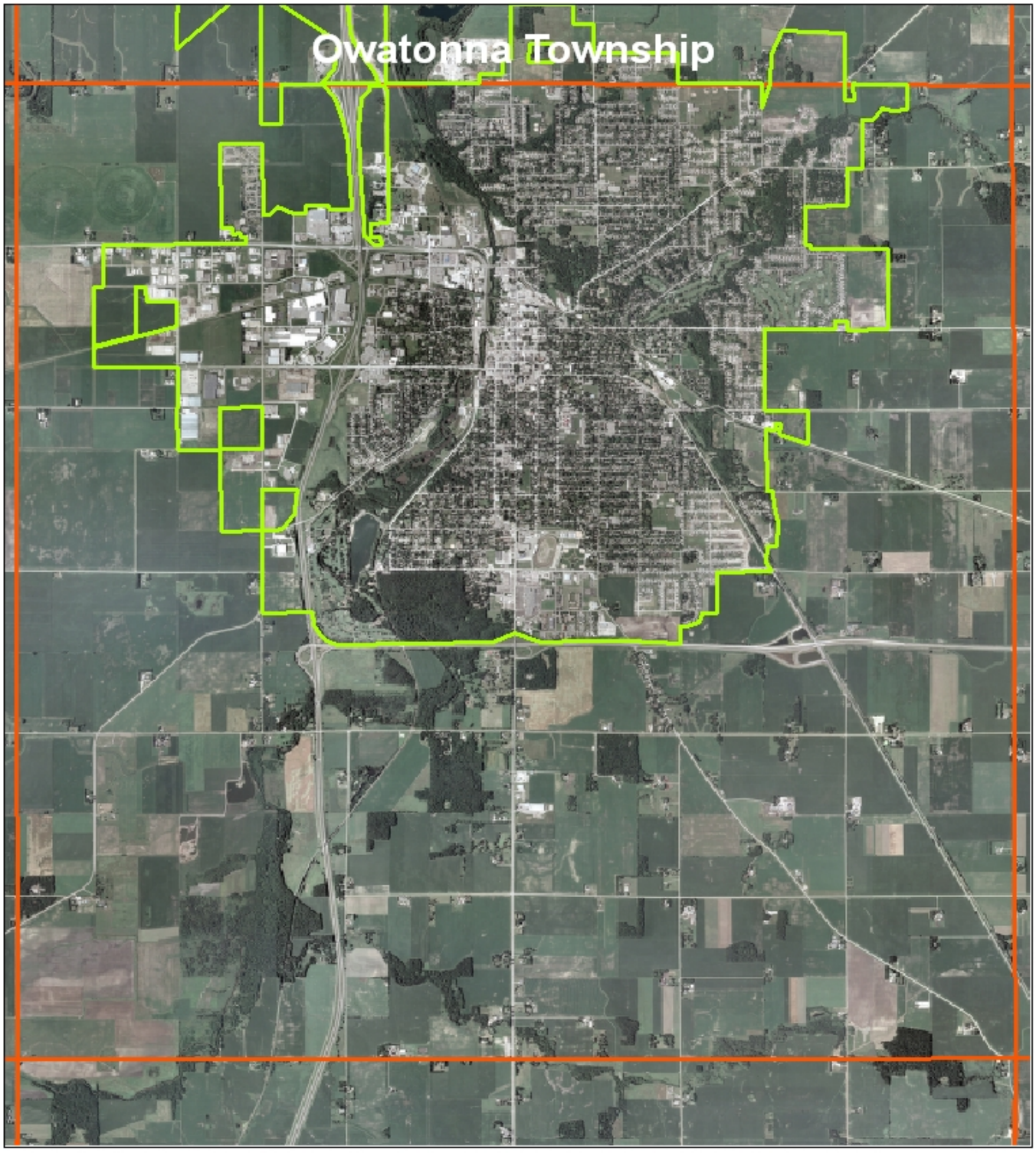
As seen in the table above, the number of owner occupied homes decreased by 54 units in the 1990s, with a small decrease in the number of rental units. The number of vacancies increased by 3 units in 2000 compared to 1990. The value of homes in Owatonna Township increased by nearly 63% between 1990 and 2000. Rents more than doubled during this time period.

As can be seen in the graphic to the left, the age of the Township's housing stock is fairly young, compared to most other townships' housing stock. Only 30% of the housing stock is older than 1940. The 1960s and 1970s had significant numbers of homes from those decades, 54 and 58 respectively. Both the 1980s and 1990s were a time in which many fewer homes were built. It also appears as if the current decade may see little to no growth, with an estimated addition of just five (5) households from 2000 to 2005.

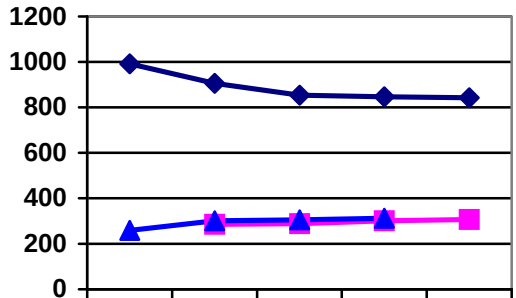


In the table below, income measures for Owatonna Township residents are illustrated for the three most recent census periods. The median household income increased by nearly 40% between 1990 and 2000. When compared to the County median household income, Owatonna Township household income saw a second straight decrease in its relative position. The census findings on other income measures in 2000 also report that 2.2% of Owatonna Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.

	1980	*1990*	*2000*
Median Household Income	$21,048	$36,645	$51,250
% of State Median	125%	120%	111%
# Persons Below Poverty		32	17
% Living Below Poverty		3.2%	2.2%


Owatonna Township

Trend Chart - Somerset Twp.



	1970	1980	1990	2000	2005
Population	991	905	853	847	842
Households		286	289	301	307
Housing Units	259	301	306	313	

Somerset Township has seen steadily declining population numbers over the time period illustrated. Even though the number of persons dropped, the number of households increased slightly over the time period. Population estimates by the State Demographer's office shows that it anticipates the Township to continue losing population through this decade. An estimated decrease of five (5) persons has been projected to have occurred from 2000 to 2005, as well as an increase in the number of households by six (6) during the same years. The minority population in Somerset Township in the year 2000 was a mere four (4) persons. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. The biggest change was seen in those aged 20 to 29. The numbers of persons dropped by a third between 1990 and 2000, going from more than 14% of the Township's population in 1990 to 9.4% in 2000. Those aged 30 to 49 grew the fastest over the decade, as did those aged 50 to 64. The number and percentage of persons aged 65 and older decreased in both numbers and percentage. Interestingly, the number of females actually increased their numbers in the Township during the 1990s, closing the gap by 2000 to the numbers of males.

