



**INVER GROVE HEIGHTS  
ECONOMIC DEVELOPMENT AUTHORITY AGENDA  
MONDAY, FEBRUARY 4, 2013  
LOWER LEVEL TRAINING ROOM  
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. Minutes**

1. Approve Minutes from the November 5, 2012 Regular Economic Development Authority Meeting \_\_\_\_\_
2. Approve Minutes from the November 26, 2012 Special Economic Development Authority Meeting \_\_\_\_\_
3. Approve Minutes from the January 14, 2013 Special Economic Development Authority Meeting \_\_\_\_\_

**B. Claims** \_\_\_\_\_

**4. REGULAR AGENDA**

- A. Approve 2013 Work Plan \_\_\_\_\_
- B. Discuss Progress Plus Update \_\_\_\_\_
- C. Elect Officers \_\_\_\_\_

**5. NEXT MEETING** – May 6, 2013 \_\_\_\_\_

**6. ADJOURN** \_\_\_\_\_

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING  
MONDAY, NOVEMBER 5, 2012 – 8150 BARBARA AVENUE**

**CALL TO ORDER/ROLL CALL** The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, November 5, 2012, in the City Council Chambers. President Tourville called the meeting to order at 6:00 p.m. Present were Economic Development Authority members Madden, Klein, and Piekarski Krech; Executive Director Link, City Administrator Lynch, City Attorney Kuntz, Finance Director Smith, and Secretary Fox.

**3A. MINUTES**

Boardmember Piekarski Krech noted that at last EDA work session, the consultants stated that walkability was not an issue in the Concord Neighborhood but the minutes reflect that the consultant stated walkability was one of the things developers were looking for.

**Motion by Piekarski Krech, second by Madden, to approve the Minutes of the August 6, 2012 Regular Economic Development Authority meeting and the September 17, 2012 Special Economic Development Authority meeting.**

**Ayes: 4**

**Nays: 0      Motion carried.**

**4B. CLAIMS:**

Mr. Link asked for approval of the claims from Levander Gillen & Miller and Kennedy Graven in regard to the purchase agreements and creation of economic development districts for the properties of 8195 Babcock and 6671 and 6685 Concord Boulevard.

Boardmember Klein questioned what the remaining EDA Fund balance would be if the purchase agreements were approved, and in addition to continuous expenses such as City Attorney and consultant costs.

Mr. Link replied that with the recently approved \$500,000 transfer the balance would be approximately \$230,000. This would include acquisition, attorney, and consultant costs.

**Motion by Klein, second by Madden, to approve disbursements from August 6, 2012 to November 4, 2012.**

**Ayes: 4**

**Nays: 0      Motion carried.**

**4. PUBLIC HEARINGS:**

**A. Public Hearing Relating to the Creation of Economic Development Districts No. 3 and No. 4**

Mr. Link advised that the EDA is holding a public hearing tonight to consider the creation of two economic development districts. The purpose of those districts is to give the EDA the authority to acquire properties from willing sellers. Economic Development District No. 3 would include only the property at 8195 Babcock Trail. Economic Development District No. 4 would include ten parcels, lying along the west side of Concord Boulevard between 66<sup>th</sup> Street and 68<sup>th</sup> Street. These boundaries are consistent with the redevelopment site that has been identified in the Concord Boulevard Neighborhood Plan Update. This district would include the properties at 6671 and 6685 Concord Boulevard; two properties in which the property owners approached the City expressing an interest in selling their properties to the City. The purpose of acquiring these properties would be economic development. The City would acquire the

properties, remove the buildings, and, at some future undetermined time, sell the properties for redevelopment.

Boardmember Madden asked what would happen to the existing businesses in the economic development district if the area were to be redeveloped.

Mr. Link replied that the City would acquire only from willing sellers as the City does not have the authority to require them to sell.

**Boardmember Grannis arrived at 6:10 p.m.**

Boardmember Piekarski Krech questioned how long the EDA could afford to hold onto the development district properties while waiting for redevelopment.

Mr. Link replied there was no definite answer to that. He noted that the City's Doffing Avenue Voluntary Acquisition Program has been in effect for approximately 15 years, during which time the City has purchased approximately 26 properties.

Boardmember Piekarski Krech noted that EDA funds, however, were not used for those acquisitions.

Mr. Link agreed, but stated the program was similar in that the City puts forth a long range plan and buys properties as property owners express an interest in selling.

Boardmember Piekarski Krech stated she would like a definite plan in place if holding properties.

Mr. Link stated it was difficult to put a specific schedule in place because the City does not have the authority to require a property owner to sell and rather had to react to individual property owners approaching the City.

Boardmember Piekarski Krech questioned whether it was in the best interest of the City to hold onto properties in these economic times and to take them off the tax roll.

Mr. Lynch stated the purchased properties would be considered tax exempt, but the remaining properties in the economic development district would not be affected tax-wise. He noted that staff obtained a grant and developed a plan for the Concord Boulevard Neighborhood per the request of Council. Staff has met on several occasions with the EDA, the neighborhood, and surrounding property owners in regard to this and the area in the proposed Economic Development District No. 4 was determined by the EDA to be of high priority. Staff would like the ability to acquire these properties so they could be assembled and hopefully attract a developer.

