



Community Development

Annual Report

2025

Respectfully Submitted by:

Jodie Steffes

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March 2, 2026

Mayor and City Council:

The Community Development Department experienced significant transitions in 2025. I stepped into the Community Development Director role after serving as Community Development Specialist since 2018, and the resulting vacancy was filled, restoring full departmental staffing. During this period of change, the team navigated staffing shortages, redistributed responsibilities, and onboarded new members while maintaining service levels and operational continuity. Despite these challenges and amid an economic environment marked by slower growth and shifting development dynamics, the department remained committed to fostering economic growth and expanding housing opportunities through strategic development efforts and meaningful community engagement.

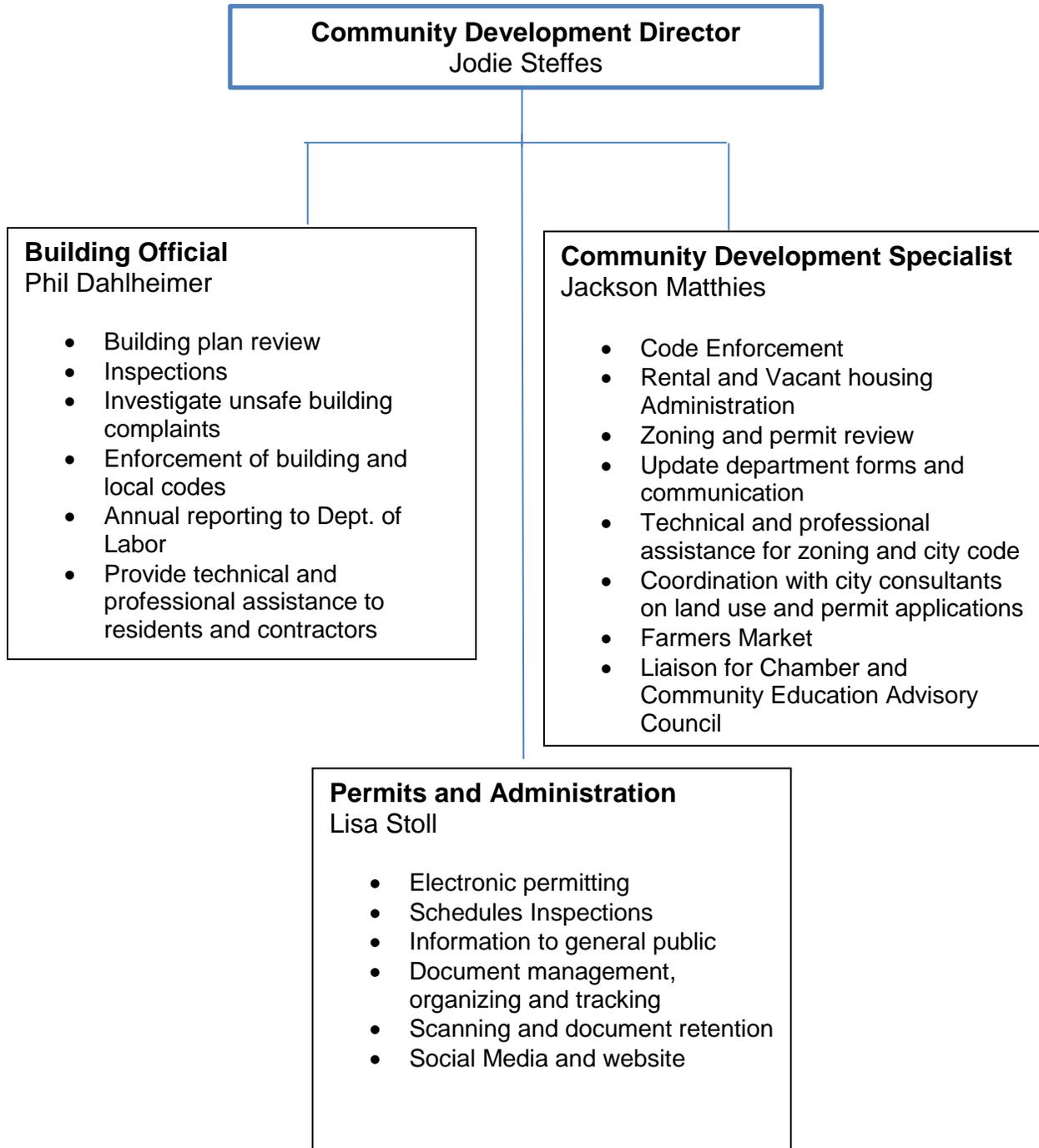
The core functions of Community Development include Building Code and Inspections, Planning and Zoning, Economic Development, Communications, Code Enforcement, and Rental and Vacant Housing programs. Although these functions are related, they each have a separate responsibility for the city as a whole. The department has four positions that administer and complete the responsibilities of all programs and work closely together to keep St. Francis competitive and successful in its development needs. The department also relies on the support and efforts of the City's consultants, including planning, engineering, and legal.