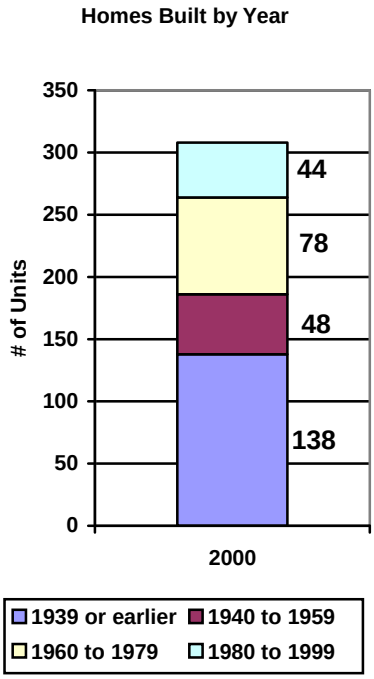
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	286	33.5%	265	31.3%
Age 20 to 29	120	14.1%	80	9.4%
Age 30 to 49	230	27%	295	34.8%
Age 50 to 64	117	13.7%	128	15.1%
Age 65 or older	100	11.7%	79	9.3%
Males	460	53.9%	433	51.1%
Females	393	46.1%	414	48.9%

	1980	*1990*	*2000*
Owned Units	243	257	276
Rented Units	43	32	25
Vacant Units		17	12
Median Housing Value	$47,100	$55,200	$138,000
Median Contract Rent	$191	$225	$475

As seen in the table above, the number of owner occupied homes increased by 19 units in the 1990s, with a small decrease in the number of rental units. The number of vacancies decreased by 5 units in 2000 compared to 1990. The value of homes in Somerset Township increased by 150% between 1990 and 2000. Rents more than doubled during this time period.

As can be seen in the graphic below and to the left, nearly half of the Township's housing stock is on the older side, with 45% built prior to 1940. In looking at individual decades in which housing was built, the 1970s has the most homes since 1939 with 47 units. Interestingly, the slowest building period for units currently in the Township shows that the 1990s had just 16 units built. It appears as if the current decade is predicted to be even slower with an estimated growth of just six (6) households from 2000 to 2005.

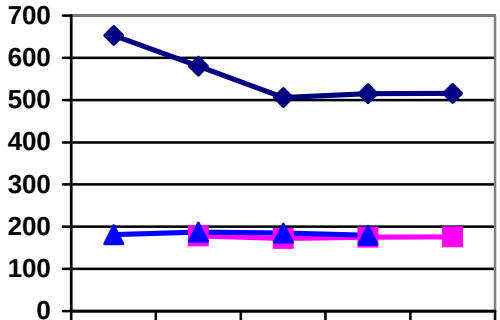


In the table below, income measures for Somerset Township residents are illustrated for the three most recent census periods. The median household income increased by more than 91% between 1990 and 2000. When compared to the County median household income, the Somerset Township household incomes saw a big jump in its relative position, moving from 96% of the County's income in 1990 to 121% in 2000. The census findings on other income measures in 2000 also report that 3.3% of Somerset Township residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.

	1980	*1990*	*2000*
Median Household Income	$18,321	$29,276	$55,938
% of County Median	109%	96%	121%
# Persons Below Poverty		40	28
% Living Below Poverty		5%	3.3%


Somerset Township

Trend Chart - Summit Twp.



	1970	1980	1990	2000	2005
Population	653	580	506	515	516
Households		178	172	175	176
Housing Units	181	187	185	180	

Summit Township has seen declining population numbers from 1970 through 1990, then a small increase in 2000. Even though the number of persons dropped, the number of households remained virtually unchanged over the time period. Population estimates by the State Demographer's office shows that it anticipates little to no growth in the Township's population through this decade. An estimated increase of one (1) person has been projected to have occurred from 2000 to 2005, as well as an incrementally small increase of one (1) household during the same years. The minority population in Somerset Township in the year 2000 was a mere two (2) persons. In the table below, changes can be seen in the Township's population by age and sex between 1990 and 2000. The most interesting observation for a rural township is that the number and percentage of persons aged 19 or younger increased between 1990 and 2000. This is a rare occurrence in rural jurisdictions. The most startling change happened in the group aged 20 to 29 in which the number of persons in this age group dropped from 75 to just 38, making up less than 8% of the Township's population. The number and percentage of persons aged 65 and older decreased in both numbers and percentage. Interestingly, the number of females actually increased their numbers in the Township during the 1990s, closing the gap by 2000 to the numbers of males. This is also a different type of trend not usually seen in the rural Townships in southern Minnesota.

Persons by Age & Sex

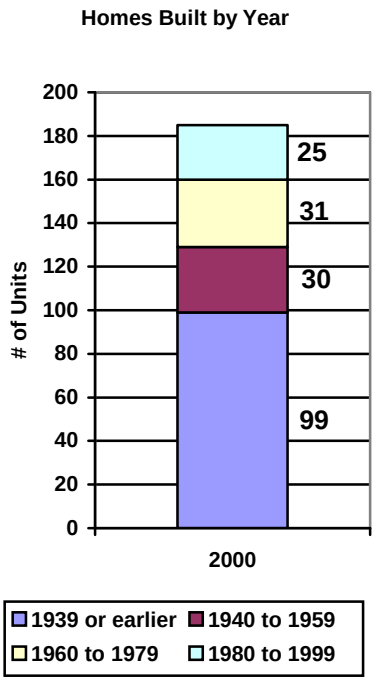
	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	156	30.8%	172	33.4%
Age 20 to 29	75	14.8%	38	7.4%
Age 30 to 49	118	23.3%	151	29.3%
Age 50 to 64	83	16.4%	90	17.5%
Age 65 or older	74	14.6%	64	12.4%
Males	269	53.2%	262	50.9%
Females	237	46.8%	253	49.1%

As seen in the table below, the number of owner occupied homes increased by just seven (7) units in the 1990s, with a small decrease in the number of rental units. The number of vacancies decreased by 8 units in 2000 compared to 1990. The value of

homes in Summit Township increased by nearly 158% between 1990 and 2000. Rents nearly doubled during this time period.