President Tourville asked what the advantage would be of having an economic development district.

Mr. Link replied the creation of this economic development district would give the EDA the authority to acquire properties from willing sellers.

Boardmember Klein questioned what would happen should a developer come in ready to move on a project while there were still property owners in the development district not wishing to sell.

Mr. Lynch advised that an attractive price point could probably be offered.

Boardmember Klein asked if that developer would contribute to the purchase of the remaining properties.

Mr. Lynch replied that would be a financial arrangement between the EDA and the developer at that time.

Boardmember Piekarski Krech stated that according to the consultant, redevelopment would not happen without some form of government assistance.

Mr. Lynch stated this particular area could potentially break even whereas other areas might need substantial investment from the City.

Boardmember Klein asked if the EDA could allow a homeowner to live on their property after the sale until such time as they had a developer.

Mr. Link replied that the EDA had the flexibility to negotiate real estate transactions in a variety of ways.

Boardmember Klein asked if in the past the City had allowed homeowners to live on their property for a year or two after the sale.

Mr. Link replied in the affirmative.

Christopher Shepard, 6653 Concord Boulevard, stated he recently made improvements to his property and had no plans to move.

Kathy Shepard, 6653 Concord Boulevard, stated this was the first they heard of the redevelopment plan.

President Tourville asked if the Shepards would consider selling should they receive a good offer.

Mr. Shepard replied it would have to be a lot of money as he would not sell his property for market value.

Dan Weyandt, Turittos, 6611 Concord Boulevard, stated he saw no advantages for himself as a commercial property owner as he would not be reimbursed for his livelihood.

President Tourville stated Turittos could potentially be incorporated into a mixed use project.

Ms. Shepard asked if redevelopment was anticipated to be years away.

President Tourville replied they could not predict when a developer would come in wanting to start a project.

Ms. Shepard questioned whether homeowners should continue to improve their property knowing it was going to be redeveloped. She also questioned who would take care of the acquired properties, stating in the past properties in the area had been purchased, the houses torn down, and the properties then became overgrown.

President Tourville stated he was familiar with the properties, many of which were purchased by other entities. He noted that the properties in question were now being mowed.

Luci Shipton, 4195 – 68<sup>th</sup> Street East, asked when the previous meetings had taken place, stating the only notice she received was last week.

Mr. Link stated there was an open house last spring and another in 2011. Notices of the meetings were mailed to approximately 200 residents and owners in the area.

Ms. Shipton stated she was not interested in selling her property.

President Tourville suggested that the City provide information to the people that for whatever reason did not attend the meetings.

Chris Shipton, 4195 – 68<sup>th</sup> Street East, stated he had improved his property as well, and he questioned whether the City would ever condemn or take his property.

Boardmember Madden stated he would have no part in such an action.

Ms. Shipton asked if being in an economic development district would restrict them from putting their home for sale on the private market.

President Tourville replied it would not.

Mr. Lynch explained the typical acquisition process, stating the City would approach the property owner to inquire whether they were interested in selling their property. If so, the City would hire an appraiser to determine the valuation of the property and offer that appraised value to the property owner. If the property owner did not agree with that valuation, they would be free to get their own appraisal. If the City and the property owner reached an agreement, the City would pay the cost of that appraisal. He noted that any improvements made to a property would increase the property value.

Boardmember Klein asked if the City would pay moving expenses to willing sellers.

Mr. Lynch replied they would not.

Mr. Link advised that in the 25 or so acquisitions made in the Doffing Avenue area the property owners have approached the City regarding their interest to sell. The City hired an appraiser, and in some cases the property owners got their own appraiser as well. In most cases the two parties have come to an agreement. In some cases, however, they have not and the property owners were free to disengage from the process and sell to whoever they wanted to. He advised that two advantages of selling to the City are that the City pays for closing costs and it eliminates the need for realtor commissions.

Boardmember Piekarski Krech questioned whether being in an economic development district would make it more difficult for a homeowner to sell their property on the private market knowing that redevelopment of the area was imminent.

Mr. Link replied that the City has designated most of the Concord frontage for redevelopment for the last 15 years and he was not aware that it had impacted property values.

Boardmember Piekarski Krech stated the difference was that economic development districts were now being created.

President Tourville stated an advantage of being in an economic development district was having the opportunity to sell to the City.

Mr. Kuntz stated with respect to the Doffing Avenue acquisitions, although the money source was different they have been City acquisitions. The history has been that they were all voluntary, they occurred over a longer period of time, and in each instance, because they were voluntary, the City did not pay any relocation benefits. For those acquisitions the landowners were satisfied with the process and the amount

of money they received for their property. In regard to economic development districts, Mr. Kuntz advised that in 2006 the legislature changed the laws regarding eminent domain and cities no longer have the power to condemn properties for public purpose or public use alone. Mr. Kuntz stated he has heard both sides of the argument as to whether a placement of property in an economic development district lessens or increases property value. With respect to the acquisitions this evening, because they are voluntary, there would be a waiver of any relocation benefits.

