



**INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY AGENDA
MONDAY, NOVEMBER 13, 2017
CITY HALL COUNCIL CHAMBERS
5:00 P.M.**

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

A. Consider Approval of Minutes from the:

- August 7, 2017 Special Economic Development Authority Meeting
- August 14, 2017 Regular Economic Development Authority Meeting
- September 11, 2017 Special Economic Development Authority Meeting

B. Consider Approval of Claims

4. REGULAR AGENDA

A. Hear Presentation and Discuss EDA Strategic Plan

B. Consider Approval of 2018 EDA Budget

C. Hear Progress Plus Update

5. NEXT MEETING – February 12, 2018

6. ADJOURN

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING
MONDAY, AUGUST 7, 2017 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, August 7, 2017, in the City Hall Council Chambers. President Piekarski Krech called the meeting to order at 5:00 p.m. Present were Economic Development Authority members Bartholomew, Hark, and Perry; Executive Director Link, City Attorney Kuntz, and City Administrator Lynch.

1. EXECUTIVE SESSION

City Attorney Kuntz explained that Minn. Stat. §13D.05, Subd. 3(c) 2 & 3 allows the Economic Development Authority to go into closed executive session for:

A. Discussion of purchase agreement with William and Kathleen McPhillips

Motion by Bartholomew, second by Perry, to move into executive session pursuant to Minn. Stat. §13D.05, Subd. 3(c) 2 & 3.

Ayes: 4

Nays: 0 Motion carried

The regular meeting reconvened at 5:22 p.m.

2. REGULAR AGENDA

A & B. Consider Resolution Approving a Purchase Agreement Between the Inver Grove Heights EDA and William and Kathleen McPhillips and a Resolution Calling for a Public Hearing to Consider the Creation of Economic Development District No. 10

City Attorney Kuntz explained that the EDA is being asked to consider a purchase agreement for the property at 6940 and 6950 Dixie Avenue, owned by William and Kathleen McPhillips. The two separate tax parcels each have a home that is currently rented out and occupied by tenants. The total purchase price for the two properties would be \$275,000 and the McPhillips would waive any relocation benefits they may be entitled to receive. The current tenants will receive relocation benefits and services, currently estimated to be \$87,141. If the collective relocation expenses exceed \$95,780 the excess amount above that would be a reduction to the purchase price to the McPhillips. The anticipated closing will be in mid-November.

One of the prerequisites to closing is the creation of a development district for the subject property. The proposed date for the EDA to conduct a public hearing for the creation of the development district is September 11.

Motion by Bartholomew, second by Hark, to Approve a Purchase Agreement Between the Inver Grove Heights EDA and William and Kathleen McPhillips

Ayes: 4

Nays: 0 Motion carried

Motion by Bartholomew, second by Perry, to Approve the Resolution Calling for a Public Hearing to Consider the Creation of Economic Development District No. 10 on September 11 at 6:00 pm.

Ayes: 4

Nays: 0 Motion carried

3. **ADJOURNMENT**: Motion by Hark, second by Perry, to adjourn. The meeting was adjourned by unanimous vote at 5:29 p.m.

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING
MONDAY, AUGUST 14, 2017 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, August 14, 2017, in the City Hall Council Chambers. President Piekarski Krech called the meeting to order at 5:00 p.m. Present were Economic Development Authority members Bartholomew, Hark, Perry, and Tourville; Executive Director Link, City Attorney Kuntz, City Administrator Lynch, Finance Director Smith, and Secretary Fox.

3. CONSENT AGENDA

A. Minutes

Motion by Tourville, second by Hark, to approve the minutes from the May 8, 2017 Regular Economic Development Authority Meeting.

Motion carried (5/0)

B. Claims

Motion by Bartholomew, second by Tourville, to approve the disbursements from May 8, 2017 to August 13, 2017.

Motion carried (5/0)

1. REGULAR AGENDA

A. Progress Plus Update

Jennifer Gale, Progress Plus, summarized the last quarters activities. She advised that they presented their marketing efforts to the Minnesota Commercial Realtors Exchange, completed the Inver Grove Heights economic development brochure, collected data from Lakeville, Apple Valley, and South St. Paul on how their development process works and shared it with staff, and attended the Wunderkammer job fair to see if it was something we wanted to bring to our community. They conducted five Grow Minnesota visits (Antonsen Construction, SKB Environmental, Bituminous Roadways, Hometown Meats, and Home Federal Savings and Loan), assisted two food manufacturers, met with a physician looking at leasing a building, conducted two Dakota County comparison sale reports for a new business and worked with two companies looking for space in the community. They have also been trying to explore what they could do to generate excitement for the former Rainbow facility, perhaps as an incubation facility.

President Piekarski Krech asked if the Inver Grove Heights Cub Foods belonged to the Chamber.

Ms. Gale replied that they no longer are members; however, they kept in contact with them. She advised that they have been following social media and they have met with the general manager regarding some of the comments.

Boardmember Hark asked if City staff had access to Xceligent.

Ms. Gale replied in the affirmative.

Boardmember Hark asked Mr. Link how often he used Xceligent in the last few months.

Mr. Link replied that he used it once or twice during that period; however, he requested queries from Ms. Gale several times as a quick turnaround was necessary.

