Inver Grove Heights Economic Development Authority
Monday, April 3, 2023 at 5:00 PM
8150 Barbara Avenue, Inver Grove Heights, MN 55077

AGENDA

NOTICE TO RESIDENTS: Individuals may submit written public comments in advance of the meeting by emailing comments to Stacy Bodsberg (sbodsberg@ighmn.gov). Comments received prior to 4:00 p.m. on Monday, April 3, 2023, will be provided to the EDA at or before the April 3, 2023 meeting.

NOTICE OF REMOTE ATTENDANCE: Councilmember Mary T'Kach is expected to attend the meeting remotely from the following location: Apartado 54, 8650-908 Sagres, Portugal.

1. **Call to Order**
2. **Roll Call**
3. **Consent Agenda**
   - **A.** Consider Approval of Minutes from the February 6, 2023, Regular Economic Development Authority Meeting.
   - **B.** Consider Approval of Minutes from the March 13, 2023, Special Economic Development Authority Meeting.
   - **C.** Consider Approval of Claims.
4. **Regular Agenda**
   - **A.** Introduction to Krueger Real Estate Advisors, IGH Retail Recruitment Consultant Firm - Lee Krueger
   - **B.** MN Real Estate Journal (MREJ) Southeast Metro Summit for Twin Cities Real Estate Brokers & Real Estate Developers - Heather Rand
5. **Next Meeting**
6. **Adjourn**

INVER GROVE HEIGHTS ECEONOMIC DEVELOPMENT AUTHORITY MEETING

MONDAY, FEBRUARY 6, 2023 – 8150 BARBARA AVE

The Economic Development Authority (EDA) of Inver Grove Heights met in regular session February 6, 2023, at City Hall. Executive Director Heather Rand called the meeting to order at 5:00 p.m. Present were Economic Development Authority Commissioners Dietrich, Murphy, T'Kach, Gliva, and Scales, Executive Director Rand, City Attorney Nason, City Administrator Wilson, and Deputy City Clerk Malott.

3. Election of Officers

A. Election of EDA Officers

The EDA is asked to elect a President, Vide-President, and Treasurer from among members of the body and to appoint the City Clerk as the EDA Secretary and the Finance Director as the Assistant Treasurer.

Motion by Murphy; Second by T'Kach to elect Gliva as EDA President. Motion approved 5-0.

Motion by Dietrich; Second by T'Kach to approve staff recommendations to appoint City Clerk as EDA Secretary and the City's Finance Director as the Assistant Treasurer.

Motion by T'Kach; Second by Murphy to appoint Scales as EDA Vice President.

Motion by T'Kach; Second by Murphy to appoint Dietrich as EDA Treasurer.

4. Presentation and Discussion

A. Presentation and Discussion on Proposed Argenta Trail/I-494 Interchange development Process Evaluation.

Executive Director Rand introduced WSB Engineering Vice President of Municipal Services, Monica Heil and Director of Community Planning Kim Lindquist.

Heil and Lindquist gave a presentation on the process for developing a future interchange at Argenta Trail and I-494.

5. Consent Agenda

A. Consider Approval of Minutes from the November 7, 2022 Regular Economic Development Authority Meeting
B. Consider Approval of Claims
C. Accepting of the Open to Business 2022 Activity Report

6. Regular Agenda

A. Discuss Issuance of a Request for Proposals (RFP) for Retail Recruitment Consultant Services

Executive Director Rand presents on the issuance of a Request for Proposals for retail recruitment.

Director Rand asks the EDA to discuss the use of funds adopted in the 2023 EDA budget for the pursuit of a consultant through an RFP for retail recruitment services or to hire a dedicated economic development staff member.

Motion by Murphy; Second by T'Kach for staff to pursue an RFP to hire a consultant for retail recruitment services.

B. Consider Amendment to EDA Bylaws Regarding Meeting Frequency

The EDA is asked to amend the Bylaws of the Inver Grove Heights Economic Development Authority from the current quarterly meetings to bi-monthly meetings through 2023 to allow for more time to focus on economic development matters.