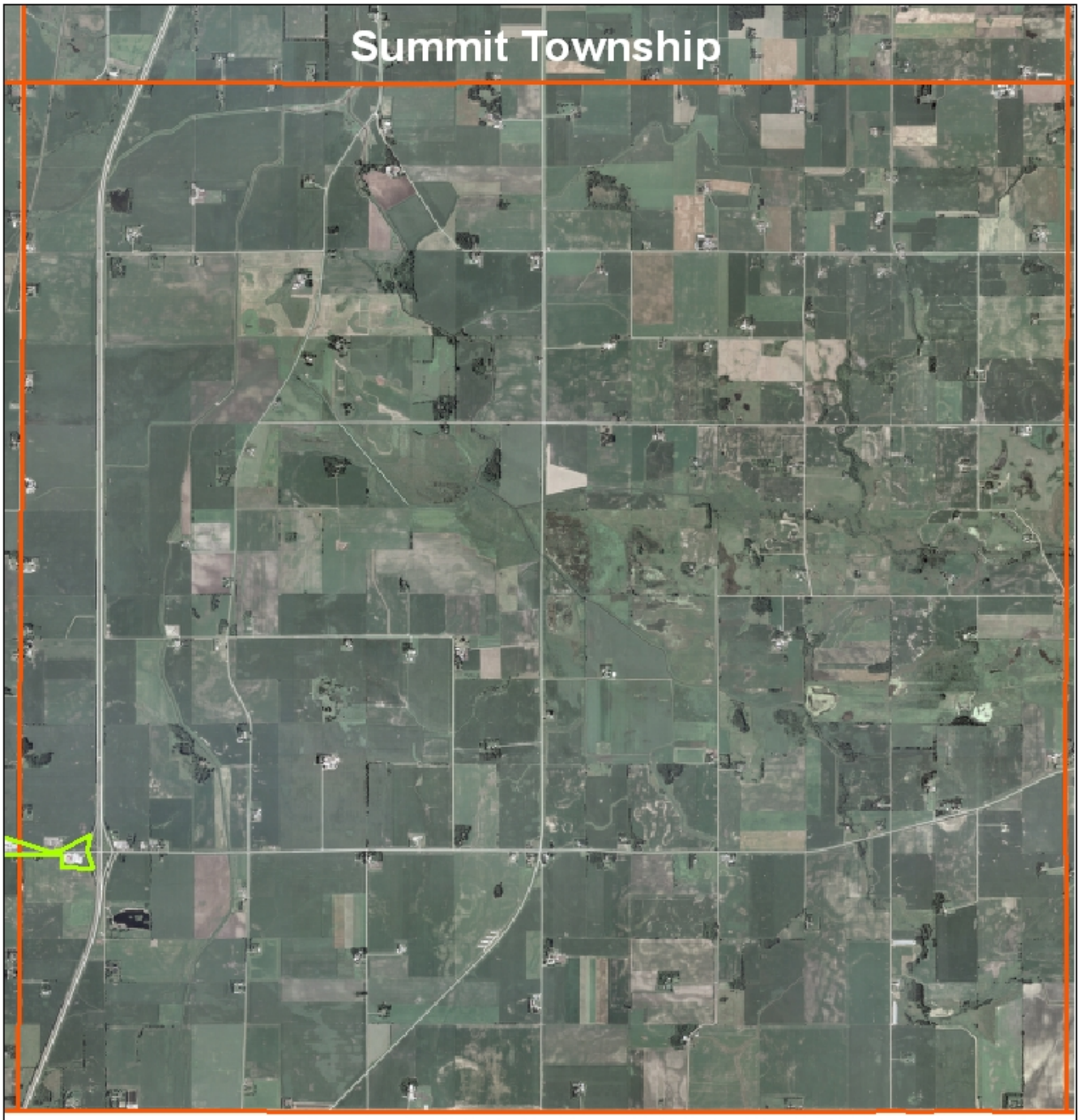
	1980	*1990*	*2000*
Owned Units	152	149	156
Rented Units	26	23	19
Vacant Units		13	5
Median Housing Value	$45,800	$48,300	$124,500
Median Contract Rent	$185	$260	$455

As can be seen in the graphic below and to the left, the age of the Township's housing stock is on the older side with more than 53% of the housing stock built before 1940. No decade since 1939 really had a very busy growth period in this Township. The most homes from a decade were the 21 units from the 1970s. The next decade with the most homes was the 1940s with 20 units. The 1990s had 12 units reported. It appears as if the current decade may be on a slower growth rate than the 1990s, given that the Demographer's Office estimates an increase of just one (1) household from 2000 to 2005. If this turns out to be a decade long rate, it could mean no growth at all in the number of households by 2010.



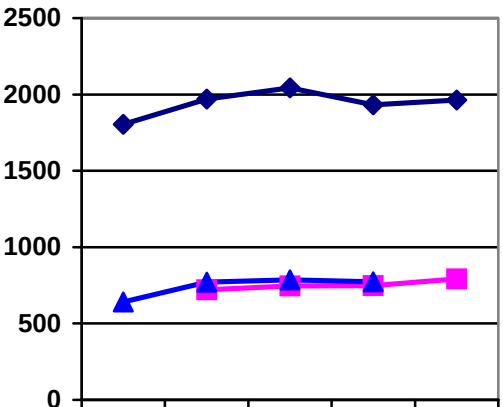
In the table below, income measures for Summit Township's residents are illustrated for the three most recent census periods. The income numbers for Summit Township illustrate a declining income trend. Even though the median income increased by more than 35% between 1990 and 2000, it is found to have decreased by nearly 10% when compared to the County median household income. The census findings on other income measures in 2000 also report that 9.3% of the Township's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. This is a high percentage which was also high in 1990.

	1980	*1990*	*2000*
Median Household Income	$15,815	$28,750	$38,958
% of County Median	94%	94%	84.5%
# Persons Below Poverty		56	47
% Living Below Poverty		10.1%	9.3%


Summit Township

City of Blooming Prairie. As can be seen, the city's population grew from 1970 to 1990, then began declining in the 1990s, showing a 110 person loss during that decade. However, estimates from the State Demographer's office shows that the City may realize increases during the current decade. As can be seen in the table, an increase of thirty (30) people and 44 households are estimated to have occurred in Blooming Prairie from the 2000 census to 2005. The number for housing units has remained steady since 1980. The minority population in the City of Blooming Prairie in the year 2000 was 114 persons, or a little less than 6%. In the table below, changes can be seen in the City's population by age and sex between 1990 and 2000. A decrease in the numbers and overall percentage of persons aged 19 or younger and those aged 65 or older occurred in the year 2000 from 1990. Increases in overall percentages were seen in all other age groups. Small changes are seen in the percentage of males to females in Blooming Prairie, with smaller decreases in the number of males in 2000 compared to the number of females.

Trend Chart - City of Blooming Prairie



	1970	1980	1990	2000	2005
Population	1804	1969	2043	1933	1963
Households		721	745	748	792
Housing Units	642	772	785	774	

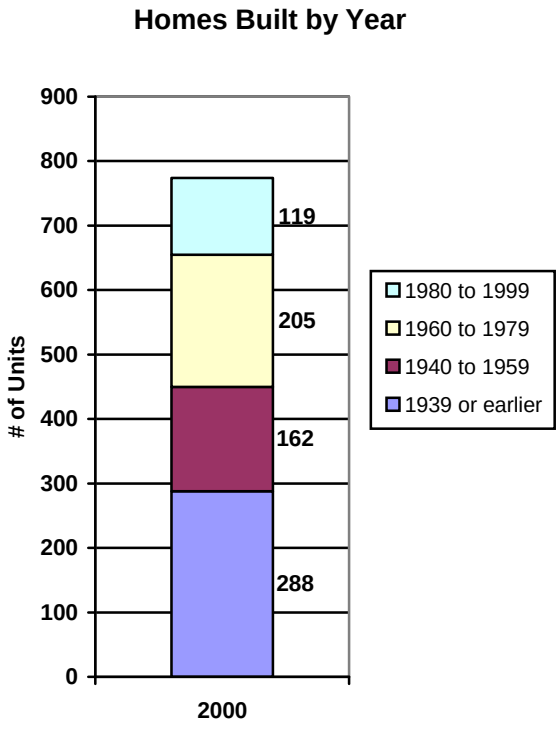
Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	674	33%	530	27.4%
Age 20 to 29	208	10.2%	217	11.2%
Age 30 to 49	476	23.3%	467	24.2%
Age 50 to 64	239	11.7%	274	14.2%
Age 65 or older	446	21.8%	370	19.1%
Males	942	46.1%	905	46.8%
Females	1,101	53.9%	1,028	53.2%

	1990	*2000*
Owned Units	591	623
Rented Units	154	125
Vacant Units	40	26
Median Housing Value	$47,100	$83,100
Median Contract Rent	$289	$335

