



**INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY AGENDA
MONDAY, AUGUST 10, 2015
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 May 11, 2015 Regular Economic Development Authority Meeting

B. Consider Approval of Minutes from the June 8, 2015 Special Economic Development Authority Meeting

C. Consider Approval of Claims

4. REGULAR AGENDA

A. Hear Presentation - Retail Conversations

B. Discuss Arbor Pointe Access

C. Hear Update – Arbor Pointe Activities

D. Hear Update - Progress Plus

E. Consider Approval of 2016 Budget

5. NEXT MEETING – November 9, 2015

6. ADJOURN

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY REGULAR MEETING
MONDAY, MAY 11, 2015 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, May 11, 2015, 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, Mueller, and Tourville; Executive Director Link, City Attorney Kuntz, City Administrator Lynch, and Secretary Fox.

3. CONSENT AGENDA

A & B. Minutes and Claims

Motion by Bartholomew, second by Tourville, to approve the minutes from the January 9, 2015 Regular Economic Development Authority Meeting and the disbursements from February 9, 2015 to May 10, 2015.

Ayes: 5

Nays: 0 Motion carried

4. REGULAR AGENDA

A. Consider Approval of a Resolution Calling for a Public Hearing to Consider Creation of Economic Development District No. 8

Mr. Link advised that Christopher and Luci Shipton, 4195 – 68th Street East, expressed an interest in selling their property to the EDA. The property is located next to several City-owned properties and is located within one of the 'catalyst' redevelopment sites identified in the Concord Neighborhood Plan Update. The EDA would acquire the property, remove the structures, assemble with other adjacent parcels, and at some future time sell the property for redevelopment. Staff has negotiated an agreement that is consistent with previous EDA direction and the Shiptons have recently signed the purchase agreement. Before the City can acquire the property they must create an economic development district, which requires that the EDA conduct a public hearing. Staff suggests holding that public hearing at a special meeting on June 8 at 6:00 p.m. prior to the regular City Council meeting. Staff recommends approval of the Resolution Calling for a Public Hearing to Consider Creation of Economic Development District No. 8.

President Piekarski Krech asked if the neighboring City-owned properties were in an economic development district.

Mr. Link replied in the affirmative. He advised that the EDA considered doing a development district for the entire block; however, it was met by objections from some property owners. The EDA ultimately created a development district that included only the acquired properties.

Boardmember Mueller asked if the Shipton property would be included in the existing development district or become a separate district.

Mr. Link advised it would be in a separate economic development district.

Motion by Tourville, second by Mueller, to approve a Resolution Calling for a Public Hearing to Consider Creation of Economic Development District No. 8, to be held on June 8, 2015 at 6:00 p.m.

Ayes: 5

Nays: 0 Motion carried

B. Progress Plus 2015 Work Plan Presentation

Jennifer Gale, Progress Plus, discussed the proposed 2015 Work Plan. She advised that they are incorporating Xceligent, a database system that accesses commercial real estate information and allows people looking to come into the community to search for properties. Progress Plus is working to more prominently identify the cities of Inver Grove Heights and South St. Paul in their marketing tools. They continue to work closely with MCCD's 'Open to Business' program and are working towards gaining more feedback regarding the outcome of various leads and inquiries. Progress Plus plans to host another broker event and attend the MNCAR Expo. Ms. Gale advised that they continue to work on a solution for the Arbor Pointe retail area. She advised that the owners of the strip center in Arbor Pointe began working with Colliers and have developed a leasing brochure which will be uploaded to the Progress Plus website. Progress Plus plans to assist City staff with identifying market trends, financing tools, and ordinance issues with regard to retail throughout the City. Their main focus, however, will be responding to inquiries. They continue to do business retention visits. During those visits they try to identify potential issues and keep an open line of communication. Often times, however, businesses in jeopardy will not communicate that as they do not want anyone to know. They are looking for ways to identify problems sooner and get such information to Boardmembers.

Boardmember Tourville noted that 'City of Inver Grove Heights' was mistakenly omitted from the overview on Page 1.

Boardmember Hark asked Ms. Gale how many unique visitors they get on their website each month.

Ms. Gale replied that she did not have the exact numbers with her, but would have one of her colleagues forward that information to Boardmember Hark.

Boardmember Bartholomew asked if the site visits were scheduled ahead of time.

Ms. Gale replied that most were scheduled but some were impromptu. She advised that they work mostly through a list produced by Greater MSP which identifies specific businesses they think are important and with whom they have relationships. Staff also makes visits at the request of a business owner, reaches out to new businesses, and a Chamber representative schedules six visits per month within the two communities they serve.

Boardmember Bartholomew asked if Progress Plus followed a formalized interview sheet during their visits.

Ms. Gale replied that they use a standardized form, and the information goes into a statewide database which is shared with DEED, Greater MSP, and the Grow Minnesota Program. The goal is to open up the lines of communication, so if the business representative has something specific they wish to discuss they do not always adhere to that form.

Boardmember Bartholomew asked if the actual businesses were named on the form or did they remain anonymous.

Ms. Gale replied that the businesses were named, although not all parties had access to the information. She advised that the information was mostly gathered so they could determine market trends, employment issues, etc.

