



**INVER GROVE HEIGHTS
ECONOMIC DEVELOPMENT AUTHORITY AGENDA
MONDAY, MAY 7, 2012
6:00 P.M.**

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA – All items on the Consent Agenda are considered routine and have been made available to the Economic Development Authority at least two days prior to the meeting; the items will be enacted in one motion. There will be no separate discussion of these items unless a Boardmember or citizen so requests, in which event the item will be removed from this Agenda and considered in normal sequence.

A. Approve Minutes – February 6, 2012 Regular Economic Development Authority Meeting

B. Approve Claims

4. REGULAR AGENDA

A. Approve Resolution Authorizing 2012 Transfer to EDA Fund From Host Community Fund

B. Consider Small Business Loan Program

C. Discuss Progress Plus Update

D. Discuss Gun Club Site Update

E. Discuss Southwest Quadrant Update

5. NEXT MEETING – August 6, 2012

6. ADJOURN

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING
MONDAY, FEBRUARY 6, 2012 – 8150 BARBARA AVENUE**

CALL TO ORDER/ROLL CALL The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, February 6, 2012, in the City Council Chambers. President Tourville called the meeting to order at 6:00 p.m. Present were Economic Development Authority members Grannis, Madden, and Piekarski Krech; Executive Director Link, City Attorney Kuntz, Park and Recreation Director Carlson, and City Administrator Lynch.

3A. MINUTES

Motion by Grannis, second by Madden, to approve the Minutes of the November 7, 2011 Regular Economic Development Authority meeting.

Ayes: 3

Nays: 0

Abstention: 1 (Piekarski Krech) Motion carried.

3B. CLAIMS:

Mr. Link advised there were two claims related to appraiser invoices.

Boardmember Piekarski Krech asked how much money remained in the budget.

Mr. Link replied that the claims were for \$5,000 and the 2010 and 2011 budgets included \$500,000 each year.

Boardmember Piekarski Krech questioned whether the EDA allocated money for 2011.

Mr. Lynch advised they were not able to allocate money for 2010, but had allocated \$500,000 for 2011 and would allocate another \$500,000 for 2012.

Dian Piekarski, 7609 Babcock Trail, asked to see the minutes where the \$500,000 was approved.

Mr. Link advised he would provide that information.

Motion by Madden, second by Grannis, to approve disbursements from November 8, 2011 to February 6, 2012.

Ayes: 4

Nays: 0

4A. EXCESS GOLF COURSE PROPERTIES

Mr. Link advised that the EDA will hold a public hearing on the creation of two economic development districts, consider a resolution creating the two districts, as well as a resolution approving a purchase agreement and authorizing issuance of a revenue note. He advised that the EDA directed staff to proceed with the possible acquisition of the two excess golf course properties located at 1) the northwest corner of Babcock Trail and 70th Street and 2) the south side of 70th Street, west of the golf course parking lot. He advised that statute requires that any properties acquired by the EDA must be in an economic development district. In this case the two development districts would be created with identical boundaries to the two excess golf course properties. The purchase price for the two properties would be \$1,352,000, with the proceeds from the sale paying off the remaining balance of the golf course debt. The acquisition would be funded by \$1,000,000 from the Host Community Fund and \$352,000 from the Economic

Development Fund. At such time that the EDA sells the property for development, the proceeds of the sale would pay back the Host Community Fund first and the EDA account second. If the sale proceeds exceed the \$1,352,000, the excess proceeds would go to the Economic Development Fund. The EDA acquisition of these properties would improve the golf course's financial position, provide the EDA with an asset, and promote the City's economic development by eventually converting unused property to a use that would take advantage of the golf course amenity and increase the City's tax base. Staff recommends approval of the two resolutions.

Boardmember Piekarski Krech questioned why the EDA was the most appropriate entity to foster development.

Mr. Link replied there were a number of benefits to EDA ownership, including flexibility and availability to financial tools.

Boardmember Piekarski Krech stated she was concerned about taking things out of the hands of private developers, and she questioned whether the excess golf course properties could be transferred to the EDA rather than sold to them.

Mr. Link replied that transferring the property rather than selling it would not improve the golf course's financial situation.

Boardmember Grannis asked if the golf course bonds had to be paid off prior to transferring the property to the EDA.

Mr. Kuntz replied in the affirmative.

Boardmember Piekarski Krech asked if the documents specified that the money must go back to the Host Community Fund.

Mr. Kuntz replied they only specify that the money goes back to the City. If the EDA sells the property the first \$1,000,000 comes back to the City under the revenue note, and the EDA account second. If the sale proceeds exceed the \$1,352,000 the excess proceeds would go to the Economic Development Fund.

Boardmember Piekarski Krech questioned whether purchasing the excess golf course property would result in the betterment of the entire community.

President Tourville asked what the estimated savings was to the City for the remaining two years of the golf course debt.

Mr. Lynch replied that the remaining golf course debt is approximately \$900,000. Should the EDA purchase the golf course properties, this money could then be used for something else over the course of the next two years and the City would also have the opportunity to sell and develop the properties sooner.

Boardmember Piekarski Krech asked how much the City was currently subsidizing the golf course.

Mr. Lynch advised the City would pay a debt service payment of approximately \$450,000 a year for the next two years out of the Host Community Fund.

Boardmember Piekarski Krech questioned the difference between the purchase price of \$1,352,000 and the \$900,000 remaining debt service.

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Mr. Lynch replied that \$900,000 was the principle only. The City cannot call the bonds early so the sale would be an investment device to make the remaining payments as they come due.

President Tourville stated he recalled a discussion regarding possible interest savings.

Mr. Lynch advised there was a period of time when we could have called the bonds but that date has already passed.

Mr. Kuntz stated it was best to think of this as two transactions. The first transaction is to pay off the bonds. The amount the City owes for the bonds through 2014 is \$1,351,517.50. The second transaction is the transaction between the City and the EDA. The transaction is structured as such that the City will give the EDA the authority to move forward and try to foster development and sell the properties. Upon sale of the property the first \$1,000,000 goes back to the Host Community Fund and the EDA account would be paid back second. If the property is sold for more than the purchase price the EDA can determine where those monies will go.

Boardmember Piekarski Krech stated she was unaware that the City was taking that much money from the Host Community Fund every year to pay towards the golf course debt. With that in mind, she stated it made sense for the EDA to purchase the property as the City was spending that money regardless.

Mr. Lynch clarified that the golf course has been operating since 1992. In many of those years the golf course was able to pay the debt service and operating expenses out of golf course funds. However, because the debt service increased substantially in the last ten years the City has been subsidizing the debt service from the Host Community Fund.

President Tourville requested to have a record of the operating revenue for the lifetime of the golf course available when this item goes to City Council. He stated it would show that the debt service was substantially lower than \$450,000 for most years, and was paid out of golf course funds for much of the time.

Jim Mueller, 7800 Boyd Avenue, asked for clarification of the debt service payment process and whether the debt could be paid off early.

Mr. Lynch replied that the City is contractually obligated to make biannual debt service payments and cannot pay off the bonds until 2014.

Mr. Mueller questioned how much of a profit could be made as he felt the properties were likely limited to residential development because of buffering issues. He stated that once the landfill is full and the Host Community fees cease the City may have to consider selling the golf course.

President Tourville asked Ellen Watters to discuss Progress Plus's involvement with these properties.

Ellen Watters, Progress Plus, advised their 2011 fall broker materials included information about the excess golf course properties. They have also met with a developer interested in senior housing for the parcels. They plan to more aggressively market the properties upon completion of this transaction.

Motion by Madden, second by Grannis, to close the public hearing.

Ayes: 4

Nay: 0 Motion carried

Mr. Kuntz asked if the EDA would like to retain or modify the ten year time period indicated in the revenue note.

Boardmember Grannis asked if any change to the date would have to be in this original agreement.

Mr. Kuntz replied it would be preferable to address it up front.

Boardmember Piekarski Krech suggested the revenue note's maturity date be changed from 10 years to 20 years. She asked why there was no interest being charged to the EDA for the loan.

Mr. Kuntz advised there was no legal reason that interest could not be charged; however, the money would have to come from the City to pay the interest back to the City.

Motion by Grannis, second by Madden, to approve Resolution EDA-12-01 Creating Economic Development Districts No. 1 and 2 and Resolution EDA-12-02 Approving a Purchase Agreement Between the City of Inver Grove Heights and the City of Inver Grove Heights Economic Development Authority Relating to the Sale of Excess Property Owned by the City of Inver Grove Heights Located on a Portion of the Inverwood Golf Course Property, and Authorizing Issuance of Taxable Revenue Note (Golf Course Property) Series 2012, with a modification of the maturity date from 2022 to 2032 years.

Boardmember Piekarski Krech recommended that the revenue note be changed to require that the subsequent EDA sale of the properties be "no less than \$1,000,000" rather than "at any price the Authority deems reasonable".

President Tourville suggested changing the verbiage to "no less than \$1,000,000 without City Council approval".

The motioners agreed to amend their motion to require that the revenue note be modified to require that the sale proceeds net at least \$1,000,000 unless receiving City Council approval.

Ayes: 4

Nay: 0 Motion carried.

5A. SMALL BUSINESS LOAN PROGRAM

Mr. Link asked the EDA to further discuss the administration of the Small Business Loan Program and provide direction to staff. He noted that the EDA expressed interest in two options, with the first one being administration by City staff with assistance from a loan review committee made up of volunteer bankers similar to the South St. Paul Futures program. Steve Carrier is in attendance to make a brief presentation in regards to the Futures program. The second approach would be contracting with another organization, such as the Metropolitan Consortium of Community Developers (MCCD), to administer the loans. A representative from MCCD will also make a presentation tonight. Following this discussion, Mr. Link requested the EDA discuss the issue of whether or not financial information from loan applications would be available to the public.

Ms. Watters introduced Steve Carrier, a Boardmember of Progress Plus who has been involved with South St. Paul Futures for a number of years.

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Mr. Carrier advised that he is employed with Bremer Bank but works with South St. Paul Futures on their loan review committee. He explained that Futures is a non-profit program that promotes businesses and growth. Futures formed a loan review committee which primarily consists of financial professionals. The committee receives, reviews, and processes applications, many of which are referrals from banks and credit unions. They then make a recommendation to the Futures board, where it is either accepted or voted down. If the loan is made it is closed by the loan committee, the loan committee works with outside counsel to draft the necessary documentation, and the loan is funded. The loan servicing is contracted out and they work with Progress Plus for the billing and day-to-day administration. He advised this has been a successful program that has benefited over 30 businesses over the last 20 years.

President Tourville asked if there was a maximum loan.

Mr. Carrier replied their maximum loan is \$100,000, but the typical loan is \$50,000.

Boardmember Madden asked what the success rate was.

Mr. Carrier replied in the eight years he has been involved in Futures they have made 15 loans, two of which have defaulted.

Boardmember Grannis asked why they only averaged two loans per year.

Mr. Carrier replied because it is a narrow market and difficult to find loans to fund. He advised that typically the loans they see through South St. Paul Futures are not loans that would be underwritten through normal commercial banking or financial institutions. He advised that promoting business sometimes means taking a bigger risk than a typical financial institution would. The loan committee evaluates the risk; however, and highlights it in their recommendation for the overall board to vote on. He stated they try to protect themselves and have thus far done a good job of minimizing their losses. He further explained that typically the HRA will match the dollar amount that Futures puts into the program.

Boardmember Grannis asked what the average loan amount was.

Mr. Carrier replied the average loan from Futures is \$50,000 and \$50,000 from HRA.

President Tourville stated many cities are investing in their EDA's because they get a better return than they would on traditional investments.

Mr. Carrier stated the program allows businesses to get financing they would not be able to get from other sources. This keeps them in business and keeps jobs in the community.

Jim Roth, MCCD, gave an overview of the organization. He advised they are an association of non-profit community development organizations working across the metropolitan area. Their members are engaged in affordable housing development, commercial corridor vitalization, and small business development. MCCD has been a small business lender since 1989, with their original mission being primarily working in inner city neighborhoods in Minneapolis. In 2007 they merged with a smaller St. Paul association and made the decision to serve the seven county metro area. In an effort to recover the cost of their services they started the "Open to Business" program which directly contracts with municipalities. They currently contract with 15 cities to provide their small business loan program. They bring their own loan capital but will also partner. They closed 110 loans in 2011.

Rob Smolund, MCCD, discussed the "Open to Business" program. He advised the program provides an opportunity for municipalities to help entrepreneurs gain access to financing and one-on-one counseling.

This includes counseling on business planning, organization, financial management, marketing, determining a business's feasibility, etc. The process includes determining if the applicant has a viable business, how much capital they need, and a strategy for acquiring the necessary resources. He stated MCCD has their own capital as well as partnerships with area banks to help small business owners obtain loans and revolving lines of credit. Many times MCCD will match the funding available from the bank in an effort to get the business owner the capital needed. Another option is to have an arrangement such as that of Brooklyn Park. MCCD recently entered into an agreement with the City of Brooklyn Park to share the exposure; if MCCD provided \$25,000 the City provided up to \$25,000. In this case Mr. Smolund would originate the loan, do the loan reports and analysis and present it to his loan committee. It would then go to the Brooklyn Park Development Corporation Committee. MCCD would fund the loan in participation with Brooklyn Park Development Corporation. MCCD would service the loan and pay Brooklyn Park Development Corporation the quarterly interest collected for their portion of the loan. They also have a program similar to a 504 program where MCCD would partner with a bank to provide financing for small real estate purchases.