I am pleased to provide this report highlighting the accomplishments and activities of the Community Development Department in 2025. Our work continues on redevelopment to encourage activity that supports the City's long-term vision.

Regards,

Jodie Steffes

COMMUNITY DEVELOPMENT ORGANIZATIONAL CHART



Economic Development

The department continues to work with project concepts and property sales for economic growth and opportunities. Here is an update on the status of the following projects:

Downtown Redevelopment - Bridge Street

- 3750 Bridge St – Following its completion in 2024, this facility has quickly become a cornerstone of our community. Beyond housing essential municipal and fire services, it serves as a vital civic hub for City Council and Fire District meetings, hosts various community events, and provides a large enough space for the Chamber of Commerce's monthly meetings. This multi-purpose facility has become an invaluable community asset.



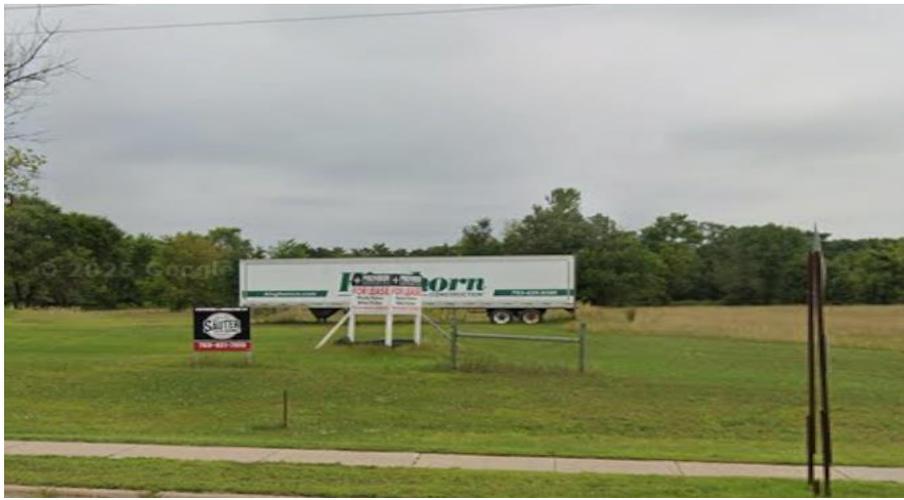
- 3731 Bridge Street – North Shore Development Partners: Following the EDA's acceptance of a purchase agreement, a legal review is currently underway to finalize property boundaries. The City is collaborating closely with the developer on a residential infill concept plan for a townhouse community. This project aims to introduce high-quality housing options that will bring a new influx of residents to support the vitality of the Bridge Street commercial district.
- 3518 Bridge Street – Property is listed for sale and is a premier opportunity for commercial development that has views of the Rum River.



- 3631 Bridge Street – Rum River Inn: Following the sale of the property in 2025, the new owners have engaged closely with City staff to navigate the land use process. To support this transition, staff developed a comprehensive guide to help the owners manage the various local and state codes governing the site. Given its status on the National Register of Historic Places and its location within the Rum River Overlay District, this project offers a unique opportunity for creative, high-standard redevelopment.