Motion by Murphy; Second by Scales to amend the Bylaws and adjust the meeting schedule of the EDA to bi-monthly through 2023.

C. Executive Director's Report

Report was received.

7. Adjourn

Motion by T'Kach to adjourn the meeting at 8:03 p.m.

NEXT MEETING

The next regularly scheduled meeting is Monday, April 3, 2023 at 5:00 p.m.

Special EDA Meeting possibly Monday, March 13, 2023.

Minutes prepared by Deputy City Clerk Katie Malott

INVER GROVE HEIGHTS ECEONOMIC DEVELOPMENT AUTHORITY

SPECIAL MEETING

MONDAY, MARCH 13, 2023 – 8150 BARBARA AVE

1. **Call to Order:**
   The Economic Development Authority (EDA) of Inver Grove Heights met in a special session March 13, 2023, at City Hall. Chair Gliva called the meeting to order at 5:00 p.m. The Pledge of Allegiance was recited.

2. **Roll Call:**
   Present In-Person: Chair Gliva, Commissioners: Murphy, Scales; Executive Director Rand, City Administrator Wilson, and Community Development Support Specialist Bodsberg.
   Present Virtually: Commissioners Dietrich and T'Kach.

3. **Regular Agenda:**
   A. Consideration of Proposals for Retail Recruitment Consultant Services.
   Executive Director Heather Rand introduced this item to discuss the three proposals received in response to its RFP for Retail Recruitment Services and provide direction to staff on next steps.
   Ms. Rand reviewed the staff report and stated that at the February 6th, 2023, EDA meeting staff was directed to collect RFPs for Retail Recruitment Services. The city received three proposals and they are from Krueger Real Estate Advisors out of Bloomington, MN, Retail Strategies out of Birmingham, AL, and The Retail Coach out of Austin, TX and Tupalu, MS. All three proposals fall within the budget that has been set.

   Commissioner Murphy stated that he ordered Krueger number one and Retail Coach number two. Mr. Murphy explained that he likes the fact that Krueger is local and may be more available for updates and information. But throughout Krueger's proposal there is mention of "City Incentives". Mr. Murphy questioned as to what those incentives would be. Mr. Murphy explained that he likes the fact that Retail Coach is very research driven and that they would conduct a data analysis on the city. His only question is if during that analysis would they be speaking with residents in addition to the data.

   Executive Director Rand explained that she agrees with Commissioner Murphy's assessment. Krueger Retail Advisory can do the research if needed, but they are more into the relationships and identifying what companies would be a good fit for our community. Ms. Rand stated that it would be good to have a 6-month term for their contract so that their information can be reviewed. Mr. Lee Krueger has experience with the St. Paul Port Authority and has also been a commercial real estate broker.

City Administrator Wilson stated that Commissioner Murphy's question about the possible financial incentives that were referenced throughout the Krueger proposal is most likely a reflection on his past work experience with the St. Paul Port Authority. Most of their deals will include some sort of financial incentive with the work happening in such a large city. The Council will be able to set the parameter if any financial assistance is available and under what circumstances. The Retail Coach does have some local brokers that they work with but the communication wouldn't be with local Inver Grove Heights residents but with the local commercial brokers.

Commissioner Scales stated that he also likes the local hands-on option with Krueger Real Estate that would be more beneficial.

Commissioner T'Kach stated that she agrees with what has been discussed. Ms. T'Kach explained that because Krueger is local, they could possibly have more knowledge of opportunities, and potential financial opportunities. Also, likes the fact that they have the idea of working with relationships and building future relationships. Retail Coach is a distant second on her list.

Commissioner Deitrich stated that Krueger Real Estate is first on her list as well. Ms. Deitrich stated that she likes the fact that their company are hunters, and they'll go out and get the work done. Ms. Deitrich questioned if the Economic Director has the time to be the main contact.

