

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY REGULAR MEETING
MONDAY, AUGUST 10, 2015 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, August 10, 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, Finance Director Smith, and Secretary Fox.

3. CONSENT AGENDA

A, B, and C. Minutes and Claims

Motion by Bartholomew, second by Tourville, to approve the minutes from the May 11, 2015 Regular Economic Development Authority Meeting and the June 8, 2015 Special Economic Development Authority Meeting, and the disbursements from May 11, 2015 to August 9, 2015.

Ayes: 5

Nays: 0 Motion carried

4. REGULAR AGENDA

A. Hear Presentation – Retail Conversations

Mr. Link advised that four retail owners were invited to attend a meeting with Progress Plus and City staff. The only commercial owner who attended was Ryan Rother of Paulxo, whose property is located at the northeast corner of Concord Boulevard and Buchanan Trail. Mr. Rother stated that the site was difficult because it lacked the residents and employees necessary to generate a strong customer base, had access issues to Buchanan Trail off of Concord Boulevard, and the taxes were high. He stated, however, that the services were good and he did not have any difficulties with the City's regulations and processes when he developed the commercial neighborhood. He advised that even though rents were lower than in other cities, potential tenants desired even lower rents or, for a period of time, free rent. He stated that some tenants have failed because of poor management or lack of marketing.

Boardmember Tourville stated that some businesses had also failed because the business owner encountered personal difficulties.

Jennifer Gale, Progress Plus, advised that Mr. Rother has some prospective tenants in mind, but would welcome any assistance from the City.

Boardmember Bartholomew asked if anyone had reached out to the three commercial owners who were not able to attend.

Ms. Gale replied that Gary Janisch (H J Development) agreed to answer a questionnaire if it was sent to him; she is awaiting his reply. Town Lake Real Estate did not respond. Pastor Enterprises attended the meeting that was held last fall and asked that their responses from that meeting be used.

Boardmember Tourville stated he was disappointed in the low participation from commercial owners.

Mr. Link stated his recollection was that Mr. Janisch's comments from last fall were similar to Mr. Rother's in that it was not a good market in that neighborhood because of geographical constraints and the high taxes.

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President Piekarski Krech stated the strip mall on the corner of Cahill Avenue seemed to have had more success; however, they have good access whereas the businesses on Buchanan Trail require a U-turn for traffic coming from the west.

Mr. Link stated that Mr. Janisch's typical tenant mix was also different from that of Mr. Rother's.

President Piekarski Krech asked who was responsible for the Rainbow Foods and abutting retail center sites.

Mr. Link replied that the properties were recently sold to a national business in California. He advised that they were not as familiar with the local situation as Mr. Rother and Mr. Janisch, but had commented on the softer market here due to the geographical situation.

Boardmember Tourville advised that Roundys continues to pay their monthly rent on the vacant property. The new owners asked whether the City would consider developing the property into something other than a grocery store, and were told they would.

Mr. Link added that because the tenant is paying on the property the new owners are not in a position to look for a new tenant.

President Piekarski Krech stated it was important for the property not to look vacant and asked staff if they had determined whether the City could require the owners to do property maintenance.

Mr. Link replied that he reviewed the property maintenance regulations with the City Attorney and they believe there is more the City can do in regard to regulation of buildings, parking lots, and landscaping. He expects to have this topic on the next EDA agenda.

Boardmember Hark asked if the property maintenance regulations included requirements for snow removal from parking lots of vacant buildings.

Mr. Link replied it did not, stating none of the cities they spoke with have ordinances requiring snow removal on a vacant building unless it was strictly for emergency access to the building.

President Piekarski Krech asked if owners were required to have a path cleared around vacant buildings in case of fire or robbery.

Mr. Link replied that the cities he contacted left that decision up to the Fire Marshal and Fire Chief.

President Piekarski Krech suggested someone speak with the Fire Chief as it was important to have an emergency access available.

Mr. Link responded that he would speak with the Fire Chief.

Boardmember Tourville stated that currently they have been keeping the lot open as it was still being used by customers of the retail strip center and riders taking the bus to Rochester.

President Piekarski Krech commented that they may not be providing an access to the building, however.

Boardmember Tourville stated the two lots they had received complaints on were the former Walgreens and Advanced Auto properties.

B. Discuss Arbor Pointe Access

Mr. Link advised that the Public Works Director had discussions with Dakota County regarding gaining access from Concord Boulevard directly onto Buchanan Trail. The County responded in an email, which was distributed to Boardmembers. The County stated that the current situation meets access spacing standards and the County would not be interested in putting in another access as it would not meet spacing requirements and would pose safety issues.

Boardmember Tourville stated that the access restrictions were part of the original development plans. He also said that a roundabout at the corner of Cahill Avenue and Concord Boulevard would be beneficial.

President Piekarski Krech suggested there also be a roundabout at the freeway access and Broderick Boulevard.

Boardmember Tourville stated having a roundabout in that location would not solve the problem.

President Piekarski Krech noted that drivers leaving Walmart had the option to exit out the back entrance onto Cahill Boulevard.

Boardmember Tourville replied that most drivers left via Concord Boulevard and then needed to make a U-turn to go the other direction. He suggested that the City request a roundabout be considered at Concord and Cahill.

President Piekarski Krech questioned whether there would be enough room for a roundabout at that location.

Mr. Link advised that the Public Works Director looked very conceptually at a roundabout on Cahill and Concord and had some concerns as it would require property acquisition, some or all of the costs would have to be borne by the City, and difficulties would be created by the existing pond, steep terrain, and strip center. He advised that the County put in a yellow flashing light to provide for easier U-turn maneuvers; however, the City could also explore adding signage directing drivers up to Broderick Boulevard and then onto Buchanan Trail.