Tim Biljan, Vehicle Services Inc., 6639 Concord Boulevard, stated the dilemma he had was that the appraised property value would be based only on bricks and mortar and not on the value of his commercial business. He felt it was unlikely that his business would fit into a future mixed use redevelopment project and that being in an economic development district would scare off potential buyers of his business.

Boardmember Klein asked if the City could include the value of the business in their offer.

Mr. Kuntz replied the market value the City would be paying would not include the business value or any goodwill associated with it.

Boardmember Piekarski Krech questioned how the value of a business could be determined.

Boardmember Klein questioned whether the EDA could purchase the properties from the two willing sellers without creating an economic development district.

Mr. Kuntz advised that the EDA could limit the economic development district to the two properties in question.

President Tourville stated that by proposing a larger development district, the neighborhood was given the opportunity to participate in this public hearing and discuss their concerns.

Boardmember Piekarski Krech stated it appeared as if not all residents attended the Concord redevelopment open houses.

There were various responses from the audience as to whether or not they attended any or all of the meetings.

Mr. Lynch advised that the owners of the two specific acquisitions being discussed tonight have relied in good faith on the EDA purchasing their properties and they would like a decision made tonight so they can move forward. He stated that the two existing commercial properties had several options, including continuing to own their properties as a stand-alone commercial development, establishing a lease relationship with a future joint developer, upgrading their current facilities, etc. Mr. Lynch advised that the proposed development district could also be modified.

Boardmember Piekarski Krech suggested the development district be modified to include only the two City-owned properties and the two proposed acquisitions. The remaining six properties could be discussed at such time as additional willing sellers came forward or a developer made a proposal.

Boardmember Klein agreed with Boardmember Piekarski Krech's proposal.

Mr. Link followed up on Mr. Lynch's comments by stating that the two willing sellers have been in negotiations with the City since last spring and there was some urgency on their part to finalize the transaction.

Mr. Shepard asked how the City would proceed were they to purchase the properties.

Mr. Link replied that the City would either remove the buildings this winter or winterize them and remove them in the spring.

Mr. Shepard stated she was concerned that the homes would attract vagrants if left vacant.

Mr. Link replied the City would remove the buildings as soon as possible to avoid that kind of problem.

Ms. Shepard asked if being in an economic development district would change their tax class from residential to commercial.

President Tourville replied it would not.

Boardmember Piekarski Krech stated in order for that to happen a request for rezoning from residential to commercial would have to go through the public hearing process.

Mr. Kuntz asked Boardmember Piekarski Krech to clarify which four parcels she recommended to be in Economic Development District No. 4.

Boardmember Piekarski Krech replied 6671, 6685, and 6727 Concord Boulevard, as well as the City-owned property south of 6727 Concord.

**Motion by Madden, second by Klein, to close the public hearing.**

**Ayes: 5**

**Nays: 0      Motion carried.**

President Tourville asked if it was possible to limit the economic development district to only the four properties suggested by Boardmember Piekarski Krech.

Mr. Kuntz replied in the affirmative.

President Tourville asked staff to provide information regarding the Concord Boulevard Neighborhood Plan to the property owners on the block in question.

Mr. Link advised that he would mail the literature from the two previous open houses to the subject properties. He noted that a third open house was tentatively scheduled for November 14 at the Veterans Memorial Community Center.

President Tourville suggested the two proposed development districts be looked at individually.

Boardmember Madden asked why the parcel south of 6727 Concord did not have an address.

Mr. Link replied because the lots were previously owned by one individual with only one home on the lots. He advised that the lots were now vacant. Mr. Link asked for clarification that the EDA was proposing to exclude all properties from Economic Development District No. 4 except for the four identified parcels. The Boardmembers replied in the affirmative.

**Motion by Madden, second by Piekarski Krech, to approve Resolution No. EDA 12-04 approving the creation of Economic Development District No. 4 consisting of 6671, 6685, and 6727 Concord Boulevard, and the property just south of 6727 Concord Boulevard.**

**Ayes: 5  
Nays: 0      Motion carried.**

**Motion by Madden, second by Grannis, to approve Resolution No. EDA 12-05 approving the purchase agreement between the City of Inver Grove Heights EDA and Bich-Lieu T. Trieu relating to the purchase of property located at 6671 Concord Boulevard East and Resolution No. EDA 12-06 approving the purchase agreement between the City of Inver Grove Heights EDA and Daniel Treu relating to the purchase of property located at 6685 Concord Boulevard East.**

**Ayes: 5  
Nays: 0      Motion carried.**

Mr. Link advised that City staff was negotiating with Premier Bank for the acquisition of the single-family residence at 8195 Babcock Trail. He advised that this property was part of a much larger area designated for Industrial Office Park. Although there is no purchase agreement yet, Mr. Link asked that the EDA create an economic development district for this property to make the potential purchase agreement feasible.