Boardmember Tourville stated he would like more feedback from Greater MSP in regard to inquiries, as well as information on the advantage of a city being an individual member of Greater MSP versus the County paying membership fees for the cities.

Ms. Gale replied they would do what they could to get that information. She advised that when they receive an inquiry from Greater MSP they create and send a report to them. She has requested feedback on the results of those inquiries and has been told that information is communicated through a monthly newsletter they send out via email. Progress Plus does not get that email; however, she was sure they would hear if they landed a company through one of their reports.

President Piekarski Krech asked if the CDA was in charge of the program for the County.

Ms. Gale replied in the affirmative.

President Piekarski Krech asked Mr. Lynch and Mr. Link to contact the County in regard to who the City could speak with regarding feedback on inquiries.

C. Progress Plus Update

Ms. Gale summarized the last quarter activity. She advised that an article they recently featured on the PRWEB regarding the Flint Hills expansion was picked up by a number of online publications. Ms. Gale asked Boardmembers to contact Progress Plus with any requests for the South Metro Maps, which are now being distributed. Progress Plus was featured in the Progress Edition of the Southwest Review in April, with the focus being on how everyone in the community has a role in economic development. Ms. Gale advised that she updated the Arbor Pointe retail center owners on the county/city discussions regarding access, and also on the feedback received at the Arbor Pointe Community Conversation meeting. She discussed the recent inquiries received, and commended Boardmembers and staff for their efforts in reaching out to CHS who recently announced they will be remaining in Inver Grove Heights and expanding their headquarters building. Progress Plus is hosting the first Food Truck Day on May 28 in South St. Paul. If this event is successful their goal would be to have a similar event in Inver Grove Heights.

Boardmember Bartholomew asked if there was any new information on the Abdallah chocolatier in Burnsville.

Ms. Gale replied she had not heard anything more regarding Abdallah.

D. Arbor Pointe Sign Requirements

Mr. Link advised that one of the items on the EDA's 2015 Work Plan was to work towards improvement of the Arbor Pointe commercial neighborhood, including consideration of sign requirements. The EDA's discussion has been primarily on visibility of businesses from the highway and from the intersection of Concord and Broderick. Mr. Link advised there are two blue state highway informational signs on Highway 52/55; one southbound and one northbound. Both have four businesses listed on them with the potential for two more. There are also six freestanding signs in the Arbor Pointe commercial neighborhood, five of which are visible from the highway or intersection. Most of these signs have room for additional businesses. The Rainbow Center is allowed an additional third sign and the Buchanan Trail businesses are allowed an additional fourth sign; however, there has never been interest on behalf of the businesses for those additional signs. Mr. Link advised that cities typically regulate signs for attractiveness and traffic safety. In this case there are two sets of regulations pertaining to signs; the standard city zoning ordinance and the Arbor Pointe regulations. The zoning ordinance allows for one

freestanding sign on each lot. That sign can be a maximum of 240 square feet in size and can be up to 10 feet higher than the building. The Arbor Pointe regulations are not as definitive and state that the location and size of freestanding signs must be regulated by the approved PUD site plan. This gives both the businesses and the City flexibility to determine what kind of signage is appropriate for each individual site. They also include general language regarding materials, color, architecture, and illumination. Arbor Pointe is a unique neighborhood in that the commercial neighborhood is mixed in with its residential neighborhoods. The commercial properties along Buchanan Trail (Arbor Pointe 14th Addition) have additional sign requirements which limit the signage to four monument signs. The site developer ultimately constructed only three of the four signs. Currently there are open spaces on the shared monument signs. The sign requirements are similar to those in any B-4 zoning district.

Boardmember Bartholomew asked if the existing tenants were aware of the opportunity for an additional monument sign.

Mr. Link responded that the current tenants may not be fully aware since Arbor Pointe 14th was developed 15 years ago and many businesses have changed ownership during that period of time.

Boardmember Piekarski Krech suggested that Progress Plus work with Arbor Pointe businesses in regard to utilizing the maximum sign potential. She stated she could not recall a blue highway sign on southbound Highway 55.

Mr. Link pointed out the southbound sign's location, stating it was in a location in which drivers may be paying attention to traffic movement rather than signage.

President Piekarski Krech stated perhaps there should be an additional sign further back from the exit.

Boardmember Hark asked who controlled the blue highway signs.

Mr. Link replied that MNDOT controlled the highway signs and that staff could contact them to get more information regarding blue informational signage.

President Piekarski Krech stated that Arbor Pointe businesses could not survive solely on customers from the Arbor Pointe neighborhood.

Boardmember Tourville stated that except for the Holiday Station, most businesses in that neighborhood were not looking to attract customers from the highway.

President Piekarski Krech suggested that the City reach out to Arbor Pointe businesses to see if there were any signage issues, stating when the commercial area was originally constructed there may have been sign restrictions put in place that should perhaps be reevaluated.

Boardmember Mueller asked staff to be more lenient and open to modifications regarding signage for Absolute Trailer Sales.

Mr. Link recapped the EDA direction for staff to contact MNDOT regarding blue highway informational signs, work with Progress Plus on making the Buchanan Trail businesses aware of the potential for a fourth monument sign, and contact Arbor Pointe businesses regarding their signage needs.