- 3503 Bridge St – Rum River Preserve of St. Francis: Following the 2024 sale and subsequent demolition of existing structures, this privately owned parcel is slated for a four-phase master plan. The development will feature a strategic mix of two commercial buildings and two residential apartment buildings. To support the project’s success, City staff have provided comprehensive statistical and demographic data to assist the developer in attracting high-quality commercial tenants and businesses.



Initiatives and Marketing:

Staff continues to work with various partners to enhance economic development in the city. Efforts include:

- Work with the Anoka County Regional Economic Development (ACRED) partnership, including Connexus Energy, Metro North Chamber, and cities participating, to improve economic development as a region.
- Partnering with the St. Francis Chamber of Commerce by providing logistical, strategic, and practical support for their efforts.
- Direct outreach to residential and commercial developers for infill projects.



Broadband and Internet:

In 2025, Midco had multiple projects that expanded fiber optic cable in the St. Francis area.

Project 1: Ambassador Blvd to Zea Street

Project 2: Pederson Drive, from Guarani Street to Lipan Street

Project 3: Arrowhead Street and 231st Lane

Project 4: Woodbine Street

St. Francis Economic Development Authority

The EDA held two meetings in 2025, one in February and one in July. During the year, the EDA entered into a purchase agreement with North Shore Development Partners. In addition, the Executive Director worked with a realtor to list the property at 3518 Bridge Street.

The EDA partnered with the St. Francis branch of the Anoka County Library (MELSA) and hosted a ChatGPT for Marketing workshop event in October. The guest speaker was Nickie Welsh of Social Club Simple. She taught local business owners and marketers how to leverage the capabilities of ChatGPT to generate compelling marketing content. The event was open to all businesses in the community and received positive feedback.

Farmers Market

The Farmers Market completed its third season in 2025 with record-setting attendance. We welcomed more than 450 visitors each week over the 16-week season. A total of 25 vendors registered, with an average of 18 vendors participating each market day. Of those registered vendors, 10 are St. Francis residents.

Nine community groups also participated throughout the season, connecting with market visitors and sharing valuable information. From UMN Turfgrass Education and the Anoka County Master Gardeners to ISD 15 Early Childhood Education, community organizations engaged residents and strengthened local connections. In addition, 8 food trucks registered this season, adding to the vibrant atmosphere and providing a variety of food options for attendees. The addition of live music further enhanced the experience and helped make each market day a special community gathering.



Land Use Development

The city continued to utilize HKGi for planning services in 2025 to support land use development working primarily with Beth Richmond. This partnership has worked well, and staff are happy with their consultation services.

Residential Development

According to the St. Paul Area Association of Realtors, housing inventory remains constrained in most segments of the market. In 2025, the median home sales price in St. Francis was \$338,500, representing a 5.4% decrease from 2024. While this reflects a shift from the steady price increases experienced between 2021 and 2024, home values remain approximately 12.5% higher than 2021 levels. This change suggests a stabilizing housing market following several years of strong appreciation.

City of St. Francis Median Home Price Since 2021

2021	2022	2023	2024	2025	YOY	Since 2021
\$301,000	\$330,000	\$340,000	\$358,000	\$338,000	- 5.4%	+ 12.5%

Staff continues to provide technical assistance to housing developers. The following projects were continued or reviewed in 2025.

