

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING
MONDAY, APRIL 14, 2025 - 8150 BARBARA AVENUE**

1. CALL TO ORDER

The Economic Development Authority (EDA) of Inver Grove Heights met in Regular Session April 14, 2025, in the Council Chambers at City Hall. President Gliva called the meeting to order at 5:00 p.m. The Pledge of Allegiance was said.

2. ROLL CALL

Present In-Person: President Gliva, Commissioner Dietrich, Murphy, and Scales

Present Remotely: Commissioner T’Kach

Staff in Attendance: City Administrator Wilson, City Attorney Nason, EDA Executive Director Ziemer, and City Clerk Kiernan

3. APPROVAL OF AGENDA

Motion by Scales; Second by Murphy; to Approve the Agenda as Published.

Motion Approved 5-0.

4. CONSENT AGENDA

A. Approval of Claims

B. Resolution Changing the Meeting Dates of the Remaining 2025 Regular EDA Meetings.

Motion by Murphy; Second by Scales; to Approve the Consent Agenda.

Motion Approved 5-0.

5. REGULAR AGENDA

A. EDA Executive Director Development Updates.

Executive Director Ziemer shared that USA Curling is considering Inver Grove Heights as a potential location for a national Olympic Training Center, citing its strategic location near the Minneapolis-Saint Paul International Airport. He, Commissioner Dietrich, and EDA Consultant Mr. Lee Krueger recently met with representatives from USA Curling to discuss the opportunity.

To support site planning, the City and EDA retained an architect to perform a fit analysis of the Hempel site. On March 24, 2025, Commissioner Dietrich, President Gliva, Director Ziemer, and Mr. Krueger received an update from the Project Architect, Mr. Chris Wilson. Conversations between Mr. Krueger and USA Curling are ongoing, and research into the facility’s requirements is still underway. Director Ziemer provided an update on the outcomes of the March meeting, highlighting key considerations for potential development. The team is currently working to estimate total project costs, which include building construction, site improvements such as grading and parking, the installation of an ice plant, engineering and design fees, land acquisition, and various development and construction-related expenses, including WAC/SAC charges and permits.

In parallel, the City is identifying potential revenue sources to support the project. These may include lease and event income, program fees, naming rights, and municipal contributions such as fee waivers, tax increment financing (TIF) or abatements, land discounts, and lease or land trust options. Bonding and the possibility of a public referendum are also being evaluated. Additionally, utility capacity studies are underway to inform planning efforts.

This meeting served as a timely opportunity to provide an update and act as a checkpoint to assess

the current status of the project. Moving forward, identifying the appropriate level of detail and information will be critical to support informed, thoughtful, and productive discussions.

He acknowledged that the complexity of the project is a key part of the challenge. He explained that the concept has been explored by the private sector over the past four to five years but has yet to be successfully executed. Interest from private developers has helped advance the project to a stage where it could now realistically be considered in Inver Grove Heights.

While he did not offer a specific recommendation regarding the City's role, he emphasized that such a decision rests with the elected officials. He expressed personal support for the project, describing it as something that could be both impactful and enjoyable for the community, while also recognizing the significant challenges that would need to be addressed.

Commissioner Scales asked whether the City is entering a phase of discussion where it can explore the opportunity without feeling as though it is in competition with another community.

Mr. Krueger stated that Inver Grove Heights is competing with other cities both locally and nationally, many of which are already working with the organization. While some cities are more aggressive, the Twin Cities have generally been less so. To give Inver Grove time to explore the opportunity, he proposed an exclusive right of first refusal for 18 to 24 months. This would allow the City to consider the project without outside pressure. The organization is open to the idea, and no other City has made this proposal.

President Gliva asked why the private sector has not supported this type of project over the past four or five years, questioning whether the reason is financial. She expressed concern that if the private sector is unwilling to pursue it, how the City could realistically make the project viable.

Mr. Krueger explained that the private sector is interested but the financial returns have not been strong enough to justify moving forward. He said they are still identifying potential revenue sources, including leagues, memberships, corporate events, camps, clinics, college use, individual training, public access, naming rights, sponsorships, and possibly food and beverage services. Operating expenses would include utilities, insurance, maintenance, staffing, payroll, benefits, rent, and debt service. At this point, the revenues do not cover the expenses, resulting in a funding gap. He stated that each City must decide whether public investment is appropriate. Some cities have moved ahead with similar projects while others have not. In his view, Inver Grove Heights would need public sector involvement to make the project viable. The best path may be a public-private partnership, as the numbers do not support a fully private investment at this time.

President Gliva questioned whether the City should own another building, raising concerns about long-term maintenance costs and major future expenses. She was unsure if ownership is being considered but felt it was important to raise the issue.

Mr. Krueger emphasized that repair and maintenance costs should not be ignored. He recommended including either an annual budget line item or an escrow for future capital improvements and general maintenance. While new construction may not require immediate repairs, funds should still be set aside each year to prepare for future needs. He stressed that this is a necessary part of responsible budgeting and should not be deferred.

Commissioner Dietrich asked Executive Director Ziemer how much progress has been made since the EDA directed staff to pursue a transformative project like this last year.