Boardmember Tourville asked if the former Walgreens site had the potential for an additional sign.

Mr. Link replied that the regulations state this commercial area is allowed four signs, one at Buchanan/Concord, one at Buchanan/Broderick, one on Broderick, and one on Concord.

President Piekarski Krech stated it was important for all businesses in Arbor Pointe to have signage informing motorists of their location and existence.

Mr. Link stated that the EDA requested that staff also focus on Arbor Pointe access and property maintenance. Staff has had some preliminary discussions with the County on the access issue, which did not go well. They then started to do research on what other cities have done in regard to commercial property maintenance; preliminary indications are that the City probably does not have the necessary regulations in place. Staff will come back with additional information.

Boardmember Hark stated it is important to inform prospective tenants that there is some flexibility in regard to signage.

Les Jepsen, 8075 – 9th Street, Oakdale, advised that they contacted MNDOT and agreed to place the A & W logo on four blue highway informational signs. He noted there were still some spots available on the signs. He stated he was unaware there was an opportunity to put the company name on the existing multi-tenant monument sign and would perhaps consider doing that as well.

Boardmember Hark asked what the cost was to put a logo on the blue highway informational signs.

Mr. Jepsen stated the total cost was \$1,400 a year. He advised that drivers commuting back and forth to work every day on the same route may not notice blue highway informational signs, however, drivers looking for gas or food are watching for them and they are quite noticeable.

President Piekarski Krech asked who owned the monument signs.

Mr. Link replied he was unsure who managed the multi-tenant signs.

President Piekarski Krech stated it would be in the City's best interest to know who controlled the signs.

E. Inver Grove Heights Commercial

Mr. Link asked the EDA to provide further direction regarding specific items they would like staff and Progress Plus to follow up on regarding the 2015 Work Plan issue of citywide commercial. He advised that the City does not own, lease, or manage properties; however, there are other roles they can play. Mr. Link advised that though the Stantec report was focused on Arbor Pointe, some of the conclusions pertained to the City as a whole, including the geographical disadvantages of the Mississippi River on the east, the low density development in the southern part of the City, the existing large industrial users which minimizes development potential, as well as established competition in the surrounding cities. Despite these disadvantages there has been positive activity in the last couple of years, including a 27% increase in retail sales, \$56 million dollars worth of commercial and industrial construction in the last five years, almost 50 building permits in the last five years for commercial construction, including expansions or remodels of all the car dealerships, as well as recent success with CHS, Flint Hills, North American Trailer, and River Country Cooperative. Staff and Progress Plus suggested six roles they could perform in regard to commercial activity, including zoning regulations, land use control, infrastructure, business retention, marketing, and financial assistance. Staff and Progress Plus are recommending that two or three of these items be discussed at each of the EDA's upcoming meetings. He asked the EDA for specific direction on how to move forward.

Boardmember Bartholomew stated in his opinion the most important role would be marketing, particularly in the Arbor Pointe area. He felt there was a good opportunity to reinvigorate that area, especially with its dense population, and suggested they reach out to the residents of that area to determine what type of businesses they would be interested in seeing and then making that their marketing plan.

Mr. Link replied that an informal survey had been done by Progress Plus last year as part of the Arbor Pointe Community Conversation. He stated perhaps they could share that information with the commercial property owners in Arbor Pointe.

Boardmember Bartholomew supported Mr. Link's suggestion.

Boardmember Tourville noted that the retail strip center owners claim they are having a difficult time because tenants are requesting lower rents. He felt it would be beneficial for those groups to market their businesses more.

President Piekarski Krech stated much of the reason they were having difficulties in that area was due to the way people shop and the fact that they do their shopping near or on their way home from work and prefer to do all their shopping in one area.

Boardmember Tourville stated one of the benefits of the reopening of A & W is that it would likely bring in customers that would then visit other businesses in the area.

President Piekarski Krech suggested they reevaluate the zoning regulations to see if there were areas in which the City could be more flexible, and stated the public needs to know that Council will try to work with them.

Boardmember Tourville suggested that the retail strip center owners be invited to attend a meeting to discuss whether there were any regulations in place that were preventing them from leasing their properties.

Mr. Link agreed to schedule such a meeting.

Boardmember Tourville stated perhaps they should invite retail property owners from all areas of the City.

Mr. Jepsen asked if the vacant auto parts, Rainbow, and Walgreens buildings were for sale or lease and, if so, who owned them.

Boardmember Tourville recommended that Mr. Jepsen go to the Dakota County website to determine who owned the properties in question.

Mr. Link stated his understanding was that the Walgreens and Rainbow sites were not up for sale. He advised that Roundy's is paying the lease yet so the property owner does not have the authority to market the property. He advised that it is unfortunate because they are two key buildings and the City cannot force them to put them on the market.

Mr. Jepsen asked if they could perhaps draft an ordinance prohibiting buildings from being vacant more than two years. He stated that the auto parts site was starting to look unkempt and that the Rainbow site soon would as well.

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING – May 11, 2015

President Piekarski Krech stated likely they could not draft such an ordinance, but recommended that Mr. Link make it a priority to work on the property maintenance ordinance so that regulations would be in place to ensure that abandoned properties were kept up.