President Tourville asked if the annual fee for the "Open to Business" program was a flat \$10,000, regardless of the size of the city, number of applications processed, hours of consultation, etc.

Mr. Smolund replied in the affirmative, stating the \$10,000 annual fee included unlimited hours of service, consultation, and loans. He advised that some smaller cities, such as New Hope and Golden Valley, have combined into one program.

Mr. Roth added that if they are not able to finance the entire loan amount themselves they will sometimes partner deals with other sources such as MEDA, Women Venture, or the William C. Norris Institute.

Mr. Smolund stated because they are a Certified Development Financial Institution, they receive funds from the Treasury Department as well. The two funds they use that have no restrictions are EQ2 funds from Wells Fargo and US Bank.

President Tourville asked if other cities had local involvement.

Mr. Smolund replied Brooklyn Park is the only city they currently have a joint loan program with.

Mr. Link asked for details regarding MCCD's work with local banks.

Mr. Smolund replied if Inver Grove Heights were to become an "Open to Business" city, MCCD would implement a marketing campaign. They would ask the City to set up meetings with local bankers to allow MCCD to explain their program. He advised that bankers appreciate MCCD because they like to have someone they can refer people to if they themselves are unable to offer a loan.

Mr. Kuntz asked Mr. Smolund to elaborate on an earlier remark that one city had their own loan committee in addition to MCCD's loan committee.

Mr. Smolund advised that Brooklyn Park has their own board that acts as a loan committee. This committee must review and approve any MCCD loans done in the City prior to their implementation.

Mr. Link stated he contacted a couple cities that work with MCCD and they spoke highly of them.

President Tourville asked if Mr. Link spoke with the City of Brooklyn Park.

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Mr. Link replied he only spoke with the cities of St. Louis Park and Minnetonka; however, he read a newspaper article in which Brooklyn Park stated they were pleased with the program.

Ms. Watters stated that Brooklyn Park has partnered with MCCD and is very pleased. They have seen business inquiries increase and they are happy with MCCD's customer service, administrative process, and regular office hours.

Mr. Kuntz referred to a memorandum from his office addressing the relationship of financial information submitted by applicants and the City's responsibility in regards to the Data Practices Act. He summarized what data was deemed private upon submission and what data was reclassified to public at the point that financial assistance was awarded. He pointed out that several documents remain private, such as income tax returns, marketing plans, etc.

Mr. Link asked for direction on how to proceed in regards to implementing a small business loan program.

Boardmember Piekarski Krech stated she was not ready to determine yet what would best serve the City's needs.

Ms. Piekarski asked if applicants could be referred to MCCD without investing any of the City's money in the loan program outside of the \$10,000 annual fee.

President Tourville replied in the affirmative.

Ms. Piekarski stated a \$10,000 annual fee was preferable to loaning out the City's money and taking the risk of a default.

President Tourville advised that although some loans in other cities had resulted in default they may have still made a profit as the default was not necessarily for the entire loan amount.

Ms. Piekarski stated she would have liked to see documentation from the South St. Paul Futures representative as to whether or not the program made a profit over the last 15 years. She was concerned about the risk of loaning money to businesses that for one reason or another could not get a loan from traditional sources. She questioned whether the City should get involved with such a program, especially since they have had some difficulty finding loan applicants. She supported the idea of applicants receiving counseling and technical assistance, but was opposed to loaning out money from government entities.

Ms. Watters stated that South St. Paul Futures is a successful revolving loan program that has been active for 20 years. Because loans continue to be repaid they have the capital to lend out more. She advised that in regard to the difficulty of finding loans, there is not a lack of demand but rather finding an applicant with the right profile who is ready at the same time as the loan funds are available. She stated that currently Inver Grove Heights does not have the same tools that many of the competing communities do when it comes to helping businesses expand and relocate and that programs such as these can help make a difference in growing and retaining businesses in Inver Grove Heights.

Mr. Link advised that information provided at an earlier EDA meeting indicated that the number of failed loans was small. He offered to provide that information again if it would be helpful.

President Tourville asked Mr. Link to contact the City of Brooklyn Park and provide an update on the success of their program at the next EDA meeting.

The EDA agreed to take no formal action at this time.

5B. PROGRESS PLUS UPDATE

Ms. Watters summarized Progress Plus's proposed 2012 Work Plan, including 1) providing support to the EDA in terms of research, program development, and marketing, 2) assisting with tasks associated with the Concord redevelopment planning efforts, 3) establishing, maintaining, and analyzing database information, 4) responding to business inquiries, 5) implementation of the business retention program, and (6) marketing the City via their website, brochures, e-newsletter, news releases, development conference participation, and various broker events. She advised that they plan to celebrate the grand opening of Argenta Hills and Target. They will also include Mr. Link on ten retention visits in 2012.

Boardmember Piekarski Krech stated that while she understood promoting Target's grand opening, she was concerned about the negative impact Target could have on existing businesses.

Ms. Watters stated where people chose to make their purchases was beyond Progress Plus's control, however, they would try to help any business that was feeling threatened. She noted that studies have been done showing that small hardware stores can actually thrive in the face of a big box by filling a different niche.

Boardmember Piekarski Krech stated she has seen many small stores try to find their niche but eventually be forced to close.

Ms. Watters stated there are many factors that influence a business's success or failure.

Mr. Link stated one of the reasons the EDA is considering the Small Business Loan Program is to help smaller businesses rather than focusing solely on big box.

Boardmember Piekarski Krech suggested perhaps focusing the retention visits on businesses that may be impacted by Target.

Boardmember Madden stated big box stores can sometimes help small businesses by attracting customers to the area.

Ms. Piekarski stated she gets frustrated when the City spends money on outside consultants rather than using existing resources. She stated in order to promote economic development in the City the link to the EDA should be clearly visible on the City's website and the EDA meetings should be printed in the *Insights* newsletter. She asked whether a public hearing notice for the EDA meeting was published in the newspaper.

Mr. Link replied in the affirmative, stating it was advertised in both the local newspaper and the St. Paul Pioneer Press.

President Tourville agreed with Ms. Piekarski's suggestion to put a clear EDA or Progress Plus link on the City's website as well as listing the EDA meetings in the *Insights* newsletter.

Mr. Link advised that the Assistant City Administrator plans to work on the City's website later this year and would look at incorporating a link to the EDA as part of that larger project.

President Tourville stated perhaps a temporary link could be put on the website in the meantime with basic EDA information.

Ms. Piekarski asked to see documentation from the EDA meeting and the City Council meeting as to the allocation of \$500,000 to the EDA budget as well as a breakdown of who voted for and against it.

5C. 2012 WORK PLAN

Mr. Link requested direction regarding the EDA's 2012 Work Plan. He summarized the draft work plan which included acquisition of excess golf course property, continuation of the establishment of a small business loan program, researching how other cities' EDA's are financed and structured, and acquisition of the Gun Club site for future development.

President Tourville suggested the Southeast Quadrant be added to the work plan.

Mr. Link agreed to add it to the EDA 2012 Work Plan.

5D. GUN CLUB SITE:

Mr. Link advised that the County recently met with MNDOT, and the County agreed to work with them regarding environmental investigation of the site. MNDOT has not heard from the County since that meeting. The issue is that the County's standards are much stricter than MPCA standards. MNDOT is stating that the cost of adhering to these stricter standards makes certain projects unaffordable. He advised that he would keep the EDA updated on the progress of this issue.

Mr. Mueller suggested asking for assistance from the County Commissioner in regards to this issue.

Ms. Piekarski questioned how much space the soils would take up if it were all to be removed and disposed of at the landfill.

6. ELECTION OF OFFICERS

Mr. Link asked the EDA to elect officers for the year 2012.

Motion by Madden, second by Grannis, to appoint Tourville as President, Piekarski Krech as Vice-President, Klein as Treasurer, the City's Finance Director as Assistant Treasurer, and the Executive Director's designee as Secretary.

Ayes: 3

Nay: 1 – Grannis Motion carried.

7. NEXT MEETING

Mr. Link advised that the next meeting is scheduled for May 7, 2012.

8. ADJOURNMENT: Motion by Grannis, second by Madden, to adjourn. The meeting was adjourned by a unanimous vote at 8:31 p.m.

MEMO
CITY OF INVER GROVE HEIGHTS

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development *TJL*
DATE: April 18, 2012 for EDA Meeting of May 7, 2012
SUBJECT: Claims

The following are claims that have been received since the last Economic Development Authority meeting of February 6, 2012:

- River Heights Chamber of Commerce – Annual Meeting \$45.00
 - River Heights Chamber of Commerce – Volunteer Appreciation Luncheon \$30.00
- TOTAL** **\$75.00**

**MEMO
CITY OF INVER GROVE HEIGHTS**

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development 
DATE: April 18, 2012 for EDA Meeting of May 7, 2012
SUBJECT: Resolution Regarding Authorizing 2012 Transfer to EDA Fund from Host Community Fund

Enclosed, for the Economic Development Authority's (EDA's) action, is a Resolution Recommending 2011 Transfer to EDA Fund from Host Community Fund. The purpose of this resolution is to ratify the transfer of \$500,000 from the Host Community Fund to the Economic Development Fund, as previously discussed by the City Council and EDA with the 2011 budget.

In 2012, City staff proposed the transfer of \$500,000 from the Host Community Fund to the Economic Development Fund. This transfer was well documented in staff memos, the EDA budget, and EDA minutes and included in the approved 2012 budget.

However, in 2011, the documentation of the same transfer is lacking because, at that time, there was no EDA and no Economic Development Fund. Though it was clearly the intent to transfer the funds, there is no documentation approving the transfer. Therefore, staff recommends approval of the enclosed resolution to ratify the transfer.

If the EDA approves the resolution, the EDA recommendation will be considered by the City Council at an upcoming meeting.

Enc: Resolution
cc: Kristi Smith, Finance Director

**CITY OF INVER GROVE HEIGHTS
DAKOTA COUNTY, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION RECOMMENDING 2011 TRANSFER TO EDA FUND
FROM HOST COMMUNITY FUND**

WHEREAS, the EDA Fund was created in 2011, and

WHEREAS, the EDA did not approve a 2011 budget, and

WHEREAS, there was intended to be a transfer of \$500,000 to the EDA Fund from the Host Community Fund in 2011.

NOW, THEREFORE BE IT RESOLVED, BY THE CITY OF INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY: that the following transfer be recommended to the City Council.

From Host Community Fund:	451.57.9200.590.91100	\$500,000
To EDA Fund:	290.45.0000.3911000	\$500,000

Adopted by the City of Inver Grove Heights Economic Development Authority this 7th day of May 2012.

Ayes:

Nays:

George Tourville, President

ATTEST:

Kim Fox, Secretary

**MEMO
CITY OF INVER GROVE HEIGHTS**

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development *TJL*
DATE: April 18, 2012 for EDA Meeting of May 7, 2012
SUBJECT: Small Business Loan Program

1. ACTION REQUESTED: The Inver Grove Heights Economic Development Authority (EDA) is to further discuss the Small Business Loan Program. More specifically, the EDA is to:

- Provide staff with direction regarding the draft guidelines as they relate to 1) whether the program's purpose is to serve existing businesses, new businesses or both and 2) what the maximum loan amount should be
- Review information regarding levels of loan default
- Review information regarding alternatives for the administration of the program

2. BACKGROUND: The EDA identified the development of a Small Business Loan Program as one of its five goals for its 2012 Work Plan. At recent meetings, the EDA reviewed other cities' small business loan programs, developed draft program guidelines, discussed the level and source of funding, considered alternatives for the administration of the loan program, and reviewed public information requirements.

3. ANALYSIS:

Draft Guidelines

Attached, for the EDA's background information, are the revised draft guidelines for the Small Business Loan Program. The guidelines are based, in part, on similar programs in the cities of Oakdale and South St. Paul. The program would:

- Focus primarily on existing Inver Grove Heights businesses, including empty storefronts, and secondarily on new businesses
- Allow retail businesses, including restaurants, to be eligible
- Provide loans up to \$15,000 for a new businesses moving into the city or for a business that has been in the city for less than five years and up to \$20,000 for a business that has been in the city for at least five years
- Not provide for loan forgiveness
- Provide flexibility so that the EDA can consider loan applications on a case-by-case basis

The first year's funding is proposed to be \$100,000. This \$100,000 would come from the \$500,000 that was transferred from the Host Community Fund for economic development purposes.

Staff requests the EDA to review the draft guidelines to make sure that they reflect the EDA's purpose as to whether the program is to serve existing businesses, new businesses, or both. At its last meeting, the EDA briefly discussed using loans to attract new businesses to Inver Grove Heights. New businesses frequently inquire about such City financial incentives. As mentioned above, however, the guidelines state that new businesses are considered only a secondary purpose of that program. The stated primary purpose of the program is to assist existing businesses. Other cities' programs vary with some designed only for existing businesses while others serve both existing and new businesses.