B. EDA Strategic Plan

Brad Scheib, Hoisington Koegler Group Inc., advised that they would be discussing the initial components of the draft strategic plan, recommendations, roles, etc. They will then use the feedback to assemble a draft strategic plan.

Tom Leighton, Tangible Consulting Services, summarized the first brainstorming session with the EDA. The goals that came out of the discussion were business attraction and retention, the redevelopment of Concord Boulevard, and identifying retail challenges.

Mr. Scheib discussed the EDA's role and purpose. He stated that creating a great community, with the EDA's help, would result in increased jobs, and tax base. He suggested enhancing the EDA's role and provided possible recommendations.

Mr. Leighton asked where the EDA saw themselves on the spectrum of reactive versus progressive.

Boardmember Tourville replied closer to the passive/responsive side versus assertive/proactive, partially because of lack of financial resources.

Boardmember Bartholomew agreed, stating at this point the EDA has mostly just acquired property in hopes of selling it at some point.

Boardmember Piekarski Krech stated she saw the EDA more as collaborators than innovators as they did not have the staff or money to innovate at this time.

Boardmember Hark stated he would like to see the EDA become more assertive; however, the challenge is having a consensus amongst EDA members on goals and then having the discipline to stick with those goals.

Boardmember Bartholomew stated the EDA and staff are not necessarily in agreement on what they want to do with some of the property.

Mr. Scheib asked if everyone agreed they would like the pendulum to move towards the proactive side.

President Piekarski Krech responded that it depended on what being proactive would entail. She stated financing was a big obstacle as she does not see a willingness from the community to have another added tax.

Mr. Scheib stated that finances were a big issue, and there is a consensus on moving towards the proactive side of the pendulum, but how far varies based on what role the EDA plays. He suggested they could move the pendulum to the progressive side with strategies using minimal cost, such as facilitating a session with creative individuals in the City.

Mr. Leighton stated they are proposing a draft strategic plan focusing on business retention and growth, redevelopment along Concord Boulevard, and addressing challenges in key retail areas. He listed both short and long-term strategies for addressing each of the three goals. Regarding business retention and growth, he suggested over time starting a business visitation program. For a business owner to want to spend time with you it is beneficial to have some financial resources, such as a revolving loan program.

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING – August 14, 2017

Boardmember Hark questioned why certain strategies were placed where they were, stating developing a list of City businesses seemed fairly easy yet it was on the list of long-term strategies.

Mr. Leighton stated perhaps it should be a short-term strategy.

Mr. Scheib stated it may have been put on the long-term list because it had lower priority. He noted that although it may be easy to create such a list, maintaining it would be time consuming and perhaps it is something that could be done should the City receive a grant or intern.

President Piekarski Krech stated having a list of businesses in the City was critical.

Mr. Leighton stated it has also been very helpful for cities to have an ombudsman program in which there is a first point of contact and support in the Community Development Department.

Boardmember Hark asked if cities our size typically had such a position.

Mr. Leighton stated often it is not a staff member's complete job, but rather part of a staff person(s) responsibility to understand the kind of questions that come in and having the knowledge to offer clear answers.

Mr. Scheib stated it is not uncommon for a city to have someone on staff where that is a major function of their job.

Mr. Leighton stated having an ombudsman program, a business visitation program, and marketing work well together to convey the message that the City is engaged with and values the business community.

President Piekarski Krech stated having a list of businesses in the City would be helpful since many residents do not realize they are there; especially if they are home-based businesses.

Mr. Scheib stated one suggestion would be to embrace the notion of home-based businesses as an economic development strategy and having a policy on helping home-based businesses grow to where they can move to a storefront.

President Piekarski Krech stated they already did some of the suggested strategies, but perhaps they could work on strengthening them.

Mr. Leighton asked if business visitation was a priority.

President Piekarski Krech stated it was a priority if it helped retain businesses; however, perhaps they needed to refine it, such as increasing visits.

Mr. Leighton advised that an ombudsman program would provide a point of contact for businesses that knows it has some formal business with the city.

President Piekarski Krech advised that rather than having an ombudsman refer them to the appropriate department, she would rather that businesses knew who to contact directly by having a list of who businesses should call for various issues.

Boardmember Tourville suggested they continue with all the listed strategies for maintaining existing programs, change developing a financial assistance program to a long-term strategy, and change an enhanced business visitation program and list of City businesses to a short-term strategy.

Mr. Leighton advised that if the EDA is increasing activities, the City should identify how that gets staffed and resourced.

Boardmember Bartholomew advised that although they were already doing many of the strategies listed, perhaps they should refine and improve the use of them. For instance, they could try to increase attendance at the annual business meeting.

Boardmember Perry suggested having the business meetings quarterly rather than annually.

Mr. Leighton asked if there were any strategies they would like removed from the list.

Boardmember Bartholomew suggested that developing a financial assistance program be moved to long-term because of the limited funds available.

Boardmember Tourville noted that some financial assistance programs were already available (i.e. TIF).

Mr. Leighton stated he would refine the verbiage to indicate programs the City does not currently have, such as a business loan program.

He asked the EDA to next address the strategies for fostering redevelopment along Concord Boulevard. He noted that having a strategy that includes site preparation is a proactive position that invites development.