City Administrator Wilson stated that EDA Director Rand and herself will be joint contacts on this project and will intend to work jointly together. As far as the right amount of communication will fluctuate and will be worked out as the agreement process is worked out.

Commissioner Deitrich stated that she would like to see how the beanchmarks will be laid out.

Chair Gliva stated that she would like to be involved with communication as well between the city and the chosen consultant, at least at the beginning of this process. Ms. Gliva stated that she also had Krueger first on her list and liked the fact that in their RFP they stated that their focus will be on efforts that will lead to transactions.

Commissioner Murphy stated that as staff works through their relationship with the consultant, he would like to see more of the activity that can potentially occur versus just reports.

Commissioner Scales inquired if a contract in length of 6-months is a reasonable amount of time to see results or if 12-months made more sense.

City Administrator Wilson stated that having a 6-month period is more realistic to see if they're happy with the progress of what the consultant is doing or if a new consultant needs to be selected.

Commissioner Deitrich inquired if it's customary to negotiate the cost.

Chair Gliva stated that the chosen proposal isn't the most economical, is there a way to go back and renegotiate.

Executive Director Rand stated that there are three forms proposed and the pricing that they stated is a reflection of what type of work they would do. With what is proposed and how many hours a month Krueger is going to set aside for the city, and that may not have been the case with the other two proposals. Ms. Rand stated that it isn't recommended that we go back and try to renegotiate the costs. If there are additional services that would like to be added, that can certainly be a discussion.

City Adminsitrator Wilson stated she agrees with Ms. Rand and that it would be unusual to renegotiate purely over price. It wouldn't be uncommon to say that the proposal is too much, and then they would take a few services off and narrow in the scope of work to bring the proposal more in line with the city budget.

Executive Director Rand stated that the question is appreciated and that wanting to add value for the residents is important.

Motion by Scales; Second by T'Kach to approve Executive Director Rand to enter into a Professional Service Agreement with Krueger Real Estate Advisors for a six-month contract and to financially not exceed $7,800 per month along with approved expenses.
Motion approved 5-0.

4. **Adjourn.**

Motion by Murphy; all in favor to adjourn. The meeting was adjourned by unanimous vote at 5:29 p.m.