There was also a brief discussion of the maximum loan amount. If the maximum loan amount were to be increased from the current guidelines of \$15,000/\$20,000 the funding level may have to be increased. Of other cities surveyed, eight of them have established maximum loans of \$5,000 to \$25,000 and four cities have maximums of \$50,000 to \$150,000.

Level of Loan Defaults

The EDA requested information regarding the level of loan defaults. Attached, for the EDA's information, is a memo that was prepared by Progress Plus last summer that summarizes other cities'/EDA's small business loan program performances. Examples of other cities' levels of default include:

- The City of Blaine has experienced four loan defaults out of 62 loans that were approved since 1983
- The City of Hutchinson has had zero defaults out of four loans
- The City of Lonsdale experienced one default out of 24 loans over a period of ten years
- The City of Shakopee experienced zero defaults; it approves one or two loans per year
- The City of Oakdale experienced zero defaults; it approves one or two loans per year
- South St. Paul Futures experienced two loan defaults out of 15 loans approved over eight years
- The City of South St. Paul experienced five defaults; it approved 10 to 12 loans per year over the last 20 years

A small business loan program entails risk. The purpose of the program is to supplement conventional bank loans. As such, the program would finance that portion of a business that a bank does not desire to finance. Furthermore, the EDA loan is in a second and sometimes third position behind the bank loans.

Alternatives for Administration

The EDA has expressed interest in two options for administering the Small Business Loan Program: 1) an organization similar to the South St. Paul Futures and 2) the Metropolitan Consortium of Community Developers (MCCD). Administration involves underwriting, closing, disbursing, and servicing loans. Representatives from both of these organizations made presentations to the EDA at its last meeting. The enclosed minutes summarize those presentations.

The South St. Paul Futures Program uses existing Chamber of Commerce personnel to administer the loan program. The South St. Paul Futures also has a loan review committee to analyze loan applications and make recommendations to the Board. The South St. Paul Futures model has the advantage of being a local initiative and a structure that local banks are familiar with. It is anticipated that this alternative would cost up to \$2,000 annually.

The MCCD performs the same functions as South St. Paul Futures but provides additional financing through its "Open to Business" program. In fact, the MCCD is able to administer a small business loan program in Inver Grove Heights by using just its own funds without the use of City funds. Similar to the South St. Paul Futures program, the MCCD would work with local banks. The MCCD also provides a wide variety of technical assistance to businesses, especially new businesses. The cost of the MCCD "Open to Business" program is \$10,000 a year.

In a recent development, the Dakota County Community Development Agency (CDA) is considering contracting with the MCCD for its "Open to Business" program because several cities, including Inver Grove Heights, have expressed interest in MCCD's program. This could reduce individual cities' costs. For example, Hennepin County has an arrangement in which the County pays \$5,000 for each city and individual cities pay the remaining \$5,000.

As directed by the EDA, staff checked with other cities that have used MCCD's "Open to Business" program. The cities of Brooklyn Park, Minnetonka, and St. Louis Park all spoke favorably of MCCD. They have been pleased with the organization's customer service, availability and responsiveness, and regular reports.

4. CONCLUSION: The Inver Grove Heights Economic Development Authority (EDA) is to further discuss the Small Business Loan Program. More specifically, the EDA is to:

- Provide staff with direction regarding the draft guidelines as they relate to 1) whether the program purpose is to serve existing businesses, new businesses or both and 2) what the maximum loan amount should be
- Review information regarding levels of loan default
- Review information regarding alternatives for the administration of the program. Staff recommends deferring a decision until the CDA explores their possible involvement.

Enc: Draft Program Guidelines
Excerpts of EDA Minutes of February 6, 2012
Summary of Research on City/EDA Small Business Loan Program Performance, dated July 28, 2011, as prepared by Progress Plus
Metropolitan Consortium of Community Developers (MCCD) Literature

cc: Jennifer Gale, Progress Plus
Ellen Watters, Progress Plus
Rob Smolund, M CCD

CITY OF INVER GROVE HEIGHTS
SMALL BUSINESS LOAN PROGRAM GUIDELINES

Purpose

The City of Inver Grove Heights, through its Economic Development Authority (EDA), is making funds available to provide loans to Inver Grove Heights business owners for building construction and improvements. The purpose of the loans is to primarily encourage reinvestment and updating of financially sound, established, existing businesses and, secondarily, the construction of new businesses. Generally, the loans are not intended to be a substitute for conventional business financing but to be a supplement by providing a portion of the financing necessary.

Loan Amount: The EDA loans will provide funding for up to 20% of the total eligible projects costs, not to exceed the following maximum loans:

- Up to \$15,000 for a new business moving into the City or for a business that has been in the City for less than five years
- Up to \$20,000 for a business that has been in the City for at least five years

The minimum loan is \$5,000.

Number of Loans: The EDA will annually determine the level of funding for the program. The cumulative total dollar amount available for loans in a year will not exceed this funding level.

Interest Rate: Negotiable

Term: The maximum term is ten years or upon closure or relocation of the business, whichever occurs first.

Loan Security: Negotiable

Eligible Properties: Businesses must be zoned for commercial or industrial uses and must be designated as commercial or industrial according to the Comprehensive Plan. Properties may not be the recipient of tax increment financing or tax abatement.

Eligible Owners: Loans will be provided only to the owner of a property and only to for-profit entities. Owners of more than one business are eligible for only one loan at a time.

Eligible Projects: The following are eligible projects:

- Building improvements and additions, such as roof repair, electrical and plumbing upgrades, energy upgrades, HVAC systems
- Building exteriors and façade improvements
- Connections to city utilities and unique storm water improvements
- Code corrections, such as fire suppression and handicap accessibility
- Site improvements, such as grading and drainage, storm water improvements, utility improvements, parking lots, lighting, landscaping, and screening
- Leaseholder improvements and, in the case of restaurants, kitchen equipment
- Structural improvements to encourage the leasing of vacant space
- New building construction

Ineligible Projects: The following are ineligible projects:

- Land acquisition
- Financing fees
- Refinancing of existing debt
- Taxes and special assessments
- Personal property
- Working capital
- Machinery
- Interior remodeling
- Furniture and fixtures
- Previously completed projects
- Projects started prior to EDA approval.

Loan Security: Negotiable

Application Deadline: Applications will be accepted year round on a first come, first served basis.

Application Process: It will take about 30 to 90 days to complete the following process:

- Applicant should contact a primary lending institution to determine private financing
- Applicant will meet with EDA staff to obtain program information/application forms and discuss the project
- Applicant will complete and submit the application form to EDA staff and pay the application fee
- EDA staff will review the application for completeness and determine if the application conforms to the program's guidelines
- EDA staff and fiscal consultant will review the application to determine financial feasibility of the business, owner, and project. The review will include a credit check of the business and owners. The EDA will carefully consider management capability, experience, financial support, soundness of the business, and long-range possibilities for a successful operation.

- EDA staff will negotiate the conditions of a loan, including term, interest rate, and security
- EDA will consider approval or denial of the application
- City Attorney will prepare the loan agreement
- EDA staff and applicant will close on the loan agreement

Selection Criteria: Applications will be reviewed and analyzed against the following criteria:

- Ability to improve the City's economic diversity and to provide essential products and services
- Ability to create and retain job opportunities
- Ability to increase the City's tax base
- Ability to encourage improvements in redevelopment areas or heavily commercialized areas with high visibility
- Ability to encourage improvements and improve the appearance of the surrounding business neighborhood
- Ability to accelerate improvements on sites that may not be improved without municipal subsidies assistance
- Consistency with the Comprehensive Plan and compliance with city codes
- Demonstrated need for secondary financing
- Financial feasibility

Project Completion: The project must be completed within 120 days of the loan closing

Disbursement Process: Payment to the contractor will be made upon completion of the work following:

- Inspection by the City to verify the completion of the work and compliance with all codes and ordinances
- Submittal of invoices
- Submittal of completion certificate signed by borrower and contractor
- Submittal of lien waiver for entire cost of work
- Submittal of verification that contractor has been paid for matching portion of project
- Verification of payment of property taxes and special assessments

The Inver Grove Heights EDA recognizes that each business is unique and must be handled on a case by case basis. While the EDA will generally use these guidelines for administering the small business loan program, the EDA reserves the authority to vary from these guidelines to encourage reinvestment and updating of existing businesses and, secondarily, the construction of new businesses, consistent with the above selection criteria.

Mr. Kuntz asked if the EDA would like to retain or modify the ten year time period indicated in the revenue note.

Boardmember Grannis asked if any change to the date would have to be in this original agreement.

Mr. Kuntz replied it would be preferable to address it up front.

Boardmember Piekarski Krech suggested the revenue note's maturity date be changed from 10 years to 20 years. She asked why there was no interest being charged to the EDA for the loan.

Mr. Kuntz advised there was no legal reason that interest could not be charged; however, the money would have to come from the City to pay the interest back to the City.

Motion by Grannis, second by Madden, to approve Resolution EDA-12-01 Creating Economic Development Districts No. 1 and 2 and Resolution EDA-12-02 Approving a Purchase Agreement Between the City of Inver Grove Heights and the City of Inver Grove Heights Economic Development Authority Relating to the Sale of Excess Property Owned by the City of Inver Grove Heights Located on a Portion of the Inverwood Golf Course Property, and Authorizing Issuance of Taxable Revenue Note (Golf Course Property) Series 2012, with a modification of the maturity date from 2022 to 2032 years.

Boardmember Piekarski Krech recommended that the revenue note be changed to require that the subsequent EDA sale of the properties be "no less than \$1,000,000" rather than "at any price the Authority deems reasonable".

President Tourville suggested changing the verbiage to "no less than \$1,000,000 without City Council approval".

The motioners agreed to amend their motion to require that the revenue note be modified to require that the sale proceeds net at least \$1,000,000 unless receiving City Council approval.

Ayes: 4

Nay: 0

Motion carried.

5A. SMALL BUSINESS LOAN PROGRAM

Mr. Link asked the EDA to further discuss the administration of the Small Business Loan Program and provide direction to staff. He noted that the EDA expressed interest in two options, with the first one being administration by City staff with assistance from a loan review committee made up of volunteer bankers similar to the South St. Paul Futures program. Steve Carrier is in attendance to make a brief presentation in regards to the Futures program. The second approach would be contracting with another organization, such as the Metropolitan Consortium of Community Developers (MCCD), to administer the loans. A representative from MCCD will also make a presentation tonight. Following this discussion, Mr. Link requested the EDA discuss the issue of whether or not financial information from loan applications would be available to the public.

Ms. Watters introduced Steve Carrier, a Boardmember of Progress Plus who has been involved with South St. Paul Futures for a number of years.

Mr. Carrier advised that he is employed with Bremer Bank but works with South St. Paul Futures on their loan review committee. He explained that Futures is a non-profit program that promotes businesses and growth. Futures formed a loan review committee which primarily consists of financial professionals. The committee receives, reviews, and processes applications, many of which are referrals from banks and credit unions. They then make a recommendation to the Futures board, where it is either accepted or voted down. If the loan is made it is closed by the loan committee, the loan committee works with outside counsel to draft the necessary documentation, and the loan is funded. The loan servicing is contracted out and they work with Progress Plus for the billing and day-to-day administration. He advised this has been a successful program that has benefited over 30 businesses over the last 20 years.

President Tourville asked if there was a maximum loan.

Mr. Carrier replied their maximum loan is \$100,000, but the typical loan is \$50,000.

Boardmember Madden asked what the success rate was.

Mr. Carrier replied in the eight years he has been involved in Futures they have made 15 loans, two of which have defaulted.

Boardmember Grannis asked why they only averaged two loans per year.

Mr. Carrier replied because it is a narrow market and difficult to find loans to fund. He advised that typically the loans they see through South St. Paul Futures are not loans that would be underwritten through normal commercial banking or financial institutions. He advised that promoting business sometimes means taking a bigger risk than a typical financial institution would. The loan committee evaluates the risk; however, and highlights it in their recommendation for the overall board to vote on. He stated they try to protect themselves and have thus far done a good job of minimizing their losses. He further explained that typically the HRA will match the dollar amount that Futures puts into the program.

Boardmember Grannis asked what the average loan amount was.

Mr. Carrier replied the average loan from Futures is \$50,000 and \$50,000 from HRA.

President Tourville stated many cities are investing in their EDA's because they get a better return than they would on traditional investments.

Mr. Carrier stated the program allows businesses to get financing they would not be able to get from other sources. This keeps them in business and keeps jobs in the community.

Jim Roth, MCCD, gave an overview of the organization. He advised they are an association of non-profit community development organizations working across the metropolitan area. Their members are engaged in affordable housing development, commercial corridor vitalization, and small business development. MCCD has been a small business lender since 1989, with their original mission being primarily working in inner city neighborhoods in Minneapolis. In 2007 they merged with a smaller St. Paul association and made the decision to serve the seven county metro area. In an effort to recover the cost of their services they started the "Open to Business" program which directly contracts with municipalities. They currently contract with 15 cities to provide their small business loan program. They bring their own loan capital but will also partner. They closed 110 loans in 2011.