Mr. Leighton asked the EDA to next address the proposed strategic goals for key retail areas. The first short-term strategy is to identify small area plans, or other strategic processes, as a vehicle for evaluating these challenges and then undertaking development or retail vitality strategies to address these issues.

President Piekarski Krech asked for clarification regarding small area plans.

Mr. Scheib advised that in redeveloped areas, such as Arbor Pointe, small area planning was about involving the property owners, neighbors, community, and existing businesses and understanding the buildings and the space and how it could be repurposed, what the costs would be, looking at a range of different scenarios, discussing which would work best, and determining what economic tools are available to close the financial gaps. In an undeveloped area like I-494 and Argenta a small area plan would be more about land use, infrastructure, access, roadway design, and creation of place.

Mr. Leighton stated a sophisticated real estate analysis can provide an understanding of options and the costs involved. They also recommend investigating how much retail the City can support.

Boardmember Tourville noted that the City can only do so much in regard to filling retail vacancies as it depended heavily on the retail strip center owners and leasing agents.

Boardmember Bartholomew agreed with Mr. Scheib's strategy of creating place.

Boardmember Tourville suggested holding forums to let people know where businesses are located.

President Piekarski Krech stated having good communication and a list of businesses would achieve that goal.

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING – August 14, 2017

Mr. Scheib advised that the next steps would be to assemble a draft strategic plan using tonight's feedback and integrate it into the comprehensive plan update.

4. **NEXT MEETING**: November 13, 2017

5. **ADJOURNMENT**: Motion by Tourville, second by Perry, to adjourn. The meeting was adjourned by unanimous vote at 6:23 p.m.

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING
MONDAY, SEPTEMBER 11, 2017 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, September 11, 2017, in the City Hall Council Chambers. President Piekarski Krech called the meeting to order at 6:00 p.m. Present were Economic Development Authority members Bartholomew, Hark, and Perry; Executive Director Link, and City Attorney Kuntz.

1. REGULAR AGENDA

A. Consider Public Hearing to Establish Development District No. 10, Consisting of Property Located at 6940 and 6950 Dixie Avenue

Tom Link, Community Development Director, advised that the owners of residences at 6940 and 6950 Dixie Avenue approached the EDA and expressed an interest in selling their property. The EDA and the property owners completed negotiations and signed the purchase agreement, which is subject to the creation of an economic development district. Staff recommends approval of the creation of Economic Development District No. 10 consisting of just the two subject properties.

President Piekarski Krech opened the public hearing.

There was no public testimony.

Motion by Bartholomew, second by Hark, to close the public hearing.

Ayes: 4

Nays: 0 Motion carried.

Motion by Bartholomew, second by Hark, to Approve the Creation of Economic Development District No. 10

Ayes: 4

Nays: 0 Motion carried

2. ADJOURNMENT: Motion by Hark, second by Perry, to adjourn. The meeting was adjourned by unanimous vote at 6:03 p.m.

City of Inver Grove Heights EDA Operations Fund 290

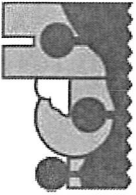
Budget vs Actual through 9/30/17

Account Description	2017 Amended Budget	9/30/17 Actual	Budget Remaining
Investment Earnings	300.00	781.91	(481.91)
Operating Transfers In	94,100.00	-	94,100.00
Total Revenue	94,400.00	781.91	93,618.09
Personnel	16,700.00	12,970.89	3,729.11
Prof/Tech Services	67,600.00	7,278.45	60,321.55
Purchased Services	300.00	227.73	72.27
Other Purchased Services	9,800.00	7,842.90	1,957.10
Total Expenditure	94,400.00	28,319.97	66,080.03
Fund 290 Surplus (Deficit)	-	(27,538.06)	(27,538.06)

Claim on Cash

57,143.86

3.8



City of Inver Grove Heights

Account Detail

Date Range: 8/4/17 - 10/25/17

Fund: 290 - EDA Operations

290.100.1010199

Post Date	Source Transaction	Description	Vendor	Amount	Running Balance
		Claim on Cash			
07/01/2017	JN08013	Agrees to Previous report ending 8/3/17			14,913.42
07/01/2017	JN08102	Record allocations & depreciation - July		(41.66)	14,871.76
08/01/2017	JN08049	2nd Qtr Interest Allocation		307.98	15,179.74
08/04/2017	PYPKT01194 - PR 08/04/17: 7/15/2017-7/28/2017	Rec Allocations & Depreciation - August		(41.66)	15,138.08
08/09/2017	221114	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(638.72)	14,499.36
08/09/2017	221114	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(0.25)	14,499.11
08/09/2017	221114	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(1.47)	14,497.64
08/16/2017	221205	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(1.47)	14,496.17
08/16/2017		Reclassified to Fund 291	06585 - DCA TITLE	(710.00)	13,786.17
08/16/2017	221220	Reclassified to Fund 291	00538 - LEVANDER, GILLEN & MILLER P.A.	(5,048.20)	8,737.97
08/18/2017	PYPKT01196 - PR 08/18/17: 7/29/2017-8/11/2017	Payroll		(641.40)	8,096.57
08/31/2017	JN08143	To Be Reclassified to Fund 291 E013		(2.73)	8,093.84
08/31/2017	JN08145	Reclassify costs to Fund 291		51,390.43	59,484.27
09/01/2017	PYPKT01199 - PR 09/01/17: 8/12/2017-8/25/2017	Payroll		(752.71)	58,731.56
09/01/2017	JN08108	September Allocations & Depreciation		(41.66)	58,689.90
09/07/2017	221421	Legal	00538 - LEVANDER, GILLEN & MILLER P.A.	(264.00)	58,425.90
09/15/2017	PYPKT01201 - PR 09/15/17: 8/26/2017-9/8/2017	Payroll		(641.85)	57,784.05
09/20/2017	221548	Payroll		(1.47)	57,782.58
09/29/2017	PYPKT01204 - PR 09/29/17: 9/9/2017-9/22/2017	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(638.72)	57,143.86
10/01/2017	JN08217	Record October Allocation & Depreciation		(41.66)	57,102.20
10/04/2017	221718	To Be Reclassified to Fund 291 E010	07411 - LANDMARK ENVIRONMENTAL, LLC	(7,020.02)	50,082.18
10/13/2017	PYPKT01208 - PR 10/13/17: 9/23/2017-10/6/2017	Payroll		(638.72)	49,443.46
10/18/2017	221864	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(1.47)	49,441.99
10/25/2017	221985	Quiet Zone Study	03465 - SRF CONSULTING GROUP, INC	(1,606.36)	47,835.63