**Motion by Klein, second by Madden, to close the public hearing.**

**Ayes: 5  
Nays: 0      Motion carried.**

**Motion by Klein, second by Madden, to approve Resolution No. EDA 12-07 approving the creation of Economic Development District No. 3.**

**Ayes: 5  
Nays: 0      Motion carried.**

#### **5A. RECOMMEND 2013 ECONOMIC DEVELOPMENT AUTHORITY BUDGET**

Mr. Link distributed a spreadsheet, and advised that staff recommends approval of the EDA's 2013 budget. He noted three changes from last year's budget, including 1) a reduction in consultant costs, 2) a \$10,000 addition for the possible contract with Metropolitan Consortium of Community Developers (MCCD) for administration of a small business loan program, and 3) a reduction in the Supplies budget.

Boardmember Piekarski Krech noted that \$600 had been added for conferences and seminars.

Mr. Link replied that amount was included in last year's budget but was incorporated into one of the other line items. He advised that it included attendance at the Progress Plus, Chamber of Commerce and Economic Development Association of Minnesota annual meetings, as well as a two-day financing seminar sponsored by Ehlers.

Boardmember Piekarski Krech questioned how beneficial the seminars were, stating she had seen no feedback regarding new information, new contacts, etc.

Mr. Link replied that the seminars and meetings were beneficial, and that he could provide feedback from the meetings.

Boardmember Madden asked what was included in Dues, Licenses and Subscriptions.

Mr. Link replied it included membership to Progress Plus and the Economic Development Association of Minnesota.

President Tourville requested that follow-up information be provided to the EDA regarding attendance at conferences and seminars.

**Motion by Madden, second by Grannis, to approve the 2013 Economic Development Authority budget.**

**Ayes: 5**

**Nays: 0      Motion carried.**

**5B. SMALL BUSINESS LOAN PROGRAM**

Mr. Link advised that the Dakota County CDA's Board recently authorized their staff to enter into negotiations with MCCD to administer a small business loan program that would be available to individual cities. Once the contract was in place individual municipalities would enter into a joint powers agreement with the CDA. Current discussions between the CDA and the MCCD would require an Inver Grove Heights contribution of \$7,500.

President Tourville asked if the City of South St. Paul planned to participate.

Ms. Gale replied in the affirmative.

Boardmember Piekarski Krech questioned why the City of Hastings would not participate.

Mr. Link replied they have not yet made a final decision.

**5C. PROGRESS PLUS UPDATE**

Ms. Gale discussed recent Progress Plus activities and noted that the Broker Tour has been postponed to next spring. She advised that they plan to attend the MNCAR Expo in Minneapolis which typically draws 600-700 attendees. Progress Plus will showcase the Argenta Hills development at this event and will also discuss the Concord Redevelopment Plan. Ms. Watters discussed market trends, stating activity in the southeast market continues to lag. She noted they are seeing a strong demand for large data centers, which typically provide very few jobs.

Boardmember Piekarski Krech stated the benefit to the cities might be the revenue received from sewer and water usage.

Boardmember Piekarski Krech questioned why development seemed to be going more to the northwest suburbs.

Ms. Watters replied it was likely due to a combination of things, including the recent Target headquarters expansion, the existing momentum and activity, and aggressive incentives being offered.

**5D. GUN CLUB SITE UPDATE**

Mr. Link advised that MNDOT's environmental investigation has been delayed. If the MPCA finds that no remediation is necessary, the City could perform its investigation in late spring or summer of next year. However, if MPCA finds that remediation is necessary, the City's investigation could be delayed until 2014.

President Tourville advised that the Minneapolis-St. Paul International Airport's new flight patterns were now available.

**6. NEXT MEETING**

The next meeting is scheduled for February 4, 2013.

**7. ADJOURNMENT:** Motion by Grannis, second by Klein, to adjourn. The meeting was adjourned by unanimous vote at 7:37 pm.

DRAFT

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING  
MONDAY, NOVEMBER 26, 2012 – 8150 BARBARA AVENUE**

**CALL TO ORDER/ROLL CALL** The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, November 26, 2012, in the City Council Chambers. President Tourville called the meeting to order at 7:58 p.m. following the regular City Council meeting. Present were President Tourville, Economic Development Authority members Grannis, Madden, Klein, and Piekarski Krech; City Attorney Kuntz, City Administrator Lynch, and Executive Director Link.

**3. PROPERTY ACQUISITION OF 8195 BABCOCK TRAIL**

Mr. Link advised that the residential property at 8195 Babcock Trail was put on the real estate market in mid-2011. Since then, the City and the owner, Premier Bank, have had intermittent negotiations for the acquisition of the parcel. The final issue was the payment of real estate fees. Premier Bank agreed to pay these fees and signed the purchase agreement. Mr. Link noted that the property and the surrounding area is designated as Industrial Office Park in the City's Comprehensive Plan. Leaving a single-family residence on this property would lessen the attractiveness of the area for industrial office development because of conflicting land uses. Purchase of the property would be consistent with the City's general economic development goals and be consistent with the City's land use designation of Industrial Office Park. Staff recommends approval of the purchase agreement between the EDA and Premier Bank for the purchase of 8195 Babcock Trail.

Boardmember Madden asked what would be done with the existing home.

Mr. Link advised it would be demolished.