Rob Smolund, MCCD, discussed the "Open to Business" program. He advised the program provides an opportunity for municipalities to help entrepreneurs gain access to financing and one-on-one counseling.

This includes counseling on business planning, organization, financial management, marketing, determining a business's feasibility, etc. The process includes determining if the applicant has a viable business, how much capital they need, and a strategy for acquiring the necessary resources. He stated MCCD has their own capital as well as partnerships with area banks to help small business owners obtain loans and revolving lines of credit. Many times MCCD will match the funding available from the bank in an effort to get the business owner the capital needed. Another option is to have an arrangement such as that of Brooklyn Park. MCCD recently entered into an agreement with the City of Brooklyn Park to share the exposure; if MCCD provided \$25,000 the City provided up to \$25,000. In this case Mr. Smolund would originate the loan, do the loan reports and analysis and present it to his loan committee. It would then go to the Brooklyn Park Development Corporation Committee. MCCD would fund the loan in participation with Brooklyn Park Development Corporation. MCCD would service the loan and pay Brooklyn Park Development Corporation the quarterly interest collected for their portion of the loan. They also have a program similar to a 504 program where MCCD would partner with a bank to provide financing for small real estate purchases.

President Tourville asked if the annual fee for the "Open to Business" program was a flat \$10,000, regardless of the size of the city, number of applications processed, hours of consultation, etc.

Mr. Smolund replied in the affirmative, stating the \$10,000 annual fee included unlimited hours of service, consultation, and loans. He advised that some smaller cities, such as New Hope and Golden Valley, have combined into one program.

Mr. Roth added that if they are not able to finance the entire loan amount themselves they will sometimes partner deals with other sources such as MEDA, Women Venture, or the William C. Norris Institute.

Mr. Smolund stated because they are a Certified Development Financial Institution, they receive funds from the Treasury Department as well. The two funds they use that have no restrictions are EQ2 funds from Wells Fargo and US Bank.

President Tourville asked if other cities had local involvement.

Mr. Smolund replied Brooklyn Park is the only city they currently have a joint loan program with.

Mr. Link asked for details regarding MCCD's work with local banks.

Mr. Smolund replied if Inver Grove Heights were to become an "Open to Business" city, MCCD would implement a marketing campaign. They would ask the City to set up meetings with local bankers to allow MCCD to explain their program. He advised that bankers appreciate MCCD because they like to have someone they can refer people to if they themselves are unable to offer a loan.

Mr. Kuntz asked Mr. Smolund to elaborate on an earlier remark that one city had their own loan committee in addition to MCCD's loan committee.

Mr. Smolund advised that Brooklyn Park has their own board that acts as a loan committee. This committee must review and approve any MCCD loans done in the City prior to their implementation.

Mr. Link stated he contacted a couple cities that work with MCCD and they spoke highly of them.

President Tourville asked if Mr. Link spoke with the City of Brooklyn Park.

INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING – February 6, 2012

Mr. Link replied he only spoke with the cities of St. Louis Park and Minnetonka; however, he read a newspaper article in which Brooklyn Park stated they were pleased with the program.

Ms. Watters stated that Brooklyn Park has partnered with MCCD and is very pleased. They have seen business inquiries increase and they are happy with MCCD's customer service, administrative process, and regular office hours.

Mr. Kuntz referred to a memorandum from his office addressing the relationship of financial information submitted by applicants and the City's responsibility in regards to the Data Practices Act. He summarized what data was deemed private upon submission and what data was reclassified to public at the point that financial assistance was awarded. He pointed out that several documents remain private, such as income tax returns, marketing plans, etc.

Mr. Link asked for direction on how to proceed in regards to implementing a small business loan program.

Boardmember Piekarski Krech stated she was not ready to determine yet what would best serve the City's needs.

Ms. Piekarski asked if applicants could be referred to MCCD without investing any of the City's money in the loan program outside of the \$10,000 annual fee.

President Tourville replied in the affirmative.

Ms. Piekarski stated a \$10,000 annual fee was preferable to loaning out the City's money and taking the risk of a default.

President Tourville advised that although some loans in other cities had resulted in default they may have still made a profit as the default was not necessarily for the entire loan amount.

Ms. Piekarski stated she would have liked to see documentation from the South St. Paul Futures representative as to whether or not the program made a profit over the last 15 years. She was concerned about the risk of loaning money to businesses that for one reason or another could not get a loan from traditional sources. She questioned whether the City should get involved with such a program, especially since they have had some difficulty finding loan applicants. She supported the idea of applicants receiving counseling and technical assistance, but was opposed to loaning out money from government entities.

Ms. Watters stated that South St. Paul Futures is a successful revolving loan program that has been active for 20 years. Because loans continue to be repaid they have the capital to lend out more. She advised that in regard to the difficulty of finding loans, there is not a lack of demand but rather finding an applicant with the right profile who is ready at the same time as the loan funds are available. She stated that currently Inver Grove Heights does not have the same tools that many of the competing communities do when it comes to helping businesses expand and relocate and that programs such as these can help make a difference in growing and retaining businesses in Inver Grove Heights.

Mr. Link advised that information provided at an earlier EDA meeting indicated that the number of failed loans was small. He offered to provide that information again if it would be helpful.

President Tourville asked Mr. Link to contact the City of Brooklyn Park and provide an update on the success of their program at the next EDA meeting.

The EDA agreed to take no formal action at this time.

PROGRESS PLUS

Urban-Alternative Space Available

Summary of Research on City/EDA Small Business Loan Program Performance July 28, 2011

Progress Plus asked seven cities in the area to share their experience providing small business loan programs. The response from each city is provided below in italics. Below the italics is a brief description of the specific loan program referred to as there are several differences in how the programs are structured.

One of the key observations shared by several cities is that the EDA should be clear about what it hopes to achieve in establishing a small business finance program. Is the primary goal to assist existing local businesses? Is it to attract new businesses? Is it to attract or retain a specific sector, for example, manufacturing? Is it job creation? Is it to attract a business that will have a broader impact on the local economy through spin-offs, or multipliers? Or is it to attract or retain businesses that fill a community need or businesses that would be located in a particular area, e.g. a commercial node? Being clear about the purpose of the program at the onset helps ensure that the structure of the program achieves the goal.

A second observation is that many cities have found it helpful to utilize a group of local bankers or similar to serve as the loan review committee. Most cities similar to Inver Grove Heights do not have staff capacity and/or expertise to do adequate loan "underwriting." Some have opted to create an advisory board or commission, some have created a separate nonprofit that the EDA directs public dollars to, and some have contracted with an outside entity to do the underwriting and loan servicing. This last example, utilized by Brooklyn Park, Hopkins, Minnetonka and North St. Paul, uses the Metropolitan Consortium of Community Developers (MCCD). City staff then are involved but not responsible for reviewing and recommending approval of the loan applications or for processing and monitoring loan payments.

Third, several cities noted that offering a loan at or near what banks or the SBA provide is not proving to be of great benefit in today's economy. Gap financing is still helpful and there is strong interest in forgivable loans (50% of loan forgiven if business stays for 5 years or similar). Demand for loan guarantee programs has been minimal the past two years as lending requirements by banks are so stringent that they are virtually guaranteed anyway.

Finally, regardless of the purpose and structure of the loan program that Inver Grove Heights adopts, several city staff recommended leaving the program flexible enough for policy makers to make exceptions on a case-by-case basis.

City of Blaine

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Since its inception in 1983, the BADC has done 62 loans totaling \$3.6 million. There have been four loan defaults. The loans are reviewed by a committee made up of local bankers. The loans are used by both existing businesses in Blaine and businesses relocating to Blaine. The source of the funds is CDBG. There is a job creation requirement as part of the package.

Blaine Area Development Corporation, staffed by the Blaine Community Development Department, provides subordinated loans to small businesses for development costs or the purchase of equipment.

- 50% First Mortgage by Bank or Other Financial Institution
- 40% SBA 504 Second Payment
- Be a for-profit corporation, partnership, or sole proprietorship.
- Be a small business as defined in the regulations of the United States Business Administration.
- Demonstrate that the cash flows is sufficient to cover the proposed debt service and show a positive net worth.
- Create a sufficient number and type of jobs that benefit low and moderate family income persons to justify participation in this program.
- A company shall not have more than \$250,000 in outstanding principle at any one time. All payments for previous CDBG loans must be current for a company to be considered for an additional loan.

City of Brooklyn Park

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Brooklyn Park has completed two loans in the first year of its program: a start-up retail and an re-located restaurant. MCCD does underwriting and loan servicing and MCCD provides 50% of the value of the loan. The City portion of the loan is at 10% and MCCD is lower so the blended interest rate is 7.5%. The program was designed for businesses that are not bankable. MCCD also comes to City Hall once a week to offer free consulting to businesses. This has been a very successful program. Previously, the city had also offered a loan guarantee program but found that was not meeting the needs of business...it wasn't enough of an assist to make a difference.

Micro Loan Program

Micro loans through Metropolitan Consortium of Community Developers (MCCD) are designed to leverage other financing programs as well as private financing provided by the commercial banking community.

Loan summary:

- Up to \$50,000, with 50% MCCD participation
- Project must be for a "for-profit," complimentary business located in Brooklyn Park
- Eligible loans used for working capital, inventory, equipment and general operations
- Loan interest rate is fixed at 10%
- Loan repayment terms generally range 3-5 years

City of Hutchinson

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We have four loans out currently and all are performing. The loans are for manufacturing expansions and total \$780,000. Funds were loaned out at a very low interest rate in exchange for a commitment by each company to create a certain number of jobs. We are very satisfied with how the loan fund is working. It has been a good incentive and retention tool. In 2010 we also did three commercial rehab loans for our downtown existing businesses. All are performing well. We have had that program for nearly 10 years and have had no defaults.

Economic Development Loan Fund

Designed to provide gap financing for businesses & industry starting up or expanding in the city's industrial park, although projects at other locations in the city will also be considered. The primary focus of the program is manufacturing and technology related businesses.

- Manufacturing, assembly, warehousing, research & development facilities, call centers & administrative processing centers are eligible
- At least one job created is required for every \$25,000 in assistance provided.
- Wages for jobs created must be at least \$10.19 per hour, exclusive of benefits.
- Funds can be used for land & building purchase, building construction, renovation and / or expansion, machinery & equipment, working capital and inventory.
- Immediate repayment of the outstanding balance is required if the business relocates outside Hutchinson
- Rates range from a flat rate of 2% up to Prime + 3%, as determined by the EDA Board. Typically rates will be similar to those available from a commercial lender.
- Loan terms up to 10 years are available.
- Loan amounts up to \$150,000 are available.
- Applicants creating a significant number of jobs or paying higher wages may receive preferential loan terms.
- The EDA will typically subordinate to other financing sources when needed.

City of Lonsdale

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Lonsdale has had a revolving loan fund program for about 10 years. During that time we have financed 24 businesses, a mix of manufacturing and retail mostly. We have had 1 business go bankrupt and we are currently working with the bank to determine if we will receive any assets from that bankruptcy. Because the loans are for hard assets, we do have some recourse.

Loan funds may be used for acquisition of land and/or buildings(s), rehabilitation of building(s), new construction and purchase of equipment in connection with starting a new business or expanding an existing business. Land and building must be privately owned, taxable property and proposed for manufacturing and/or commercial activities. All building(s) purchased or rehabilitated with funds from the Revolving Loan Fund, must be brought into compliance with all Lonsdale building codes. The Revolving Loan Program is intended to be flexible and assistance is customized to meet the particular needs of individual projects.

City of Northfield

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Economic Development Director
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Program has been in existence about 15 years. Primarily used for retail and service though Jody would prefer it be used for manufacturing and other businesses that are less risky and that provide a greater return in terms of jobs, tax base and spin-off. The program is gap financing and the City is in second or third position. He suggests focusing a new program on the type of business you want, making it worthwhile, e.g. consider forgiving some of the loan over time, and making the program flexible so that exceptions can be made by the Council on a case-by-case basis.

Downtown Revolving Loan (Small)
Administrator: Northfield Economic Development Authority
Eligible Uses: Exterior and interior improvements to building in Northfield's C-1 or C-2 commercial zones.
Amount Available: \$0-\$15,000
Term: 5 years
Rate: Half of the prime interest rate listed in the Wall Street Journal on day of loan approval.
Private Financing Required: None

City of North St. Paul

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EDA Coordinator
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North St. Paul just began a partnership with MCCD in 2011 to offer small business consulting and financing.

Micro Loans. Direct loans from MCCD for a variety of business purposes, including inventory, working capital, asset and equipment purchases, and start-up costs. Typical loan terms of 3-5 years, loan sizes up to \$25,000 for retail/service businesses, or \$50,000 for manufacturing businesses. This program is targeted to start-up and early stage businesses that cannot secure financing from traditional commercial lenders.
Four Percent Loan Program. MCCD loans in partnership with private lenders for physical improvements and hard asset/equipment purchases. MCCD can provide financing of up to \$40,000 at an interest rate of 4% provided that its funds are matched by an equal or greater amount of bank funds. The 4% rate is available for bank partnership loans provided that the term on the MCCD loan does not exceed five years.