5. NEXT MEETING – The next Regular EDA meeting will be held on August 10, 2015.

6. ADJOURNMENT: Motion by Mueller, second by Tourville, to adjourn. The meeting was adjourned by unanimous vote at 6:21 p.m.

DRAFT

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING
MONDAY, JUNE 8, 2015 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, June 8, 2015, 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, Mueller, and Tourville; Executive Director Link, City Attorney Kuntz, City Administrator Lynch, Finance Director Smith, and Secretary Fox.

3. REGULAR AGENDA

A . Public Hearing to Consider the Creation of Economic Development District No. 8

Mr. Link advised that the Shiptons approached the City and expressed an interest in selling their single-family residential property to the Economic Development Authority (EDA). The property is located in one of the catalyst redevelopment sites identified in the Concord Neighborhood Plan. If acquired, the EDA at some future undetermined time would combine this property with other properties and sell it for redevelopment. The EDA had an appraisal done on the property and a Phase I Environmental Site Assessment, which showed no contamination on the site. Negotiations are complete and the Shiptons have signed the purchase agreement. The EDA is being asked to consider the creation of an economic development district which would include only the Shipton property, and also approval of the purchase agreement at a purchase price of \$197,000. The funding is dependent on City Council action later tonight authorizing transfers from the Host Community Fund to the EDA. Staff recommends adoption of the resolution creating the economic development district and the resolution approving the purchase agreement.

President Piekarski Krech opened the public hearing.

Mr. Link noted that although the development district was solely the Shipton property, notices were sent to all property owners on the block for informational purposes. Also, the Shiptons approached staff prior to tonight's meeting requesting they be allowed to retain the small storage shed on the property. This is acceptable with City staff; however, it must be added to Exhibit B which lists the excluded items.

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

Ayes: 5

Nays: 0 Motion carried.

Boardmember Bartholomew asked the City Attorney for clarification regarding a language change they had recently discussed.

Mr. Kuntz advised that Boardmember Bartholomew had inquired as to whether the language in the waiver of relocation benefits was broad enough to cover the period of the lease through August. Mr. Kuntz suggested appropriate language be added to the waiver document to ensure it covered any holdover period of time.

President Piekarski Krech asked if the Shiptons had been made aware of the change to the relocation waiver.

Mr. Kuntz replied he had not contacted them.

President Piekarski Krech asked the Shiptons if they were agreeable to the additional language.

Christopher Shipton replied in the affirmative.

Motion by Bartholomew, second by Mueller, to adopt the Resolution Approving the Creation of Economic Development District No. 8

Ayes: 5
Nays: 0 Motion carried.

President Piekarski Krech asked if the motion regarding the purchase agreement should include the addition of the storage shed to Exhibit B.

Mr. Kuntz replied in the affirmative, stating the additional language to the Waiver of Relocation Benefits should also be included.

Motion by Tourville, second by Bartholomew, to approve the Resolution Approving a Purchase Agreement Between the Inver Grove Heights Economic Development Authority and Christopher and Luci Shipton Relating to the Purchase of Property Located at 4195 – 68th Street East, with the recommended changes to Exhibit B and the Waiver of Relocation Benefits.

Ayes: 5
Nays: 0 Motion carried.

4. **ADJOURNMENT:** The meeting was adjourned at 6:08 p.m.

City of Inver Grove Heights EDA Fund 290

Budget vs Actual through 6/30/15

Account Description	2015 Amended Budget	6/30/15 Actual	Budget Remaining
Investment Earnings	2,300.00	99.29	2,200.71
Operating Transfers In	500.00	207,087.89	(206,587.89)
Total Revenue	2,800.00	207,187.18	(204,387.18)
Personnel	15,500.00	7,893.67	7,606.33
Prof/Tech Services	33,800.00	41,410.43	(7,610.43)
Purchased Services	500.00	272.88	227.12
Other Purchased Sevices	34,100.00	13,534.98	20,565.02
Land Purchase	-	209,985.37	(209,985.37)
Total Expenditure	83,900.00	273,097.33	(189,197.33)
Fund 290 Surplus (Deficit)	(81,100.00)	(65,910.15)	15,189.85

Claim on Cash

115,006.97

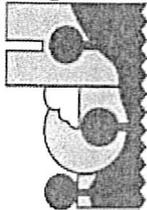
Land Available for Sale

1,138,500.00

Loan from Host Community Fund for Land Purchase

1,000,000.00

S.C.