Boardmember Hark stated that although the yellow flashing light was beneficial, most people would not make the effort to make a U-turn and come back. He suggested the City contact the County to see if a roundabout would be possible rather than assuming it was not.

President Piekarski Krech suggested they ask about a roundabout at both intersections.

Boardmember Hark stated he was open to looking into both intersections, but did not believe that a roundabout on Broderick would solve the issue.

President Piekarski Krech stated that having additional signage would alert drivers of where they had to go and the roundabout would allow them to turn onto Buchanan right away.

President Piekarski Krech advised that the roundabout did not have to be large, and could be similar to what was constructed in West St. Paul.

Mr. Link advised that he would contact the County regarding a roundabout at Cahill and Concord and additional signage at Broderick and Concord.

Motion by Tourville, second by Mueller, to receive the email from Brian Sorenson of the Dakota County Transportation Department.

Ayes: 5

Nays: 0 Motion carried

C. Hear Update – Arbor Pointe Activities

Mr. Link summarized the activities that have taken place in the Arbor Pointe commercial neighborhood in the last 15 months subsequent to the closing of the Rainbow store and Walgreens. In response to community concerns, the EDA identified the public and private roles concerning this commercial neighborhood. The EDA and its staff also undertook several activities, including a market retail analysis, researching sign regulations, access, and commercial property maintenance regulations, asked Progress Plus to set up meetings with residents, property owners, tenants, and financial institutions, researched property ownership and Walmart grocery restrictions, approved the expansion and signage of the new A & W restaurant, and approved the CDA senior apartments as well as the River Country Cooperative and Flint Hills office developments.

Boardmember Tourville stated he would like to see more marketing done by the businesses themselves and that neighborhood residents must support the businesses.

President Piekarski Krech stated the City could assist; however, much was dependent on the business climate.

Boardmember Tourville added that any assistance that the City provided to the Arbor Pointe businesses must also be made available to other Inver Grove Heights business neighborhoods.

D. Hear Update – Progress Plus

Jennifer Gale, Progress Plus, advised that the discussions the EDA had regarding access, signage, etc. in the Arbor Pointe commercial area have played a significant role in the communication between the tenants, strip center owners, and residents. Ms. Gale stated there was low attendance at the Arbor Pointe road construction meeting; however, Holiday Companies and the construction company were able to work through a lot of issues. She advised that Progress Plus recently updated its website. The new website gives them the ability to highlight specific properties, allows the public to run their own searches of available listings in our communities, and gives them the ability to quickly create professional reports.

Boardmember Hark asked when the search feature became available.

Ms. Gale replied in May.

Boardmember Hark asked if they had noticed an uptick in hits since that time.

Ms. Gale replied in the affirmative.

Boardmember Hark asked what the plans were to drive traffic to the site.

Ms. Gale stated they try to feed information through all means of communication, including Twitter, Facebook, and Constant Contact. They have not looked into paying for search engine optimizations. Ms. Gale advised that she met with businesses in the Arbor Pointe retail center and was pleased to hear that the liquor store has seen an increase in business this summer and the owners of the strip center have a

couple prospective tenants for the building. Progress Plus provided location options to a couple companies interested in moving to Inver Grove Heights, provided information regarding available agricultural properties that could be used for a solar garden, and met with an hotelier interested in building a hotel in the City. She also met with Halvor Lines, who recently relocated to Clark Road. She advised they are a growing company that chose Inver Grove Heights because of its transportation infrastructure.

The tentative date for this year's Broker Tour is September 24. The theme will be 'Planes, Trains, and Automobiles', highlighting how easy it is to move commerce throughout the communities. They will provide a coach bus and ask brokers to take a tour of the cities, which will focus on Argenta Hills, the Highway 52 Corridor and Arbor Pointe, BridgePoint, and Fleming Field, with Wipaire hosting the end of tour celebration. They will likely talk about the success of the trucking industries in Inver Grove Heights and perhaps go down to Clark Road and showcase Kane Trucking, etc. Representatives from the cities will offer highlights on the bus to fill the time, with Progress Plus providing the scripting, invitations, and marketing. They plan to have a drawing at the end of night for a gift certificate for travel.

Boardmember Bartholomew stated it was an encouraging and exciting update.

E. Consider Approval of 2016 Budget

Mr. Link asked the EDA to make a recommendation on the draft 2016 budget. He advised that it was substantially similar to the 2015 budget, with the exception of overtime being requested for the recording secretary to attend meetings, a small increase in the 'Open to Business' contract, and membership in the Chamber of Commerce for himself and the City Administrator. The draft 2016 budget is \$1,300 more than the 2015 budget.

Boardmember Mueller asked if anyone had taken advantage of the 'Open to Business' assistance.

Mr. Link replied in the affirmative, stating there have been a number of businesses, or potential businesses, that have taken advantage of their technical and financial services. He advised that he would provide the EDA with the most recent quarterly report, and noted that some of the information was confidential.

Boardmember Mueller asked if any of the businesses that had used their services had opened their doors.

Mr. Link replied that he believed some businesses had opened up in retail centers, while others had discovered through conversations with Laurie Crowe that they were not ready yet to open their business. He noted that all cities in Dakota County were now part of 'Open to Business'.

President Piekarski Krech stated she did not recall getting any feedback from MCCD in the last six months and would like to get better communication from them in the future regarding how many businesses were opened, how many were able to expand their business, etc.

Mr. Link agreed to follow up on the request, and asked the EDA if they would be interested in having Laurie Crowe attend an EDA meeting.

The Board replied in the affirmative.

Motion by Tourville, second by Bartholomew, to approve the 2016 Economic Development Authority budget.

Ayes: 5

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Nays: 0 Motion carried

5. NEXT MEETING – The next Regular EDA meeting will be held on November 9, 2015.

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