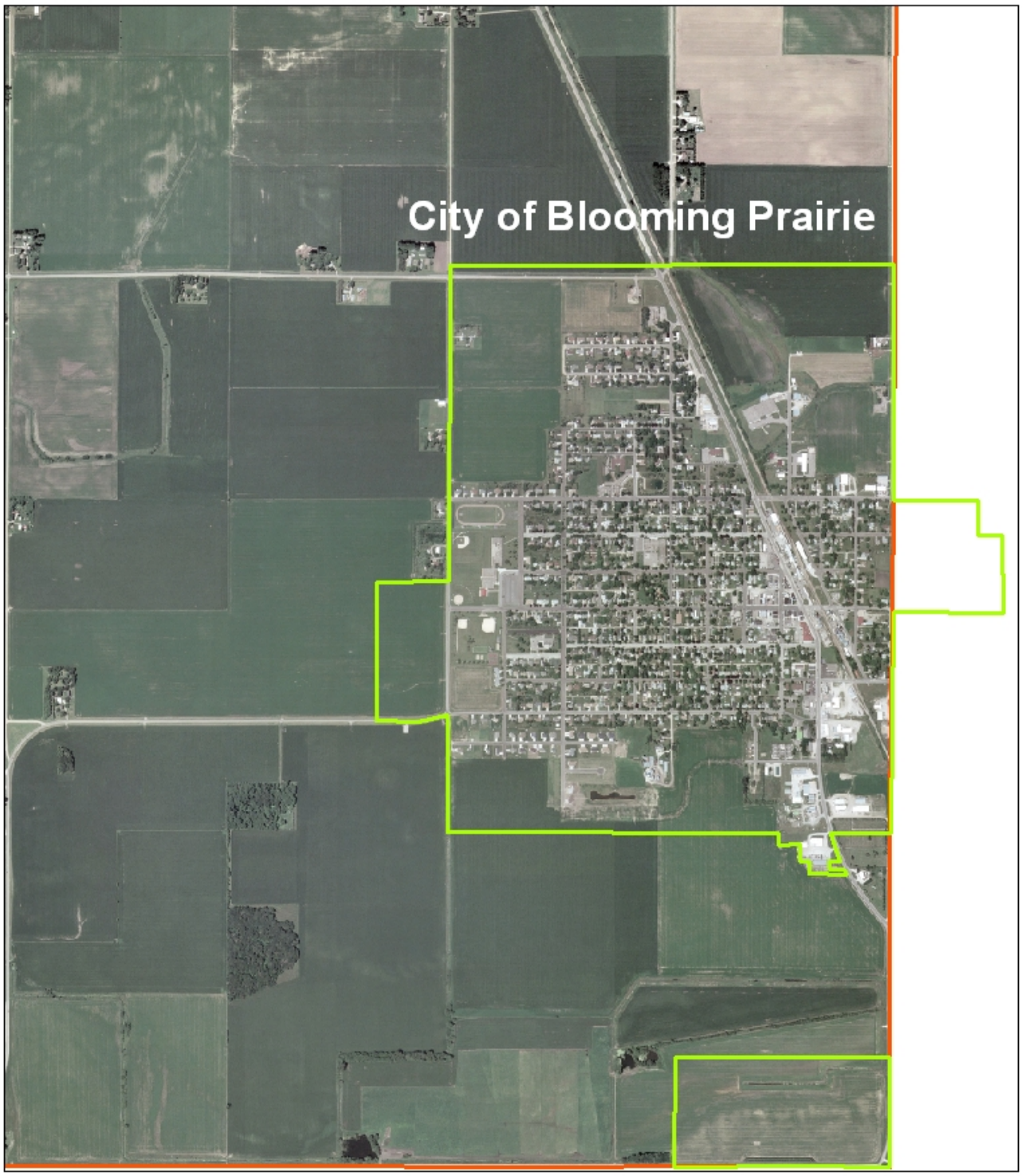
As seen in the table above, an increase is seen in the number of owner occupied units while the number of renter occupied units declined. The number of vacant units also declined during the same time period. An interesting item to note about the vacant units is that none of them were for rent, which means that the rental market must be very tight in Blooming Prairie. Of the 26 vacant units, 10 were for sale, 8 had been rented or sold but not yet occupied, 3 were seasonal homes, and 5 were vacant for other reasons. The value of homes in the City of Blooming Prairie increased by more than 76% between 1990 and 2000.

As can be seen in the graphic below and to the left, the age of the City's housing stock tends to be newer on the average than earlier Township illustrations. Less than 40% of the stock is from 1939 or earlier. The busiest period after 1939 was the 1970s in which 137 homes were dated from. The slowest growth periods for home construction appears to the two most recent decades, 58 in the 1980s and 61 in the 1990s. The current decade may see a little faster growth rate, given that the Demographer's Office has an estimated growth of 44 households in the City from the year 2000 through 2005.

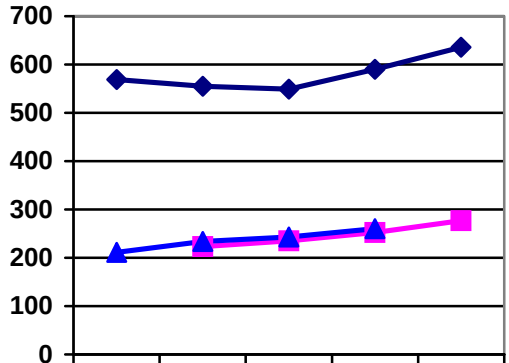


In the table below, income measures for the City of Blooming Prairie residents are illustrated for the two most recent census periods. The median household income increased by more than 68% between 1990 and 2000. When compared to the County median household income, Blooming Prairie's household income grew faster. The census findings on other income measures in 2000 also report that 6.6% of Blooming Prairie's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. Again, the poverty rate dropped from a much higher rate found in 1990.

	1990	*2000*
Median Household Income	$23,993	$40,345
% of County Median	78.5%	87.5%
# Persons Below Poverty	223	121
% Living Below Poverty	11.4%	6.6%


City of Blooming Prairie

Trend Chart - City of Ellendale



	1970	1980	1990	2000	2005
Population	569	555	549	590	636
Households		223	235	252	277
Housing Units	211	234	243	260	

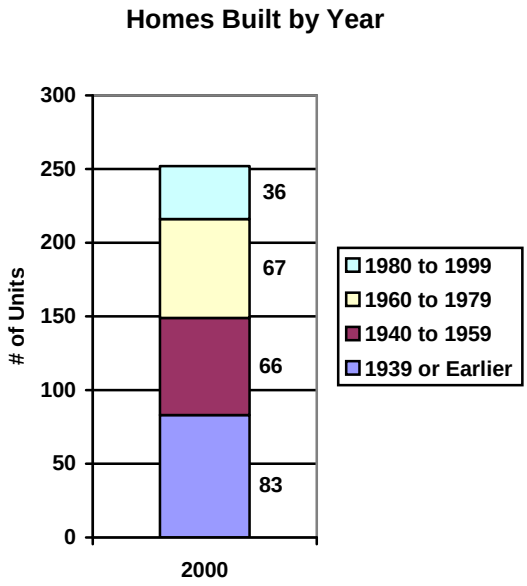
City of Ellendale. It would appear as if the City is in a stable period, seeing little change between census periods, although a modest increase of 41 persons and 17 households was found during the 2000 census. Population estimates by the State Demographer's office shows an increase of 46 people and 25 households from the 2000 census to 2005. The minority population in the City of Ellendale in the year 2000 was 11 persons, or less than 2%. In the table below, changes can be seen in the City's population by age and sex between 1990 and 2000. The City of Ellendale's population got younger from 1990 to 2000 with an increased percentage of persons aged 19 or younger and a large decline in the percentage of persons aged 65 or older. Minimal changes are seen in the percentage of males to females in Ellendale between the two census periods.