City of Inver Grove Heights

Detail Report

Account Detail

Date Range: 04/28/2015 - 07/21/2015

Fund: 290 - EDA
290.100.1010199

Claim on Cash

Post Date	Source Transaction	Description	Vendor	Amount	Running Balance
4/27/2015	Beginning Balance	Agrees to Previous report ending 4/27/2015			130,554.53
4/1/2015	JN05425	Record 1st quarter interest allocation		71.76	130,626.29
04/30/2015	JN05423	City Utility Bills 8195 Babcock, 6671 & 6685 Concord		(11.43)	130,614.86
05/01/2015	PYPKT00800 - PR 05/01 Payroll			(587.09)	130,027.77
05/01/2015	JN05432	Record May Allocations		(83.33)	129,944.44
05/13/2015	211870	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(0.08)	129,944.36
05/15/2015	PYPKT00807 - PR 05/15 Payroll			(589.55)	129,354.81
05/20/2015	211995	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(0.52)	129,354.29
05/20/2015	211995	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(1.25)	129,353.04
05/20/2015	212023	Legal-4195 68th St	00538 - LEVANDER, GILLEN & MILLER P.A.	(606.60)	128,746.44
05/20/2015	212025	Demo-8195 Babcock	07795 - LLOYD'S CONSTRUCTION SERVICES INC	(13,025.00)	115,721.44
05/29/2015	PYPKT00815 - PR 05/25 Payroll			(587.09)	115,134.35
06/01/2015	JN05569	June 2015 Allocations		(83.33)	115,051.02
06/12/2015	PYPKT00824 - PR 06/12 Payroll			(587.09)	114,463.93
06/17/2015	212348	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(0.40)	114,463.53
06/17/2015	212348	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(0.85)	114,462.68
06/17/2015	212368	Appraisal 6900 Dixie	06559 - INTEGRA REALTY RESOURCES	(3,000.00)	111,462.68
06/17/2015	212368	Appraisal 6863 Dickman	06559 - INTEGRA REALTY RESOURCES	(3,000.00)	108,462.68
06/17/2015	212368	Appraisal 6840 Dixie	06559 - INTEGRA REALTY RESOURCES	(3,000.00)	105,462.68
06/17/2015	JN05642	Corr Mar - May Levander charges		(444.00)	105,318.68
06/19/2015	PYPKT00825 - PR 06/15 Payroll			(180.63)	105,138.05
06/23/2015	DFT0008118	Purchase 4195 68th St	10247 - DCA TITLE WEST ST. PAUL	(194,825.29)	(89,687.24)
06/24/2015	212491	Legal EDA meeting	00538 - LEVANDER, GILLEN & MILLER P.A.	(168.00)	(89,855.24)
06/24/2015	212491	Legal 4195 68th St	00538 - LEVANDER, GILLEN & MILLER P.A.	(220.00)	(90,075.24)
06/26/2015	PYPKT00830 - PR 06/26 Payroll			(605.68)	(90,680.92)
06/30/2015	JN05574	Txfr from HCF to EDA for 4195 68th St		205,687.89	115,006.97
07/01/2015	212544	Payroll	11063 - GENESIS EMPLOYEE BENEFITS, INC	(1.44)	115,005.53
07/01/2015	212574	Progress Plus 2nd half 2015	01859 - PROGRESS PLUS	(12,500.00)	102,505.53
07/01/2015	212580	Escrow Release 4195 68th St	11607 - SHIPTON, CHRISTOPHER & LUCI	(5,000.00)	97,505.53
07/01/2015	JN05602	Record July 2015 Allocations		(83.33)	97,422.20
07/08/2015	212673	Public Hearing Notice	01157 - PIONEER PRESS	(541.50)	96,880.70
07/10/2015	PYPKT00845 - PR 07/10 Payroll			(603.23)	96,277.47
07/15/2015	212756	Payroll	05915 - UNITED STATES TREASURY	(0.20)	96,277.27

MEMO

CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development 
DATE: July 28, 2015 for EDA Meeting of August 10, 2015
SUBJECT: Meeting with Retail Strip Center Owners

1. **PURPOSE/ACTION REQUESTED:** The Inver Grove Heights Economic Development Authority (EDA) is to hear a presentation regarding a meeting that Progress Plus and City staff had with neighborhood retail strip center owners.

2. **BACKGROUND:** The EDA directed Progress Plus and City staff to conduct a meeting with owners of neighborhood retail strip centers. The purpose of the meeting was to gather information regarding the retail environment in Inver Grove Heights. Progress Plus set up the meeting and invited four commercial property owners.

3. **ANALYSIS:** One commercial owner, Ryan Rother of Paulxo, attended. Paulxo's property is located at the north corner of Concord Boulevard and Buchanan Trail. Its tenants include Arbor Pointe Liquor, Anytime Fitness, Verizon Wireless, and Armored Ogres Games.

Mr. Rother stated that the Arbor Pointe site is difficult. He stated that the neighborhood is on the edge of urban development and, therefore, lacks the residents and employees to generate a strong customer base. He also mentioned that access to the Buchanan Trail stores is difficult.

Mr. Rother said that taxes in the Arbor Pointe commercial neighborhood are high; however, city services are good. He also stated that he did not have any difficulties with the City's regulations and processes when he developed the commercial neighborhood.

Retention of tenants is difficult. Rents are lower than in other cities but potential tenants desire even lower rents or, for a period of time, free rent. He stated that some tenants fail because of poor management while others do not advertise their business properly. He is in serious negotiations with a couple potential tenants.

4. **CONCLUSION:** The Inver Grove Heights Economic Development Authority (EDA) is to hear a presentation regarding a meeting with neighborhood retail strip center owners.

cc: Jennifer Gale, Progress Plus
Ryan Rother, Paulxo

4.B.

**MEMO
CITY OF INVER GROVE HEIGHTS**

TO: Inver Grove Heights Economic Development Authority (EDA)

FROM: Thomas J. Link, Director of Community Development 

DATE: August 6, 2015 for EDA Meeting of August 10, 2015

SUBJECT: Supplemental Information

The Arbor Pointe access issue is on the EDA agenda Monday evening. City staff has been discussing this matter with Dakota County since Concord Boulevard is a county road. The County has been very reluctant to grant an additional access from northbound Concord Boulevard to Buchanan Trail.