Costs to be reclassified to Fund 291

City of Inver Grove Heights EDA Acquisitions Fund 291

Revenues Over (Under) Expenditures by Project

Project costs to Date as of 9/30/17

Project	Revenues	Expenditures	Revenue Over (Under) Expenditures
E001 - Golf Course Land Purchase	353,456.00	353,456.00	-
E002 - 8195 Babcock Trail	356,861.82	218,361.82	138,500.00
E003 - 6671 Concord	159,927.15	159,938.58	(11.43)
E004 - 6685 Concord	139,488.30	139,499.73	(11.43)
E005 - River Country Cooperative	681,654.66	681,654.66	-
E006 - 6845 Dixie Ave	337,444.55	337,470.29	(25.74)
E007 - 4196 68th St E	228,175.18	228,186.61	(11.43)
E008 - 6639 Concord	-	3,400.00	(3,400.00)
E009 - 6656 Doffing	-	450.00	(450.00)
E010 - McPhillips	-	42,537.50	(42,537.50)
E011 - 6863 Dickman Trail	-	3,000.00	(3,000.00)
E012 - 6840 Dixie Ave E	-	20,958.88	(20,958.88)
E013 - 6900 & 6910 Dixie Ave	248,833.00	274,518.80	(25,685.80)
E014 - 6653 Concord Blvd	196,758.63	217,026.86	(20,268.23)
E015 - 11025 Courthouse Blvd	-	2,200.00	(2,200.00)
E016 - 11105 Courthouse Blvd	-	2,200.00	(2,200.00)
E017 - 11097 Courthouse Blvd	-	2,200.00	(2,200.00)

Account Balance as of 9/30/17 (122,960.44)

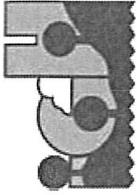
Claim on Cash

E002 - Land Available for Sale

1,138,500.00

E002 - Loan from Host Community Fund for Land Purchase

1,000,000.00



City of Inver Grove Heights

Account Detail

Date Range: 8-4-17 - 10-25-17

Fund: 291 - EDA Acquisitions

291.100.1010199

Claim on Cash

Post Date	Source Transaction	Description	Vendor	Amount	Running Balance
08/31/2017	JN08145	Corr Project coding		(51,390.43)	(67,801.15)
09/13/2017	221493	E010 - McPhillips publication		(87.50)	(119,191.58)
09/30/2017	JN08215	Corr Project Coding - September	00543 - LILLIE SUBURBAN NEWSPAPERS	(3,681.36)	(119,279.08)
10/11/2017	221769	E010 - McPhillips relocation		(676.38)	(122,960.44)
10/11/2017	221769	E010 - McPhillips relocation	04350 - EVERGREEN LAND SERVICES	(1,759.18)	(123,636.82)
10/11/2017	221777	E010 - McPhillips asbestos	04350 - EVERGREEN LAND SERVICES	(800.00)	(125,396.00)
10/11/2017	221821	E010 - McPhillips relocation	10538 - GROUNDWATER & ENVIRONMENTAL SERVICES	(2,500.00)	(126,196.00)
10/11/2017	221822	E010 - McPhillips relocation	12200 - SHUSTER, CHAD	(2,500.00)	(128,696.00)
10/25/2017	221952	E010 - McPhillips relocation	12199 - SHUSTER, DORIS & STEVEN	(1,006.01)	(131,196.00)
			04350 - EVERGREEN LAND SERVICES		(132,202.01)

Inver Grove Heights Economic Development Authority

Strategic Plan 2017 - 2027

Introduction and Overarching Purpose

The Inver Grove Heights Economic Development Authority (EDA) was originally established in 1992 by resolution that was amended and restated in 2011. Per the establishing resolution, the overarching purpose of the EDA is: “to carry out certain economic development, redevelopment, and housing activities...”