Minutes prepared by Stacy Bodsberg, Community Development Support Specialist

City of Inver Grove Heights

Budget Report

Account Summary

For Fiscal: 2023 Period Ending: 03/31/2023

		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 290 - EDA-OPERATING FUND							
Revenue							
290.00.0000.3610000	INVESTMENT INTEREST	1,900.00	1,900.00	0.00	0.00	-1,900.00	100.00 %
290.45.0000.3911000	OPERATING TRANSFERS IN	143,600.00	143,600.00	11,966.67	35,900.01	-107,699.99	75.00 %
	Revenue Total:	**145,500.00**	**145,500.00**	**11,966.67**	**35,900.01**	**-109,599.99**	**75.33 %**
Expense							
290.45.3000.419.10100	FULL-TIME EMPLOYEES	107,300.00	107,300.00	1,268.80	3,787.76	103,512.24	96.47 %
290.45.3000.419.20100	INSURANCE-CASH OPTION	5,100.00	5,100.00	35.64	106.92	4,993.08	97.90 %
290.45.3000.419.20300	EMPLOYER SOCIAL SECURITY	6,700.00	6,700.00	80.60	240.64	6,459.36	96.41 %
290.45.3000.419.20350	EMPLOYER MEDICARE	1,465.00	1,465.00	18.86	56.31	1,408.69	96.16 %
290.45.3000.419.20400	EMPLOYER PERA	8,100.00	8,100.00	95.16	284.08	7,815.92	96.49 %
290.45.3000.419.20600	MEDICAL INSURANCE	15,200.00	15,200.00	82.66	247.97	14,952.03	98.37 %
290.45.3000.419.20620	LIFE INSURANCE	200.00	200.00	1.79	5.37	194.63	97.32 %
290.45.3000.419.20630	LTD INSURANCE	300.00	300.00	2.23	6.69	293.31	97.77 %
290.45.3000.419.20720	FLEX/COMP ACCOUNT FEE	100.00	100.00	0.00	1.04	98.96	98.96 %
290.45.3000.419.20750	WORKERS COMPENSATION	200.00	200.00	16.67	50.01	149.99	75.00 %
290.45.3000.419.30150	FISCAL CONSULTANTS	6,000.00	6,000.00	0.00	0.00	6,000.00	100.00 %
290.45.3000.419.30420	LEGAL SERVICES	6,000.00	6,000.00	0.00	0.00	6,000.00	100.00 %
290.45.3000.419.30440	BOND COUNSEL	1,000.00	1,000.00	0.00	0.00	1,000.00	100.00 %
290.45.3000.419.30700	OTHER PROFESSIONAL SERVICES	40,000.00	58,100.00	20,242.50	20,242.50	37,857.50	65.16 %
290.45.3000.419.40075	CITY FACILITIES ALLOCATION	300.00	300.00	25.00	75.00	225.00	75.00 %
290.45.3000.419.50019	INSURANCE ALLOCATION	200.00	200.00	16.67	50.01	149.99	75.00 %
290.45.3000.419.50065	TRAVEL	300.00	300.00	0.00	1,046.84	-746.84	-248.95 %
290.45.3000.419.50070	DUES, LICENSES & SUBSCRIPTIONS	8,000.00	8,000.00	0.00	345.00	7,655.00	95.69 %
290.45.3000.419.50080	CONFERENCES AND SEMINARS	3,500.00	3,500.00	0.00	355.00	3,145.00	89.86 %
	Expense Total:	**209,965.00**	**228,065.00**	**21,886.58**	**26,901.14**	**201,163.86**	**88.20 %**
	Fund: 290 - EDA-OPERATING FUND Surplus (Deficit):	**-64,465.00**	**-82,565.00**	**-9,919.91**	**8,998.87**	**91,563.87**	**110.90 %**
Fund: 291 - EDA-ACQUISITIONS FUND							
Revenue							
291.45.0000.3911000	OPERATING TRANSFERS IN	0.00	0.00	0.00	25,000.00	25,000.00	0.00 %
	Revenue Total:	**0.00**	**0.00**	**0.00**	**25,000.00**	**25,000.00**	**0.00 %**
Expense							
291.45.3000.419.40030	STORM WATER UTILITY SERVICE	0.00	0.00	0.00	64.61	-64.61	0.00 %
	Expense Total:	**0.00**	**0.00**	**0.00**	**64.61**	**-64.61**	**0.00 %**
	Fund: 291 - EDA-ACQUISITIONS FUND Surplus (Deficit):	**0.00**	**0.00**	**0.00**	**24,935.39**	**24,935.39**	**0.00 %**
	Report Surplus (Deficit):	**-64,465.00**	**-82,565.00**	**-9,919.91**	**33,934.26**	**116,499.26**	**141.10 %**

Group Summary

Account Typ…	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 290 - EDA-OPERATING FUND						
Revenue	145,500.00	145,500.00	11,966.67	35,900.01	-109,599.99	75.33 %
Expense	209,965.00	228,065.00	21,886.58	26,901.14	201,163.86	88.20 %
Fund: 290 - EDA-OPERATING FUND Surplus (Deficit):	**-64,465.00**	**-82,565.00**	**-9,919.91**	**8,998.87**	**91,563.87**	**110.90 %**
Fund: 291 - EDA-ACQUISITIONS FUND						
Revenue	0.00	0.00	0.00	25,000.00	25,000.00	0.00 %
Expense	0.00	0.00	0.00	64.61	-64.61	0.00 %
Fund: 291 - EDA-ACQUISITIONS FUND Surplus (Deficit):	**0.00**	**0.00**	**0.00**	**24,935.39**	**24,935.39**	**0.00 %**
Report Surplus (Deficit):	**-64,465.00**	**-82,565.00**	**-9,919.91**	**33,934.26**	**116,499.26**	**141.10 %**

Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
290 - EDA-OPERATING FUND	-64,465.00	-82,565.00	-9,919.91	8,998.87	91,563.87
291 - EDA-ACQUISITIONS FUND	0.00	0.00	0.00	24,935.39	24,935.39
Report Surplus (Deficit):	**-64,465.00**	**-82,565.00**	**-9,919.91**	**33,934.26**	**116,499.26**

Agenda Item 4.A.