We expect to receive a letter from Dakota County stating that they will not grant the additional access. We will forward the letter to you via email, assuming that we receive it before Monday night's EDA meeting.

MEMO

CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority

FROM: Thomas J. Link, Director of Community Development 

DATE: July 29, 2015 for EDA Meeting of August 10, 2015

SUBJECT: Arbor Pointe Commercial Neighborhood – Summary of Activities

1. PURPOSE/ACTION REQUESTED: The purpose of the memo is to summarize the Economic Development Authority's (EDA) activities relating to the Arbor Pointe commercial neighborhood.

2. BACKGROUND: In May 2014, Rainbow Stores announced that they would be closing several stores in the metropolitan area, including the Arbor Pointe store. Within a few weeks, Walgreens announced that they also would be closing their Arbor Pointe store. Obviously, there was considerable concern throughout the community for the commercial neighborhood.

The Inver Grove Heights Economic Development Authority responded. The EDA has had numerous, extensive discussions of commercial development in the Arbor Pointe neighborhood. The issue has been on four of the five subsequent EDA meeting agendas; the one exception being the February meeting which was devoted solely to the Dickman Trail redevelopment neighborhood.

The EDA identified functions that the public can perform including:

- provide necessary infrastructure
- adopt and enforce reasonable regulations
- market the City and its business opportunities
- communicate with the business and residential communities
- provide appropriate financial assistance
- perform retail analysis and be familiar with the retail market
- adopt appropriate land use designations

The EDA also identified activities which are the responsibility of the private sector, including:

- be knowledgeable of and respond to the economy
- design desirable development
- maintain good landlord/tenant relations
- obtain private financing
- manage business operations
- market properties and businesses
- manage sale and leasing

The EDA and its staff also undertook several activities, including:

- Hired a consultant to perform a market retail analysis
- Researched City sign regulations
- Researched access and discussed it with Dakota County staff
- Researched commercial property maintenance regulations
- Participated in three meetings, conducted by Progress Plus, with business owners, property owners, financial institutions, and residents
- Had numerous conversations with commercial property owners, developers, and brokers
- Researched property ownership and Walmart grocery restrictions
- Approved the expansion and signage of the new A & W restaurant
- Approved a residential and two office developments in the area to increase the commercial neighborhood's customer base

3. CONCLUSION: The Inver Grove Heights EDA will continue to pursue activities and encourage development and construction that will maintain and improve the viability of commercial activities in the Arbor Pointe commercial neighborhood.

cc: Jennifer Gale, Progress Plus

PROGRESS PLUS 
Urban-Alternative Space Available

Report On: 7/30/15

Economic Development Activities

Active Investors as of April 2015: 31

UPDATES or New Activities

Job Fair

Staff met with members of Kwik Trip to discuss their hiring needs and how to help them host a job fair in the community in July. We saw the plans for the project and met the site manager.

Arbor Pointe Road Construction

Progress Plus cohosted a meeting at city hall for Arbor Pointe Business on June 16 to discuss Broderick Avenue Road reconstruction and assessments, the sign variance for A & W and give a progress update on the meetings with Dakota County about access issues.

Website

Progress Plus new website is up and running. We have built in a featured property section in coordination with Xcelligent to allow searches of all the available listings in our communities.

Arbor Point Retail Center

Progress Plus met with the management company of the Arbor Point Retail Center (Anytime Fitness/Arbor Pointe Liquor etc.) to give an update on the county/city talks about access on Buchanan. They have two leads right now, one for a BBQ place and one for a medical apparel distributor. They are currently 60% vacant and have had to negotiate extremely low leases. Management companies Pastor Enterprises, Town Lake Real Estate and H J Development were also invited to the meeting but did not participate.

Inquiries/Relocations/Expansions

Cherokee Manufacturing

Cherokee Manufacturing sold their building to Cemstone and have been leasing space back from them. They are now looking at increasing their operations in South St. Paul and are interested in leasing more space with room for expansion. Progress Plus provided 11 options for them to review and will facilitate discussions on properties of interest.

Home Inspection Company

A home based home inspection company in Inver Grove Heights is interested in moving into about 600 square feet of space in our communities. Options were provided and they are reviewing them.

Bywords Printing

Bywords printing has asked for Progress Plus to assist in helping to market some space that will become available in their building. The space is 1,660 square feet with eight rooms, receptionist desk, waiting room, bathroom and three closets. The space can easily be modified. The rent is \$1,350 which includes utilities.

Antonsen Construction

Progress Plus met with Antonsen Construction and went over the South St. Paul Future application with them. They are working with the Small Business Administration and the South St. Paul HRA. Met with Hotelier who is interested in building a hotel in Inver Grove Heights.

Solar Garden

Progress Plus was approached by an investment company looking for 6-25 acres for a solar garden. Three sites were provided that were zoned land agricultural.