This Strategic Plan recognizes that to carry out its purpose, the EDA will focus on building and growing the job base, increasing the tax base, and offering economic development services to its citizens and businesses. Furthermore, it is recognized that economic development is more than jobs, services, and tax base. The City strives to foster an attractive environment for economic development by retaining existing businesses, assisting businesses with start-up operations or expansion, attracting new businesses to the community, and enabling the rehabilitation and redevelopment of commercial areas within the City. The EDA’s efforts will thus focus on supporting a strong community that offers great neighborhoods to live in, a strong park and recreation system, quality infrastructure (including communication technology), a safe and connected transportation system, and sustainable/efficient government. The Inver Grove Heights City Council serves as the Board of the EDA and directs economic development activities.

Background

As part of developing its 2040 comprehensive plan, the City identified an interest in developing an EDA Strategic Plan, to offer more comprehensive and long-range thinking about EDA activities in the coming years. Objectives included outlining the EDA’s strategic priorities for the coming years, to focus its activities, and improve the EDA’s capacity to effectively address those priorities. The EDA Board engaged in two strategic plan workshop sessions, on April 10 and August 14, 2017. That led to the development and approval of this Strategic Plan.

Economic Development Goals

The big picture goals (in no particular order) that guide the EDA actions include the following:

1. **Economic Development Goal #1 (EDG1)** – Grow the number of living wage jobs available within Inver Grove Heights.

2. **Economic Development Goal #2 (EDG2)** – Establish and maintain a thriving and vibrant commercial (retail goods and services) presence in Inver Grove Heights.
3. **Economic Development Goal #3 (EDG3)** – Establish and maintain a quality and diverse tax base.

Economic Development Strategies and Implementation Actions

The economic development goals of the City of Inver Grove Heights will be pursued through a series of strategies. Each strategy includes the following:

- identification of which goal the strategy advances using “primary” and “secondary” to note the goals relevance to the strategy - it is important to note that each strategy can further advance all goals based on how it is implemented
- a general indication of priority (timing wise) as follows:
 - immediate;
 - near term within 3 years;
 - mid-term – within 5 years;
 - long term – beyond 5 years; and,
 - ongoing meaning the strategy or action is will continue indefinitely or until no longer part of the strategic plan
- resource needs are identified including staff resources and general financial implications where known
- possible metrics are identified to measures success of each strategy, which is important to continually assess progress in achieving the City’s overarching goals

Strategy #1. Revitalize or redevelop ageing commercial nodes and corridors where vacancies threaten the loss of important community services and declining property values or where parcel reorganization and public improvements can create more useable/developable parcels. (Primary EDG1 – Secondary EDG2)

Key implementation actions:

- 1-1. **Conduct Small Area Redevelopment/Revitalization Plans**: Small area plans provide an opportunity to drill down into a specific area to better understand the on the ground conditions that prevent an area from achieving success and vibrancy. Through the small area planning process, a planning team can meet with property owners, business owners, brokers, developers, and prospective tenants to help identify barriers, opportunities, and to leverage investments. The scope and degree of small area plans vary based on the area of study. Generally, the larger the area, the larger the scope and effort of the small area plan. Some plans may include more physical redevelopment and public improvements (i.e. building demolition, roadway changes, park/open space improvements, etc.), while others might need more programmatic needs (i.e. marketing, communications, or financial assistance). Candidate sites for this implementation action strategy should be identified through periodic updates to the comprehensive plan and in response to community input and observation. The Arbor Pointe area near Concord Boulevard and Broderick Boulevard represents an immediate opportunity site for a small area plan. **(immediate term and ongoing)**

- 1-2. **Continue to implement the existing Small Area Plan for Concord Boulevard area:** A Small Area Plan was established for the Concord Neighborhood in 2012. The EDA will continue the acquisition of individual properties in the North Dickman Trail and 66th/68th Concord Block, assemble the properties into a large enough mass to interest the development community, and negotiate with a developer for redevelopment of the catalyst site. Pursuing these strategies will result in maintaining and improving the existing residential neighborhood, increasing property values and tax base, strengthening and improving the commercial neighborhood, and increasing the employment base. (immediate term)
- 1-3. **Monitor and understand vacancy/occupancy rates of key commercial nodes/centers:** Establish a database of commercial spaces and periodically (not more than twice a year) evaluate vacancy/occupancy of each commercial center/node in the city. If a pattern emerges of having recurring high vacancy rates (greater than 15% over one to two year period) conduct follow up research and meet with key property owners to determine if the center needs to be a focus of small area planning for redevelopment or revitalization. This action step helps determine future Small Area Study needs (see 1-1). (near term and ongoing)

Resource Needs:

- Funding for small area studies. Funding is needed for outside expertise or where existing staffing does not afford time to complete or facilitate the study. Typical small area studies could require 400-600 hours of total (consulting and city) staff time on an annual basis to facilitate the process and prepare the plan, of which EDA staff could consume 20-25 percent of this time. Outside resources are most helpful in the areas of market analysis, urban design, environmental specialists, architecture, traffic engineering, and redevelopment financing. Depending on the area, specific expertise such as environmental analysis, architecture, or historic resources would likely need to be outsourced.
- Funding for parcel assembly and acquisition. The city has been leading the implementation efforts for the Concord Neighborhood Plan. EDA Staff resources are necessary to negotiate and facilitate the acquisition of parcels. Approximately 300 to 400 hours of time could be consumed facilitating this process. Funding will be needed to continue with these efforts. Some if not all of the acquisition funds can be recouped at time of sale. When enough land is assembled, city efforts will switch to finding potential development partners to finish any remaining acquisitions and proceed with new development.
- Maintain subscription to a real estate data base through Progress Plus and provide staffing time to monitor commercial centers (resource needs vary based on centers performance). EDA Staff resources would need 10 to 20 hours per year.