Persons by Age & Sex

	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	140	25.5%	162	27.5%
Age 20 to 29	74	13.5%	52	8.8%
Age 30 to 49	131	23.9%	183	31%
Age 50 to 64	63	11.5%	72	12.2%
Age 65 or older	141	25.7%	121	20.5%
Males	260	47.4%	283	48%
Females	289	52.6%	307	52%

As seen in the table below, the number of owner occupied homes increased in 2000, and a small decline is seen in the rental market. The number of vacancies remained the same between the two decades, and is a negligible number. The value of homes in Ellendale increased by nearly 96% between 1990 and 2000, faster than the County median value in the same time period. Rents have increased, but not as steeply as values.

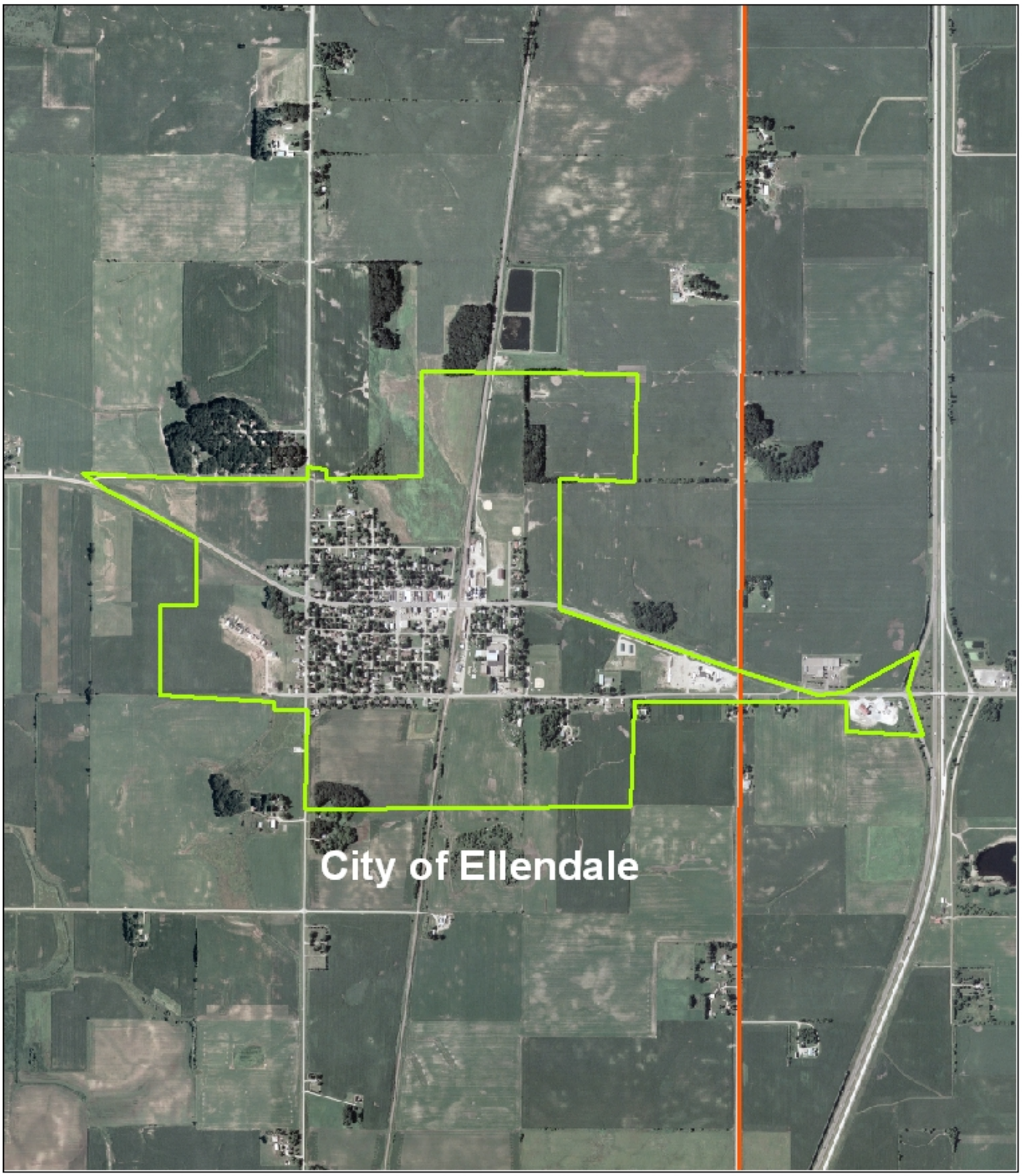
	1990	*2000*
Owned Units	182	205
Rented Units	53	47
Vacant Units	8	8
Median Housing Value	$37,800	$74,000
Median Contract Rent	$233	$356

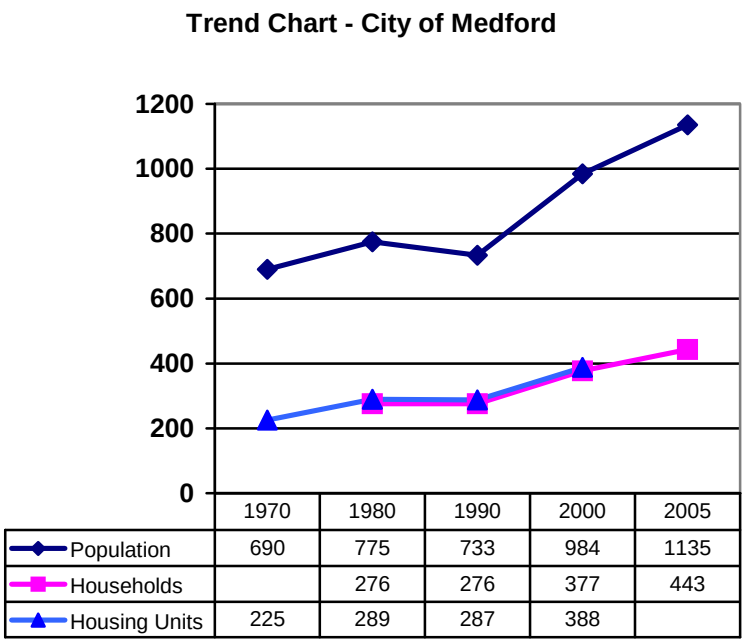


The graphic at the left illustrates that there is a good mix of homes by time period, there is no glut of homes that are very old, for example. In looking at the data for homes built by decade after 1939, a steady home building pace appears. From 1940 through 1979, the slowest decade was the 1960s with 27 homes and the busiest decade was the 1970s with 40 homes. The 1980s saw a slowdown in which just 16 homes were dated from and just 20 homes from the 1990s. The current decade will likely see a faster growth rate, given that there are several developers with approved plats constructing homes. This observed construction has started to appear in the Demographer's estimates for 2005 in which an increase of 25 households is specified.