Food Truck Day

The River Heights Chamber of Commerce and Progress Plus Food Truck Day in May was a huge success with over 1,000 people coming to the Bridgepoint Area to enjoy lunch. This event was to draw attention the 4,000+ employees down there who need goods and services and also for the many diverse businesses who have located there as part of our economic development efforts. Progress Plus has asked the city of IGH if it would like to host one and are awaiting a response.

Fall Broker Tour

Progress Plus is planning a fall broker tour. See attachments for additional information and outline.

MEMO

to: IGH EDA and SSP HRA
from: Jennifer Gale, Progress Plus
date: Thursday, July 30, 2015
re: Proposed Broker Education Tour

Overview

Progress Plus seeks a proposal with budget detailing a Broker Bus Tour highlighting four major properties in the South St. Paul/Inver Grove Heights area. Proposed properties include BridgePointe Park in South St. Paul and Argenta Hills and perhaps the 52 Corridor/Arbor Pointe in Inver Grove Heights. The tour would take place in late September/early October and would be united around a theme (transportation; e.g. Making Goods, Moving Goods) that:

- Provides the lead-in to why each site is a great site for development
- Links each site to existing success stories in the given area
- Generates enthusiasm for each site's continuing potential
- Provides a one page document per site highlighting the site's potential, etc. (does not necessary need to be tied to the theme but likely can be)

Within the transportation theme, Progress Plus could emphasize different modes of transportation (Planes, Trains and Automobiles) and how each mode is alive and well in the South St. Paul/Inver Grove Heights area.

Airport: hangars are used for aviation related industries or businesses that want easy in and out access for executives or clients – not a MAC reliever airport so it's a great executive airport

Trains: Railroad cars are able to transport more product, etc. and access to easy load/unload of railroad tracks is essential

Roads: Diesel station Kwik Trip is under construction at BridgePoint and Dakota Premium Foods is gone and sold to industrial developer Greg Miller, Schadegg Mechanical is expanding.

Argenta Hills/NW Quadrant (app. 300 new homes, new 494 highway access, sewer and water extended and waiting for retail and industry) is easily accessible and nearby neighbors Flint Hills and CHS are expanding their operations and staff base. Also, Kane Transport and Istate Trucking are in the area may be an additional connection to highlight.

Proposed Event

Progress Plus will contract with Minnesota Coaches to provide a bus (estimated cost \$500) to seat up to approximately 25-35 brokers, drawn from an existing Progress Plus list plus whatever additional invites CKG could provide.

The Tour Group would meet at the SSP airport for a few opening remarks (Jennifer Gale, Mayor Beth Baumann, Mayor George Tourville), an explanation of the "game/prize", an event folder with their ticket and information from sponsors and each location, and then board the tour bus.

Themed around transportation, presenters at each location will highlight different modes of transportation each site has to offer:

BridgePoint – Rail, Trails & Transit
52 Corridor and ArborPoint – Roads & Rail
Argenta Hills – Roads, Trails & Transit
Fleming Field – Air & Roads

Prior to and at each stop, brokers would highlight access to transportation and have their travel pass/ticket punched. If the broker fills their ticket they are entered into a drawing for....a Gift Card from Sun Country Airlines.

3:00 – Arrive at Fleming Field, Opening Remarks
3:05 – Board Bus Tickets punched – Bus Departs
3:20 – Bus Arrives Arbor Point and down slightly to 52
3:25 – ArborPoint Board Semis to have ticket punched and tour
3:55 – Bus Departs
4:10 – Bus Arrives Argenta Hills
4:15 – Argenta Hills Tour on Bicycle – Tickets Punched
4:45 – Bus departs
5:00 – Bus Arrives BridgePoint
5:05 – Board Train for Bridge Point Presentation and Ticket Punched
5:35 – Board Bus Return to Fleming Field
5:50 – Bus Arrives Fleming Field
- Board Air Plane
- Tour of Fleming
- Food Trucks
- Beverages
6:20 – Prize Drawing & Conclusion

Event Reception

The tour party will arrive back at an airport hangar for a hosted food and beverage reception. Possible vendors/caterers include Jersey's, Hometown Meats and their food trucks, or B-52's.

MEMO
CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development 
DATE: July 23, 2015 for EDA Meeting of August 10, 2015
SUBJECT: Draft 2015 Budget

1. ACTION REQUESTED: The Inver Grove Heights Economic Development Authority (EDA) is to consider recommending approval of the draft 2016 budget for economic development, as attached.

2. ANALYSIS: Personnel, including salary and benefits, is similar to the 2015 budget. It assumes that the Community Development Director spends approximately 10% of his time on economic development activities. Overtime is being requested this year for the recording secretary to attend meetings. Increased level of development activities and increased workload do not always allow the secretary to attend meetings as part of her regular 40 hour work week.

Professional Services includes \$17,500 for the city attorney, bond counsel, and financial consultant. This request is identical to the 2015 budget. Legal services are necessary on various issues, such as acquisitions, financial assistance programs, development districts, business subsidy policy, and regular attendance at EDA meetings. The fiscal consultant and bond counsel services are necessary for acquisitions, financial assistance, business subsidy policy, bylaws, resolutions and, as necessary, EDA meetings.