Economic Development Authority
Staff Report

SUBJECT: Introduction to Krueger Real Estate Advisors, IGH Retail Recruitment Consultant Firm - Lee Krueger

MEETING DATE: April 3, 2023
ITEM TYPE: Regular Agenda
CONTACT: Heather Rand, Community Development Director, 651.450.2546

PURPOSE/ACTION REQUESTED

Introduction to Lee Krueger, President of Krueger Real Estate Advisors and preliminary discussion on retail opportunities in the City of Inver Grove Heights.

BACKGROUND

In February, the IGH City Council established the attraction of restaurants, retail and other business development as a priority for the City. As a result, Professional Retail Recruitment Consulting Service proposals were solicited by the IGH EDA and on March 13, 2023, the EDA awarded a Professional Service Contract to Krueger Real Estate Advisors, headquartered in Bloomington, MN, for retail recruitment services.

On March 24, 2023, IGH EDA President Gliva, Executive Director Rand, and Krueger Real Estate Advisors' President Lee Krueger, and associate Ron Barze met to tour the city and review first-hand a variety of undeveloped and for lease opportunity sites throughout the City. At the April 3, 2023, IGH EDA meeting, Mr. Krueger will be in attendance at the EDA meeting to introduce himself and discuss with Commissioners and City Staff his initial impressions on IGH retail opportunities and next steps for retail recruitment based on his research to date.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

None

Agenda Item 4.B.

CITY OF INVER GROVE HEIGHTS

Economic Development Authority Staff Report

SUBJECT: MN Real Estate Journal (MREJ) Southeast Metro Summit for Twin Cities Real Estate Brokers & Real Estate Developers - Heather Rand

MEETING DATE: April 3, 2023
ITEM TYPE: Regular Agenda
CONTACT: Heather Rand, Community Development Director, 651.450.2546

PURPOSE/ACTION REQUESTED

Discuss New Southeast Metro MREJ Summit Marketing Event

BACKGROUND

Dakota County and Dakota City Community Development Directors have been discussing the hosting of a Southeast Metro Real Estate Summit event for real estate brokers, developers and finance experts for the last couple years. The purpose of such a gathering is to bring together real estate professionals for the purpose of highlighting development opportunities specific to the southeast metro area (Dakota County cities and South Washington County cities) for the purpose of driving more real estate development interest in this part of the Twin Cities Metro. Other parts of the Twin Cities Metro hold similar events throughout the year, it has been noted.

Recently, a planning committee was formed with representation from City and County staff from the Southeast Metro Area and a partnership with the Minnesota Real Estate Journal, a publication and well-known facilitator of realtor trainings was developed for the purpose of co-hosting and promoting an attractive Southeast Metro Real Estate Summit event this spring. The Summit event has now been scheduled for Wednesday, May 24th, from 7:30 am - Noon at the Mendakota County Club with real estate license credits being sought to drive attendance. A dynamic agenda with 4 panels of speakers and opportunities for networking and marketing booths is the format being finalized.

While this Southeast Metro Real Estate Summit event budget is still being finalized, Dakota County, through its CDA, has committed to contributing $10,000 to host this marketing event and the South Washington County EDA a similar amount. It is possible over the next 30 days that Southeast Metro Cities will be asked to also contribute to supporting or sponsoring the event. The 2023 IGH EDA budget did anticipate this and has some funds available for marketing. The EDA Executive Director has discretion to contribute budgeted funds to this and other upcoming marketing opportunities. In anticipation of such, a brief discussion will be held with EDA Commissioners to solicit their input in advance.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS
None