Boardmember Piekarski Krech asked if the property could be used for overflow parking for the Veterans Memorial Community Center.

Mr. Lynch replied in the affirmative.

**Motion by Klein, second by Madden, to approve Resolution EDA 12-08 approving a purchase agreement between the City of Inver Grove Heights Economic Development Authority and Premier Bank relating to the purchase of property located at 8195 Babcock Trail.**

**Ayes: 5**

**Nays: 0      Motion carried.**

**4. NEXT MEETING:** The next meeting of the EDA is scheduled for February 4, 2013.

**5. ADJOURNMENT:** Motion by Klein, second by Grannis, to adjourn. The meeting was adjourned by unanimous vote at 8:04 pm.

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING  
MONDAY, JANUARY 14, 2013 – 8150 BARBARA AVENUE**

**CALL TO ORDER/ROLL CALL** The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, January 14, 2013, in the City Hall Lower Level Training Room. President Tourville called the meeting to order at 5:30 p.m. Present were President Tourville, Economic Development Authority Members Madden and Piekarski Krech; and Economic Development Authority Members Elect Mueller and Bartholomew; City Attorney Kuntz, City Administrator Lynch, and Executive Director Link.

**3A. JOINT POWERS AGREEMENT WITH THE DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY (CDA)**

Mr. Link stated that the Inver Grove Heights Economic Development Authority was to consider approving a joint powers agreement with the Dakota County Community Development Agency (CDA) regarding a contract with the Metropolitan Consortium of Community Developers (MCCD) for the 'Open to Business' program. Mr. Link stated that this issue had been discussed by the EDA at earlier meetings and that the Joint Powers Agreement and attached Contract for Services was essentially the same as had been previously discussed. Mr. Link noted that ten Dakota County municipalities have indicated an interest in participating in the program through the CDA. This would allow the MCCD to assign one full-time staff to Dakota County. That staff person would be housed in the CDA offices in Eagan and would have established office hours at each participating City Hall at least once a month. The CDA would pay half the cost of the contract while the remaining costs would be paid by the participating cities; Inver Grove Heights share of the Joint Powers Agreement would be \$6,250. Mr. Link stated that the Joint Powers Agreement and associated contract has several benefits to the EDA including the use of MCCD funds instead of the EDA's funds, the addition of technical assistance, the involvement of the CDA, and the assurance that MCCD staff would be readily available.

In response to a question from Dian Piekarski, Mr. Lynch stated that the MCCD program differs from the earlier EDA proposal since it includes both existing and new businesses.

In response to another citizen's comment, Mr. Link stated that the MCCD funding comes from a number of sources, including a Federal grant, State grant, City of Minneapolis grant, Wells Fargo Community Development Corporation, and US Bank Corps Community Development Corporation.

Boardmember Madden stated that the MCCD program also offers the benefit of eliminating the EDA's risk since the loans would be with the MCCD rather than the EDA.

President Tourville expressed support for the Joint Powers Agreement because of its several benefits to Inver Grove Heights.

In response to a question from Boardmember Mueller, Mr. Link stated that the fees for 2014 and subsequent years are not known since the current contract is only through 2013.

In response to a question from Boardmember Bartholomew, Mr. Link stated that the program would be advertised through the City's newsletter and website and that the Chamber of Commerce would also assist in marketing.

Mr. Lynch explained that Boardmembers Bartholomew and Mueller would be unable to vote on the Joint Powers Agreement until later in the evening after they had been sworn in as City Councilmembers

**Motion by Piekarski Krech, second by Madden, to recess the EDA meeting until after the regular City Council meeting.**

**Ayes: 3**

**Nays: 0      Motion carried.**

The EDA meeting was recessed at 5:47 pm.

The EDA meeting was reconvened at 7:58 p.m.

Motion by Madden, second by Mueller, to approve the Joint Powers Agreement with the Dakota County Community Development Agency (CDA) regarding a Contract with the Metropolitan Consortium of Community Developers (MCCD) for the 'Open to Business' Program. .

Ayes: 5

Nays: 0      Motion passed.

4. **ADJOURNMENT:** Motion by Piekarski Krech, second by Madden, to adjourn. The meeting was adjourned by unanimous vote at 8:00 p.m.

DRAFT

## MEMO

## CITY OF INVER GROVE HEIGHTS

**TO:** Inver Grove Heights Economic Development Authority (EDA)

**FROM:** Thomas J. Link, Director of Community Development 

**DATE:** February 1, 2013 for EDA Meeting of February 4, 2013

**SUBJECT:** Claims and Financial Report

Claims

Almost all of the claims in the last three months relate to the three EDA acquisitions. The following claims have been received and paid since the last EDA meeting of November 5, 2012:

• DCA Title West St. Paul (Acquisition of 6685 Concord Blvd)	\$115,906.18
• DCA Title West St. Paul (Acquisition of 6671 Concord Blvd)	\$136,404.14
• DCA Title West St. Paul (Acquisition of 8195 Babcock Tr)	\$312,758.98
• Evergreen Land Services (Relocation Waiver regarding 8195 Babcock Tr)	\$1,233.30
• LeVander Gillen & Miller (Legal services relating to acquisitions)	\$4,548.20
• North Country Interiors (Winterization of 6685 and 6671 Concord Blvd)	\$640.00
• Pioneer Press (Publication of Econ Dev District public hearing)	\$457.00
• River Heights Chamber of Commerce (Membership)	\$80.50

Financial Report

The attached shows the EDA expenditures through the fourth quarter of 2012.