City of Shakopee

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Community Development Director
City of Shakopee
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Until this year, on the order of 1 to 2 loans have been made per year. We have not had any defaults under this program. Currently, there are no funds in our program, and our City Council will be discussing future funding levels this week.

Deferred Loans

Through the City's Economic Development Authority, Shakopee is offering deferred loans to fund up to 50 percent of the costs of a restoration or enhancement project, up to a maximum of \$25,000 per property. The loans are forgiven on a sliding-scale over a five-year period if the property owner does not sell the property during that time. The loan program is open to commercial properties in Shakopee's historic downtown commercial area..

MCCD is  in your community

Promoting entrepreneurship. Entrepreneurs are starting and growing small businesses in your community. By helping them gain access to financing and other business assistance, you can encourage small business development that grows your tax base, creates local jobs and increases community vitality.

How we can help. MCCD's Open to Business program brings on-site business services specialists to your city that can expand your community development staff's expertise in such areas as start-up financing and business plan development. We can respond to requests for business assistance when those requests are beyond the range of the services normally provided by your municipal agencies.

How we work. Our staff can provide one-on-one assistance customized to meet the needs of your small business owners and operators. Many of our clients receive help in planning and organizing their business ventures. We can also assist with financial management, marketing and regulatory compliance.

Accessing capital for your businesses. MCCD operates a small business loan fund that can help your entrepreneurs access the capital they need to grow their businesses. We can also draw on our long-standing partnerships with area banks to help your businesses obtain bank loans and revolving lines of credit. As a participant in MCCD's "Open to Business" program, your community development agency can help promote more effective access to capital for your local businesses.

How we partner with you. MCCD will work with city staff to develop materials that brand this as a program of your city and assist with outreach ideas to the business community. Or staff can meet clients at our office or their place of business. In addition, we can schedule on-site hours at your city hall or other public venue for walk-in consultations. This fee-for-service arrangement can provide you with a cost-effective alternative to an "in-house" business development program staffed and funded by your agency.

Who we are. The Metropolitan Consortium of Community Developers is an association of 43 non-profit community development agencies that work to improve housing and economic opportunity throughout the Twin Cities metropolitan area. During this past year, our team of business development specialists has provided access to more than \$1 million in business capital for our clients and technical assistance services for more than 200 area businesses. You can find our Web site at www.opentobusinessmn.org.

For more information, contact:

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612-789-7337, ext 11





WHO WE ARE

The Metropolitan Consortium of Community Developers (MCCD) is a 45 member association committed to increasing opportunities for development of quality, community-based projects through collaborative action on public policy issues, loan fund development, public education efforts, and long-term strategic planning. Through these efforts, we have been able to demonstrate the effectiveness and efficiencies gained by a shared vision and cooperation.

Our mission is to: "*work collectively to build strong, stable communities by leveraging resources for the development of people and places.*" Our goals are to: 1) increase popular, political, business, and financial support for community-based housing and small business development organizations; 2) create access to loan capital and technical assistance for emerging entrepreneurs; and 3) increase the effectiveness of community-based development through coordination, collaboration, and capacity building activities.

MCCD's work is centered on three distinct program areas: Emerging Small Business Program, Affordable Housing, and Public Policy.

Emerging Small Business Program: Provides capital access and technical assistance for existing businesses and aspiring entrepreneurs who are unable to fully access the commercial banking system. The organization funds or participates in an average of 50 loans per year, with loan amounts of up to \$50,000. Along with capital, MCCD staff provides more than 2,000 hours of direct technical assistance to entrepreneurs. Technical assistance services include business plan development, loan packaging, feasibility studies, cash flow and financing projections, marketing plans, assistance with licensing and filing requirements, and development of sound financial management and tracking systems. Historically, more than 80% of MCCD's loans have been to minority borrowers. For many of our borrowers the loans provide self-employment, and unique opportunities for advancement and personal enrichment as business owners that may not be available to them as employees. Open to Business is a part of the Emerging Small Business Program.

Convening: MCCD acts as a convener for our members. This is accomplished through monthly meetings of our Housing Committee, Economic Development Committee, and St. Paul Task Force. Agendas for each reflect the focus of the participating members. Meetings typically involve guest presenters on topics of relevance, strategy sessions related to common concerns, or general updating and sharing among the attendees. On at least an annual basis, staff from the City of Minneapolis' Community Planning and Economic Development (CPED), City of St. Paul's Planning and Economic Development (PED), the Minnesota Housing Finance Agency (MHFA), the Family Housing Fund, and Hennepin County among others, would be invited.

Public Policy: With the combined expertise of the leading community development organizations, MCCD has become a recognized and respected voice on housing, small business development, and inner-city commercial development. Through the work of our standing committees, MCCD shapes an annual policy platform and legislative agenda that is formally adopted by the board of directors. These documents provide direction to staff as to items MCCD takes the lead on, those that we support others, and those that we monitor. Aside from the adopted positions, MCCD responds frequently to new program proposals, changes in policy or procedures, and funding changes at the local, state and federal levels.

MCCD is



in your community

**Minnetonka Open To Business Update
June 23, 2011**

The Minnetonka Open To Business program has been well received and efficiently promoted. So far through June 23, 2011 the program fielded 66 inquiries; had 39 face to face meetings and performed 95 hours of technical assistance. One business operated by a Minnetonka resident received a \$25,000 loan from MCCD to purchase much needed inventory for his peak season. This company is a wholesale distributor and retailer in a niche industry and has been growing dramatically but has needed help with cash flow management. The Open To Business program assisted the entrepreneur with developing a longer term growth plan and will continue to help them access the capital they need to sustain the growth. Another Minnetonka business was assisted in expanded their memory care group home operation to a second location.

Areas of consultation included:

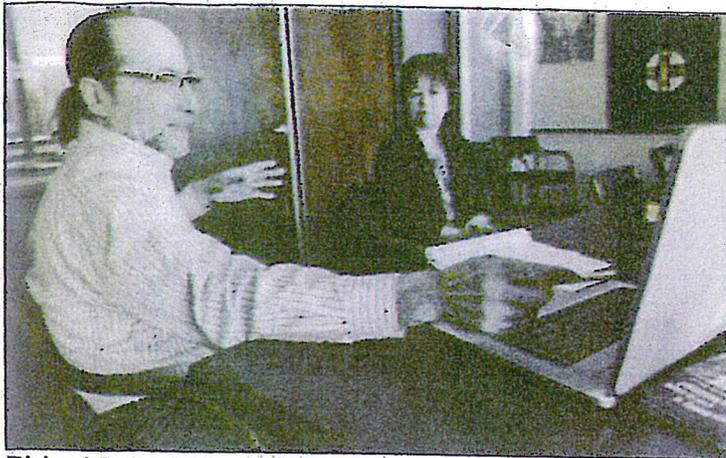
- Financial planning
- Commercial lease analysis
- Strategic planning
- Business plan development
- Loan packaging
- Business feasibility
- Marketing brainstorming
- Franchise evaluation
- Business purchase evaluation
- Matching potential tenants with commercial landlords

Some of the business types/ideas we worked with include:

- Memory Care group home
- Disc Golf distributor
- Distributor of Gifts from Costa Rica
- Franchise Sign Company
- On line consulting to assist in college application process
- Marketing consultant
- Picture Framing business
- Frozen drink mix distributor
- Home based specialty candy distributor
- Designer woman's boutique consignment shop
- Commercial Cleaning Franchise
- Dental Lab
- Alternative energy invention
- High end home décor online business

Demographics of Clients Served –

- Average age of client – 46
- Average monthly household income from employment \$5,300
- Average monthly household self-employment income \$3,640
- Out of 36 enrolled clients, 31 were born in the United States, 2 in Colombia 1 each in Russia and Poland.
- 25 Females and 11 Males
- 8 Clients who are operating businesses reported an average of \$25,125 in monthly revenue



Richard Sennott, Star Tribune

Brooklyn Park is offering a program that Provide free one on one intensive, confidential counseling to entrepreneurs who are thinking of opening a business or expanding one. Rod Smolund is the counselor who call himself a "Business Therapist" and works with the entrepreneurs. Rod Smolund talked with Lynn Huynh in a conference room in City Hall, she wants to expand and move her restaurant.

A business counselor is on hand every third Tuesday in Brooklyn Park to help people navigate the entrepreneurial waters -- and it doesn't cost them anything.

By MARIA ELENA BACA mbaca@startribune.com

Last update: March 26, 2011 - 7:07 PM

Take notice, Brooklyn Park: The "Business Therapist" is ready to hear your money-making ideas.

Last Tuesday, adviser Rob Smolund met with Lynn Huynh, manager of her brother's restaurant, Kim Anh Pastry and Deli, on Edinburgh Center Drive. The siblings are contemplating a move and expansion to a former Dunn Brothers coffee shop across the street, and were looking for help to secure financing to take the step.

In a half-hour meeting at City Hall, Smolund went through the restaurant's financials, listened enthusiastically to the details of the new location, and gave Huynh a handful of resources to check out for private financing, as well as a to-do list to check off before their next meeting.

Smolund, an enterprise facilitator with the Metropolitan Consortium of Community Developers, is available for consultation the third Tuesday of each month at City Hall as part of a program made possible by the Brooklyn Park Development Corp., a nonprofit funded by the city's Economic Development Authority. Users are business owners seeking to expand operations in Brooklyn Park, or entrepreneurs with a great idea and the drive to make it happen. The city has a deal with Smolund's organization, to pay his \$50 hourly fee, up to \$5,000. Participants pay nothing for his services.

Smolund does a similar service in Minnetonka and North St. Paul. Other cities are in the pipeline.

Brooklyn Park's business developer, Amy Baldwin, praised the way Smolund follows clients through the process, possibly strengthening and expanding the city's small business core.

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Page 16



First loan from program finances BP entrepreneur's dream

BY JENNIFER FAYARD • SUN NEWSPAPERS

Brooklyn Park's first small-business loan fund has financed 24-year-old entrepreneur Lara Babalola's dream.

A Feb. 4 ribbon-cutting marked the grand opening of her store, Diva's Ave. Boutique. Babalola's mother and fiancé attended the ceremony as well as Councilmembers Jeanette Meyer and Mike Fragante.

The store stocks a variety of women's clothes, shoes and accessories.

"I've wanted to do this since I was 16," said Babalola. "I've always been into fashion."

As manager of another clothing store, Babalola had experience in the fashion industry but she wasn't eligible for a traditional bank loan to start her own business. So last August she met with Amy Baldwin, the City of Brooklyn Park's business developer to discuss alternate financing.

"It was a new loan fund that we established for startup businesses," said Baldwin. "It's a very unique resource in a time when funding is hard to get from traditional banks."

Babalola's loan was the first financed through the micro-loan program, which the City offers in partnership with the Metropolitan Consortium of Developers. The consortium is an association of more than 45 nonprofits that provides entrepreneurs with business guidance and helps them access capital.

Babalola's \$38,000 loan was funded by the Brooklyn Park Development Corporation, the consortium and Women's Venture. Each provided a third of the funds, or \$12,667.

The Brooklyn Park Development Corporation is run by the City as a means of investing in small businesses. Women's Venture is a nonprofit that seeks to help



Lara Babalola hosted a ribbon-cutting for Diva's Ave. Boutique Friday, Feb. 4. Councilmember Jeanette Meyer and Brooklyn Park Development Corporation president Sue Low held the ribbon. (Jonathan Young • Sun Newspapers)

women achieve financial prosperity. Before receiving the loan, Babalola had to do a lot of work.

"I really had to prove myself and show my passion," she said.

Rob Smolund, enterprise facilitator at the consortium, says he made Babalola

prove she could be successful.

"I just kept giving her more and more work to do, to be honest," he said, "and she kept coming back with the right answers."

Smolund says he's impressed with Babalola's passion and knowledge and the professional appearance of the store she's

opening.

He is also excited to continue partnering with Brooklyn Park to help others like Babalola.

Baldwin says the partnership with the

LEADS TO PAGE 9

PHOTO: JENNIFER FAYARD/SUN POST



"HI, SOCIETY" Jennie Olson's blog about life in the Twin Cities is at: www.jennieolson.com

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Loan

FROM PAGE 1

consortium is one way the City is supporting economic growth. She says Babalola's store is part of a development effort that reflects the City's mission, statement "Brooklyn Park is a thriving community inspiring pride, where opportunities exist for all."

Sue Low, president of the Brooklyn Park Development Corporation, says she's pleased the city is helping businesses like Diva's Ave.

