



NORWOOD YOUNG AMERICA ECONOMIC DEVELOPMENT COMMISSION

Wednesday, July 8, 2015

6:30 p.m.

**Oak Grove City Center – Large Conference Room
310 Elm Street West
Norwood Young America, MN**

- I. Call to Order**
- II. Consideration of the Agenda**
- III. Oath of Office –Doane Baber**
- IV. Approval of Minutes –**
 - A. June 10, 2015 Workshop
 - B. June 16, 2015 Special EDC Meeting
- V. Unfinished Business**
 - A. Business Survey Results
 - B. Resident/Consumer Survey update
 - C. Commercial Market Study
 - D. Joint Meeting Agenda Discussion.
 - E. 2015 Goals and Strategic Plan Update
- VI. New Business**
 - A. Business Visits/Tours
 - B. Workforce Training Programs
 - C. MnCAR Presentation
- VII. Project Updates**
- VIII. Miscellaneous Communications**
- IX. Next Meeting – August 12, 2015, 12 noon or 6:30 p.m.**
- X. Adjournment**

*State of Minnesota, ss.
County of Carver*

OATH OF OFFICE

I, Doane Baber, do solemnly swear that I will support the Constitution of the United States, the Constitution of the State of Minnesota, and that I will faithfully and impartially discharge the duties of the office of Economic Development Commissioner, of the County of Carver, City of Norwood Young America, to which I have been appointed, to the best of my knowledge and ability, so help me God.

Subscribed and sworn to before me this 8th day of July, 2015

City Administrator

(Seal)



DATE: July 2, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item IV. Approval of Minutes

Action:
 The Commission is asked to approve the enclosed minutes from the June 10, 2015 workshop session and the June 16, 2015 Special EDC meeting.

NORWOOD YOUNG AMERICA ECONOMIC DEVELOPMENT COMMISSION

Minutes from the Workshop Session on Wednesday, June 10, 2015 at 6:30 p.m.

Oak Grove City Center – Large Conference Room

310 Elm Street West

Norwood Young America, MN

I. Call to Order and Introductions

Chair Kyle Stickfaden called the workshop session to order at 6:45 p.m.

EDC members in attendance were: Tina Diedrick, Kyle Stickfaden, Mike McPadden, and Bruce Mathwig.

Absent were: Julie Schmidt, Chris Lund, Craig Heher and Sarah Molnau.

Staff attending were: City Administrator Steve Helget and Economic Development Coordinator Jo Foust and Doane Baber, EDC Commission applicant.

II. Workshop Session.

Due to the lack of a quorum, no official business was conducted. A workshop session was held.

Commercial Market/Trade Analysis.

Keith Wicks of Keith Wicks Associates was present to discuss his proposal to complete a Commercial Market Analysis. He indicated he has 40 years of experience in market analysis specializing in grocery stores, but also with demographics and commercial market analysis. He does not conduct industrial market analysis. He discussed his six to eight week process which included (1) Population, demographic, traffic, retail trade area and definition of daytime sector, (2) Inventory of current businesses, (3) Inventory of sites, (4) Brainstorming what makes sense in the community, (5) Identification of incentives and programs, (6) Development of models with businesses and expenses that can be defined, (7) Forward strategies for various areas and (8) Use of marketing to approach prospects. A formal report would be prepared with an executive summary and formal presentation for a fee of \$8750.

Wicks highlighted items he would incorporate into the analysis including the two downtowns, highway commercial and benefits of Highway 212 and Highway 5 in the community with the traffic patterns. Capitalizing on parks and the baseball fields as a destination for tournaments was discussed.

Commissioners referenced a 2014 Carver County study which was completed.

Commissioners thanked Mr. Wicks for his attendance, noting without a quorum, formal action on his proposal will be delayed.

McPadden excused himself from the workshop at 8:00 p.m.

Marketing Opportunity.

Helget reported he met with Journal Communication who has been retained by the MN Department of Employment and Economic Development to prepare a MN Economic Development Guide, which will be released in October, 2015. They will have an initial distribution of 10,000 to 12,000 copies. Cities and

counties may purchase ads. The publication will be distributed at trade shows and participating communities will receive copies to disperse. On-line links would also be provided. So far, 15 cities have signed up to advertise. The publication will be printed for three years with cities signing on the first year having the first option to advertise the following year. Helget stated advertising rates range from \$1800 for a 1/8 page ad, \$3000 to \$3,600 for a 1/2 page ad, \$5000 for a full page ad and \$9600 for a jump ad.

Commissioners felt a Marketing Plan should be developed first. The October 28, 2015 MnCAR Trade Show was referenced. Trade show booth display materials were reviewed.

Business Development.

It was noted the dance studio may be looking at expanding.

A special meeting of the EDC will be called next week to act on a loan participation with the MCCD for a new start up auto body shop – 180 Collision, LLC.

Helget reported that PPI is planning to close on the Young America Corp. building the end of June, move into the facility mid-July to the end of August. The company has decided to fund the project with their financial institution and will not be seeking the Job Creation Fund or loans from the City or MCCD.

Foust reported that the company that had toured the Duebers' building decided it was not cost effective to renovate for their purposes. Information on the industrial lots and financial programs were provided to the contact.

Footings are in for the new Family Dollar as well as for the Haven.

Business Visits/Tours.

A business tour of Vickerman Company has been scheduled for Wednesday, July 1, 2015 at 2:30 p.m. The Chamber Board will be invited to attend as well.

Resident Survey.

Foust reported that as of June 3, 2015 a total of 109 responses have been received for the Resident Survey. According to the MN State Demographer's 2013 estimate, there are 1420 residential units suggesting an approximate 8% household response rate. In order to be eligible for the Chamber Dollars drawings, responses, with contact information was due Friday, June 5, 2015. Eighty-two residents met that criterion. The three winners of the Chamber Dollar drawings were (1) Lori Lemke, (2) Lowell Stender and (3) Alan Ische. Information relating to the survey and winners will be provided to the newspaper and posted on the city's website.

Next Meeting Date

A special EDC meeting will be held the week of June 15, 2015 to act on a loan participation.

An email will be sent to EDC members inquiring about meeting times in July and August and noon meetings versus 6:30 p.m. meetings during summer months. The next meeting is scheduled for July 8, 2015. The time of the meeting will be determined.

Adjourn

The workshop adjourned at 8:45 p.m.

Respectfully submitted,

Jo Foust, Economic Development Consultant
MDG, Inc.

NORWOOD YOUNG AMERICA ECONOMIC DEVELOPMENT COMMISSION

Minutes from the Special Meeting on Tuesday, June 16, 2015 at 12:00 noon.

Oak Grove City Center – Large Conference Room

310 Elm Street West

Norwood Young America, MN

I. Call to Order and Introductions

Vice Chair Julie Schmidt called the meeting to order at 12:03 p.m.

EDC members in attendance were: Julie Schmidt, Chris Lund, Tina Diedrick, Mike McPadden, and Bruce Mathwig.

Absent were: Kyle Stickfaden, Sarah Molnau and Craig Heher.

Staff attending were: City Administrator Steve Helget and Economic Development Coordinator Jo Foust.

II. New Business

A. Loan Request for 180 Collision, LLC.

Foust provided an overview of a loan participation request to assist a proposed new auto body repair and paint service business, 180 Collision LLC. The company is planning to lease the building located at 180 Industrial Boulevard, which is currently owned by Citizen State Bank. The applicant hopes to purchase the building in the future.

The applicants, Jamie and Melissa Schlechter have been working with Lee Hall at the MCCD for over a year to establish a business plan, financial projections, etc. Jamie brings 20+ years of auto body experience to the company. Melissa will continue with her current employer.

The EDC is asked to participate with a \$5,000 loan from its fund. The MCCD would provide \$25,000 in funding. Funds will be used for build out and equipment. Terms for the loan are 60 months with a 3 year balloon at a 7.25% interest rate. Collateral is proposed to be tools and a vehicle. One job will be created.

Foust reported that the EDC Finance Committee met on June 10th and reviewed three years of projections, the business and marketing plan and loan analysis, with Lee Hall. The Committee unanimously recommended approval with the conditions that (1) a current balance sheet (within 90 days) be provided, (2) collateral include not only tools of the trade but also a vehicle(s), (3) verification that tax liabilities have been paid and (4) conditioned on MCCD Board approving the loan.

Foust noted that the MCCD Board met on June 11, 2015 and approved the loan request. Mathwig added that the MCCD will administer the loan as they are the lead lender. The EDC will not receive a loan fee, but we will collect interest on the loan. Mathwig also reported that the 180 Collision LLC is working with a company to assist with payroll and accounting. They have started to build a client list as well.

Helget added that the auto body repair and paint service is a permitted use within the zoning district.

Motion by McPadden, seconded by Diedrick to recommend approval of the loan participation in the amount of \$5,000 to 180 Collision, LLC. with MCCD serving as the lead lender, at a rate of 7.25% for a 60 month term with a 3 year balloon; contingent upon (1) the company providing a current balance sheet (within 90 days), (2) collateral to include not only tools of the trade but also a vehicle(s), (3) verification that tax liabilities have been paid. Motion carried 5-0.

III. Next Meeting Date

EDC Commissioners requested an email be sent to members to inquire if a noon meeting would be more conducive to schedules in the summer. The next regular meeting is scheduled for Wednesday, July 9, 2015.

IV. Adjourn

A motion was made by Diedrick and seconded by McPadden to adjourn the meeting. The motion passed. The meeting adjourned at 12:15 p.m.

Respectfully submitted,

Jo Foust, Economic Development Consultant
MDG, Inc.



DATE: July 2, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item V. A. Business Survey

Background:

The EDC is in the process of obtaining input from local businesses through a Business Survey which is available in paper form or on-line at: <https://www.surveymonkey.com/s/NYAbusinesssurvey>

Copies of the survey were originally distributed at the April 15, 2015 Chamber meeting. The Chamber also emailed its membership and other businesses, asking them to participate.

EDC Members at the May 13th meeting agreed to conduct outreach to businesses. MDG emailed businesses included on the Chamber email blast list on May 18th.

As of July 2, 2015 there were 24 on-line responses, from the following businesses:

- Roots Landscaping
- Advanced Electrical Services, Inc.
- Home Solutions
- Draperies by Carol
- SJB Masonry LLC
- Creative Hair
- Linds Hardware
- Hydro Engineering
- Schad Lindstrand & Schuth LTD
- The Harbor at Peace Village
- Xtreme Electrical Services
- Schmidt Chiropractic
- Edward Jones
- Southwest Eye Care
- Norwood Young America Times
- Donna Stacken, Ameriprise Financial
- Lano Equip of Norwood
- Lano Equip. of Norwood
- Chameleon Salon
- TechStar Solutions
- Klein Bank
- Simple Grace Promotions, Inc.
- Sacred Health Family Chiropractic
- Vickerman Company

According to the MN Department of Employment and Economic Development's 2014 Business Statistics, there were 97 businesses in the NYA zip code as of December, 2014. Responses thus far represent an approximate 25% participation rate. A survey from Citizen's State Bank is pending.

Action: Attached is a list of businesses that have not yet responded. EDC Members are asked to select 3 to 5 businesses to contact before the August meeting, and request their participation.

	Business Name	Survey Complete	EDC Contact	Business Address
1	Advanced Electrical Services	X		
2	Allan R. Debner Insurance Agency			PO Box 309
3	Always Sunny Inc			
4	American Community Newspaper LLC			
5	Ameriprise Financial, Donna Stacken	X		
6	Anthony Consulting & Associates			PO Box 245
7	Apple Agency			
8	Auto Body Specialties			215 Reform St N
9	Bernard Or Rita Beyer			
10	Bolton & Menk Inc			
11	Bongards Creameries			13200 Co Rd 51
12	Braunwarth Plumbing & Heating			16120 Co Rd 135
13	Bruesehoff Seed Inc			12975 County Road 50
14	Car Quest Auto Parts			
15	Carver County Housing & Redevelopment Authority			
16	Carver County Library			
17	Cassualty Assurance			
18	Centerpoint Energy - Minnegasco			
19	Central Auto Repair			PO Box 179
20	Central Printing			PO Box 659
21	Central Public Schools			
22	Central Raiders Bus Service			PO Box 247
23	Chameleon Salon	X		
24	Citizen Asset Strategies			PO Box 180
25	Citizen Insurance Services			
26	Citizen State Bank			
27	City Of Norwood Young America			
28	Classic Creations			
46	Creative Hair	X		
47	D&L Detailing			13315 Co Rd 33
48	DH Excavating			210 1st St NE
49	Draperies By Carol	X		
50	Dvorak Brother's Construction, Inc.			10810 Sunset Rd
51	Edward Jones	X		
52	Elite Dance			640 Railroad Dr #600
53	Foley's Hardware			PO Box 127
54	Franks Sanitation			131 Casper St
55	Gails			514 Faxon Road
56	Gasthouse			223 Main St E
57	Gavin, Olson & Winters, LTD.			
58	Good Time Liquors			
59	Hard Stuff Masonry			13275 Salem Ave
60	Hauser Homes			
61	Hillcrest Café & Catering			13350 Hwy 5 & 25
62	Hilgers Plumbing, Heating & AC			PO Box 114
63	Holiday Station Store #371			502 Faxon Rd
64	Home Solutions	X		PO Box 549
65	Hydro Engineering Inc	X		

	Business Name	Survey Complete	EDC Contact	Business Address
66	Image Graphics Premier Applicators, Inc.			13320 106th St
67	Kleinbank	X		
68	Kohls Foam Systems Inc			
69	Kwik Trip			520 Reform St
70	Lakeview Clinic			
71	Lano Equipment Of Norwood Inc	X		
72	Lano Lanes Inc	X		
73	Linds Hardware	X		
74	Maggies Material World			225 Elm Street W
75	Marsden Health Mart Pharmacy			402 Faxon Rd N
76	McDonald's			
77	Melchert Hubert Sjodin			
78	Metropolitan Eye Care Specialists P A			
79	Midtown Family Restaurant			
80	NAPA			PO Box 461
81	Nash Finch Company			
82	Norwood Electric Inc			
83	Norwood Sports Cars			PO Box 430
84	Norwood Veterinary Clinic P. A.			PO Box 97
85	Norwood Young America Library			314 Elm St W
86	Norwood Young America Times	X		
87	Oak Grove Senior Residence/CDA			114 Reform Street
88	Old Pro Carpentry Services LLC			410 Central Ave S
89	McBride - Hantge Funeral Chapel			PO Box 38
90	PC Management			15035 118th St
91	Peace Villa Inc			308 N Faxon Rd
92	Pizza Ranch			
93	Plato C Store			
94	Principal Manufacturing			118 Railroad Street W
95	Pro Auto & Transmission			324 Railroad Street W
96	Progressive Insurance - Debner Agency			124 Elm Street
97	R E Smith Oil & Tire Co Inc			
98	Randy Clark - SeMent			408 Shady Ln
99	Radio Shack			
100	Rich's Barber Shop			205 Main St E
101	Ridgeview Medical Center			
102	Robert Ramos Agency			
103	Robb's Custom Woodworking			13050 Stewart Ave
104	Robert Kroells Construction			427 Elm St W
105	Ron Kroells Construction			403 SW 5th CT
106	Roots Landscaping	X		
107	Sacred Health Family Chiropractic	X		
108	Schad Lindstrand & Schuth LTD	X		
109	Schmidt Chiropractic Center	X		
110	Schneider Excavating			405 Central Ave S
111	Schrupp Construction			112 Central Ave N
112	Shanahan Construction, LLC			15020 Tacoma Ave
113	Simons Bros Of Young America			305 1st Ave SE