Enc: Financial Report

cc: Kristi Smith, Finance Director

# City of Inver Grove Heights EDA Fund 290

## Budget vs Actual through 12/31/12

Account Description	2012		Actual	Budget Remaining
	Budget	Amended Budget		
Investment Earnings	-	518.33		(518.33)
Miscellaneous Revenue	-	1.97		(1.97)
Operating Transfers In	500,000.00		1,000,000.00	(500,000.00)
Contribution from Retained Earnings	(450,200.00)		-	(450,200.00)
<b>Total Revenue</b>	<b>49,800.00</b>	<b>1,000,520.30</b>		<b>(950,720.30)</b>
Personnel	14,400.00		15,014.98	(614.98)
Prof/Tech Services	8,000.00		12,387.85	(4,387.85)
Other Purchased Services	25,400.00		25,075.00	325.00
Supplies	2,000.00		-	2,000.00
Land Purchase	-		604,310.32	(604,310.32)
<b>Total Expenditure</b>	<b>49,800.00</b>	<b>656,788.15</b>		<b>(606,988.15)</b>
<b>Fund 290 Surplus (Deficit)</b>	<b>-</b>	<b>343,732.15</b>		<b>343,732.15</b>

Claim on Cash 346,940.95  
Land Available for Sale 1,000,000.00

Loan from Host Community Fund for Land Purchase 1,000,000.00

**MEMO  
CITY OF INVER GROVE HEIGHTS**

**TO:** Inver Grove Heights Economic Development Authority  
**FROM:** Thomas J. Link, Director of Community Development   
**DATE:** January 17, 2013 for EDA Meeting of February 4, 2013  
**SUBJECT:** 2013 EDA Work Plan

1. **ACTION REQUESTED:** The Inver Grove Heights Economic Development Authority (EDA) is to identify issues that it would like to focus on this coming year.
2. **BACKGROUND:** The EDA Work Plans for the last two years were as follows:

2012

- Excess Golf Course Property – The EDA acquired two excess golf course properties from the City with the intent, at some future undetermined time, of selling them for development. *Status - completed*
- Small Business Loan Program – The EDA continued to develop a Small Business Loan Program with particular focus on the Metropolitan Consortium of Community Developers' (MCCD) 'Open to Business' program and coordination of such a program through the Dakota County Community Development Agency. *Completed*
- Gun Club Site - The EDA continued to work with the Minnesota Department of Transportation on the City's acquisition of the property for future office development. Current efforts focus on environmental investigation of contamination caused by lead shot and clay pigeons. *Status - ongoing*
- Southeast Quadrant – The EDA worked with the Metropolitan Council and Fine Associates, a land owner, to analyze potential transit facilities and services in the area. *Status - completed*
- EDA Financing – This activity would have looked at how surrounding cities finance their EDA activities. *Status – not yet started*

2011

- Acquisition Policy – This policy outlined the process for acquiring properties. *Status - completed*
- Small Business Loan Program – This program was discussed throughout the year. *Completed*
- Progress Plus Marketing Program – The EDA reviewed this program and found that no further action was necessary. *Status - completed*

- EDA Financing – This activity would have looked at how surrounding cities finance their EDA activities. *Status – not yet started*

**3. ANALYSIS:** Staff proposes the following Work Plan for 2013, in order of priority:

- Concord Redevelopment - With the City Council's recent adoption of the Concord Study, the EDA must determine if it wants to pursue development and, if so, how that should occur. The determination of the City's/EDA's role in the redevelopment would be a critical issue.

If redevelopment is desired, the following activities must be undertaken before the City can market the neighborhood for redevelopment or seek a developer:

- Establish an acquisition strategy and funding
- Undertake environmental investigation
- Determine financial tools that the City/EDA would make available to developers and adopt, as required by Minnesota Statutes, a business subsidy policy

In addition, the EDA could decide whether to request the Dakota County CDA to construct a housing development

- EDA Financing/Organization – In the last couple of years the EDA has expressed an interest in reviewing how other cities finance their EDA administration and programs. In response to discussions by City Council candidates, the business community, and staff, this project could be expanded to include other EDAs' composition and organization. In Dakota County, EDAs' typically are either five member boards consisting of the City Council or seven member boards consisting of five business representatives and two City Council members.
- Excess Golf Course Properties – If the EDA is interested in selling the two properties for development, the next step would be to determine the type of development that the EDA desires. This would involve meetings with the surrounding neighborhoods, a Comprehensive Plan amendment, and a rezoning.
- Gun Club Site – The EDA will continue to work with MNDOT on the possible acquisition of their property along the east side of Highway 52. 2013 activities will continue to focus on environmental investigations by MNDOT and the City. Once the investigations are completed appraisals would be undertaken with the goal of negotiating a purchase agreement between the City and MNDOT.
- Small Business Loan Program – This project is nearing its completion with the EDA's approval of the Joint Powers Agreement with the Dakota County CDA. Though it will probably not require further EDA action, staff will be working with the CDA and MCDD in the next couple months to get the program up and running, including advertising.