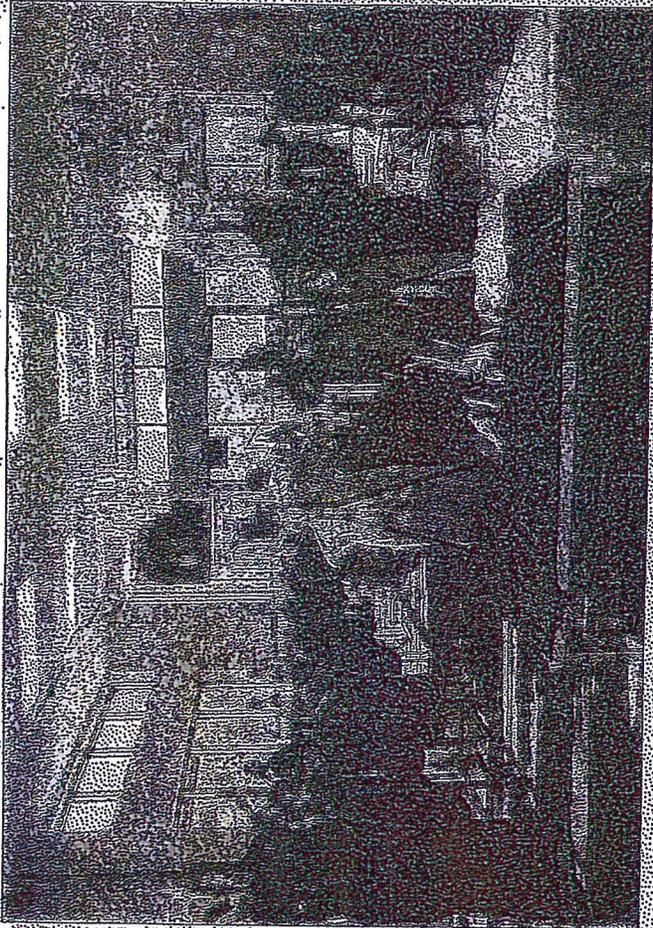
"There are so many resources available for people who are interested and have a dream," said Low.

Raivadas Gill, Babalola's fiancé, says it took a lot of effort to make this dream come true.

"It took a lot of work to pull it all together in five months," he said.

Babalola says she is grateful for the opportunity she's been given. And she has even greater ambitions: She hopes, someday, the store will expand to multiple locations and even spread outside Minnesota. But for now, Babalola is enjoying the moment.

"It's very exciting," she said. "Sometimes I look back, and I just can't believe this is all happening for me."



Divas Ave boutique offers women's clothes, shoes and accessories. The store has a sign, all gear appears coordinated (photo courtesy of Sue Low/Sun-Post)

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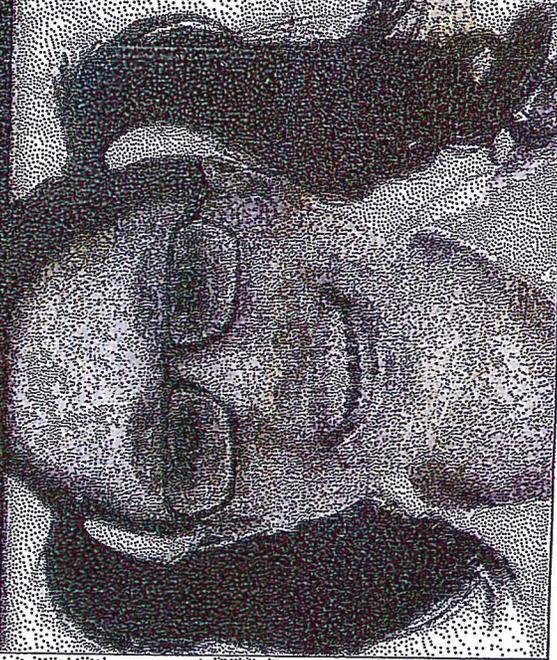
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A leg up for small business

*Minnetonka partners with
group to assist small businesses*

By Casey Merkwan
Reporter

Since January, the city of Minnetonka has offered a service for small to medium businesses to get some extra help jump-starting their ideas.

The city partnered with Metropolitan Consortium of Community Developers (MCCD) to provide clients with assistance in starting up or expanding their businesses in a program called Open to Business.

"We have a lot of programs and a lot of opportunities for working with corporations and things like that but we weren't doing a whole lot for the small businesses or medium-size businesses in terms of expansion or just new business start-ups kind of advice, things like that," said Julie Wischnack, Minnetonka's community development director.

Wischnack said the city had heard of the MCCD's partnership with Brooklyn Park and decided to try it out.

For more than 20 years the MCCD, a non-profit community development organization, has helped businesses expand and increase opportunities for development and long-term strategic planning.

Typically business owners contact the city to ask about building permits and other regulations, but Wischnack said when they asked for advice about their business, the city didn't have a place to refer them.

"Frankly, it's hard to talk sometimes to government officials about their ideas, or

their dreams or their hopes, that's not something you would normally share with someone at city hall," she said.

Now business owners can take advantage of the services at MCCD for brainstorming, advice and direction on where to go for loans.

"A lot of cities have a lot tools in their tool box for attracting bigger businesses and hitting home runs so to speak but they don't have a lot for helping the little guy on the street who maybe has a great idea but just doesn't have the resources or the expertise to bring it to a more substantial business," said Rob Smolund of MCCD.

Smolund said most of his clients are looking for either financial advice or for an outsider's opinion.

"I challenge people's assumptions a lot," he said. "I help give them a realistic expectation of their financing chances too."

Since starting the program, Wischnack said they've received 50 calls and have 24 active clients. Of those clients, half are businesses trying to get their foot in the door and the other half are existing businesses working on expanding.

Smolund said he's enjoyed working with the city and uses city hall as a meeting point for many of his client meetings.

"I love, really love, to help others in opening up their own business. I basically live vicariously through the entrepreneurs," Smolund said.

Minnetonka pleased with success of Open to Business program

BY Marc Ingber - Sun Newspapers

Published: Wednesday, April 27, 2011 2:41 PM CDT

When Bethany Buchanan was looking to open a second location of her business, she wasn't sure how to proceed.

She's the owner of Grace Homes in Minnetonka, a six-bed residential care home for the elderly. In opening a second location, Buchanan and her husband wanted help in both finding a home, logistics and financing.

Earlier this year she happened to see an ad for the city of Minnetonka's Open to Business program and decided to check it out.

Thanks to the program, she was able to accomplish her goals with the help of its primary staff member, Rob Smolund, enterprise facilitator for the Metropolitan Consortium of Community Developers.

Buchanan and her husband have been meeting regularly with Smolund for four months. He has helped them find a second location in Hopkins and is also helping them secure a small business administration loan.

"He is very helpful," Buchanan said. "I was very happy. There is not really any help for new small business owners like ourselves."

That is one of the reasons Minnetonka decided to partner with the Metropolitan Consortium on the Open to Business program. The only other cities in the metro that offer it are St. Louis Park, Brooklyn Park and North St. Paul.

"We were talking about the lack of resources for small businesses in the community," said Julie Wischnack, Minnetonka community development director.

"It's hard to entrust all your business information to a city government. We thought it was a good idea."

Through the first quarter of 2011, 26 businesses have been assisted through the Open to Business program. The clients are split evenly between existing and start-up businesses.

They have received assistance on topics such as business feasibility, financial planning, loan packaging, marketing, revenue-stream analysis, employment regulations and more.

"Some are start-up ideas," Wischnack said. "Some are operating and are making a business move and want some assistance."

Smolund said he was impressed with the number of business owners who had taken advantage of the services.

"The initial response was much better than we expected," he said. "I have found it to be rare that cities offer intensive one-on-one counseling to prospective and existing entrepreneurs."

The program's services are provided free to the clients. The city contracts with the Metropolitan Consortium to provide the services. Wischnack said Minnetonka benefited from the program as well.

"As a city, seeing vacancies isn't a good thing," she said. "You don't want businesses to fail. It's a good opportunity for people."

"It is the city's program," Smolund said. "We are just providing the service for much less than it would cost the city to hire an extra employee."

The program is adding a new component beginning in May called "Test Drive Your Idea." One day per month, Metropolitan Consortium staff will be at the Minnetonka Community Center and will be available for a 15-minute walk-in consultation.

"This connection creates a follow-up contact for the business," Wischnack said. "It's a long-term connection."

Buchanan said she had recommended the program to other business owners in Minnetonka and felt its presence in the city would continue to grow. She and her husband plan to continue utilizing its services as their business progresses.

"He really thinks outside the box," she said of Smolund. "He's really intelligent. In these tough times, you appreciate an ally."

Smolund said it's been a joy to work with the city and its business owners. "The staff understands the importance of supporting small businesses in the community by providing technical assistance and financing resources to existing and start-up businesses."

Wischnack said she hoped more people would discover the program. "Don't be too shy to call," she said. "You never know what opportunities are out there."

For more information on Minnetonka's Open to Business program call Rob Smolund at 612-789-7337 ext. 11 or visit eminnetonka.com. The Minnetonka Community Center is located at 14600 Minnetonka Blvd.

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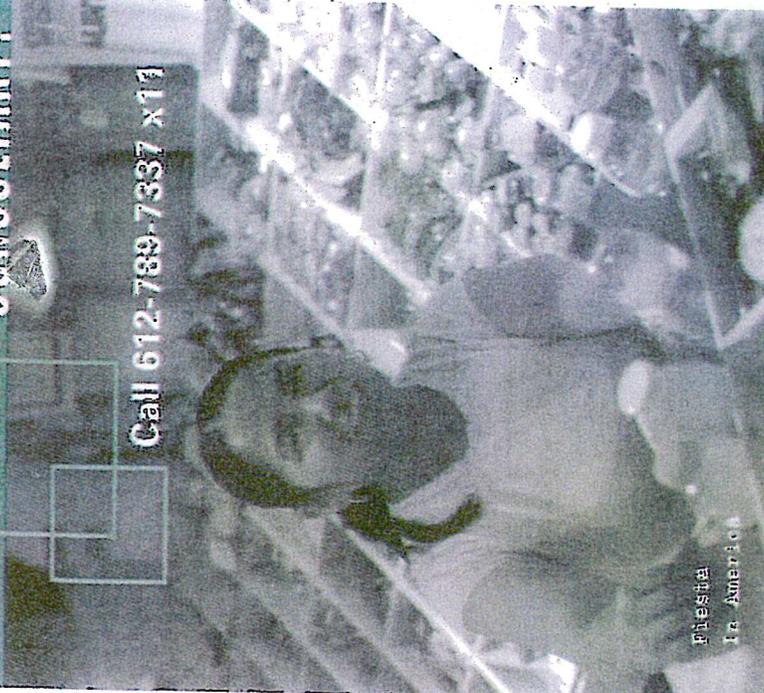
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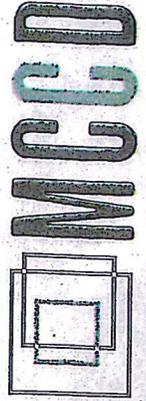
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Bookkeeping set-up and training

How do I keep track of sales and expenses?

Loan packaging for any size loan, start up or expansion projects.

What are the document requirements I need to get a loan?

Business plan assistance

Do I need a business plan? If so, what do I include in it?

Rent take analysis

Should I rent or own my business space?



Marketing assistance

Who are my customers and how do I reach them?

Strategic planning

How do I evaluate and manage growth?

Business regulations

What licenses or permits do I need? And how do I get them?

Professional referrals

How do I improve my credit score?

WFOBO also lends to businesses that do not have access to traditional lending.

"You answered a few weeks' worth of questions in a few minutes. You offer a priceless service of solid information."

Kerry Dikken

Blasted Art, Inc. - Minneapolis

"I gained so much from it and feel better equipped to now organize the needed information to complete the business plan phase"

Susan Pia
Plazza Designs - Richtf

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Mary R
Owner of Cheveux Supp
and Salon - Blooming

For more information or to get started, contact Rob Smolund at (612) 789-7337 ext. 11, or rsmolund@mccdminn.org

www.mccdminn.org



MCCD's Micro Loan Program works!

"We had the idea of how to start our dream business but putting together all the pieces, especially the financials or how to present them were missing. I believe meeting with MCCD was the first success of our business."

Hussein Abdullahi
Store Manager - Global Pharmacy

"Without MCCD's help our business would not have been possible. More than an organization that provided loans, MCCD is a financial partner in our business."

Noelia García,
La Loma Tamales, LLC

"I just want to thank MCCD. Without their help in obtaining financing we wouldn't have been able to purchase our building and expand our business to the level it is at today. They made such a difference for us."