	1990	*2000*
Median Household Income	$21,818	$37,750
% of County Median	71%	82%
# Persons Below Poverty	50	58
% Living Below Poverty	9.5%	10.1%

In the table above, income measures for Ellendale's residents are illustrated for the two most recent census periods. The median household income increased by more than 73% between 1990 and 2000. When compared to the County median household income, Ellendale's household income grew significantly in its relative position. The census findings on other income measures in 2000 also report that more than 10% of Ellendale's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. The poverty rate in 2000 increased from the 1990 rate, an aberrant occurrence than is seen in most other jurisdictions.


City of Ellendale



The City of Medford has seen steady growth over the time period being reviewed, except during the 1980s. Population has increased by nearly 43% since 1970. The fastest growth happened in the 1990s when the City saw increases of 251 persons, or more than 34%. More than 100 households were added to the City in the 1990s as well. During this same decade, 101 housing units were added to the housing stock of Medford. Population estimates by the State Demographer's office shows continued growth is expected. An estimated increase of 151 persons has been projected to have occurred from 2000 to 2005, as well as an increase in the number of households by 66 during the same years. The minority population in the City of Medford in the year 2000 was 79 persons, or a little more than 8%. In the table below, changes can be seen in the City's population by age and sex between 1990 and 2000. Because of the increase in population, each one of the age groups increased their numbers during the 1990s. There was a big drop in the overall percentage of persons aged 19 or younger and a big increase in those aged 20 to 29, which is an odd demographic trend at this point in time. A more normal observation is to see growth in those aged 50 to 64, which is also seen in Medford's demographic profile. A big change is seen in the mix of males to females in Medford. In 1990, more than 54% of the population was female. By 2000, nearly 51% of the City's population was male.

Persons by Age & Sex

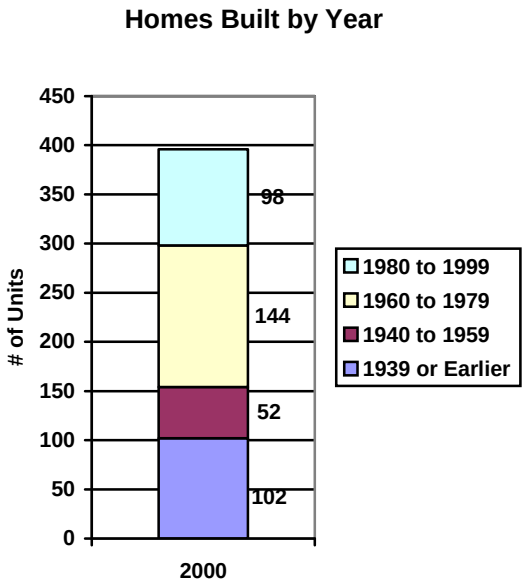
	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	251	34.2%	282	28.7%
Age 20 to 29	84	11.5%	151	15.3%
Age 30 to 49	221	30.2%	297	30.2%
Age 50 to 64	100	13.6%	160	16.3%
Age 65 or older	77	10.5%	94	9.6%
Males	336	45.8%	500	50.8%
Females	397	54.2%	484	49.2%

As seen in the table below, the number of owner occupied homes increased by nearly 90 units in the 1990s, and a smaller increase in rental units. The number of vacancies remained the same during the last two decades, and is a negligible number. The value

of homes in Medford increased by nearly 82% between 1990 and 2000, faster than the County median value in the same time period. Rents increased by about a 27% during this time period.

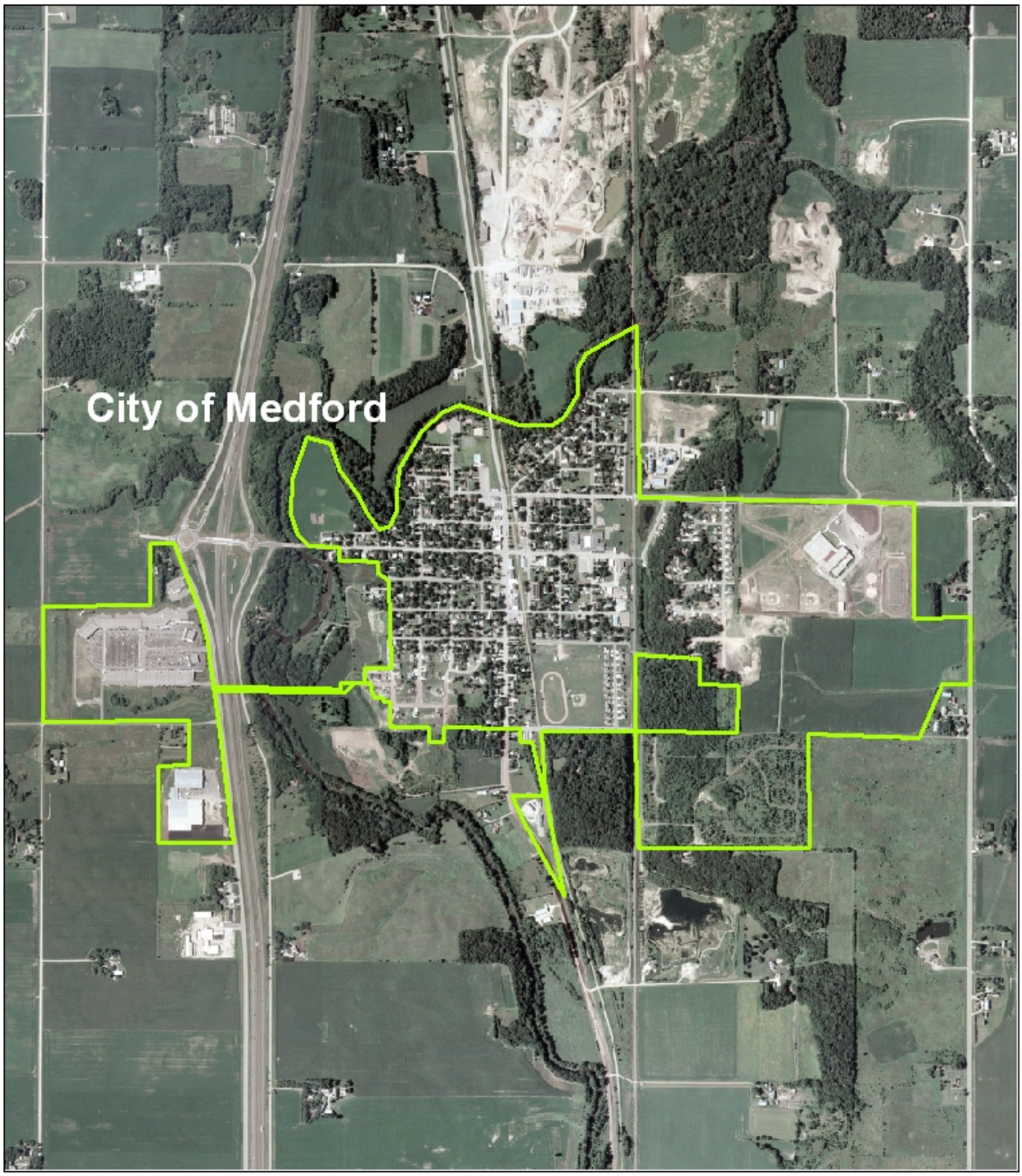
	1990	*2000*
Owned Units	232	320
Rented Units	44	57
Vacant Units	11	11
Median Housing Value	$54,700	$99,500
Median Contract Rent	$242	$308

The graphic to the right shows the number of housing units in the City by the time period in which they were built. As can be seen, a large percentage of the homes are found in the most recent time periods. In a closer look at the data, the 1970s were a busy building time period. Eighty eight units are indicated as originating from this time. The 1990s saw 68 units being built in Medford, more than twice as many as specified for the 1980s. The current decade is projected to see significant growth too, perhaps more than the 1990s. There is an estimated growth of 66 households by the State Demographer to have occurred from the year 2000 through 2005. If this continues, Medford could see as many as 135 new households during the current decade.