**4. RECOMMENDATION:** Staff is requesting direction from the EDA regarding the 2013 Work Plan.

cc: Jennifer Gale, Progress Plus

# Memorandum

**To:** Inver Grove Heights Economic Development Authority  
**CC:** Tom Link  
**From:** Jennifer Gale  
**Date:** 1/16/2013  
**Re:** Progress Plus 2013 Work Plan

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## **2013 Work plan and background**

Attached you will find the proposed 2013 Progress Plus work plan as discussed by Progress Plus staff and Inver Grove Heights Community Development Director, Tom Link.

At the end of 2012 Progress Plus and Ellen Watters completed the its consultant contract because Ellen took on a full time contract and was not able to dedicate the time needed to Progress Plus in 2013. We began a transition plan this summer and have appreciated her time and expertise.

Progress Plus has entered into a contract with Connolly Kuhl Group for 2013 to fulfill some of the Progress Plus work plan, specializing in marketing and attraction of new business. Patrick Connolly and Carl Kuhl have been working with the River Heights Chamber of Commerce and Progress Plus in the past and are familiar with the community and the need to expand the marketing efforts to attract new business.

Some changes from the previous year work plan include the additions of:

- Develop a new marketing plan including a Progress Plus brochure
- Feature 4 IGH developments as directed by the City to include demographics, property information and incentives available. Each quarter will feature different development in brochure, press releases and on website.
- Develop a niche database to market to specific brokers (ie. Retail, industrial etc.)
- Introduce and promote PP and the positive development news on Facebook, Twitter and other social media outlets
- Work with Greater MSP to market IGH Properties
- Market the Small Business Finance program and assistance offered by MCCD.
- Consultant will schedule and invite Community Development Director to at least 12 visits and provide report on visits and specific requests for follow-up

Further information about Connolly Kuhl Group and Carl Kuhl is included for your review.

# PROGRESS PLUS

Urban-Alternative Space Available

## Inver Grove Heights 2013 WORK PLAN

Draft 1/4/13

### Economic Development Authority

- Provide support to Community Development Director in researching and preparing information for the EDA, including developing financing tools and EDA marketing activities
- Serve as a resource and provide research as needed
- Attend quarterly EDA meetings
- Market the financing options available and offer prequalification assistance to interested developers/businesses.

Measure: Meet monthly with Community Development Director

### Marketing

- Develop a new marketing plan including a Progress Plus brochure
- Feature 4 IGH developments as directed by the City to include demographics, property information and incentives available. Each quarter will feature different development in brochure, press releases and on website.
- Develop a niche database to market to specific brokers (ie. Retail, industrial etc.)
- Promote IGH information and sites on Progress Plus website
- Promote IGH information in monthly e-newsletter and distribution to nearly 650 brokers and developers and continue to expand its reach
- Promotion of IGH at annual Progress Plus meeting attended by approximately 100 business leaders
- IGH information in editorials and ads in publications, including ad and editorial copy in the SouthWest Review Progress Edition; ad in the Resource Guide distributed to all residents and businesses and in links to partner organizations
- IGH promotional material, such as brochures and developer informational
- Promotion of IGH at two conferences/events for brokers and developer each year such as EDAM and Dakota County event.
- Work with Greater MSP to market IGH Properties
- Market the Small Business Finance program and assistance offered by MCCD.
- Produce an IGH centered broker tour/event in the spring.
- Include IGH in exhibition/sponsorship of annual Minnesota Commercial Realtors Association (MNCAR) EXPO
- Introduce and promote PP and the positive development news on Facebook, Twitter and other social media outlets.

Measure: Provide monthly written report

**Concord Redevelopment Planning (From South St. Paul border to 70<sup>th</sup> street)**

- Assist with tasks associated with redevelopment planning and implementation
- Continue to assist with gathering business input for plan, including working with Concord Boulevard business group
- *Assist in marketing the site(s) as directed*

Measure: Meet monthly with Community Development Director to assess progress and agree on tasks

**Establish, maintain, share and analyze database information, including:**

- Demographics
- Labor supply
- Utility providers, including availability and rates
- Land availability – location, size, owner, broker, asking price
- Building availability – size, description, owner, broker, asking price

Measure: Provide updated data when requested by staff or EDA by May 1<sup>st</sup>.

**Inquiries**

Respond to inquiries from business and industries searching for land or buildings for new construction or expansion

Measure: Provide monthly written report via Progress Plus Activity Report

**Business Retention Program (list provided by Tom Link)**

- Schedule twelve (one per month) desired retention visits that include the Community Development Director
- Visit other existing businesses to gather information on the business climate in IGH
- Report visits to GrowMN, a statewide retention program in order to qualify for the rfp/lead program.
- Assist existing businesses with expansion, relocation, land purchase, building leasing and construction
- Assist businesses in understanding City process, purpose and function in development/redevelopment
- Assist in promoting Business Town Hall meeting
- Provide report on issues or requests raised by businesses related to City services, including feedback when no issues are raised

Measure: Consultant will invite Community Development Director to at least 12 visits and provide report on visits and specific requests for follow-up

# CONNOLLY KUHL GROUP

CONNECTING THE DOTS FOR OUR CLIENTS



The Connolly Kuhl Group operates under a simple premise of advocating on behalf of their clients while navigating through the public affairs arena.