- **Bluffs of Rum River** – Amended Preliminary Plat for approval August 2025. Final Plat submitted September 2025, Incomplete. This development will add 40 single-family units, 115 detached townhomes/villas, 26 attached rowhouse and a 110 unit apartment building.
- **Eagle Point/Vista Prairie - Senior Living Project** – Vista Prairie completed construction and welcomed its first tenant on November 12, 2025. The units consist of 65 independent, 40 assisted living, 24 memory care, and 8 care suites.
- **3731 Bridge Street** – This is an EDA owned infill housing site that is being considered for a townhouse community by North Shore Development Partners. The city accepted a purchase agreement, and the legal department is currently finalizing the property boundaries.
- **Rivers Edge Development** – In 2025, the 8th Addition Final Plat of the Rivers Edge PUD was approved. The final plat includes 29 lots on the west end of the development. This is the final phase.
- **Dalton River Villas** – The final plat was approved November 2025 for 19 Villa lots. Construction began in December and is located on Ambassador Blvd and Woodbine Street.

Commercial Development

Commercial development is a critical component of a healthy community and local economy. Commercial development creates local job opportunities and allows for residents to meet the needs of their daily life within the city.

- **1st Baptist Church** – 1st Baptist church started construction of a 6,000 sq. ft. building addition that will create the added space needed for their growing staff, students, and congregation. It is expected to be completed in January 2026.
- **Opp Medical Building Expansion** – Opp Family Chiropractic is in the process of completing construction of the lower level of the building. Compound Fitness Gym will occupy this portion of the building.

Planning Commission

The Planning Commission met 6 times in 2025, working its way through code updates and developments. Many items required a public hearing, which they are responsible for in the land use process.

The Planning Commission had one vacancy in 2025 that was filled in December.

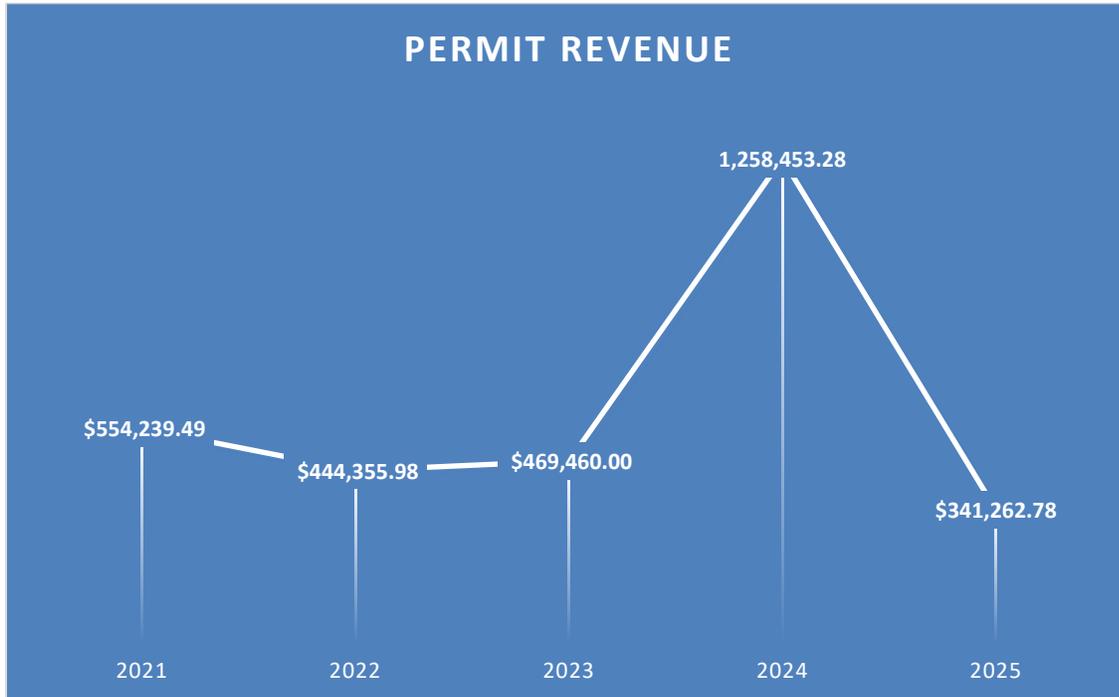
During the year, they collected input from the public and made recommendations to Council on the following items:

- Developments: Bluffs of Rum River, Rivers Edge 8th Addition, Dalton River Villas, St. Francis Apartments Concept
- IUP: Northrup Grumman/Cedar Creek Energy Solar Farm Rural Driveway
- Ordinance Amendments: Housekeeping updates, text amendment to solar energy systems, accessory structure size, stormwater management
- Rezoning and Comprehensive Plan Amendment: Rezoning 23671 St. Francis Blvd NW from I-1 General Industrial to B-2 General Business Commercial district.