Possible measures of success:

- Number of Small Area Plans Completed
- Parcels acquired for redevelopment (parcels or acres)
- Parcels under contract for redevelopment (parcels or acres)
- Parcels sold and redeveloped (parcels or acres)
- Increase in estimated market value (\$ for area pre study – post study implementation)
- Vacancy rates in commercial centers (center by center or aggregate)

Strategy #2. Conduct Small Area Plan around proposed interchange at I-494 and realigned Argenta Trail. (Primary EDG 1 – Secondary EDG 2 and EDG3)

The area near the proposed interchange of the realigned Argenta Trail and I-494 is an exciting and prime opportunity area for future development in Inver Grove Heights. The area benefits from planned access and visibility to I-494, a new major road corridor, proximity to the new Vikings Training facility and sizable land parcels with few owners. Providing a small area plan for this area will promote and market the property for a land use and development pattern that helps achieve more specific Northwest Area needs. (near term)

Resource Needs:

Resource needs for Strategy 2 are similar to the resource needs identified in Strategy 1 for the small area planning process. However, depending on the need to design interchange access and impacts, this study could be much more complex. It is likely this kind of study would be outsourced. If outsourced, EDA staff resources would include project coordination and management of approximately 60-80 hours.

Possible measures of success:

- Completion of a Small Area Plan
- Parcels or acres that are certified as “Shovel Ready” under Mn DEED Shovel Ready Site Certification program - <https://mn.gov/deed/government/shovel-ready/>

Strategy #3. Support the retention and growth of local businesses and provide business development support services to both existing and new businesses (Primary EDG1 – Secondary EDG2 and 3)

The EDA will assume and expand the responsibilities recently performed by Progress Plus. It will strengthen the City’s relationship with the existing business community and expanding it through marketing and financial assistance. Pursuing these strategies will result in retaining and increasing the City’s job base, and increasing the City’s property value and tax base.

Key implementation actions:

- 3-1. Develop and maintain a current inventory of available commercial land and buildings (near term)
- 3-2. Develop a list of city businesses including home based businesses that could become a source for business growth and expansion (near term)
- 3-3. Develop a business retention program, with annual business visitation targets (near term and ongoing implementation)
- 3-4. Connect local businesses with resources to assist with growth and development of existing businesses including financial (local bank institutions), state and regional economic development agencies, Open to Business (business consulting) and technical colleges for labor, training, or educational resources. (near term and ongoing)
- 3-5. Collaborate with Chamber of Commerce, Dakota County CDA, Progress Plus, Greater Minnesota Partnership and Minnesota DEED to provide ... (ongoing)
- 3-6. Increase communications within the City to inform the business community, civic leaders, and the general public of ongoing and upcoming economic development related activities and initiatives. (ongoing)

- 3-7. Develop a financial assistance program and policies for City businesses (including tax increment financing, tax abatement, and small business loans) (long-term)
- 3-8. Develop a liaison program, that would offer businesses a first point of contact and support for the City regulatory, licensing and development processes that businesses go through. (mid-term)

Resource Needs:

Staff resources would be necessary to:

- build and maintain databases and business lists
- administer a business retention program
- provide services to connect businesses with resources
- prepare marketing, promotional, and communication materials;
- and represent the City at local and regional economic development events.

In all, this task would consume 250 to 300 hours of staff resource time per year. Resource needs also include funding of ongoing programs such as Open To Business.

Possible measures of success:

- Number of businesses assisted and types of requests
- Number and type of inquiries received, including applications for assistance
- Number of meetings with existing businesses
- Number of site selection visits hosted or attended and proposals offered
- Customer feedback surveys

Strategy #4. Assist with the disposition of City or other government excess property. (Primary EDG1 – Secondary EDG3)

The City of Inver Grove Heights from time to time has excess lands from prior land purchases, tax forfeiture or repurposed public facilities. Other regional agencies such as MnDot also have excess land inventory in the community. The EDA should take a lead role in understanding potential uses for vacant land and actively working to put such parcels into an active/productive land use as opposed to being vacant and simply a liability. (immediate and ongoing)

Resource Needs:

Resource needs for this strategy mostly include staff time coordinating and building relationships with agencies and brokers, to work towards achieving common goals. Resources also are need to assemble database, prepare marketing materials, determining land use/design, establish values, review and process proposals/transactions. Staff resourcing and costs vary based on parcels and transaction details.

Possible measures of success:

- Number of meetings with brokers or buyers and proposals tendered
- Acres of land placed back on tax rolls (Acres)
- Newly created market value (\$)

Strategy #5. Measure progress and revisit strategies annually.

A key to successful economic development is the ability to measure successes and recognize where strategies or action items maybe are not delivering on desired outcomes. The City should annually revisit the strategies, celebrate successes, and identify new strategies and implementation actions where needed.