Executive Director Ziemer explained that the project consists of two key components: a high-profile, transformative facility with the potential to elevate Inver Grove Heights on a national level, and a community-oriented element that includes amenities such as restaurants and curling opportunities. While progress has been made through fit analysis and initial planning, additional time and resources are necessary to complete a comprehensive financial analysis, including detailed cost estimates, revenue projections, and the identification of potential funding gaps.

He emphasized that a project of this scale will likely require a public partner and may depend on legislative funding support. He also underscored the importance of securing USA Curling's formal participation and establishing lease structures that would cover both operational costs and debt obligations. He concluded by describing the current stage as a strategic checkpoint for the EDA to assess its commitment to moving the project forward.

Commissioner Dietrich asked what it would entail for the City to take the lead on the project and inquired about the next steps in that scenario. He further observed that the progress to date appears to have been relatively slow.

Executive Director Ziemer explained that the next steps involve identifying a viable site that can accommodate the building, parking, and stormwater needs. Once a preferred site is determined, they can begin detailed cost analysis. This may require expanding the architect's scope and possibly hiring an external engineering consultant if internal staff are unavailable. The goal is to develop a complete project cost estimate, then assess financing options, including debt and revenue projections. Ultimately, the City must determine the funding gap and whether it can realistically be closed.

Commissioner Dietrich asked if a more focused group, including Council members, is needed to lead the project. She questioned who is currently driving it and whether curling stakeholders have shared expectations for lease terms, building size, and contract details, noting these are all negotiable.

Executive Director Ziemer said curling stakeholders need to clarify their needs and show commitment, as their role as a key tenant will impact the project's design and funding.

Administrator Wilson explained that the City must define its role in the project along a spectrum of potential partnership models, which could range from a limited promotional role to fully developing and leasing the facility. Each option carries different levels of commitment, including actions such as rezoning, fee reductions, tax incentives, the use of City-owned land, or assuming full financial responsibility and associated risk. She emphasized the importance of receiving clear direction from the EDA and City Council regarding the extent of their willingness to participate. She noted that USA Curling is expecting a defined proposal, and without this guidance, staff are unable to effectively move the project forward.

Commissioner Murphy expressed support for continued exploration of the project and noted that bringing in additional assistance could be warranted given the current limitations on staff capacity. He emphasized that the project should not place a financial burden on taxpayers, citing concerns raised in previous discussions. He also shared his uncertainty regarding how attractive Inver Grove Heights is to USA Curling, as he has not been directly involved in meetings or communication with the organization. He questioned how the City compares to other potential locations beyond its proximity to the airport and requested further insight into the City's overall competitiveness.

Mr. Krueger stated that USA Curling is definitely interested in Inver Grove Heights and that multiple sites could work for their facility. He emphasized that their primary need is the interior function of the training center, not the building's appearance. He believes a deal can be worked out and that the partnership could involve multiple parties with flexible cost-sharing arrangements. The City must decide its role and contribution. He added that the project numbers are close enough to begin drafting a workable pro forma and that some sites are more shovel-ready than others, which could reduce costs.

Commissioner Murphy stated that, based on the discussion, it seems there is enough interest from USA Curling and Inver Grove Heights, along with sufficient historical examples of similar projects, to begin assembling cost estimates.

Mr. Krueger highlighted several examples of curling centers, including in Lakeville, Chaska, and Colorado, noting that successful models include key features like food and beverage services and an event space for 200-250 people to host national and international events. He emphasized Inver Grove Heights' advantage due to its proximity to the airport, making it attractive for global travel compared to locations like Duluth or Rochester. He said various funding options exist, including bonding, hotel-motel taxes, and potential legislative support, and noted additional opportunities like PACE financing and energy incentives. He concluded by stressing the need to decide whether to move forward with the project concept.

Commissioner Scales voiced strong support for the project, particularly if the Argenta Hills site proves to be a viable option, describing it as the type of development residents have long desired. He stressed that while full City ownership is not necessary, the City should assume a leadership role in guiding the project, including establishing clear timelines and deadlines. He cautioned that without decisive action, the opportunity could be lost to another community, resulting in a missed chance to deliver a unique and impactful project that attracts people to Inver Grove Heights.

President Gliva expressed support for setting deadlines and creating a clear project plan.

Executive Director Ziemer stated that the project has thus far remained at a high-level discussion and must now transition to a more detailed, data-driven phase in order to move forward. He emphasized the importance of clearly demonstrating how the project will meet the needs of national partners and prospective tenants, including outlining costs, roles, and responsibilities. He noted that having specific and reliable information would also strengthen efforts to attract additional partners, such as restaurants. Acknowledging that limited staff capacity has contributed to slower progress, he underscored the need to develop a comprehensive and well-defined proposal to present to both the EDA and external stakeholders.

Commissioner Scales stated that staff should communicate what is needed, and the Council will evaluate whether it can provide the necessary support.

President Gliva recommended evaluating an alternative City-owned site that could be made shovel ready in case the Argenta location proves unviable. She also proposed forming a taskforce with Council representation to maintain oversight and reiterated that the Council is willing to assist, pending clear direction from staff on what is needed.