Building Department

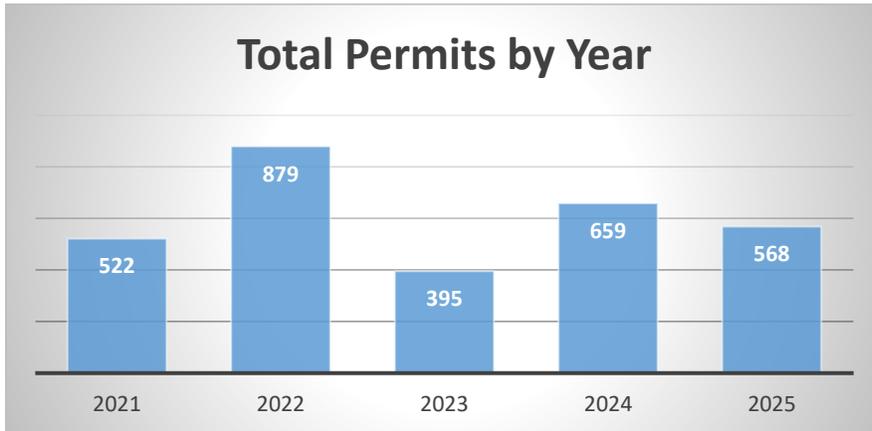
Building permit revenue continues to fluctuate with the city growth and development patterns in new housing units, residential remodeling and commercial construction. Building and zoning fees are set through the Fee Schedule. The graph below shows how permit revenues have changed over the past five years.



Revenue from building permit fees collected support stormwater, planning, and engineering reviews, in addition to inspections. Commercial and septic permits are received and processed through a contract with Metro West Inspection Services, in which the City pays a percentage of fees back to their organization. Metro West is also utilized when the city's Building Official is out for any extended period of time.

However, permit revenue does not necessarily correlate with the number of permits and workload required by staff. In 2025, 75% of the City's permits were flat fee permits, which typically do not require a review and only require one inspection. These permits require almost as much administrative time, primarily completed by Lisa Stoll, to process as permits that require a valuation.

In 2025, there were a total of 568 permits, a decrease of 13.8%.



Growth

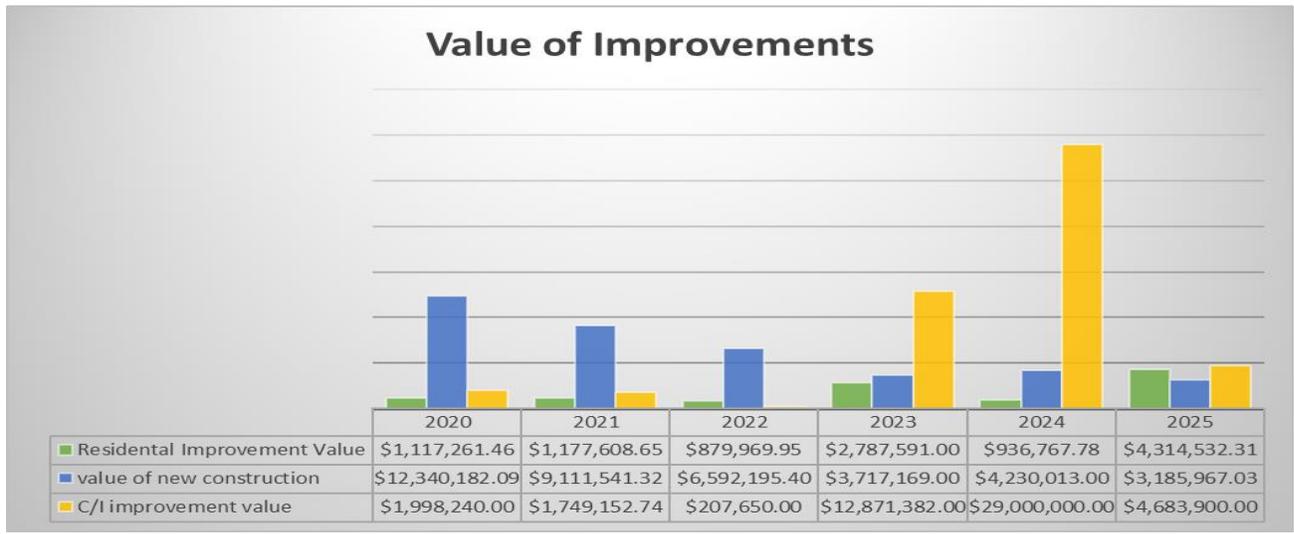
The leading indicator of growth in a city is new construction permits. In 2025, the city had 17 new homes built in the form of single units. Builders expressed additional caution due to increased interest rates. Below is the historical data of all new single-family construction permits. The highest year of tracked new construction permits was in 2017, with a total of 70 new homes in a single year. Manufactured Homes are not included.