	Business Name	Survey Complete	EDC Contact	Business Address
114	Simple Grace Promotions, Inc.	X		
115	SJB Masonry LLC	X		
116	Snap Fitness			308 Hwy 212 W
117	Southwest Eye Care	X		
118	Southwest Paving			770 Railroad St W
119	Sport Cars			PO Box 430
120	Statewide Gas Service			220 Industrial Blvd
121	Steinhagen Enterprises			8815 Tiller Ave
122	Steven's Manufacturing			309 4th St SW
123	Studio West Designs			320 West Railroad St
124	Subway			
125	Tamarack Landscaping			13575 Hwy 212
126	Tanglez Salon			10880 Sunset Road
127	TechStar Solutions	X		319 West Elm St. Suite 2
128	The Flower Mill Design & Gifts LLc			
129	The Harbor At Peace Village	X		
130	The Pour House Pub			325 Elm St W, Box 806
131	The Preserve of NYA			662 Meadow Lane
132	Threes' Company Hair Stylists			
133	Thomas Collision			15400 Hwy 5 & 25
134	Trocke Monuments			443 Park Circle
135	Unhinged Pizza			PO Box 117
136	United States Postal Services			400 Merger Street
137	Unkle Thirsty's			105 Main St E
138	Vickerman Company	X		675 Tacoma Blvd
139	Vogelin Optical			PO Box 360
140	Waconia Deputy Registrar Inc			222 W. Main St
141	Waconia Manufacturing			
142	Waldron & Associates			
143	Waste Management			600 Railroad St W
144	Widmer Farms			13955 138th St
145	Wigfield Design			
146	Wisnack Meats			209 E Main St.
147	Willkommen Heritage & Pres. Society of NYA			PO Box 113
148	Wilson Electric			PO Box 368
149	Wuetherich Excavating			HWY 5 & 25
150	Xtreme Electrical Services	X		
151	Yeager Machine Inc			415 Tacoma Circle
152	Young America Corp			16340 94th St
153	Zellmann Bros.			



DATE: July 2, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item V. B. Resident/Consumer Survey

Background:

The resident/consumer survey was conducted in May and June, 2015. The survey was marketed through the direct mail of post cards to all utility billing customers, mailed and printed copies of the survey available at City Hall and the library and distribution of table tents. The survey link remains on the City's Facebook page at: <https://www.surveymonkey.com/s/NYAedc>.

As of July 2, 2015 the EDC received 128 responses. (We have received 19 responses in the past month.) According to the MN State Demographer's 2013 estimate, there are 1420 residential units suggesting an approximate 9% household response rate. In June, the drawings were conducted for the three \$50 Chamber Dollar winners. Attached is a copy of the press release with the names of the winners announced. This was sent to the newspaper on July 2nd and letters were prepared to send with the prizes to the three winners..

Action:

A summary of the responses received through July 2, 2015 are attached as a separate pdf document. These comments will be discussed at the July meeting.

For Immediate Release

July 1, 2015

Resident Survey Results & Winners of Drawing Announced

The Norwood Young America Economic Development Commission (EDC) recently conducted a survey in order to identify the types of businesses and services residents would like to see in the community, obtain input on economic development efforts as well as obtain input on a potential community center. The information received will be utilized in the recruitment of new businesses and retention of existing businesses.

Of the types of businesses desired in the community, a family-style or sit down restaurant was the most requested (102 of the 128 responses) followed by a variety store, pharmacy and fast food restaurants. Most residents reported that they receive information about local businesses through “word of mouth” (71%), followed by newspaper advertising (67%) and direct mailers (42%). Consumers recommend companies use their websites and Facebook as forms of social media.

Participants in the survey suggest the EDC prioritize efforts by assisting existing businesses as a top priority followed by recruiting additional highway commercial businesses, redeveloping the downtowns, recruiting manufacturing and finally focusing on tourism.

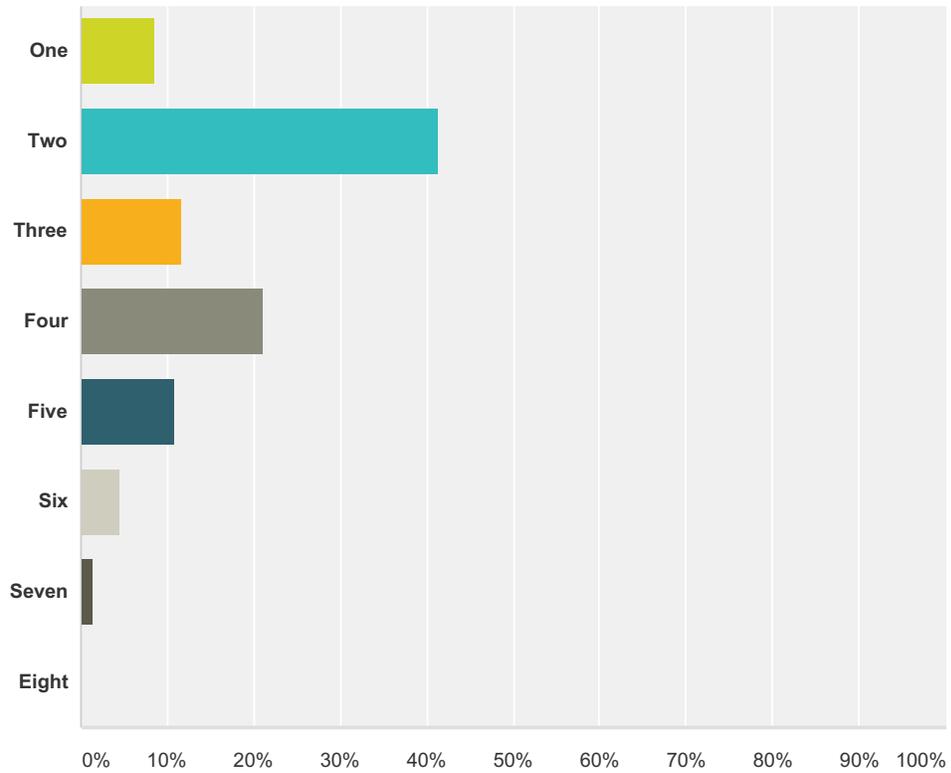
Over 60% of residents noted they would utilize a community center, with 26% uncertain and 13% noting they would not. The top amenities desired in a community center were a walking track, pool, exercise room and community room.

Of the 128 responses received, 82 residents signed up for drawings for \$50 prizes in Chamber Dollars which may be spent locally. The three winners of the drawings are: Lori Lemke, Lowell Stender and Alan Ische. The EDC would like to thank all residents that participated and provided input on future economic development endeavors.

For more information on the survey responses or economic development efforts please contact City Administrator Steve Helget at the Norwood Young America City offices at: 952-467-1800 or Economic Development Consultant Jo Foust at: 952-758-7399.

Q1 Household Size: How many people reside in your household?

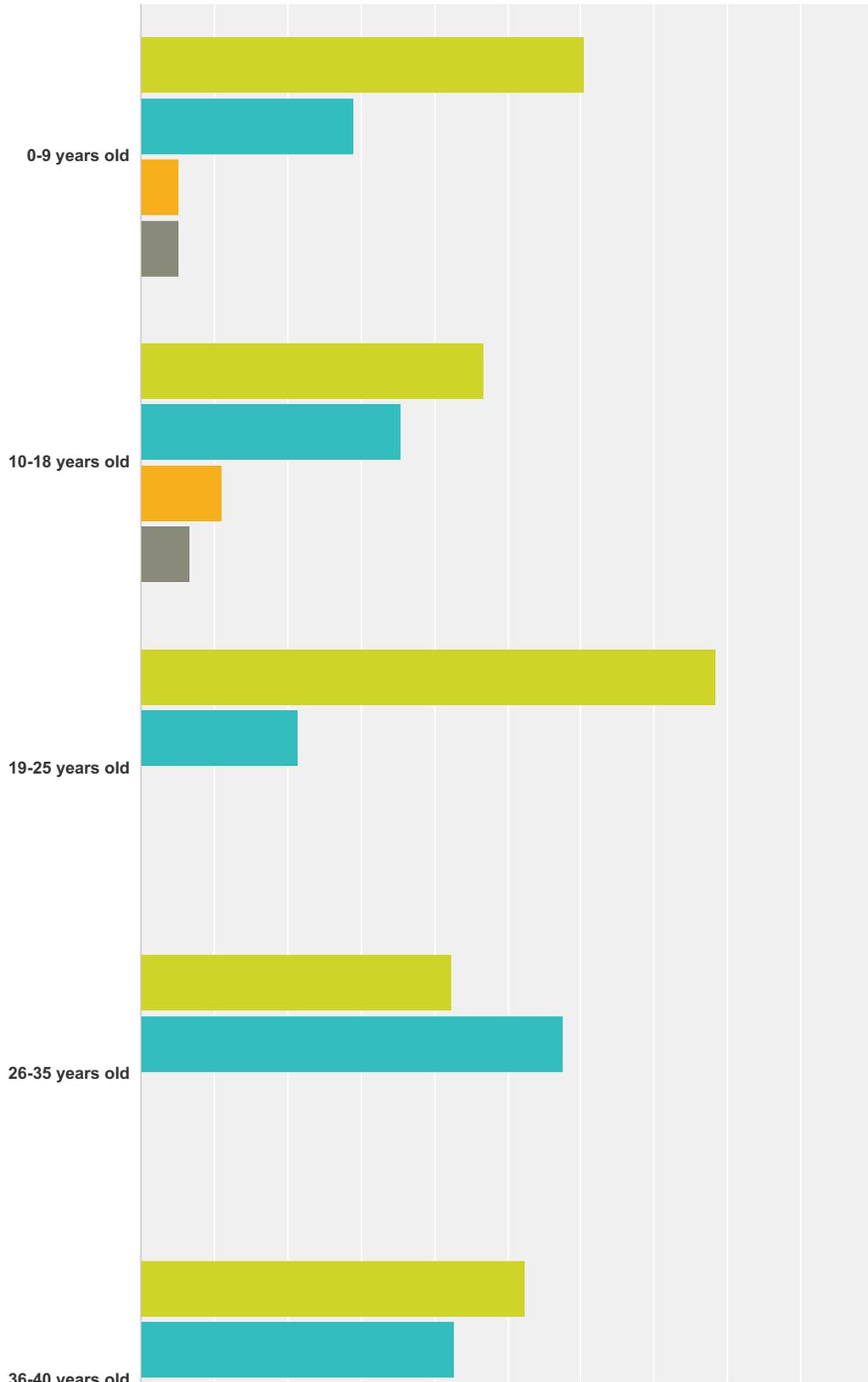
Answered: 128 Skipped: 0



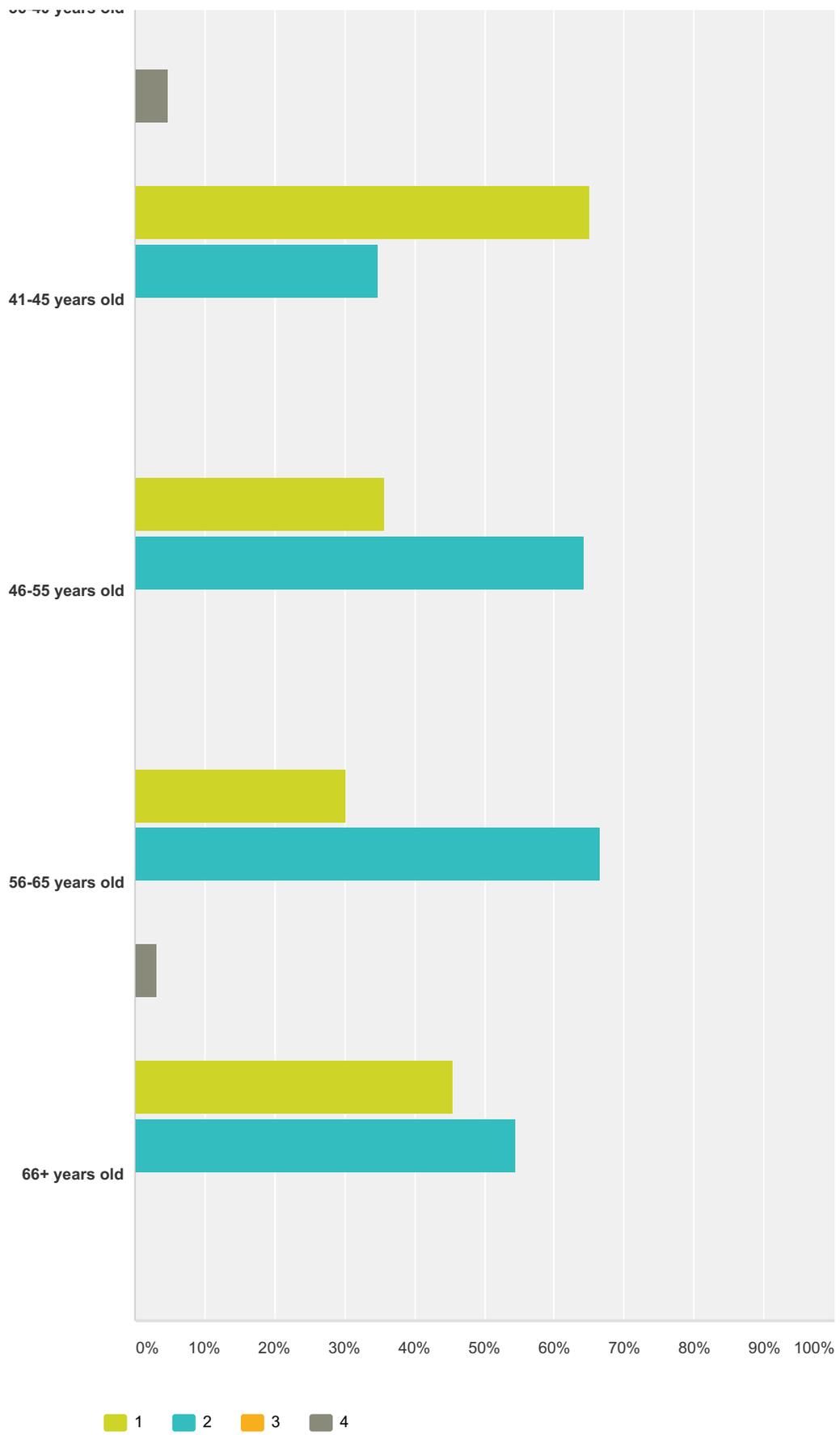
Answer Choices	Responses
One	8.59% 11
Two	41.41% 53
Three	11.72% 15
Four	21.09% 27
Five	10.94% 14
Six	4.69% 6
Seven	1.56% 2
Eight	0.00% 0
Total	128

Q2 Ages of Household Members: How many people reside in your household in each category?