Commissioner Dietrich echoed this sentiment, stating that the Council is willing to support the effort and staff simply needs to communicate what is needed.

Executive Director Ziemer stated that while he is not opposed to the initial site, the City should explore other options and avoid relying solely on one location. He emphasized the importance of analyzing multiple sites to determine their feasibility.

Commissioner Dietrich asked whether the curling representatives have a preferred site.

Executive Director Ziemer said that the curling representatives are likely open to various sites as long as their core needs can be met.

Mr. Krueger said that while multiple sites are being considered, the Argenta site stands out due to its advanced readiness, with infrastructure like roads and utilities already in place, making it nearly shovel-ready. He noted that timing is a key factor, and Argenta could be a year or two ahead of other options. He confirmed that the Hempel group is aware of and supportive of planning efforts and may be a logical partner, given their history with joint ventures. Although some site work will still be needed, such as installing GeoPeers, the cost and timeline advantages are significant. He also supported Administrator Wilson's estimated project cost as a reasonable figure to use for planning.

Commissioner T'Kach expressed hesitation about fully supporting the project at this stage, citing too many unanswered questions. She acknowledged the project's potential but asked whether there has been any discussion about the length of contract the Curling Olympic Training Center would be willing to sign.

Mr. Krueger stated that a minimum 15-year lease is likely, possibly tied to an operating agreement. He emphasized that the facility should be managed by the partner, not the City, as the end user will be highly particular about ice conditions and will prefer to use their own personnel.

Commissioner T'Kach raised several important considerations, beginning with a request to review pro formas from comparable cities or projects to avoid duplicating efforts and to better estimate potential costs. She expressed support for the facility being privately managed rather than operated by the City, citing concerns related to staffing demands and potential impacts on other municipal priorities, such as Parks and Recreation.

Commissioner T'Kach also questioned the extent of long-term regional support, particularly from neighboring states and affiliated organizations, and cautioned against engaging in costly competition with other facilities. She encouraged staff to explore collaborative opportunities with nearby cities and to assess the City's overall capacity, especially in light of other significant initiatives already underway. She emphasized the importance of evaluating the City's ability to manage such a project before moving forward.

Commissioner T'Kach inquired about the timeline and expectations from the representatives of the Curling Olympic Training Center.

Mr. Krueger stated that representatives from the Curling Olympic Training Center are prepared to move forward if a viable agreement can be reached. He explained that while the project is relatively new to the City, it has been in development for four to five years by the organization. Their earlier plans to establish the facility at Viking Lakes in Eagan were ultimately unsuccessful due to financial challenges. Acknowledging the complexity of the project, he noted that there are public sector examples such as the facility in Chaska that can provide useful benchmarks for estimating operating costs.

Commissioner Dietrich stated that she disagrees with the notion that Olympic curling is merely a temporary trend, emphasizing that the United States has been a gold medal contender for 27 years and that the sport's relevance is unlikely to diminish.

Mr. Krueger stated that curling is a stable Winter Olympic sport likely to remain for the long term. He emphasized that with the 2034 Winter Olympics in Salt Lake City, there is a key opportunity to gain visibility. He recommended aiming to have a deal in place to align with the global attention the sport will receive during the Games.

Commissioner Dietrich agreed with Commissioner Scales on the importance of establishing a clear timeline and expressed support for moving the project forward.

Executive Director Ziemer proposed holding a special meeting in the coming weeks to present a summary of project needs, potential costs, and proposed timelines. He emphasized the importance of maintaining momentum and keeping the discussion active.

Administrator Wilson recommended concluding the Executive Director's update and recessing the EDA meeting. The meeting would be reconvened following the City Council meeting to enter a closed session for the final item on the agenda.

Commissioner Dietrich asked who would be responsible for distributing a questionnaire to collect availability for the proposed meeting dates.

Executive Director Ziemer confirmed that he will send out the questionnaire to gather available dates.

6. NEXT MEETING

The next regularly scheduled meeting is Monday, June 9, 2025, at 5:00 p.m.

Motion by Scales; Second by Dietrich; to Recess at 5:57 p.m.

**Motion by Scales; Second by Dietrich; to Reconvene at 7:10 p.m.
Approved 5-0.**

**Motion by Dietrich; Second by Scales; to Move into Closed Session Pursuant to Minnesota State Statute 13D.05 subd. 3(b) (3), to receive an update regarding Continued Negotiations and Consider a Revised Letter of Intent for the Potential Sale of an EDA-Owned Parcel Located on Dickman Trail (PID: 20-01100-27-012) for the Purpose of a Redevelopment Project
Motion Approved 5-0.**

7. CLOSED SESSION

A. Discussion of Purchase Offer and Continued Negotiations regarding the Potential Sale of EDA-Owned Property on Dickman Trail.

**Motion by Dietrich; Second by Scales; to Move into Open Session.
Motion Approved 5-0.**

8. ADJOURN

**Motion by Scales; Second by Dietrich; to Adjourn at 7:46 p.m.
Motion Approved 5-0.**

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING – APRIL 14, 2025

Minutes prepared by Recording Secretary Tammy Greenlee.