Mark Aune
A&A Millwork, Inc



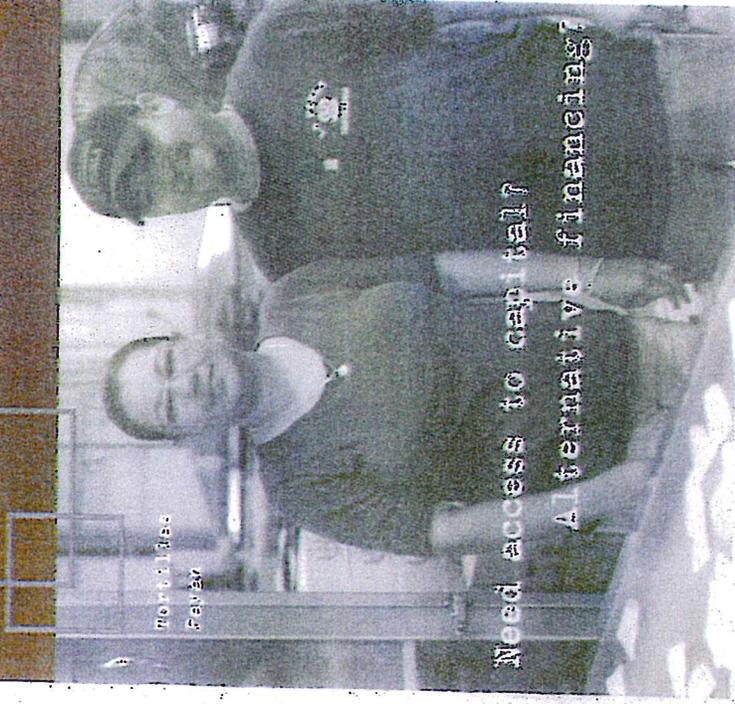
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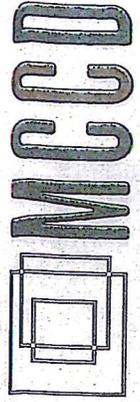
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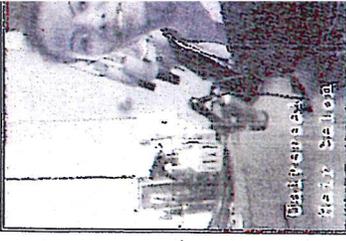


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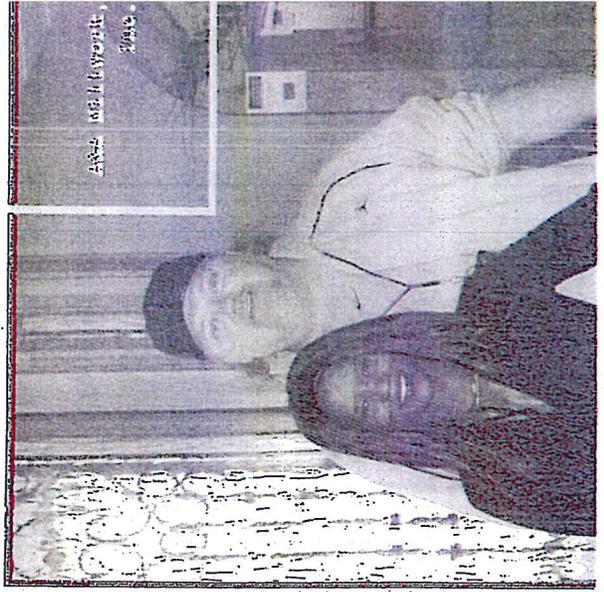
- How much do I need to borrow?
- Would a term loan or a line of credit work best for me?
- How can I finance this business with very little equity and poor credit?
- Why does keeping good financial records help ensure my success?
- What other funding sources are available to me?
- What if I my start up expenses are more than I projected?

MCCD provides business consulting services that help you develop a strong business plan.

Our services are available to all businesses located in the Twin Cities Metropolitan Area. Loan terms and availability may vary based on business type and location.



The Metropolitan Consortium of Community Developers (MCCD) is an association of nonprofit community development organizations working to increase opportunity and prosperity in the Twin Cities metropolitan area.



MCCD Loan Program

Direct MCCD loans range up to \$25,000. Larger loans are available when MCCD partners with a local bank to provide financing.

Loan repayment terms on direct loans of up to \$25,000 generally range from three to five years.

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Option Option Option Other

MCCD Micro Loan

Micro loans through Metropolitan Consortium of Community Developers (MCCD) are designed to leverage other financing programs as well as private financing provided by the commercial banking community.

Loan Summary:

- Up to \$50,000, with 50% MCCD participation
- Project must be for a "for-profit," complementary business located in Brooklyn Park
- Eligible loans used for working capital, inventory, equipment and general operations
- Loan interest rate is fixed at 10%
- Loan repayment terms generally range 3-5 years

For more information, contact Rob Smolund at 612-789-7337 ext 11, or email him at ismolund@mccdma.org.

Brooklyn Park Loan Guarantee Program

The loan guarantee program allows business owners to access additional capital by providing guarantees for loans made by lenders. Brooklyn Park Development Corporation will issue a guarantee to your lender which will enable you to obtain the amount of money you need. To qualify, your annual business sales must be \$5 million or less.

What kind of loans are eligible?

- Real estate
- Machinery and equipment
- Fixtures and furnishings
- Inventory
- Working capital
- Lines of credit
- Startups

For more information, contact Amy Baldwin at 763-493-8058, or email her at amy.baldwin@brooklynpark.org.

Brooklyn Park Fixed Asset Loan Fund

These loans are administered by Central MN Development Company (CMDC) and are designed to leverage other financing programs as well as private financing provided by the commercial banking community.

Loan Summary:

- Loan Amounts \$100,000—\$250,000
- Project must be for a "for-profit," complementary business located in Brooklyn Park
- Eligible loans used for fixed assets, including land, building, machinery and equipment (no working capital)
- Loan interest rate is fixed at market rate
- Loan terms are equal with the life of the asset
- At least 50% of the project financing must come from a private lender or another source

For more information, contact Amy Baldwin at 763-493-8058, or email her at amy.baldwin@brooklynpark.org.

Financial

The Hennepin County Common Bond Fund is for growing manufacturing companies. Local government agencies issue tax-exempt or taxable revenue bonds on behalf of borrowers to provide lower interest rate long-term financing. Learn more at www.mcc.hennepin.mn.us.

Small Business

The Small Business Development Center offers free consulting, assistance with business plans, market research, financial planning and analysis, loan packaging and flow management. Learn more at www.stthomas.edu/sbdc.

The Service Corp of Retired Executives (SCORE) provides free one-on-one consulting and low-cost workshops in key subject critical to small business success. Learn more at www.score-minneapolis.org.



To learn more about these options, please contact Amy Baldwin at 763-493-8058 or amy.baldwin@brooklynpark.org

PROGRESS PLUS

Urban-Alternative Space Available

UPDATE MAY 7, 2012

Economic Development Authority

Progress Plus provides research and information as requested by the EDA and City staff.

Concord Redevelopment Planning (From South St. Paul border to 70th street)

Progress Plus convened a meeting with businesses in the Concord area to review the concept plans. Generally there is support for the plans though concern about the potential for housing on currently industrial land adjacent to the railroad track and concern about the feasibility of housing across from the King of Diamonds. Some businesses have voiced concerns since the meeting about their fear of being "driven out" by redevelopment. Progress Plus continues to reinforce that no businesses will be forced to relocate.

The City of South St. Paul is completing its redevelopment plan for the portion of Concord Boulevard north from the Inver Grove Heights city limits to I494. They have expressed interest in potentially doing a joint market study with Inver Grove Heights or utilizing the same vendor for the study in order to leverage costs.

Establish, maintain, share and analyze database information:

See attached updated building/space inventory.

Inquiries

Relan

This small firm with approximately 5-10 employees relocated to Inver Grove Heights from Rosemount this spring. The move was predicated on new ownership for the company. They toured sites in several communities before signing a lease at the 11,000 square foot former Simon Delivers building in Inver Grove Heights. The company repurposes vinyl billboards into a variety of products.

Greater MSP Data Center Marketing

The new regional economic development marketing entity, Greater MSP, is creating a strategy to attract large datacenters. In response, Progress Plus did a site search and determined one potential site that meets the criteria (InverPoint Business Park) in Inver Grove Heights. Criteria include strict limits on adjacency to rail, flood plains, etc. Detailed information on everything from utilities to wetlands was collected and provided for inclusion in the Greater MSP database and marketing.

Other Inquiries First Quarter 2012

Metal distributor

Large distribution centers (5 inquiries)

Restaurants (Asian buffet, sandwich, nail salon)

Manufacturing with outside storage (4 inquiries)

Manufacturing 4 inquiries (10-30k)

Auto service

Drug testing service

Business Retention Program

Progress Plus has completed several retention visits to Inver Grove Heights businesses with Tom Link.

Marketing

Progress Plus continues to feature Inver Grove Heights in all its marketing efforts, including on the website, in monthly e-newsletters, articles, etc.

The Progress Edition of the Southwest Review featured a story highlighting all the new development occurring in Inver Grove Heights.

Progress Plus has been in discussions with Greg Munson, McGough and Target about grand opening events. At this point, the plan is to host a broker-oriented event in the fall after Target is open and when some of the adjacent main street buildings are built. The grand opening of Target will be a general public opening.

Inver Grove Heights Data Profile

April 2012
2010 US Census Data

SUMMARY

	2000	2010	% Change
Total population	29,751	33,880	13.9%
Male	14,737	16,536	12.3%
Female	15,014	16,847	12.2%
Residents 18 and younger		24.5%	
Black		3.9%	
Asian		3.4%	
Hispanic		8.9%	
Median Household Income	59,090	67,661	11.7%
Average Household Size	2.62	2.5	
Per Capita Income	25,493	34,651	30%
Median Housing Value	144,800	234,500	62%

Household Type According to 2010 Census

Families without children	4642
Lived alone	3525
Married families with children	3050
Non-family households	915
Unmarried families with children	1344

Housing Profile 2010

Owner occupied	9794
Renter occupied	3682
Vacant	586

Business Facts

Total number of firms, 2007	2686
Manufacturers shipments, 2007 (\$1000)	\$284,891
Retail sales, 2007 (\$1000)	\$413,726
Accommodation and food service sales, 2007 (\$1000)	\$41,126

EMPLOYMENT IN INVER GROVE HEIGHTS

Employment in Inver Grove Heights 1990-2011 (MN DEED Data, QCEW) Total Employment

1990	5724
2000	8168
2001	8797
2002	9015
2003	9440
2004	10457
2005	10623
2006	10597
2007	11167
2008	10465
2009	9557
2010	9340
2011	9705

Employment by Sector 2011

	Q1	Q2	Q3
Total, All Industries (000000)	9,069	9,743	9,705
Natural Resources and Mining (1011)	155	424	345
Construction (1012)	453	579	678
Manufacturing (1013)	401	417	461
Trade, Transportation and Utilities (1021)	3,221	3,309	3,341
Information (1022)	105	104	104
Financial Activities (1023)	232	229	223
Professional and Business Services (1024)	777	900	945
Education and Health Services (1025)	1,929	1,870	1,753
Leisure and Hospitality (1026)	1,187	1,249	1,209
Other Services (1027)	246	254	265
Public Administration (1028)	358	406	378

Job Gains from Expansions in Inver Grove Heights 2011

Industry	1Q	2Q
Total, All Ownerships	308	1,081
Natural Resources and Mining (1011)	7	324
Construction (1012)	18	168
Manufacturing (1013)	7	28
Trade, Transportation and Utilities (1021)	128	157
Information (1022)	2	6
Financial Activities (1023)	6	13
Professional and Business Services (1024)	26	188
Education and Health Services (1025)	54	26
Leisure and Hospitality (1026)	55	88
Other Services (1027)	5	18
Public Administration (1028)	0	65

Job Losses from Contractions in Inver Grove Heights 2011

Industry	1Q	2Q
Total, All Industries (000000)	430	347
Natural Resources and Mining (1011)	112	1
Construction (1012)	63	5
Manufacturing (1013)	31	4
Trade, Transportation and Utilities (1021)	57	66
Information (1022)	4	2
Financial Activities (1023)	25	9
Professional and Business Services (1024)	56	29
Education and Health Services (1025)	46	146
Leisure and Hospitality (1026)	24	79
Other Services (1027)	10	6
Public Administration (1028)	2	0

Space Availability Summary Report

Prepared By: Ellen Watters



Salem Square Shopping Center

5300 Robert Trl S
Inver Grove Heights MN 55077

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 1987 /

Total Bldg SF: 51,685
Class:

1 Property ID#: 173046

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
870872	No	Retail	F-1 S-400	29,505	\$5.00	\$10.00	1.77	1.68	NNN	7/30/2010
1090317	No	Retail	F-1 S-500	1,182	\$16.00	\$16.00	1.77	1.68	NNN	
Building Total Available/Rent Range:				30,687	\$10.50	\$13.00				



10255 Inver Grove Tr Building

10255 Inver Grove Trl
Inver Grove Heights MN 55076

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1989 /

Total Bldg SF: 9,408
Class:

2 Property ID#: 175106

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1071377	No	Industrial		9,408	\$6.00	\$6.00			Net	
Building Total Available/Rent Range:				9,408	\$6.00	\$6.00				



3015-3045 80th St E Building

3015 80th St E
Inver Grove Heights MN 55076

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 1985 /

Total Bldg SF: 6,180
Class:

3 Property ID#: 175176

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1197818	No	Retail	F-1	1,200					NNN	2/1/2012
Building Total Available/Rent Range:				1,200						



Inver Grove Heights Retail Center

5440 Robert Trl S
Inver Grove Heights MN 55077

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 1983 /

Total Bldg SF: 8,400
Class:

4 Property ID#: 175195

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1083838	No	Retail	F-1 S-5440	2,640	\$15.00	\$15.00	0	10.26	NNN	
907704	No	Retail	F-1 S-5456	1,035	\$15.00	\$15.00	0	10.26	NNN	
Building Total Available/Rent Range:				3,675	\$15.00	\$15.00				