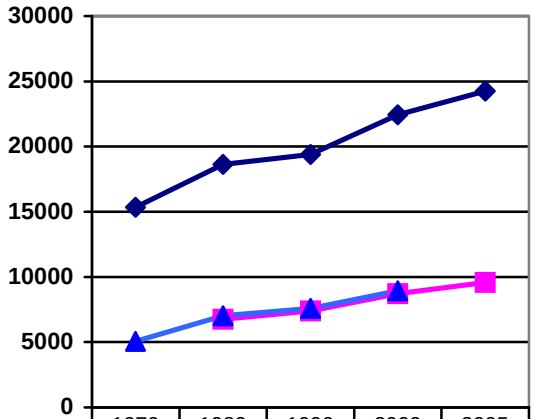


	1990	*2000*
Median Household Income	$29,450	$50,000
% of State Median	96.3%	108.4%
# Persons Below Poverty	58	46
% Living Below Poverty	6.5%	4.4%

In the table above, income measures for Medford's residents are illustrated for the two most recent census periods. The median household income increased by 70% between 1990 and 2000. When compared to the County median household income, Medford's household income grew more than 12% faster than the County's. The census findings on other income measures in 2000 also report that 4.4% of Medford's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide.


City of Medford

Trend Chart - City of Owatonna



	1970	1980	1990	2000	2005
Population	15341	18632	19386	22434	24255
Households		6746	7382	8704	9566
Housing Units	5069	7032	7578	8940	

The City of Owatonna dominates the population demographics in Steele County. In 1970 the City contained more than 54% of the County's total population. By the year 2000, Owatonna's population made up 66.6% of the County's population. The 2005 estimate shows that the City continues to capture an increasing share of the County population with an estimated 68% of the County's population. From 1970 to 2000, the Owatonna population grew by 46.2%. The growth in households in Owatonna has occurred at even higher rates than has been seen for the population. Population and household estimates by the State Demographer's office shows a similar growth rate for the 2000 to 2010 decade as was seen for the 1990 to 2000 decade, or a decennial growth rate of 15.7%. The estimates for household growth are for a similar rate for the current decade than the past decade. The 1990s saw a growth rate of less than 18% in households, while estimates to 2005 project a growth rate of nearly 17% for the City. The minority population in the City of Owatonna in the year 2000 was 1,830 persons, or a little more than 8%. The population of minority persons is heavily weighted towards youth. More than 52% of the minority population is aged 19 or younger. Another 17% is aged 20 to 29.

In the table below, changes can be seen in the City's population by age and sex between 1990 and 2000. An interesting observation is of that part of the population that is aged 19 or younger. The typical trend is to see a decrease in the overall percentage of the population that falls within the youth group. However, Owatonna has seen a slight increase in the percentage of persons who are aged 19 or younger. Part of the explanation lies with the large increase in the minority population that is heavily loaded towards the percentage of youth. Otherwise it is a fairly normal trend with decreases in

Persons by Age & Sex

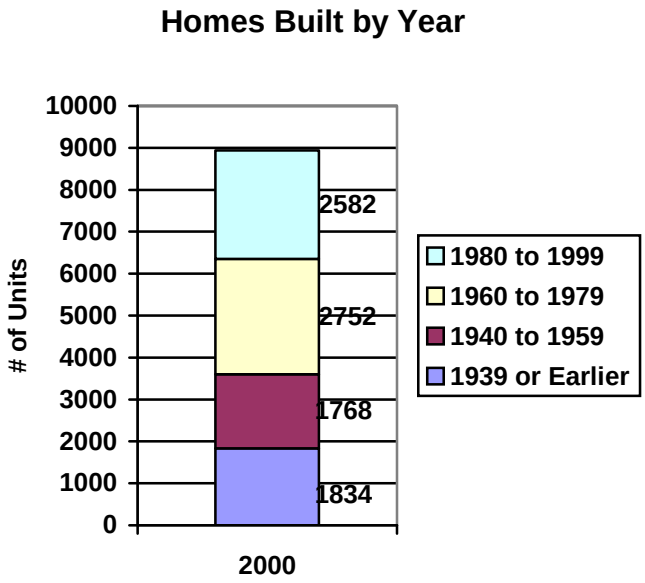
	1990	*% of total*	*2000*	*% of total*
Age 0 to 19	5,935	30.6%	6,913	30.8%
Age 20 to 29	3,043	15.7%	2,680	11.9%
Age 30 to 49	5,404	27.9%	6,928	30.9%
Age 50 to 64	2,354	12.1%	3,017	13.4%
Age 65 or older	2,650	13.7%	2,896	12.9%
Males	9,309	48%	10,927	48.7%
Females	10,077	52%	11,507	51.3%

those aged 20 to 29, and increases in two of the older age groups, 30 to 49 and 50 to 64. While there was an increase in the numbers of persons aged 65 and older, the percentage of persons in this age group dropped slightly. This group will show renewed strength by the 2010 census, and will likely be the fastest growing segment by 2020. The number of males grew at a faster rate in the City during the 1990s than females.

	1990	*2000*
Owned Units	5,366	6,645
Rented Units	2,016	2,059
Vacant Units	196	236
Median Housing Value	$63,800	$101,400
Median Contract Rent	$326	$427

As seen in the table above, the number of owner occupied units increased by nearly 1,300 units, with renter occupied units only slightly increasing, and the number of vacant homes increasing as well. Of the 236 vacant units, 71 were for sale, 58 were for rent, 51 units had been sold or rented but not yet occupied, 18 were for seasonal use, and the remaining were vacant for other reasons. Given the housing development in the City, one would expect changes in housing values too. That has occurred. The median value of homes increased by nearly 59% between 1990 and 2000.