Answered: 126 Skipped: 2



Norwood Young America Consumer Survey

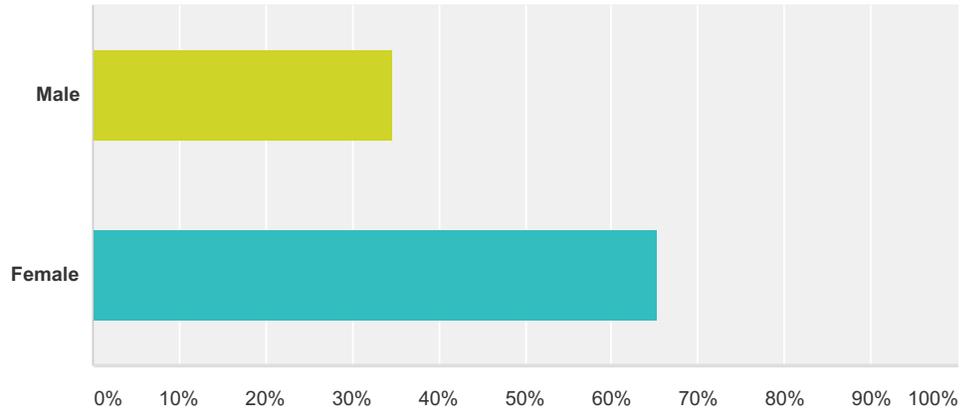


Norwood Young America Consumer Survey

	1	2	3	4	Total
0-9 years old	60.53% 23	28.95% 11	5.26% 2	5.26% 2	38
10-18 years old	46.67% 21	35.56% 16	11.11% 5	6.67% 3	45
19-25 years old	78.57% 11	21.43% 3	0.00% 0	0.00% 0	14
26-35 years old	42.42% 14	57.58% 19	0.00% 0	0.00% 0	33
36-40 years old	52.38% 11	42.86% 9	0.00% 0	4.76% 1	21
41-45 years old	65.22% 15	34.78% 8	0.00% 0	0.00% 0	23
46-55 years old	35.71% 10	64.29% 18	0.00% 0	0.00% 0	28
56-65 years old	30.30% 10	66.67% 22	0.00% 0	3.03% 1	33
66+ years old	45.45% 10	54.55% 12	0.00% 0	0.00% 0	22

Q3 Are you male or female?

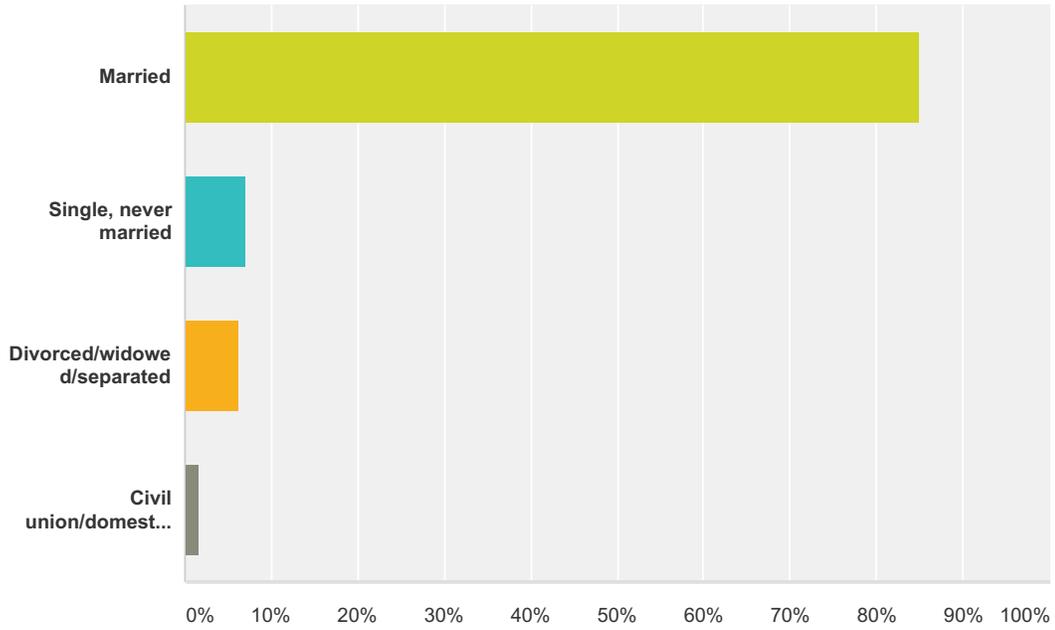
Answered: 127 Skipped: 1



Answer Choices	Responses
Male	34.65% 44
Female	65.35% 83
Total	127

Q4 What is your marital status?

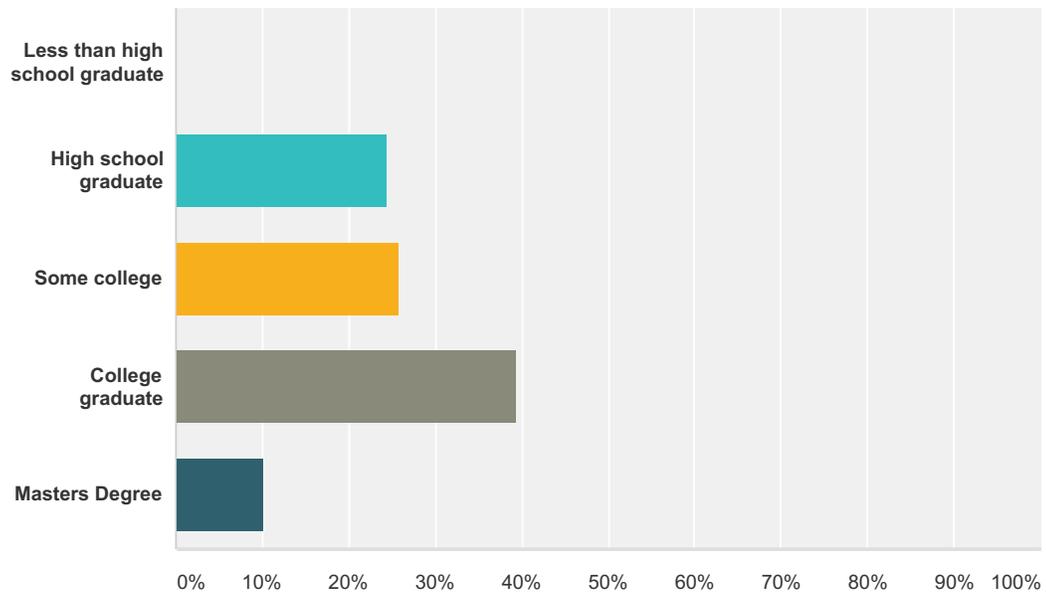
Answered: 126 Skipped: 2



Answer Choices	Responses
Married	84.92% 107
Single, never married	7.14% 9
Divorced/widowed/separated	6.35% 8
Civil union/domestic partnership	1.59% 2
Total	126

Q5 What is the highest level of formal education you have completed?

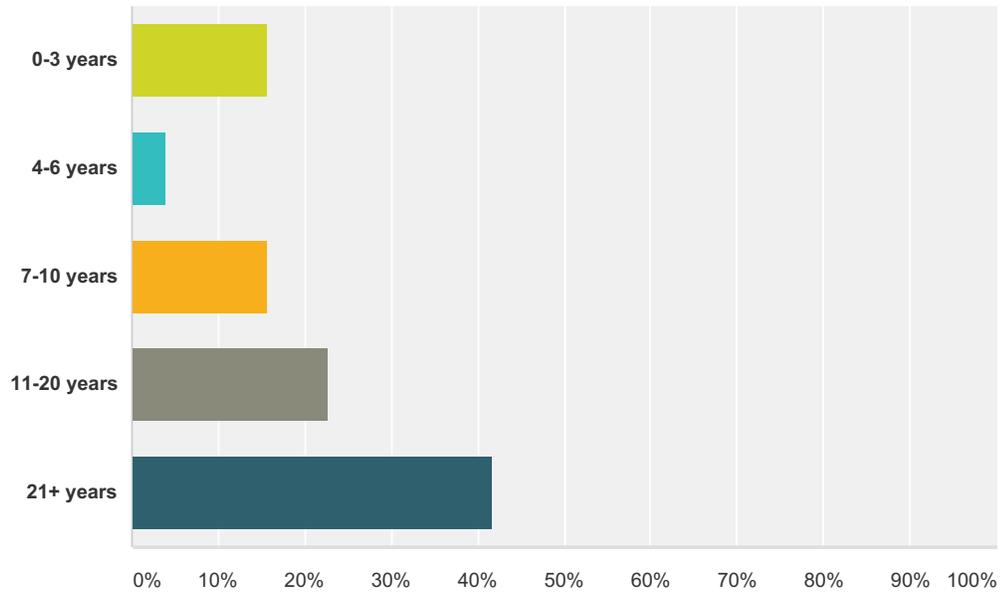
Answered: 127 Skipped: 1



Answer Choices	Responses
Less than high school graduate	0.00% 0
High school graduate	24.41% 31
Some college	25.98% 33
College graduate	39.37% 50
Masters Degree	10.24% 13
Total	127

Q6 How many years have you lived in Norwood Young America?

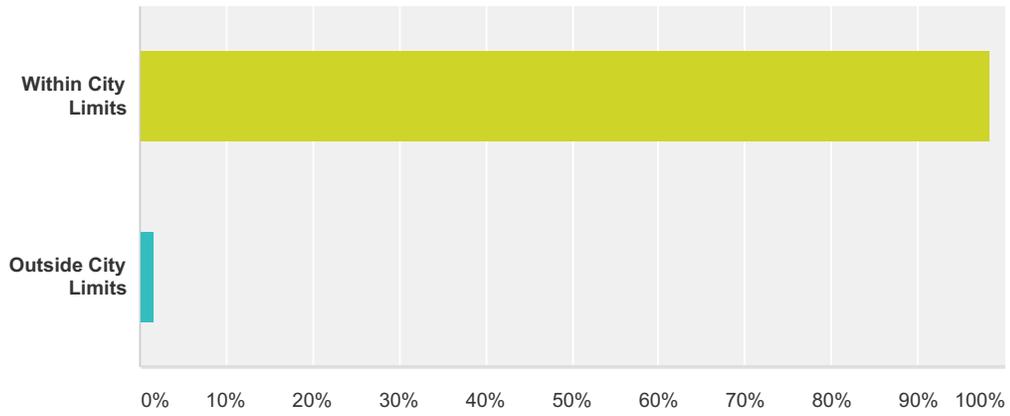
Answered: 127 Skipped: 1



Answer Choices	Responses
0-3 years	15.75% 20
4-6 years	3.94% 5
7-10 years	15.75% 20
11-20 years	22.83% 29
21+ years	41.73% 53
Total	127

Q7 Which location best describes your neighborhood?

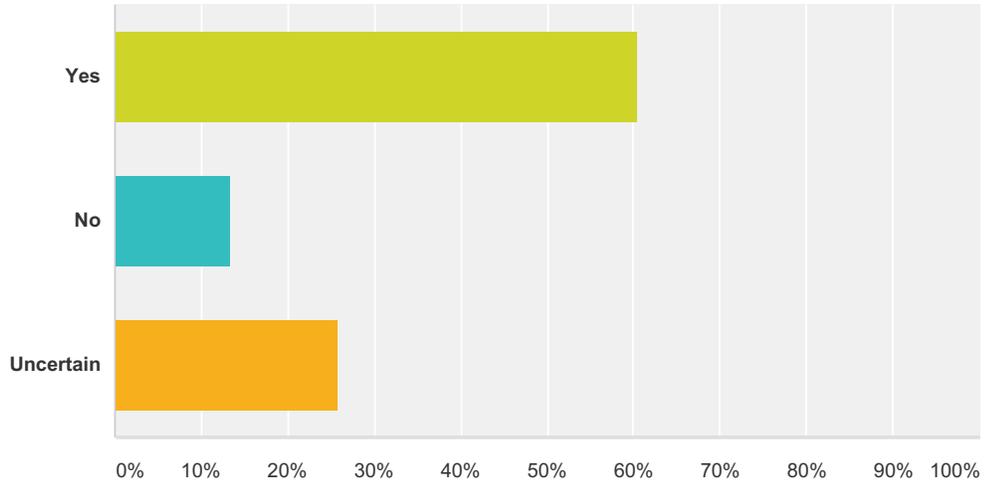
Answered: 127 Skipped: 1



Answer Choices	Responses	
Within City Limits	98.43%	125
Outside City Limits	1.57%	2
Total		127

Q8 Would you and/or your family utilize a community center in Norwood Young America?