Resource needs:

Staff resources will be needed for on-going monitoring of strategies, collection of data to measure progress and effectiveness, and preparation of an annual report. 40-50 hours a year is estimated for this strategy. (ongoing)

End of Report

**MEMO
CITY OF INVER GROVE HEIGHTS**

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development 
DATE: November 1, 2017 for EDA Meeting of November 13, 2017
SUBJECT: 2018 EDA Budget

PURPOSE/ACTION REQUESTED

The Inver Grove Heights Economic Development Authority (EDA) is to consider making a recommendation to the City Council regarding the draft 2018 EDA budget.

ANALYSIS

Professional services includes \$10,000 for the City Attorney. This request, which reflects expenditures in recent years, is slightly reduced from the 2017 budget. Legal services are necessary for various issues, such as financial assistance programs, development districts, business subsidy policy, and regular attendance at EDA meetings.

Professional services continues to include \$6,500 for the Minneapolis Consortium of Community Developers' 'Open to Business' program. It also includes \$35,000 for economic development consultant services. In the past, the EDA has used these funds for the Concord Neighborhood, retail market analysis of Arbor Pointe, and the current railroad quiet zone study. 2018 expenses will probably focus on a small area plan, such as the Arbor Pointe commercial neighborhood. This plan could address issues relating to the real estate market, financing, transportation, land use concepts, densities, and implementation.

Other services include the occasional publication of public hearing notices, membership in the Economic Development Association of Minnesota (EDAM) and the River Heights Chamber of Commerce, and attendance at the EDAM conference, public finance seminar, and Chamber of Commerce and Progress Plus annual meetings. Similar to last year, the proposed budget includes Progress Plus membership of \$5,000 and \$3,000 for other services, such as the Exceligent real estate software.

The total 2018 EDA draft budget is \$83,300 compared to the 2018 budget of \$94,400.

CONCLUSION

Staff recommends approval of the Economic Development Authority's draft 2018 budget, as attached.

Enc: Proposed 2018 EDA Budget

cc: Jennifer Gale, Progress Plus

City of Inver Grove Heights

Proposed 2018 Budget

EDA Summary

Acct Number	Account Description	2015 Actual	2016 Actual	2017 Amended Budget	2018 Department Request	2018 Preliminary Budget	2019 Preliminary Budget
Miscellaneous Revenues		510	382	300	200	0	200
Other Financing Sources		293,865	446,149	94,100	83,100	0	84,800
Revenue		294,375	446,531	94,400	83,300	0	85,000
Personnel		16,512	16,919	16,700	17,800	0	18,200
Prof/Tech Services		117,147	50,358	67,600	51,600	0	52,600
Purch Svcs - Prop/Equip		572	1,997	300	400	0	400
Other Purchased Services		27,332	26,737	9,800	13,400	0	13,700
Supplies		0	0	0	100	0	100
Capital Outlay		214,985	425,885	0	0	0	0
Expense		376,548	521,895	94,400	83,300	0	85,000

Revenues Over (Under) Expenses

(82,174) 0 0 0 0 0

Increase (Decrease) In Cash

(82,174) 0 0 0 0 0

City of Inver Grove Heights

Proposed 2018 Budget

EDA 290

Acct Number	Account Description	2015 Actual	2016 Actual	2017 Amended Budget	2018 Department Request	2018 Preliminary Budget	2019 Preliminary Budget
3610000	INVESTMENT EARNINGS	510	382	300	200		
Miscellaneous Revenues							
3911000	OPERATING TRANSFERS IN	293,865	446,149	94,100	83,100		200
Other Financing Sources							
		293,865	446,149	94,100	83,100	0	84,800
Total Revenue							
		294,375	446,531	94,400	83,300	0	85,000

City of Inver Grove Heights

Proposed 2018 Budget

EDA 290

Act Number	Account Description	2015 Actual	2016 Actual	2017 Amended Budget	2018 Department Request	2018 Preliminary Budget	2019 Preliminary Budget
10100	REGULAR FULL-TIME	12,956	13,342	13,200	13,600		
10400	OVERTIME	0	0	0	500		
20100	FLEX. COMP. SPENDING	463	463	500	400		
20300	EMPLOYER SOCIAL SECURITY	738	738	700	800		
20350	EMPLOYER MEDICARE	179	185	200	200		
20400	EMPLOYER PERA	937	964	1,000	1,100		
20600	MEDICAL INSURANCE	897	950	1,000	1,100		
20620	LIFE INSURANCE	17	18	0	0		
20630	LTD INSURANCE	34	34	0	0		
20750	WORKERS COMPENSATION	100	100	100	100		
20800	COMPENSATED ABSENCES	191	125	0	0		
Personnel		16,512	16,919	16,700	17,800	0	18,200
30150	FISCAL CONSULTANTS	0	108	0	0		
30420	CORPORATE	6,537	9,739	13,000	10,000		
30550	FLEX/COMP ACCOUNT FEE	22	25	100	100		
30700	OTHER PROFESSIONAL SERVICES	110,588	40,486	54,500	41,500		
Prof/Tech Services		117,147	50,358	67,600	51,600	0	52,600
40030	STORM WATER UTILITY SERVICE	72	1,697	0	0		
40075	CITY FACILITIES ALLOCATION	500	300	300	400		
Purch Svcs - Prop/Equip		572	1,997	300	400	0	400
50019	INSURANCE ALLOCATION	400	400	100	400		
50025	ADVERTISING/PUBLISHED NOTICES	542	694	3,000	3,500		
50070	DUES, LICENSES & SUBSCRIPTIONS	25,590	25,598	6,100	8,600		
50080	CONFERENCES AND SEMINARS	800	45	600	900		
Other Purchased Services		27,332	26,737	9,800	13,400	0	13,700