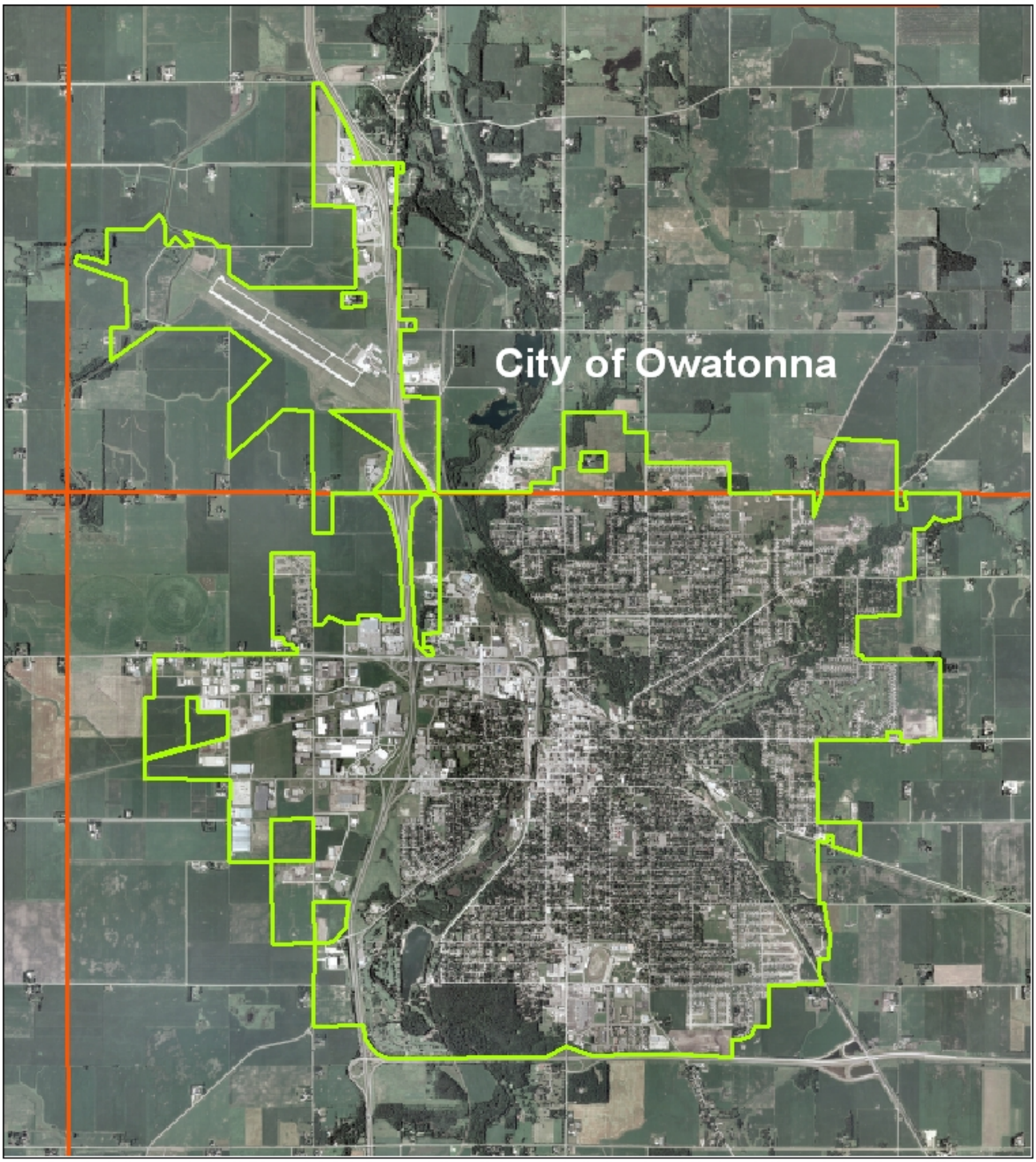
The graphic on the right shows the extent of all the recent construction. The existing housing stock contains the most housing aged from the 1970s with 1,749 units, and the second most from the 1990s with 1,670 units. Both the 1960s and 1950s have units in excess of 1,000. As mentioned earlier, the growth is predicted to remain similar this decade to that seen in the last decade by the Demographer's Office. It could be a decade in which the housing unit construction is the heaviest in many years and maybe ever.



In the table below, income measures for Owatonna's residents are illustrated for the two most recent census periods. The median household income increased by nearly 48% between 1990 and 2000. It becomes almost ridiculous to make comparisons of the City to County because two thirds of the County's demographic statistics come from the City of Owatonna. As expected, the median household changes for the City of Owatonna track closely with the County statistics. In 1990, the median household income for Owatonna was 101% of the County median income. By 2000, this same income measure was 99% of the

County income measure. The census findings on other income measures in 2000 also report that 6.6% of Owatonna's residents had incomes below the poverty threshold, compared to a 7.9% rate statewide. This group grew from the 1990 census period, also a trend that is different from most other jurisdictions.

	1990	*2000*
Median Household Income	$30,870	$45,660
% of County Median	101%	99%
# Persons Below Poverty	1,141	1,457
% Living Below Poverty	6.1%	6.6%


City of Owatonna

Implementation of Plan

The Land Use Plan is a series of statements containing goals, objectives, and policies for the purposes of guiding growth, preserving existing land uses, or changing how land is to be used. The Plan forms the policy basis for the more technical and specific implementation measures that will follow after adoption of the Plan. The Plan will have little effect upon land use unless adequate implementation programs are established. This section identifies actions and programs that will be useful if the plan is to be followed.

Zoning Ordinance Requirements

Zoning is the development control that is most closely associated with implementation of the Land Use Plan. Originally, zoning was intended to inhibit nuisances and protect property values. Zoning has evolved to serving multiple purposes, including:

- Promoting orderly growth;
- Preservation of existing land uses, natural resources, or unique areas;
- To accommodate special, complex or unique situations through such mechanisms as planned unit developments, overlay districts, or conditional use permits;
- Promote the proper relationship between potentially conflicting land uses such as industrial uses or agricultural feedlots located adjacent to residential areas;
- Promote proper density along sensitive resource areas, such as lake basins.

A number of the policy statements contained in this document would require amendments to the existing Steele County Zoning Ordinance. Among the changes proposed to the zoning text:

- Enact a regulatory provision requiring the provision of a one rod buffer strip along rivers, streams, creeks, public & private ditches, and other water features deemed to be vulnerable to field runoff;
- Make alterations to gravel pit standards to reduce possible negative aspects of this use;
- The density standard for the Agricultural District is recommended to be one (1) per ¼ ¼, with a lot size of 2.5 acres, and which must be located on land that has not been historically tilled for the previous five (5) years;
- The road setback limit of 700’ feet will be eliminated for Ag uses such as storage sheds, feedlots, barns, and other similar structures;
- Turkey manure stockpiling will be subject to additional setback requirements depending upon the length of time the manure needs to be stored;
- Development criteria will be added to the Zoning Ordinance for the siting of advertising devices along major transportation routes; and
- Other changes may also result from opening the ordinance up for review.

Zoning Map Adjustments

A number of the policy statements contained in this document would require amendments to the existing Steele County Zoning Map. Among the changes proposed:

- Expand the Interim Agricultural District boundaries.
- Adding an Aggregate Resource protection overlay zone.

Adopt an Erosion Control Ordinance

Land erosion is perceived as being a big environmental problem in the County. An erosion control ordinance would bring an enforcement tool to the County's efforts to address this land use problem.

Adopt an Aggregate Resource Protection Ordinance

Aggregate resources can be lost for use or the expense of access can increase when development is allowed on resource parcels prematurely. The County may adopt an aggregate resource protection ordinance, identify the location of those resource areas, and protect them from premature development.

Participate in a Wetlands Tax Reduction Program

The will investigate an opportunity for local landowners who have wetland areas in their property areas where the landowner would receive reduced tax liabilities for these land areas when delineated legally and registered with the County. The State would reimburse the County for lost tax revenues and additional protections would be brought to wetland features.