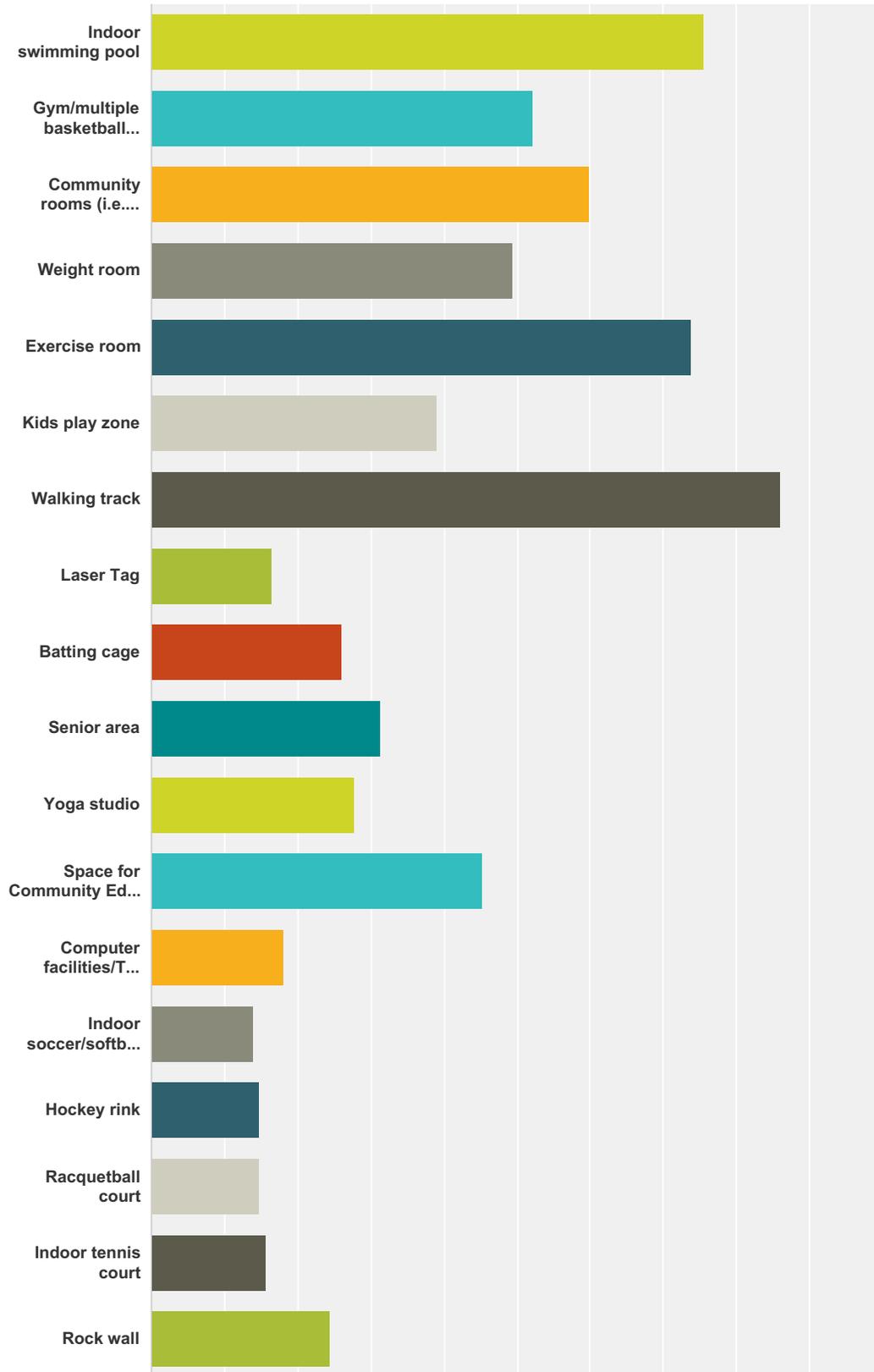
Answered: 127 Skipped: 1



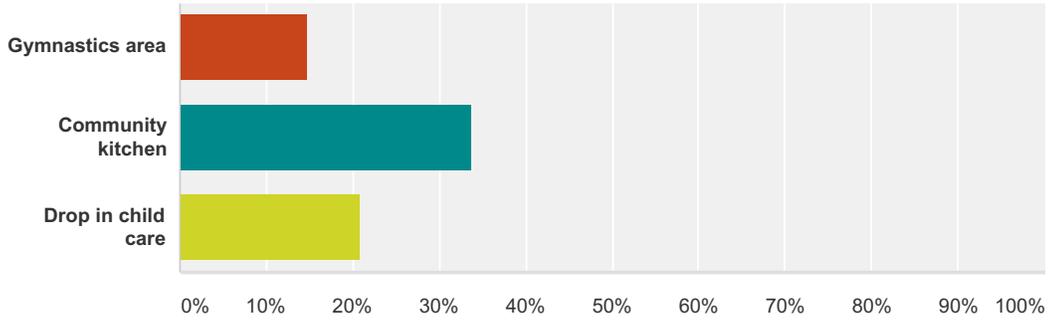
Answer Choices	Responses
Yes	60.63% 77
No	13.39% 17
Uncertain	25.98% 33
Total	127

Q9 What amenities would interest you in a community center? Please check all that apply.

Answered: 115 Skipped: 13



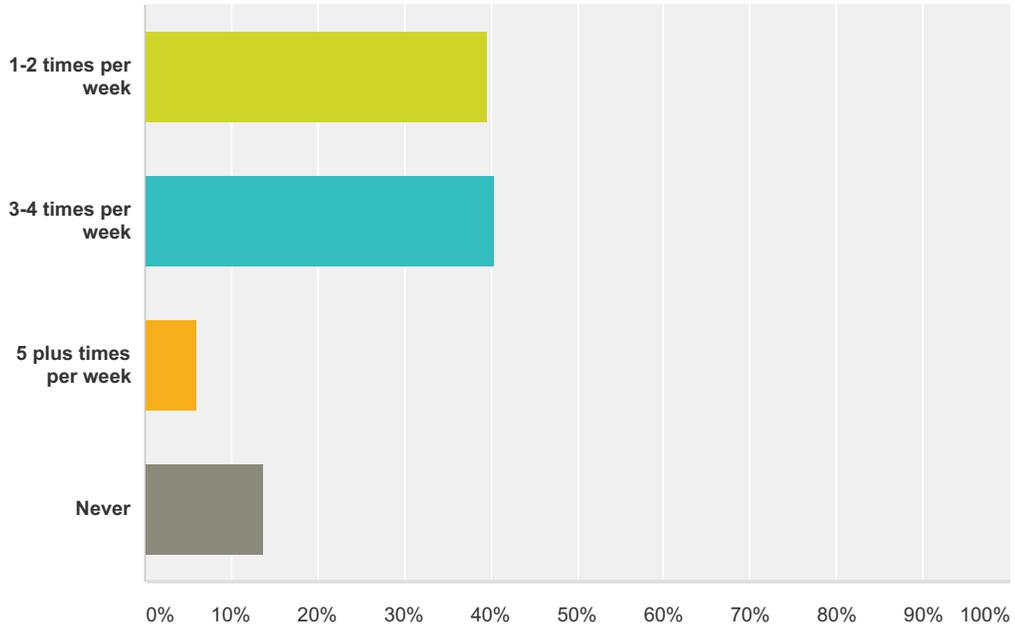
Norwood Young America Consumer Survey



Answer Choices	Responses	Count
Indoor swimming pool	75.65%	87
Gym/multiple basketball courts	52.17%	60
Community rooms (i.e. facility for birthday parties/gatherings of 50 people or less)	60.00%	69
Weight room	49.57%	57
Exercise room	73.91%	85
Kids play zone	39.13%	45
Walking track	86.09%	99
Laser Tag	16.52%	19
Batting cage	26.09%	30
Senior area	31.30%	36
Yoga studio	27.83%	32
Space for Community Ed classes	45.22%	52
Computer facilities/Tech hub	18.26%	21
Indoor soccer/softball/football field	13.91%	16
Hockey rink	14.78%	17
Racquetball court	14.78%	17
Indoor tennis court	15.65%	18
Rock wall	24.35%	28
Gymnastics area	14.78%	17
Community kitchen	33.91%	39
Drop in child care	20.87%	24
Total Respondents: 115		

Q10 How often would you attend a community center if it was located in the Norwood Young America area?

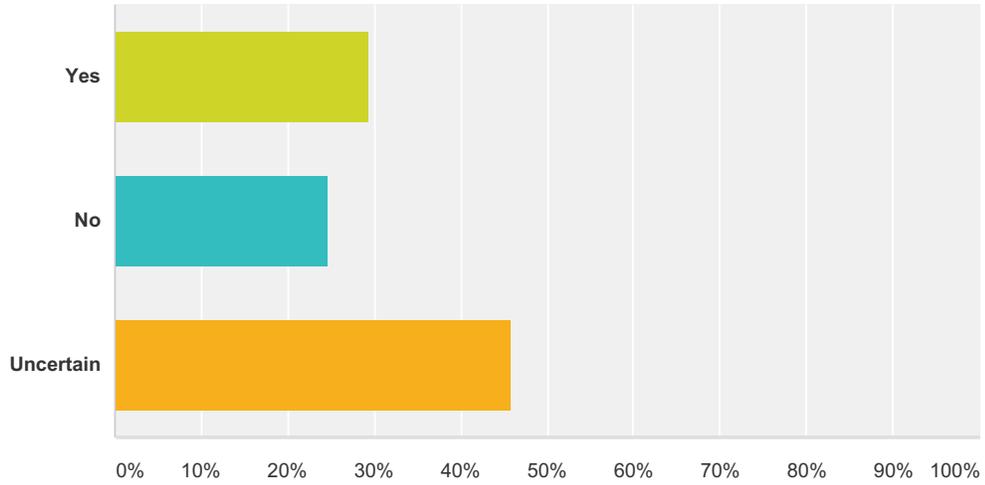
Answered: 116 Skipped: 12



Answer Choices	Responses	
1-2 times per week	39.66%	46
3-4 times per week	40.52%	47
5 plus times per week	6.03%	7
Never	13.79%	16
Total		116

Q11 Would you be interested in attending informational meetings about a community center in Norwood Young America?

Answered: 126 Skipped: 2



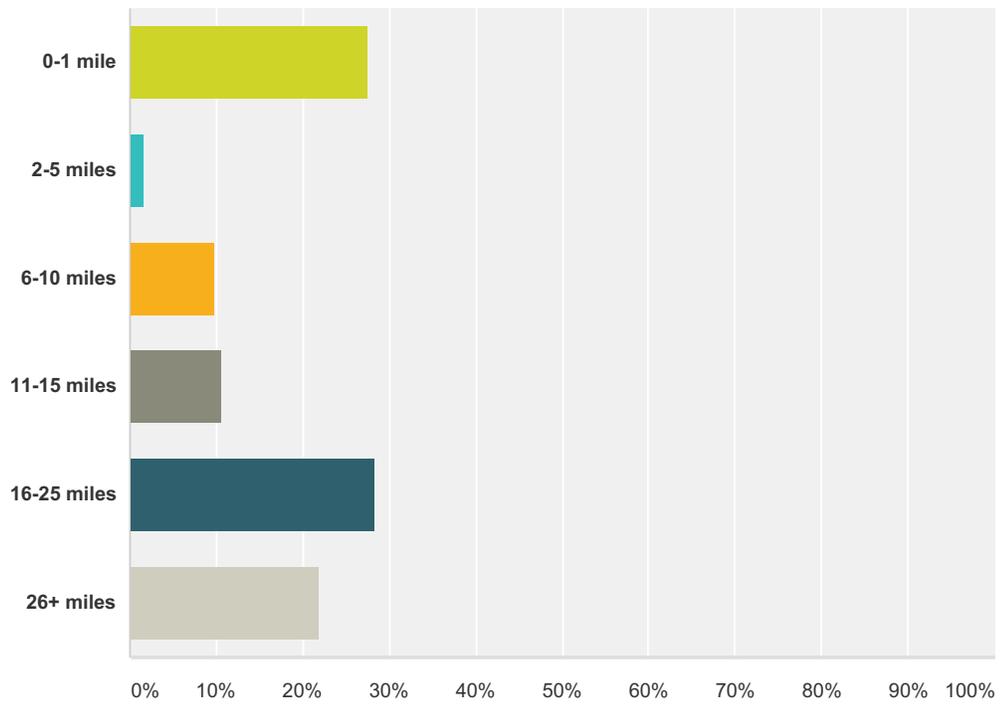
Answer Choices	Responses
Yes	29.37% 37
No	24.60% 31
Uncertain	46.03% 58
Total	126

**Q12 If yes, please provide information
(email or mailing address) for the best way
to contact you.**

Answered: 37 Skipped: 91

Q13 Commuting Patterns: How many miles do you commute to work each way?

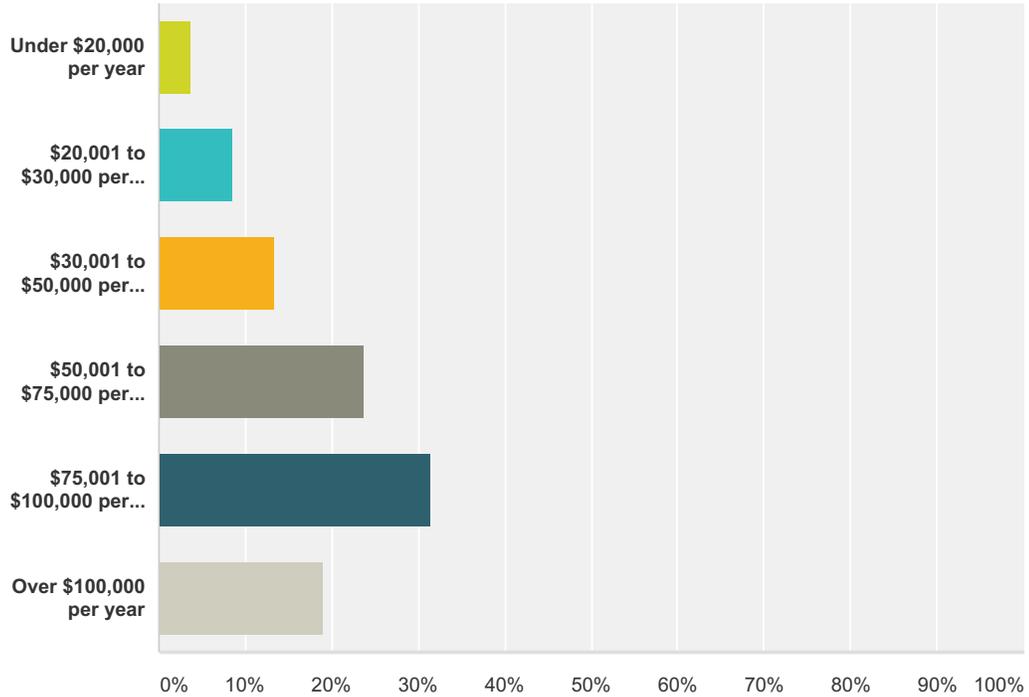
Answered: 123 Skipped: 5



Answer Choices	Responses	
0-1 mile	27.64%	34
2-5 miles	1.63%	2
6-10 miles	9.76%	12
11-15 miles	10.57%	13
16-25 miles	28.46%	35
26+ miles	21.95%	27
Total		123