City of Inver Grove Heights

Proposed 2018 Budget

EDA 290

Acct Number	Account Description	2015 Actual	2016 Actual	2017 Amended Budget	2018 Department Request	2018 Preliminary Budget	2019 Preliminary Budget
60018	SUPPLIES-TRAINING	0	0	0	100		
Supplies							
80100	LAND				100	0	100
		214,985	425,885	0	0		
Capital Outlay							
		214,985	425,885	0	0	0	0
Total Expense							
		376,548	521,895	94,400	83,300	0	85,000
Revenues Over (Under) Expenses							
		(82,174)	(75,364)	0	0	0	0
Increase (Decrease) In Cash							
		(82,174)	(75,364)	0	0	0	0

PROGRESS PLUS

ECONOMIC DEVELOPMENT PARTNERSHIP

Report: October 4, 2017

Economic Development Activities

Events/meetings:

- Continued scheduled staff meetings with ED staff.
- Scheduled a meeting with Laurie Crowe to learn about their increased marketing efforts and how Progress Plus can help.
- Assisted our Representatives Rick Hansen and Keith Franke in preparing for the House Bonding Committee tour stop at the SSP public Library.
- Planning event with the MN Vikings and Twin City Orthopedics on December 5. See invitation.
- Working with B Kyle, new President of the Saint Paul Area Chamber of Commerce on development initiatives and recognition programs we can partner with them on in the future.
- Met with Jody who is the lead on the Discover South St. Paul program to identify synergies between the efforts of Progress Plus and the Discover Program. PP will continue discussions and offer marketing assistance.
- Facilitated a meeting with Brad Scheib, Alan Hunting and Jake Hamlin of CHS to discuss the city's comprehensive planning.
- Presented to SSP IGH Rotary about free services offered through Progress Plus including site searches, marketing of available properties and development assistance from the private sector.

Marketing:

- Assisted the City of Inver Grove Heights in compiling information to submit a proposal for the Amazon Headquarters 2.
- Worked with Bolton & Menk, Inc. who is working with Dakota County to create a Business Survival Guide for businesses to reference during construction projects.
- Promoted Inver Grove Heights Food Truck Day through social media and blog posts.
- Promoted on social media, the blog and the Weekly Update sections:
 1. DEED and their Manufacturing programs
 2. TCB-Quarterly Economic Indicator information
 3. The new hotel site grading permit in IGH
 4. 5681 Blaine Avenue lease space Listing

Grow Minnesota:

- Met with:
 1. Point North Network
 2. Coordinated Business Systems
 3. Comcast
 4. Tabor Communications

Assisted:

- Continued to work with Sassy Pecan on their revised business plan.
- Visited targeted SSP businesses in Bridgepoint including BW Systems, Bonfe, S & S Tree, Ameritek, American Bottling, Zippy Shell, First Supply, Sportsman's Guide, Cobra Transportation Services, Cemstone, Rogosheske, and Twin City Hide. November targets include IGH businesses.

- Worked with Ned Rukavina Cushman & Wakefield on a client looking at a site in Inver Grove Heights.
- Met with two members of the Civil Air Patrol about the expansion plans in Inver Grove Heights.

Inquiries:

- Working with a roofing contractor looking for some warehouse/front office space. Showed them two sites in Inver Grove.
- Met with a Marine Upholstery Mfg. on a site search for a new business.

MEMO

CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority

FROM: Thomas J. Link, Director of Community Development

DATE: November 2, 2017

SUBJECT: Commercial and Industrial Activity – Third Quarter, 2017

1. PURPOSE/ACTION REQUESTED: This memo is for informational purposes only. It is not an agenda item.

2. BACKGROUND: The following is a list of commercial and industrial development activity from January through September 2017:

Danner Inc	6010 Concord Boulevard	Remodel building for contractor's yard
Clark Road Properties	11305 Clark Road	90,000 square foot mini-storage open storage yard
River Heights Vineyard Church	6070 Cahill Ave	10,600 square foot addition
Wasatch Storage	50 th and Blaine Ave	91,600 square foot mini-storage building

The following is a summary of commercial and industrial building permit activity from January through September 2017:

HealthPartners	5625 Cenex Drive	Interior remodel
Gertens	5681 Blaine Avenue	Interior remodel
Inver Grove Chiropractic	2940 – 65 th Street East	3,000 square foot addition
Castaways Marina	6140 Doffing Avenue	New construction - storage and amenities building
CHS	5500 Cenex Dr	Interior beautification
Walmart	9165 Cahill Ave	Interior beautification
VMCC	8055 Barbara Ave	Interior improvements to pool and accessories
Cub Foods	7850 Cahill Ave	Interior remodel
River Heights Vineyard Church	6070 Cahill Ave	Building addition
Fast Signs	5440 S Robert Tr	Tenant finish