6288 Claude Way
6288 Claude Way E
Inver Grove Heights MN 55076

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1988 /

Total Bldg SF: 21,970
Class:

5 Property ID#: 179498

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
979796	No	Industrial		6,033	\$9.50	\$9.50	2.64		NNN	
562909	No	Office	F-1	6,033	\$9.50	\$9.50		2.64	NNN	
Building Total Available/Rent Range:				12,066	\$9.50	\$9.50				



Cahill Plaza
7810 Cahill Ave
Inver Grove Heights MN 55076

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 1996 /

Total Bldg SF: 80,315
Class:

6 Property ID#: 182234

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1107581	No	Retail	F-1 S-7810	3,446					NNN	
Building Total Available/Rent Range:				3,446						



Inver Grove Heights Professional Building
2125 Upper 55th St E
Inver Grove Heights MN 55077

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Office
Bldg Status: Existing
Year Built/Renov: 1978 /

Total Bldg SF: 10,000
Class: C

7 Property ID#: 183042

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
585236	No	Office	F-1	1,000	\$12.50	\$12.50			Gross	
Building Total Available/Rent Range:				1,000	\$12.50	\$12.50				



Carmen Distribution Center
 6240 Carmen Ave
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1988 /

Total Bldg SF: 174,267
Class:

8 Property ID#: 183121

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
924605	No	Industrial	S-6244	34,514	\$3.75	\$7.95	1.13	0.42	Net	
966089	No	Industrial	S-6250	38,224	\$3.75	\$7.95	1.13	0.42	Net	
1241178	No	Industrial	S-6244 & 6250	72,738	\$3.75	\$7.95	1.1	0.63	Net	2/15/2012

Building Total Available/Rent Range: **145,476** **\$3.75** **\$7.95**



Cahill Center
 6475 Cahill Ave E
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 1972 /

Total Bldg SF: 12,000
Class:

9 Property ID#: 186105

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1190808	No	Retail	F-1 S-6495 Cahill Avenue	2,250			3			1/1/2012

Building Total Available/Rent Range: **2,250**



Saint Paul Industrial Properties #16
 6100 Claude Way E
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1974 /

Total Bldg SF: 64,600
Class:

10 Property ID#: 186106

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
810377	No	Industrial	S-6100	22,190	\$4.25	\$8.25	1.11	0.81	Net	4/1/2011
902485	No	Industrial	S-6180	14,256	\$4.25	\$8.25	1.11	0.81	Net	1/1/2010

Building Total Available/Rent Range: **36,446** **\$4.25** **\$8.25**



Arbor Pointe
 9070 Buchanan Trl
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 2004 /

Total Bldg SF: 23,310
Class:

11 Property ID#: 535425

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
976967	No	Retail	F-1 S-9076	2,517	\$0.00	\$0.00	4.32	2.2	NNN	
976968	No	Retail	F-1 S-9078	1,889			4.32	2.2		
976969	No	Retail	F-1 S-9082	1,965			4.32	2.2		
976971	No	Retail	F-1 S-9088	1,372			4.32	2.2		
976972	No	Retail	F-1 S-9092	1,741			4.32	2.2		
Building Total Available/Rent Range:				9,484	\$0.00	\$0.00				



Medical CV Building
 9725 Robert Trl S
 Inver Grove Heights MN 55077
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1970 /

Total Bldg SF: 54,468
Class:

12 Property ID#: 593755

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1051189	No	Industrial Flex	S-200	10,500	\$8.50	\$10.50	2.95	0.95	Net	
1051187	No	Industrial Flex	S-100A	3,000	\$8.50	\$10.50	2.95	0.95	Net	
1051188	No	Industrial Flex	S-100B	9,000	\$8.50	\$10.50	2.95	0.95	Net	
1051190	No	Industrial Flex	S-300A	4,000	\$8.50	\$10.50	2.95	0.95	Net	
1051191	No	Industrial Flex	S-300B	5,600	\$8.50	\$10.50	2.95	0.95	Net	
1051192	No	Industrial Flex	S-300C	12,000	\$8.50	\$10.50	2.95	0.95	Net	
1067286	No	Industrial Flex	S-300D	10,368	\$8.50	\$10.50	2.95	0.95	Net	
Building Total Available/Rent Range:				54,468	\$8.50	\$10.50				



5838-5846 Blackshire Path
 5838 Blackshire Path
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Office
Bldg Status: Existing
Year Built/Renov: 2001 /

Total Bldg SF: 7,168
Class: B

13 Property ID#: 602092

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1140531	No	Office	F-1	1,120	\$11.00	\$13.00	3.2		Gross	
1140532	No	Office	F-Lower	1,120	\$11.00	\$13.00	3.2		Gross	
Building Total Available/Rent Range:				2,240	\$11.00	\$13.00				



7365 Concord Blvd E
 7365 Concord Blvd E
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1997 /

Total Bldg SF: 8,382
Class:

14 Property ID#: 602436

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
847082	No	Industrial		8,382			1.96			
Building Total Available/Rent Range:				8,382						



1848 50th St E
 1848 50th St E
 Inver Grove Heights MN 55077
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Office
Bldg Status: Existing
Year Built/Renov: 1998 /

Total Bldg SF: 15,120
Class: B

15 Property ID#: 663037

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
865380	No	Office	F-1	1,620	\$13.50	\$13.50			Gross	
Building Total Available/Rent Range:				1,620	\$13.50	\$13.50				



Inver Grove Heights Medical/Professional Bldg
 5565 Blaine Ave N
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Office
Bldg Status: Existing
Year Built/Renov: 2006 /

Total Bldg SF: 53,500
Class: A

16 Property ID#: 673114

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
983265	Yes	Office	F-2 S-1	199	\$54.27	\$54.27			MG	
983349	Yes	Office	F-2 S-2	205	\$52.68	\$52.68			MG	
983350	Yes	Office	F-2 S-3	157	\$61.15	\$61.15			MG	
983351	Yes	Office	F-2 S-4	160	\$60.00	\$60.00			MG	
983352	Yes	Office	F-2 S-5	152	\$63.16	\$63.16			MG	
983353	Yes	Office	F-2 S-6	181	\$66.30	\$66.30			MG	
983354	Yes	Office	F-2 S-7	132	\$68.18	\$68.18			MG	
983355	Yes	Office	F-2 S-8	135	\$66.67	\$66.67			MG	
983356	Yes	Office	F-2 S-9	154	\$62.34	\$62.34			MG	
983357	Yes	Office	F-2 S-10	167	\$71.86	\$71.86			MG	
983358	Yes	Office	F-2 S-11	155	\$61.94	\$61.94			MG	
983359	Yes	Office	F-2 S-12	111	\$75.68	\$75.68			MG	
983360	Yes	Office	F-2 S-13	142	\$59.15	\$59.15			MG	
983361	Yes	Office	F-2 S-14	178	\$50.56	\$50.56			MG	
983362	Yes	Office	F-2 S-15	181	\$49.72	\$49.72			MG	
1043632	No	Office	F-2 S-200	3,774	\$18.50	\$18.50	3.1	4.34	NNN	
1048007	No	Office	F-2 S-210	2,368	\$18.50	\$18.50	3.1	4.34	NNN	

1048008	No	Office	F-2 S-220	5,000	\$18.50	\$18.50	3.1	4.34	NNN
1048009	No	Office	F-2 S-230	3,823	\$18.50	\$18.50	3.1	4.34	NNN
1048010	No	Office	F-2 S-240	3,441	\$18.50	\$18.50	3.1	4.34	NNN

Building Total Available/Rent Range: **20,815** **\$50.81** **\$50.81**



Inver Grove Heights Marketplace III
 5681 Blaine Ave
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 2005 /
Total Bldg SF: 12,200
Class:

17 Property ID#: 679816

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
983386	No	Retail	F-1 S-5699	1,471	\$18.00	\$18.00	5.52	2.5	NNN	
983387	No	Retail	F-1 S-5715-5719	2,914	\$18.00	\$18.00	5.52	2.5	NNN	

Building Total Available/Rent Range: **4,385** **\$18.00** **\$18.00**



109XX Clark Rd
 0 Clark Rd
 Inver Grove Heights MN 55077
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Proposed
Year Built/Renov: 2002 /
Total Bldg SF: 27,000
Class:

18 Property ID#: 867935

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
572342	No	Industrial		24,000	\$4.50	\$8.50	1.35	0.21	Net	

Building Total Available/Rent Range: **24,000** **\$4.50** **\$8.50**



Inverpoint Business Park
 100 Barnes Ave
 Inver Grove Heights MN 55077
County: Dakota
Status: Available
Area: 999 - Out of Area

Property Type: Industrial
Bldg Status: Planned
Year Built/Renov: 0 /
Total Bldg SF: 475,000
Class:

19 Property ID#: 956554

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
673912	No	Industrial		200,000	\$5.00	\$11.00	0.34	0.75	Net	

Building Total Available/Rent Range: **200,000** **\$5.00** **\$11.00**



Argenta Hills
 0
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: U/C
Year Built/Renov: /
Total Bldg SF: 380,000
Class:

20 Property ID#: 960208

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
692766	No	Retail	F-1	30,000						
692767	No	Retail	F-1	20,000						
692764	No	Retail	F-1 S-H	7,680						
692765	No	Retail	F-1 S-I	7,680						

Building Total Available/Rent Range: **65,360**



9079 Buchanan Trl
 9079 Buchanan Trl
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 0 /
Total Bldg SF: 6,972
Class:

21 Property ID#: 1033435

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
838970	Yes	Retail	F-1	6,972			5.72	3		

Building Total Available/Rent Range: **6,972**



Inver Grove Heights Marketplace I
 5816 Blaine Ave E
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 0 /
Total Bldg SF: 21,205
Class:

22 Property ID#: 1038927

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
829692	No	Retail	F-1	1,420	\$18.00	\$18.00	5.16	2.56	NNN	
829693	No	Retail	F-1	1,420	\$18.00	\$18.00	5.16	2.56	NNN	
956005	No	Retail	F-1	1,371	\$18.00	\$18.00	5.16	2.56	NNN	

Building Total Available/Rent Range: **4,211** **\$18.00** **\$18.00**



Inver Grove Heights Marketplace II
 5755 Blaine Ave
 Inver Grove Heights MN 55076
County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 0 /
Total Bldg SF: 8,952
Class:

23 Property ID#: 1038933

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
829705	No	Retail	F-1	1,566	\$16.00	\$16.00	5.69	3.54	NNN	
1057482	No	Retail	F-1	2,000	\$18.00	\$18.00	5.69	3.54	NNN	

Building Total Available/Rent Range: **3,566** **\$17.00** **\$17.00**



**Inver Grove Heights Office
Condos**

2922 Upper 55th St
Inver Grove Heights MN 55076

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Office
Bldg Status: Existing
Year Built/Renov: 1940 /

Total Bldg SF: 2,650
Class: A

24 Property ID#: 1199733

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1081388	No	Office	F-1	2,650	\$12.00	\$12.00			Net	
Building Total Available/Rent Range:				2,650	\$12.00	\$12.00				



IGH Business Park

3747 117th St
Inver Grove Heights MN 55077

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Industrial
Bldg Status: Existing
Year Built/Renov: 1965 / 1976

Total Bldg SF: 382,362
Class:

25 Property ID#: 1275636

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1189219	No	Industrial		141,176	\$2.75	\$2.75			NNN	
Building Total Available/Rent Range:				141,176	\$2.75	\$2.75				



9061 Buchanan Trl

9061 Buchanan Trl
Inver Grove Heights MN 55076

County: Dakota
Status: Available
Area: 700 - Southeast

Property Type: Retail
Bldg Status: Existing
Year Built/Renov: 2009 /

Total Bldg SF: 1,908
Class:

26 Property ID#: 1307098

Available Space

Listing #	Sublease	Asset Class	Floor/Suite	Avail SF	Annual Rent		Taxes Per SF	Operating Expenses	Rent Type	Date Avail
					Min	Max				
1241631	No	Retail	F-1	1,908	\$22.00	\$24.00	12.5		NNN	2/9/2013
Building Total Available/Rent Range:				1,908	\$22.00	\$24.00				

**MEMO
CITY OF INVER GROVE HEIGHTS**

TO: Inver Grove Heights Economic Development Authority
FROM: Thomas J. Link, Director of Community Development
DATE: April 18, 2012 for EDA Meeting of May 7, 2012
SUBJECT: 2012 EDA Work Plan

For the Economic Development Authority's (EDA's) information, the 2012 Work Plan is summarized below. This Work Plan was considered and approved by the EDA at its last meeting on February 6, 2012.

- Small Business Loan Program – Continue to work on creating the program.
- Excess Golf Course Property – The EDA's acquisition of the two excess golf course properties is expected to close shortly. The proceeds from the sale will defease outstanding golf course bonds.
- EDA Financing/Structure – The EDA will review the financing and structure of other cities' EDAs.
- Gun Club Site – The EDA will continue to work with MNDOT to resolve environmental contamination issues and eventually acquire the property for office development.
- Southeast Quadrant – The EDA will work with Fine Associates to encourage the development of their property.

cc: Jennifer Gale, Progress Plus
Ellen Watters, Progress Plus