Q14 Household Income: Please select the annual gross income for your household. This will assist us in responding to businesses conducting market research on communities. (Optional)

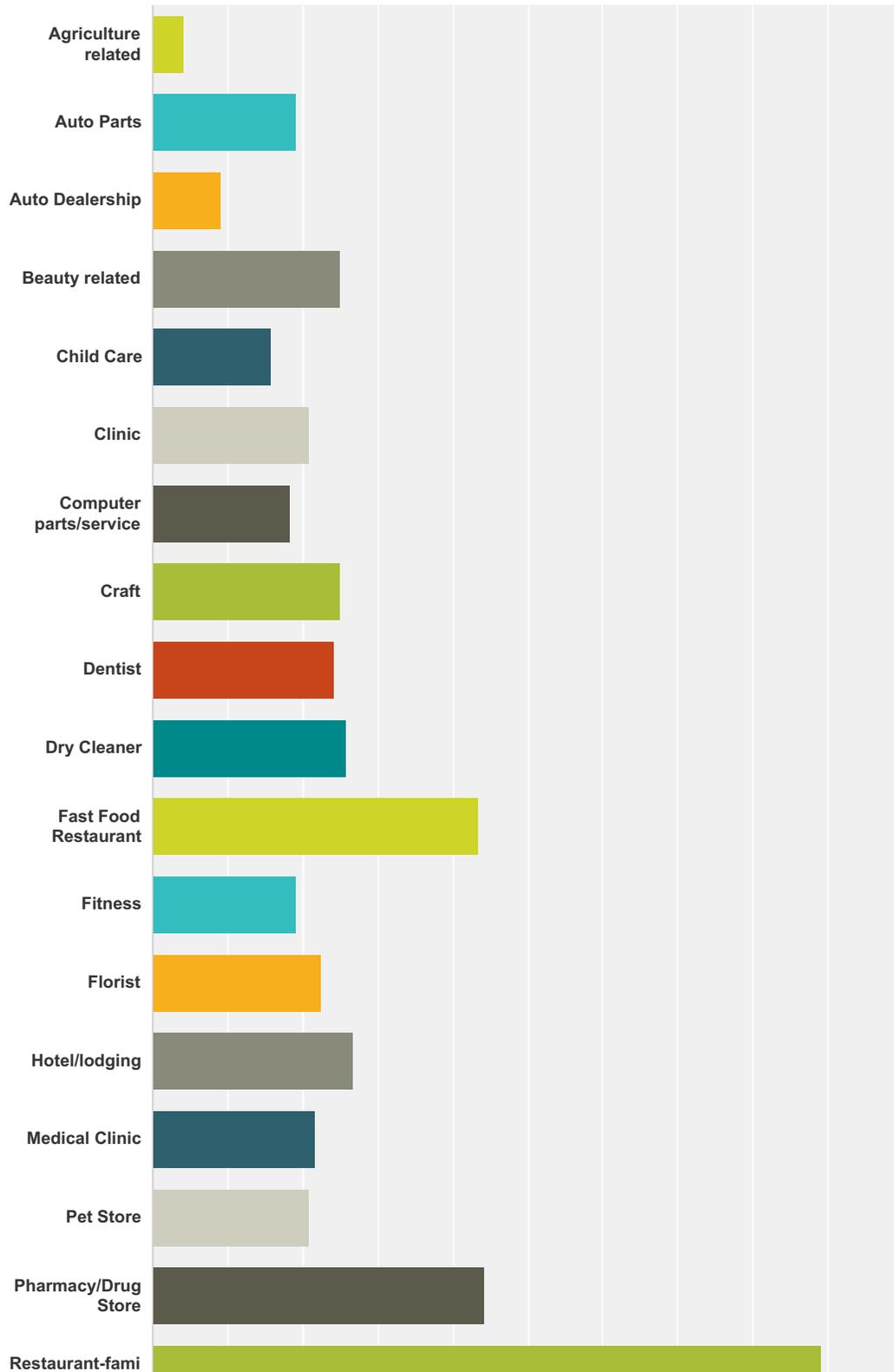
Answered: 105 Skipped: 23



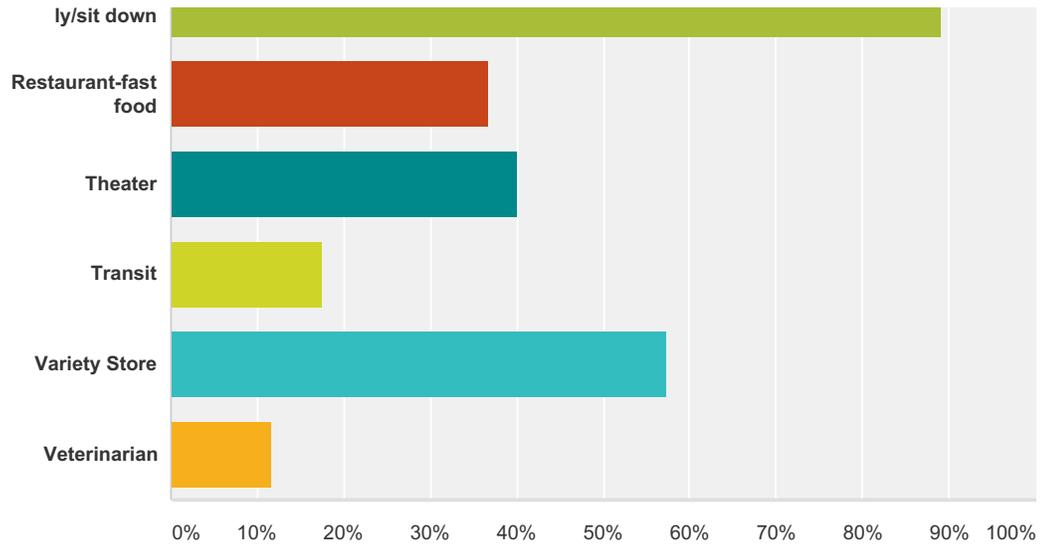
Answer Choices	Responses
Under \$20,000 per year	3.81% 4
\$20,001 to \$30,000 per year	8.57% 9
\$30,001 to \$50,000 per year	13.33% 14
\$50,001 to \$75,000 per year	23.81% 25
\$75,001 to \$100,000 per year	31.43% 33
Over \$100,000 per year	19.05% 20
Total	105

Q15 Types of Businesses Desired: What type of retail or service businesses would you like to see in Norwood Young America, that you would shop at and support?

Answered: 120 Skipped: 8



Norwood Young America Consumer Survey



Answer Choices	Responses	
Agriculture related	4.17%	5
Auto Parts	19.17%	23
Auto Dealership	9.17%	11
Beauty related	25.00%	30
Child Care	15.83%	19
Clinic	20.83%	25
Computer parts/service	18.33%	22
Craft	25.00%	30
Dentist	24.17%	29
Dry Cleaner	25.83%	31
Fast Food Restaurant	43.33%	52
Fitness	19.17%	23
Florist	22.50%	27
Hotel/lodging	26.67%	32
Medical Clinic	21.67%	26
Pet Store	20.83%	25
Pharmacy/Drug Store	44.17%	53
Restaurant-family/sit down	89.17%	107
Restaurant-fast food	36.67%	44
Theater	40.00%	48

Norwood Young America Consumer Survey

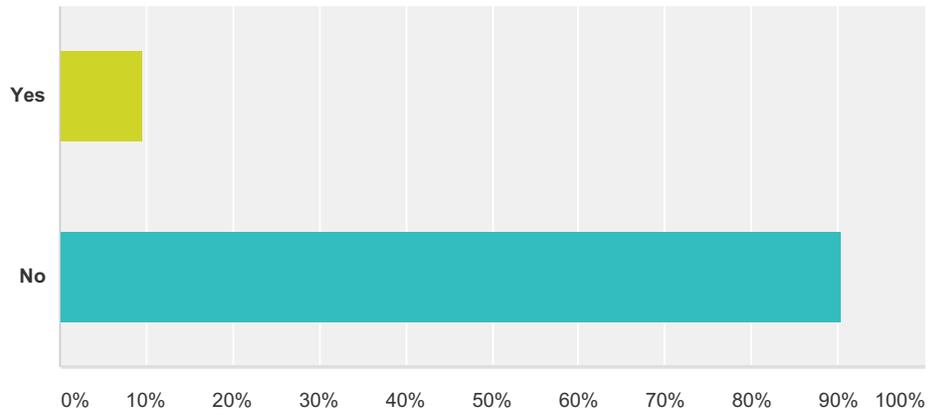
Transit	17.50%	21
Variety Store	57.50%	69
Veterinarian	11.67%	14
Total Respondents: 120		

Q16 If there is a specific store/business you believe the EDC should try to recruit, please list the business name here:

Answered: 42 Skipped: 86

Q17 Do you own/operate a home-based business?

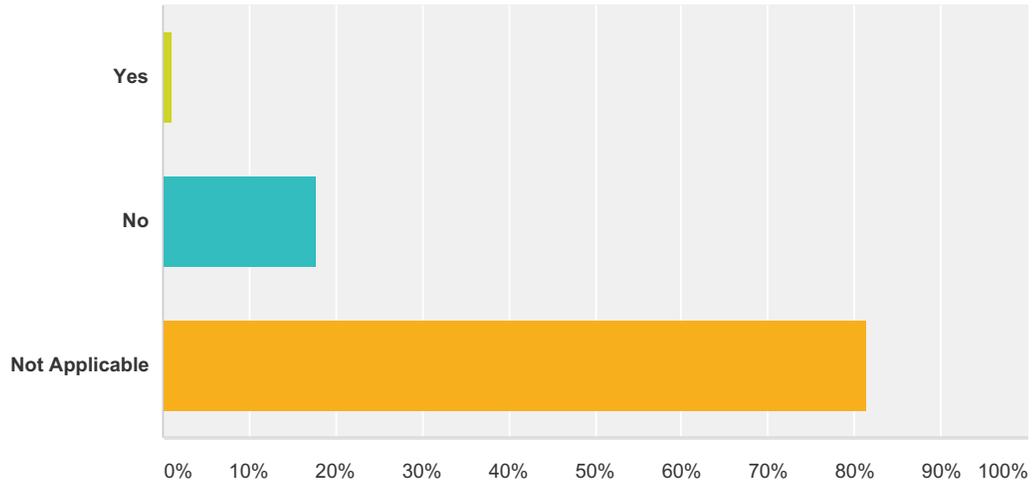
Answered: 125 Skipped: 3



Answer Choices	Responses
Yes	9.60% 12
No	90.40% 113
Total	125

Q18 If you do own/operate a home-based business, are you interested in expanding and learning more about commercial or industrial space that is available in the City of Norwood Young America?

Answered: 102 Skipped: 26



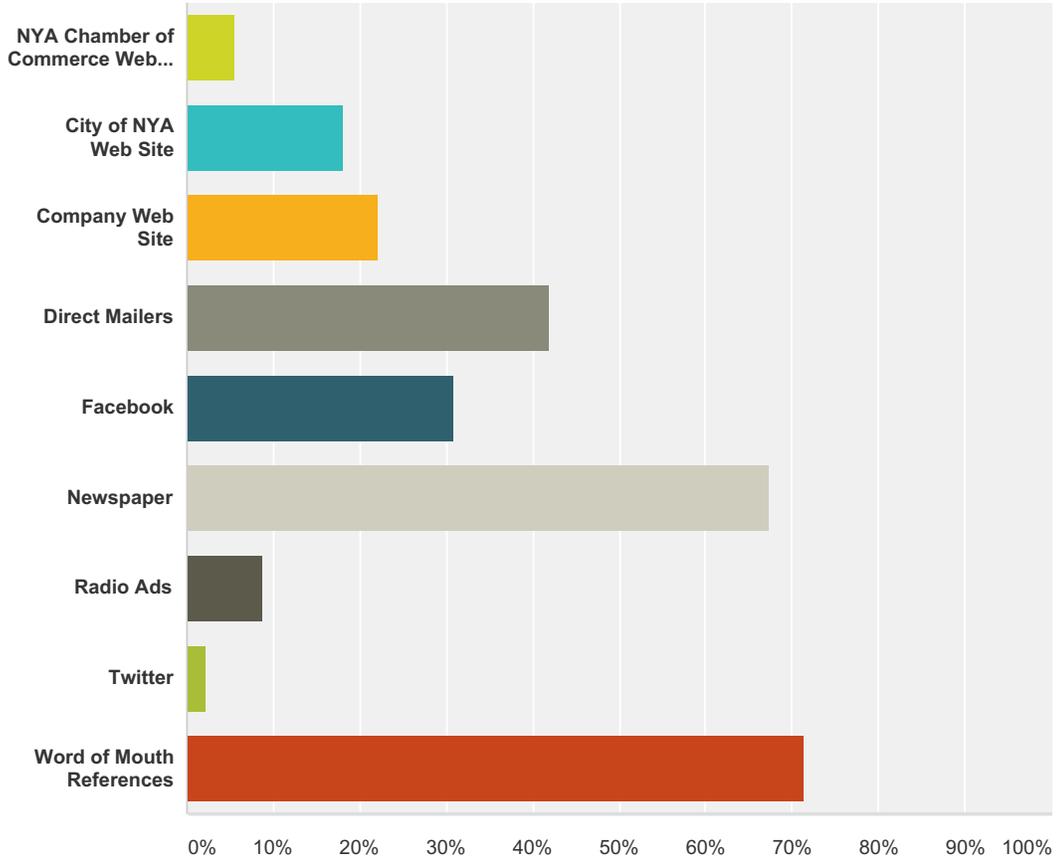
Answer Choices	Responses	
Yes	0.98%	1
No	17.65%	18
Not Applicable	81.37%	83
Total		102

Q19 If you would like assistance in locating commercial/industrial space, please provide your contact information below, or contact Economic Development Consultant Joanne Foust at: 952-758-7399 or via email at: foustmdg@gmail.com.

Answered: 1 Skipped: 127

Q20 What are your primary forms of media to obtain information on local businesses and their goods and services?