Investment

Investment in our building stock comes from new construction and building improvements. Every permit brings a value to the community through improvement, supporting sustainability and the ongoing value of the improved structure. In 2025, we saw a strong

increase in residential improvement activity, indicating reinvestment in existing housing stock. While new construction slowed slightly and commercial valuation declined from 2024 levels, last year's commercial totals were influenced by a significant one-time project. Overall, 2025 reflects continued investment, particularly in residential properties. Higher material and labor costs may also be contributing to shifts.



Code Enforcement

Enforcement is an ongoing function of staff, and it is primarily managed by the Community Development Specialist with inspection support from the Building Official. Most of the code enforcement is administered on a community complaint basis with some staff-initiated outreach and corrections. After a complaint is received, staff sends an Administrative Notice to the property owner to inform them of the violation. Most issues are resolved with this notice. Typically, the property owner creates a resolution plan, and follow-up inspections are scheduled.

During 2025, staff worked with 73 properties to address complaints that required an Administrative Notice be sent. Of the notices issued, 6 properties received citations. The top three complaints were vehicle parking issues, junk/debris, and work without a permit. Properties contacted with Code enforcement concerns:

Year	Number of Properties:	Number of Citations:
2020	120	10
2021	165	12
2022	88	10
2023	66	7
2024	72	15
2025	73	6

There was one large code enforcement case that required City Council review in 2025.

- **2127 243rd Ave** – The property has significant City Code violations regarding outdoor storage and junk/debris. This property owner’s representative worked with staff to create a clean-up plan and received an extension from City Council. To date, the property has met the requirements of each interim checkpoint and is considered a code enforcement success.

Administrative Projects:

- **BS&A Transition** – Staff transitioned to the BS&A software system in late 2023. Nearly all aspects of the Community Development teams’ work changed dramatically with the new system. The BS&A software now manages permits, inspections, plan review, code enforcement, rental/vacant registration, land use applications, and payment processing. In 2025, Staff continued to work on implementing the online permitting system.
- **Rental Housing Licensing** – The rental license program helps to ensure that all residents are living in safe and decent housing that is being properly maintained. The properties are inspected every few years to ensure they are safe. There are currently 119 rental properties registered in the City, and this is a slight increase from 2024, which had 114.
- **Vacant Property Registration** –The vacant registration program helps to ward off blight and uphold quality buildings in the City. In 2025, there was one known vacant property being tracked – the Rum River Inn. There were four new properties registered that have since been reoccupied.
- **Website and Department forms/applications** – Keeping the website up-to-date is an ongoing activity. Staff values the website being up-to-date for transparency with the public and easy reference for the status of projects. It is also important to ensure that all of our informational handouts and documents are aligned with current codes, fees, and procedures.