As a full-service public affairs firm, the Connolly Kuhl Group is committed to bringing their clients exceptional service through strategic planning, grassroots marketing and mobilization, government relations, coalition building and media relations. With more than 25 years of combined experience and a track record of success, the Connolly Kuhl Group has mastered the ability to understand, maneuver and influence government as well as private entities.

The Connolly Kuhl Group is active statewide in the business community. They currently serve as members of the Dakota County Regional Chamber of Commerce, River Heights Chamber of Commerce, Rochester Area Chamber of Commerce, St. Cloud Area Chamber of Commerce and the St. Paul Area Chamber of Commerce.

## CAPABILITIES

### ***Strategic Planning***

Building the foundation of a successful public affairs campaign means combining all efforts under one strategic plan, message and goal. We work with our clients to define their goal, develop their message and implement a strategic plan that utilizes every advocacy tool available.

### ***Coalition Building***

Building a coalition to help support your initiative is an essential element for a successful public policy campaign. We identify and work to develop the dialogue with third parties to lend credible support and build momentum for our clients.

### ***Grassroots Marketing & Mobilization***

We work with our clients to build a powerful organization from the ground up and create strong alliances ensuring our clients gain momentum and strength for their advocacy campaign. We identify, recruit, educate and mobilize third-party stakeholders to become advocates for our clients.

### ***Media Relations***

We combine both traditional and new media outlets to bring our clients' messages to the public. With you, we will develop a media strategy that delivers the results you expect.

# CONNOLLY KUHL GROUP

CONNECTING THE DOTS FOR OUR CLIENTS

## TEAM

### **PATRICK CONNOLLY, Principal – Connolly Kuhl Group**

Patrick Connolly, co-founder and principal of the Connolly Kuhl Group, has more than 15 years of experience in grassroots marketing and mobilization, public policy and media strategies.

Connolly's successful grassroots experience includes work on behalf of healthcare reform for the Mayo Clinic Health Policy Center as well as public policy and community relations efforts for the Rochester Coalition and Southeast Minnesota Rail Alliance. He's also led and supported coalition efforts on behalf of the Hennepin County Sheriff Foundation, the Republican Party of Minnesota and Alliance for a Healthier Minnesota.

Prior to working at Connolly Kuhl Group, Connolly developed and coordinated targeted and results-oriented grassroots campaigns and outreach events as well as multi-city tours and meetings for his clients. With unabashed zeal, Connolly has garnered coverage for his clients in print, broadcast, radio and digital media outlets. Connolly earned his political stripes in the 2002 Coleman for U.S. Senate campaign as a lead member of the grassroots field team. After Coleman's historic victory, Connolly transitioned his mobilization skills to the U.S. Senate office as a policy liaison for Senator Coleman.

Patrick holds a bachelor's degree in marketing from St. Mary's University of Minnesota and a master's degree in organizational management from Concordia University. He currently serves on St. Mary's University Alumni Board and is active with the Alumni Communications Committee.

### **CARL KUHL, Principal – Connolly Kuhl Group**

Carl Kuhl, co-founder and principal of the Connolly Kuhl Group, has more than a decade of experience in politics and public policy. Kuhl has served in numerous senior communications roles for a United States Senator, Saint Paul Mayor and Gubernatorial Candidate.

Throughout his career, Kuhl has honed his skills in many areas including media relations and effective message development as Communications Director for Saint Paul Mayor Randy Kelly and Gubernatorial Candidate Tom Emmer building a strong reputation with the Capitol Press Corps and throughout Minnesota.

Kuhl served as marketing director for the City of Saint Paul where he was responsible for the planning, promotion and execution of both large and small-scale events. In his role as policy liaison for United States Senator Norm Coleman, he was responsible for coordinating policy research and outreach on highly visible issues (transportation, energy, labor, budget, telecommunications, economic development, financial/banking, and appropriations) throughout Minnesota.

**MEMO  
CITY OF INVER GROVE HEIGHTS**

**TO:** Inver Grove Heights Economic Development Authority  
**FROM:** Thomas J. Link, Director of Community Development  
**DATE:** January 8, 2013 for EDA Meeting of February 4, 2013  
**SUBJECT:** Election of Officers

The February Economic Development Authority (EDA) meeting is its 'Annual Meeting'. As such, its bylaws require the election of officers. The current officers are:

George Tourville	<i>President</i>
Rosemary Piekarski-Krech	<i>Vice-President</i>
Bill Klein	<i>Treasurer</i>
City Finance Director	<i>Assistant Treasurer</i>
Executive Director's Designee	<i>Secretary</i>

The EDA is requested to elect officers for 2013.

TJL/kf