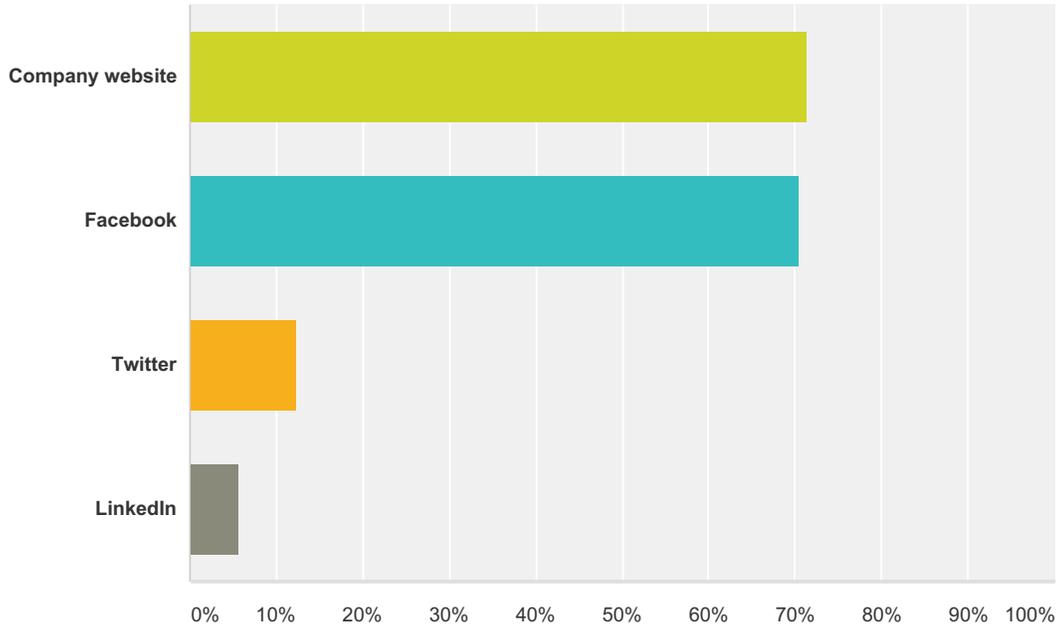
Answered: 126 Skipped: 2



Answer Choices	Responses
NYA Chamber of Commerce Web Site	5.56% 7
City of NYA Web Site	18.25% 23
Company Web Site	22.22% 28
Direct Mailers	42.06% 53
Facebook	30.95% 39
Newspaper	67.46% 85
Radio Ads	8.73% 11
Twitter	2.38% 3
Word of Mouth References	71.43% 90
Total Respondents: 126	

Q21 What form(s) of Social Media would you recommend local businesses use to reach consumers?

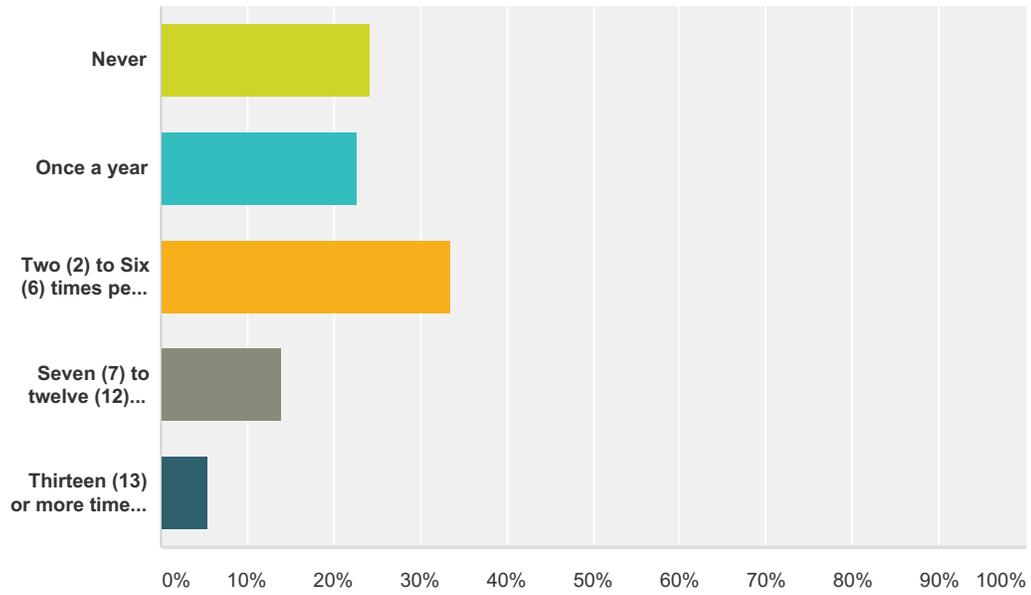
Answered: 105 Skipped: 23



Answer Choices	Responses
Company website	71.43% 75
Facebook	70.48% 74
Twitter	12.38% 13
LinkedIn	5.71% 6
Total Respondents: 105	

Q22 How often to you visit the City of Norwood Young America's Web Site?

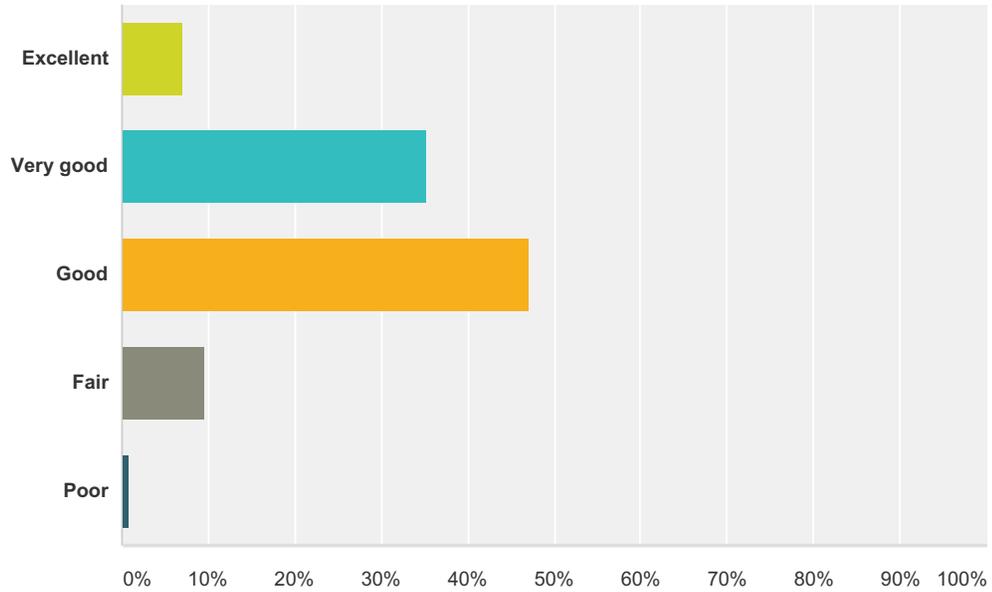
Answered: 128 Skipped: 0



Answer Choices	Responses	Count
Never	24.22%	31
Once a year	22.66%	29
Two (2) to Six (6) times per year	33.59%	43
Seven (7) to twelve (12) times per year	14.06%	18
Thirteen (13) or more times per year	5.47%	7
Total		128

Q23 How would you rank the overall customer service at businesses in Norwood Young America?

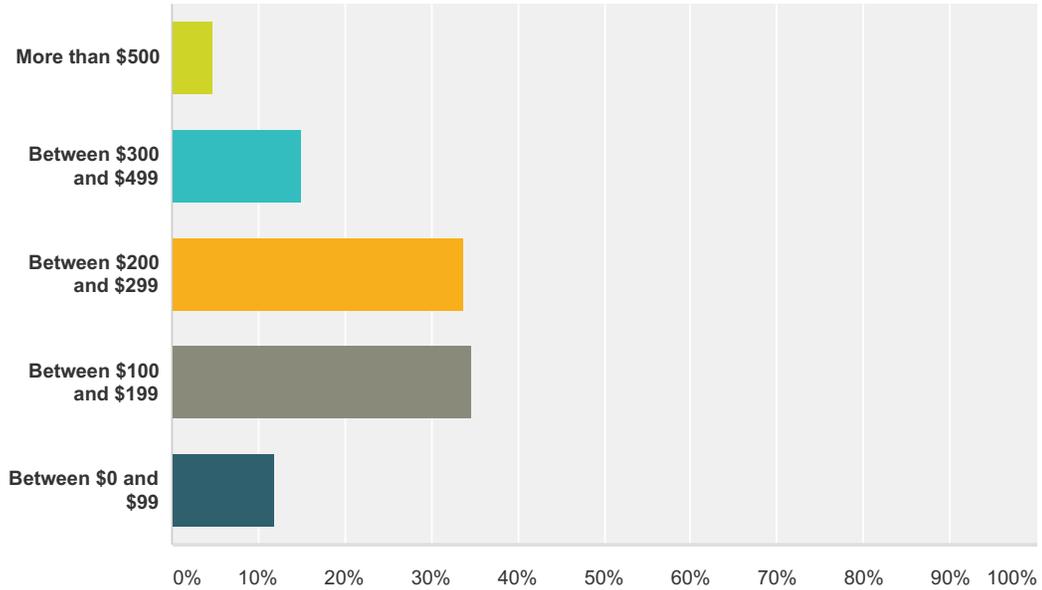
Answered: 125 Skipped: 3



Answer Choices	Responses
Excellent	7.20% 9
Very good	35.20% 44
Good	47.20% 59
Fair	9.60% 12
Poor	0.80% 1
Total	125

Q24 On average, how much money do you spend shopping per week on professional, retail or businesses services EVERYWHERE?

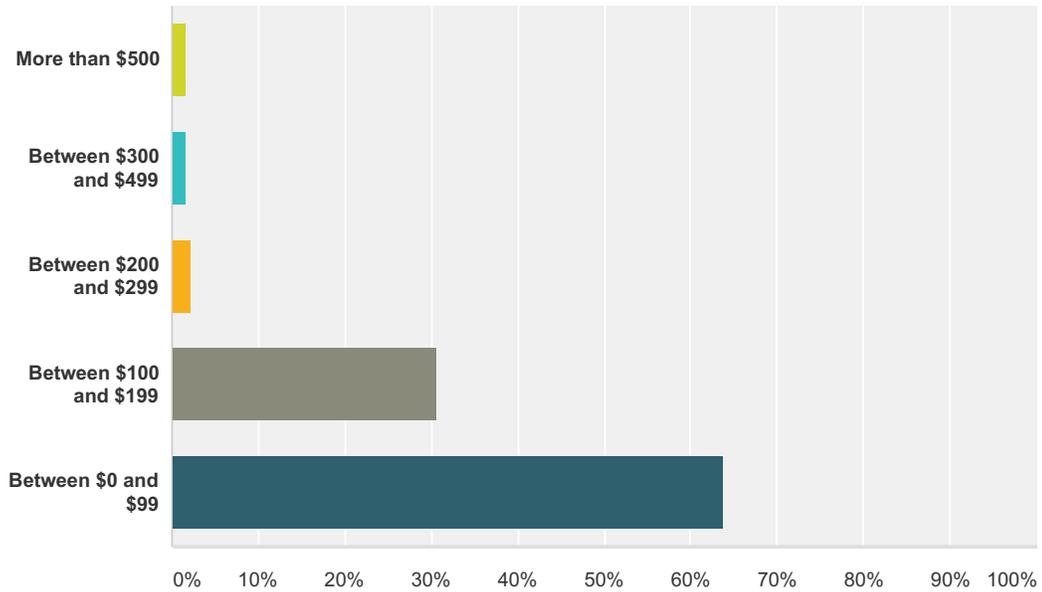
Answered: 127 Skipped: 1



Answer Choices	Responses	
More than \$500	4.72%	6
Between \$300 and \$499	14.96%	19
Between \$200 and \$299	33.86%	43
Between \$100 and \$199	34.65%	44
Between \$0 and \$99	11.81%	15
Total		127

Q25 On average, how much money do you spend per week shopping on professional, retail or business services IN NORWOOD YOUNG AMERICA?

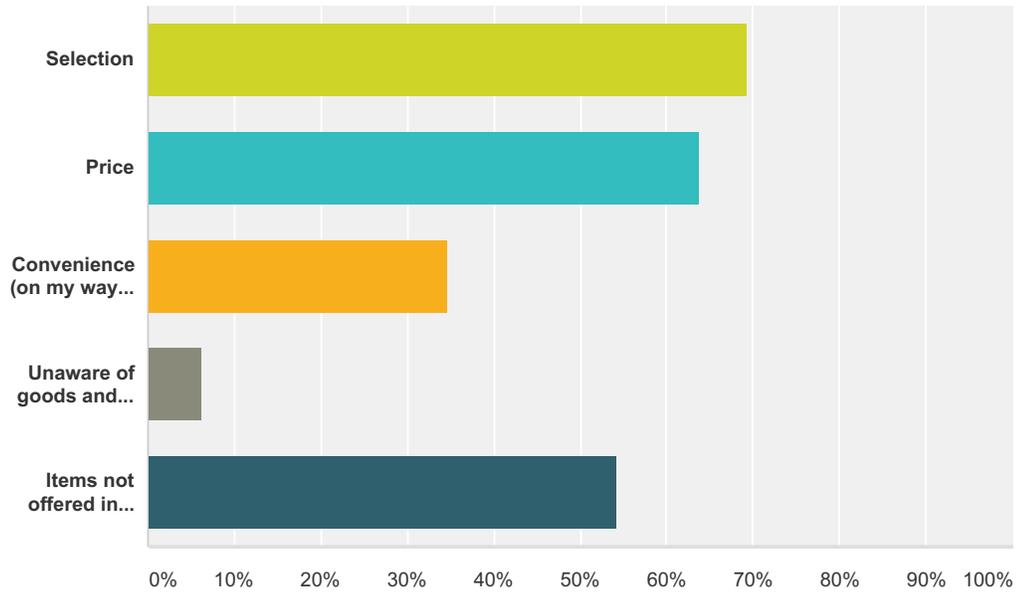
Answered: 127 Skipped: 1



Answer Choices	Responses
More than \$500	1.57% 2
Between \$300 and \$499	1.57% 2
Between \$200 and \$299	2.36% 3
Between \$100 and \$199	30.71% 39
Between \$0 and \$99	63.78% 81
Total	127

Q26 Why Shop Outside NORWOOD YOUNG AMERICA? If you shop or obtain services outside of Norwood Young America please select the reasons why:

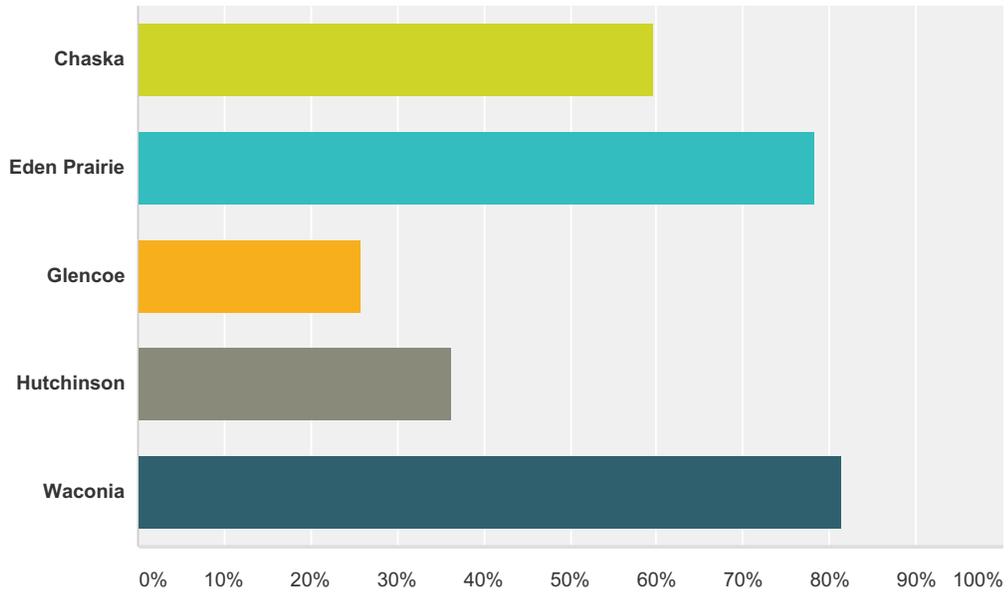
Answered: 127 Skipped: 1



Answer Choices	Responses
Selection	69.29% 88
Price	63.78% 81
Convenience (on my way home/to work)	34.65% 44
Unaware of goods and services offered in Norwood Young America	6.30% 8
Items not offered in Norwood Young America. Please note items in the other category.	54.33% 69
Total Respondents: 127	

Q27 Shopping Locations: Other than Norwood Young America, which communities do you visit to shop? Select all that apply.