Professional Services would increase from \$16,300 to \$17,000 for Other Professional Services. This includes \$7,000 for the contract with Minneapolis Consortium of Community Developers for the 'Open to Business' small loan/technical assistance program. It also includes \$10,000 for economic development consultant services, such as Concord redevelopment, the Gun Club site, and/or an analysis of retail activities, as the EDA deems necessary.

Other Services includes \$25,000 for Progress Plus membership. It also requests funds for occasional publications of public hearing notices, membership in the Economic Development Association of Minnesota (EDAM), and attendance at the EDAM conference, public finance seminar, and Chamber of Commerce and Progress Plus annual meetings. The budget also includes \$500 for the City Administrator and Community Development Director's membership in the River Heights Chamber of Commerce.

The 2016 budget is very similar to the adopted 2015 budget. The total 2016 EDA proposed budget is \$85,200, compared to the 2015 budget of \$83,900.

The EDA activities continue to be funded from the previous transfer from the Host Community Fund and a \$500 transfer from the general fund. A long term revenue source has not yet been identified.

3. RECOMMENDATION: Staff recommends approval of the Economic Development Authority's draft 2016 budget, as attached.

Enc: Proposed 2016 Budget
cc: Jennifer Gale, Progress Plus

City of Inver Grove Heights

Proposed 2016 Budget

EDA Summary

Account Description	2013 Actual	2014 Actual	2015 Amended Budget	2016 Department Request	2016 City Administrator Recommended	2016 Adopted Budget	2017 Preliminary Budget
Miscellaneous Revenues	(242)	3,565	2,300	0	0	0	0
Intergovernmental	0	640,000	0	0	0	0	0
Other Financing Sources	339,578	337,151	500	500	0	0	500
Total Revenue	339,336	980,717	2,800	500	0	0	500
Personnel	19,603	20,194	15,500	16,700	0	0	16,700
Prof/Tech Services	90,215	56,291	33,800	34,500	0	0	34,500
Purch Svcs - Prop/Equip	283	430	500	400	0	0	400
Other Purchased Services	26,105	29,899	34,100	33,600	0	0	33,600
Capital Outlay	180,758	918,702	0	0	0	0	0
Total Expense	316,964	1,025,517	83,900	85,200	0	0	85,200

Revenues Over (Under) Expenses

(81,100) (84,700) 0 0 (85,200)

Increase (Decrease) In Cash

(81,100) (84,700) 0 0 (85,200)

MEMO

CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development
DATE: July 21, 2015
SUBJECT: Blue Highway Informational Signs

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

2. **BACKGROUND:** As the Inver Grove Heights Economic Development Authority (EDA) has discussed the Arbor Pointe commercial neighborhood, the topic of the blue state highway informational signs has arisen from time to time. Currently there is a sign in the southbound direction of Highway 52/55, a sign in the northbound direction, and directional signs at both exit ramps. Advertisers currently include Caribou Coffee, Ruby Tuesdays, A & W, Subway, and the Holiday convenience store/gas station.

3. **ANALYSIS:** Blue highway informational signs are called "logo" signs while the directional signs at the exit ramps are called "trailblazer" signs. The purpose of the logo and trailblazing signs is to identify businesses that would be of interest to the traveling public and provide directions to those businesses.

The location of the signs depends on other, existing signage along the highway. The signs are at least within one mile of the upcoming interchange but may be as little as 800 feet. At the Concord interchange, the southbound sign is approximately three quarters of a mile from the interchange while the northbound sign is about one third of a mile from the exit ramps.

The signs are limited to gas, food, lodging, camping, and pharmacy businesses. The program also has criteria relating to the business' distance from the interchange, hours of operation, and services provided, such as restroom facilities, drinking water, and telephones.

To advertise on a logo sign, a business must make application, design the logo, sign a contract, and pay fees. The business is responsible for manufacturing and installation costs. These costs depend on the number of colors in the logo but vary from \$850 to \$3,000 for a set of four signs. There is an annual fee of \$650 for each direction.

The State prohibits any other signs on state highways and ramps, except for the logo and trailblazer sign. For example, the State would not allow directional or information signs at the exit ramps for other Arbor Pointe businesses, such as banks, fitness centers, liquor stores, and auto parts stores.

4. **CONCLUSION:** This memo is for informational purposes only. It is not an agenda item.

MEMO

CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority

FROM: Thomas J. Link, Director of Community Development 

DATE: July 28, 2015

SUBJECT: Commercial and Industrial Activity in the First Half of 2015

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 June 2015:

Brand Energy	6265 Carmen Avenue	Contractor's yard
Power Dynamics	7365 Concord Boulevard	Manufacturing/distribution addition
Steve Watrud	10982 Clark Road	26,400 square ft contractors building
A & W Restaurant	9061 Buchanan Trail	Addition & remodeling of restaurant.
North American Trailer	Clark Road	82,000 square foot industrial building

The following is a summary of commercial and industrial building permit activity from January through June 2015:

River Country Cooperative	9072 Cahill Avenue	Offices
El Azteca Mexican	5816 Blaine Avenue	Restaurant
Midstate/Progressive	10982 Clark Road	Office/Warehouse
Davis Emergency Services	10982 Clark Road	Office/Warehouse
Minnesota Orthodontics	7810 Cahill Avenue	Medical offices
Rincon Mexicano Restaurant	3064 – 65 th Avenue E	Restaurant