Answered: 124 Skipped: 4



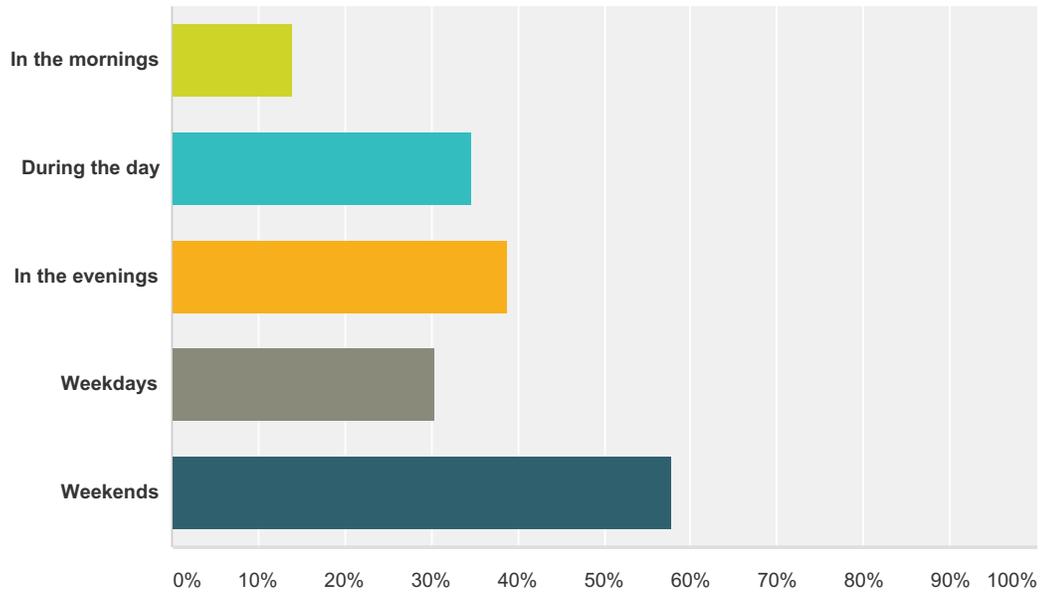
Answer Choices	Responses
Chaska	59.68% 74
Eden Prairie	78.23% 97
Glencoe	25.81% 32
Hutchinson	36.29% 45
Waconia	81.45% 101
Total Respondents: 124	

Q28 Why do you shop in these communities?

Answered: 105 Skipped: 23

Q29 When do you primarily do your shopping?

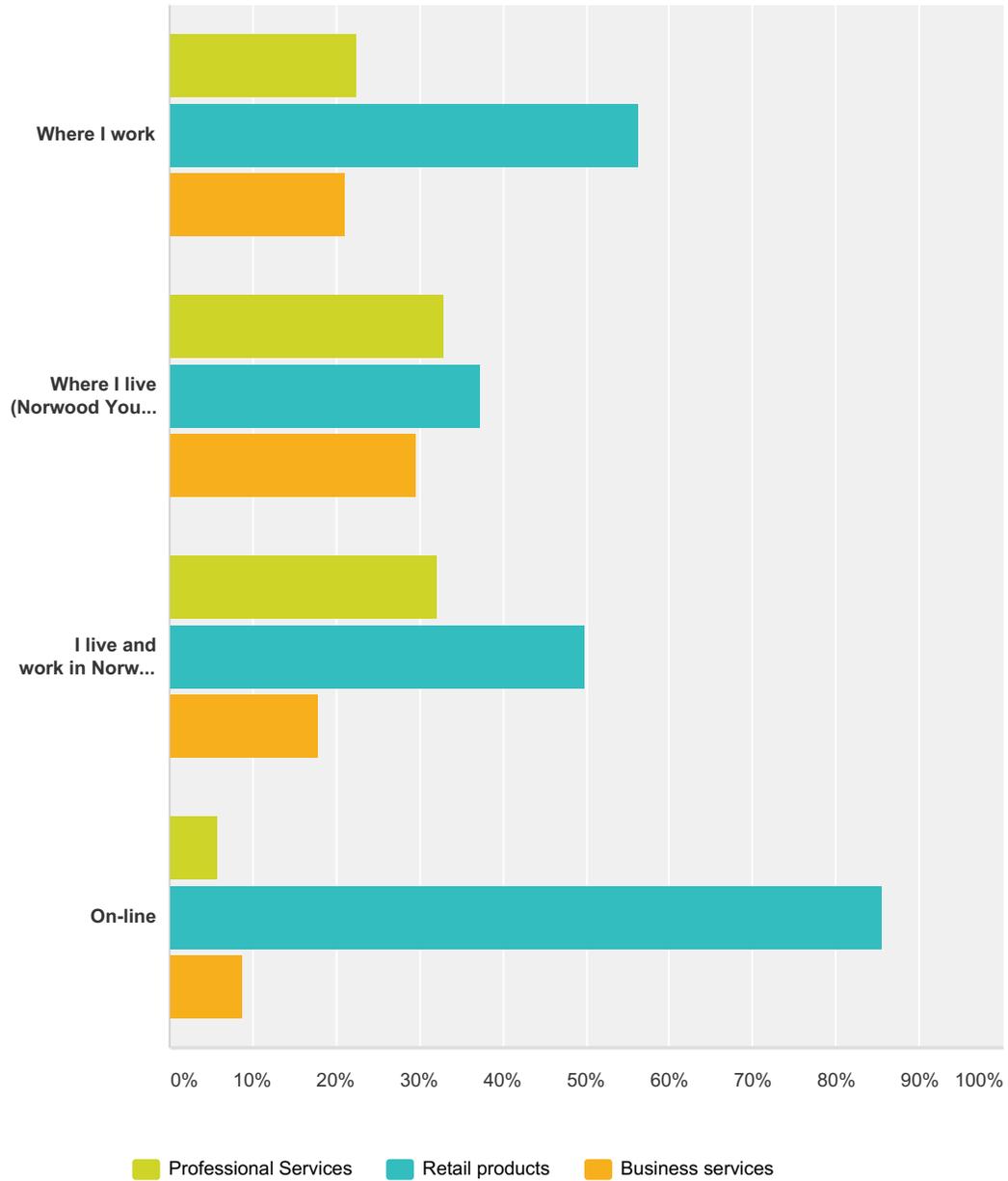
Answered: 121 Skipped: 7



Answer Choices	Responses
In the mornings	14.05% 17
During the day	34.71% 42
In the evenings	38.84% 47
Weekdays	30.58% 37
Weekends	57.85% 70
Total Respondents: 121	

Q30 Are you more likely to shop for:

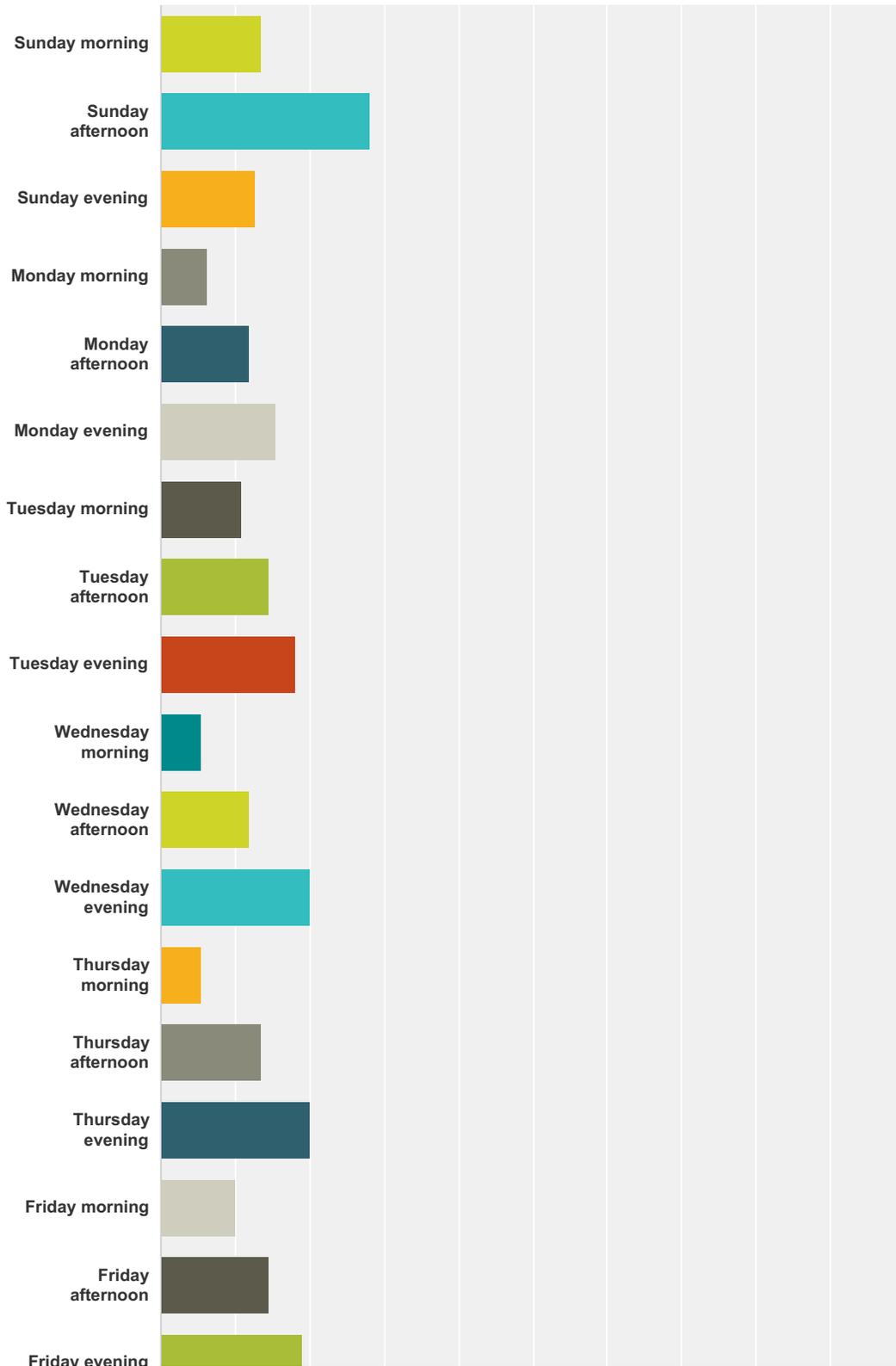
Answered: 115 Skipped: 13



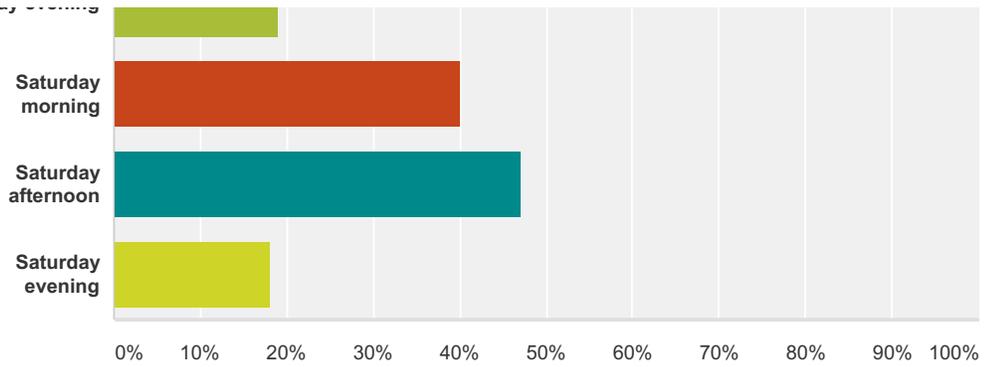
	Professional Services	Retail products	Business services	Total
Where I work	22.54% 16	56.34% 40	21.13% 15	71
Where I live (Norwood Young America)	32.97% 30	37.36% 34	29.67% 27	91
I live and work in Norwood Young America	32.14% 9	50.00% 14	17.86% 5	28
On-line	5.80% 4	85.51% 59	8.70% 6	69

Q31 Day and time you shop: What days of the week and times do you most often do your shopping or use professional services?

Answered: 110 Skipped: 18



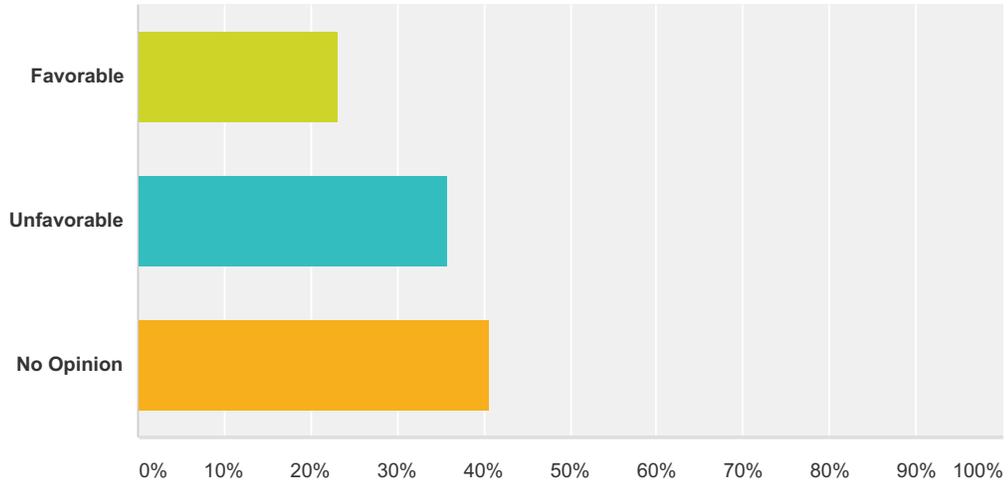
Norwood Young America Consumer Survey



Answer Choices	Responses	
Sunday morning	13.64%	15
Sunday afternoon	28.18%	31
Sunday evening	12.73%	14
Monday morning	6.36%	7
Monday afternoon	11.82%	13
Monday evening	15.45%	17
Tuesday morning	10.91%	12
Tuesday afternoon	14.55%	16
Tuesday evening	18.18%	20
Wednesday morning	5.45%	6
Wednesday afternoon	11.82%	13
Wednesday evening	20.00%	22
Thursday morning	5.45%	6
Thursday afternoon	13.64%	15
Thursday evening	20.00%	22
Friday morning	10.00%	11
Friday afternoon	14.55%	16
Friday evening	19.09%	21
Saturday morning	40.00%	44
Saturday afternoon	47.27%	52
Saturday evening	18.18%	20
Total Respondents: 110		

Q32 What is your opinion of the current business climate in Norwood Young America?

Answered: 125 Skipped: 3



Answer Choices	Responses	
Favorable	23.20%	29
Unfavorable	36.00%	45
No Opinion	40.80%	51
Total		125

Q33 If you feel the local business climate is unfavorable, please explain why and provide suggestions to improve it.

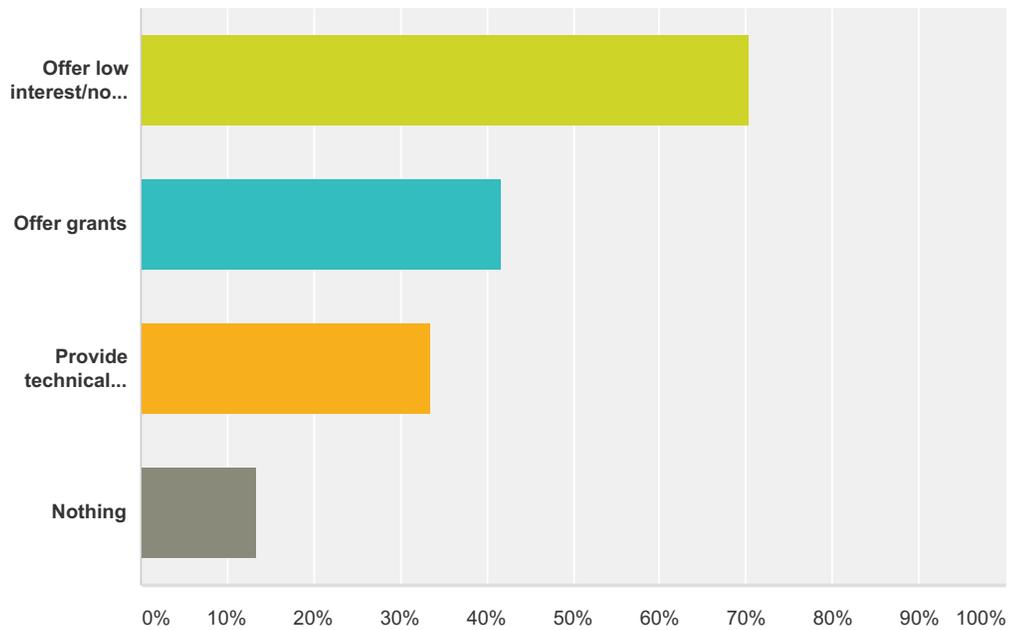
Answered: 41 Skipped: 87

Q34 Letter of Support/Interest: We would like to use comments from our residents to target market various businesses. If you are willing to submit comments or quotes that we can use in marketing materials, please submit the "letter" or comments below. If you are willing to include your name, that would be helpful as well. Example: "Dear XXX (type of business), As a resident of Norwood Young America, I strongly encourage you to consider locating your business in our community. I feel it would be supported and successful for the following reasons...."

Answered: 12 Skipped: 116

Q35 What do you think the City should do to assist existing businesses?

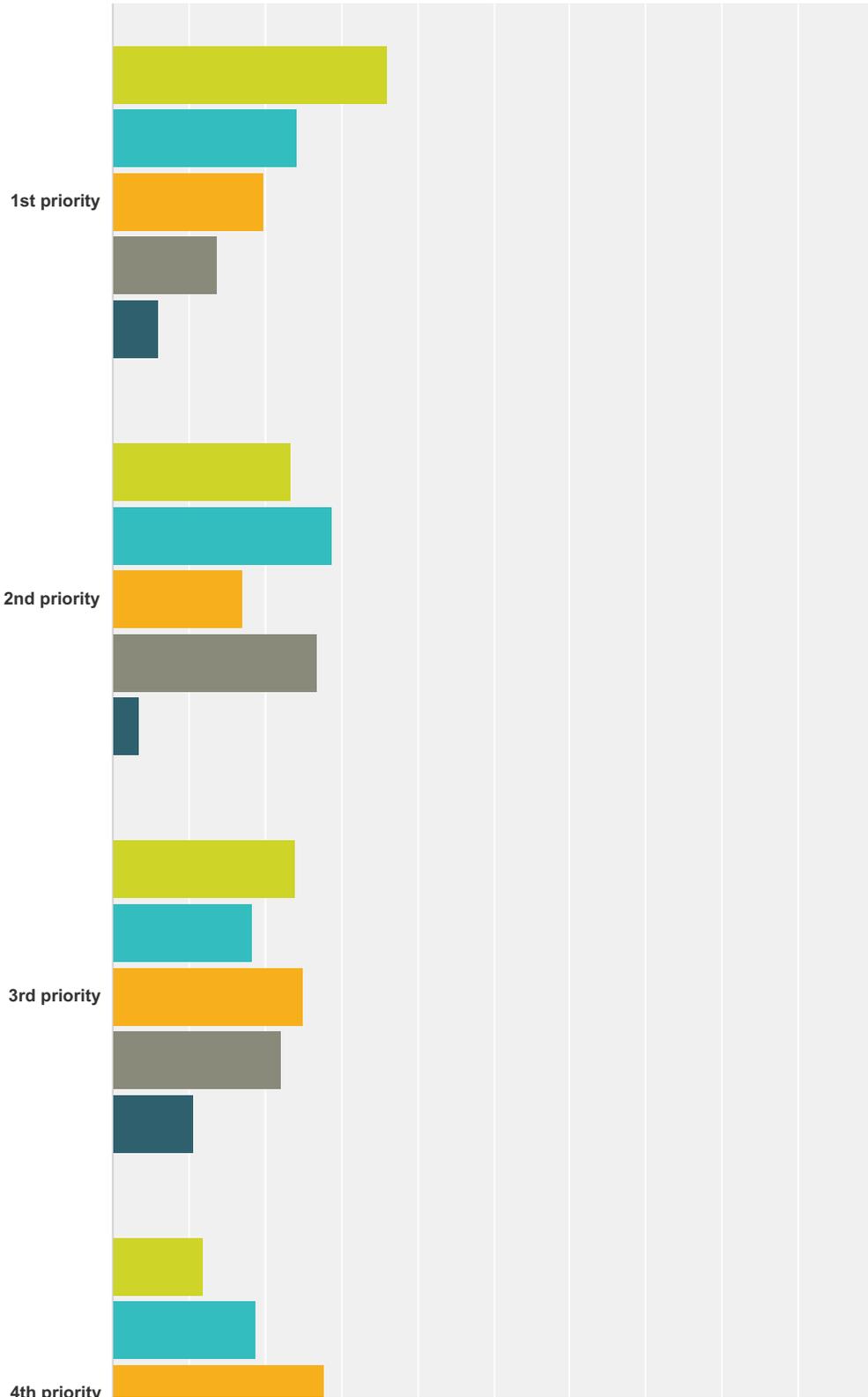
Answered: 98 Skipped: 30



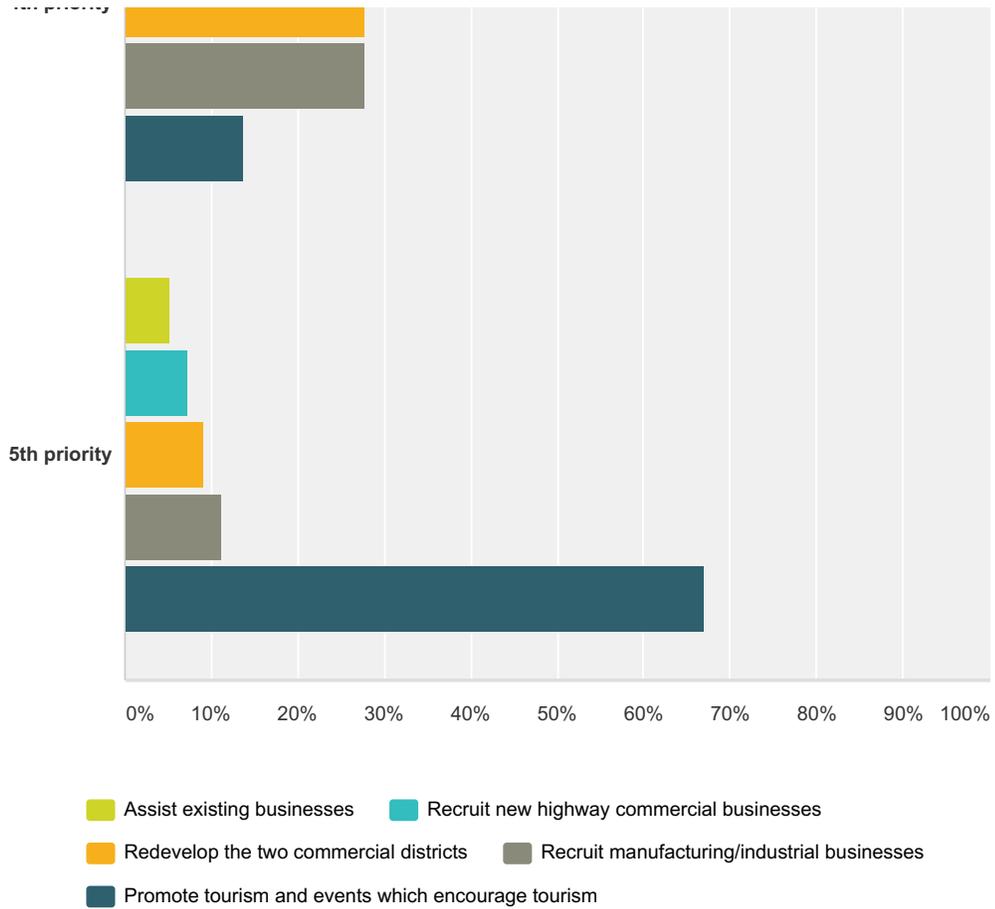
Answer Choices	Responses
Offer low interest/no interest loans	70.41% 69
Offer grants	41.84% 41
Provide technical assistance to businesses	33.67% 33
Nothing	13.27% 13
Total Respondents: 98	

Q36 Where do you feel the City's Economic Development Commission should focus its efforts? Please rank the importance of the EDC's efforts in the following:

Answered: 117 Skipped: 11



Norwood Young America Consumer Survey



	Assist existing businesses	Recruit new highway commercial businesses	Redevelop the two commercial districts	Recruit manufacturing/industrial businesses	Promote tourism and events which encourage tourism	Total
1st priority	36.21% 42	24.14% 28	19.83% 23	13.79% 16	6.03% 7	116
2nd priority	23.42% 26	28.83% 32	17.12% 19	27.03% 30	3.60% 4	111
3rd priority	24.04% 25	18.27% 19	25.00% 26	22.12% 23	10.58% 11	104
4th priority	11.88% 12	18.81% 19	27.72% 28	27.72% 28	13.86% 14	101
5th priority	5.15% 5	7.22% 7	9.28% 9	11.34% 11	67.01% 65	97

**Q37 What one or two things would make
Norwood Young America a better shopping
or service area?**

Answered: 84 Skipped: 44

Q38 Contact Information: If you would like to be eligible for one of two \$50 prizes in NYA Chamber of Commerce Dollars please provide your name and contact information below. You must be 18 years of age to qualify and complete the survey.

Answered: 84 Skipped: 44

Answer Choices	Responses	
Name (first and last)	100.00%	84
Address	98.81%	83
Phone #	92.86%	78
Email:	89.29%	75

Q39 Other Comments/Suggestions: If you have other comments or suggestions you would like to share regarding Norwood Young America's business climate please note these below:

Answered: 31 Skipped: 97



DATE: July 3, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item V. C. Commercial Market or Trade Analysis

Background:

As a part of the June 10, 2015 workshop, four EDC members interviewed Keith Wicks from Wicks Associates and discussed his proposal to conduct a commercial market study. The EDC has also received a proposal from Maxfield Research to conduct a commercial and industrial market analysis.

A few notes regarding the proposals:

- Keith Wicks has indicated he is not familiar with the industrial market and his proposal is limited to the commercial sector. Keith Wicks & Associates has a proposed fee of \$8,750, plus expenses.
- Matt Mullins from Maxfield Research has indicated their proposal would not include absorption rate projections/analysis or a trade area map but it would include inventory of existing commercial and industrial businesses and available land/building inventory. Maxfield Research has a proposed fee of \$5,500 for a commercial market analysis, with an additional optional \$2,500 for an industrial market analysis (total \$8,000)

Copies of the proposals are attached for EDC members.

MDG has reached out to AgSTAR regarding their support of a grant for this study. AgSTAR has indicated a grant is available for this type of study. In order to apply, the EDC must have a firm selected to complete the work and have committed to completing the study.

Action:

If Commissioners would like to proceed with a Commercial Market Analysis or Commercial/Industrial Market Analysis, a MOTION is in order to approve one of the two proposals, and authorize submittal of the grant application to AgSTAR.

Commercial Planning Proposal



Norwood Young America, Minnesota

Prepared for:

Norwood Young America Economic Development

April 20, 2015

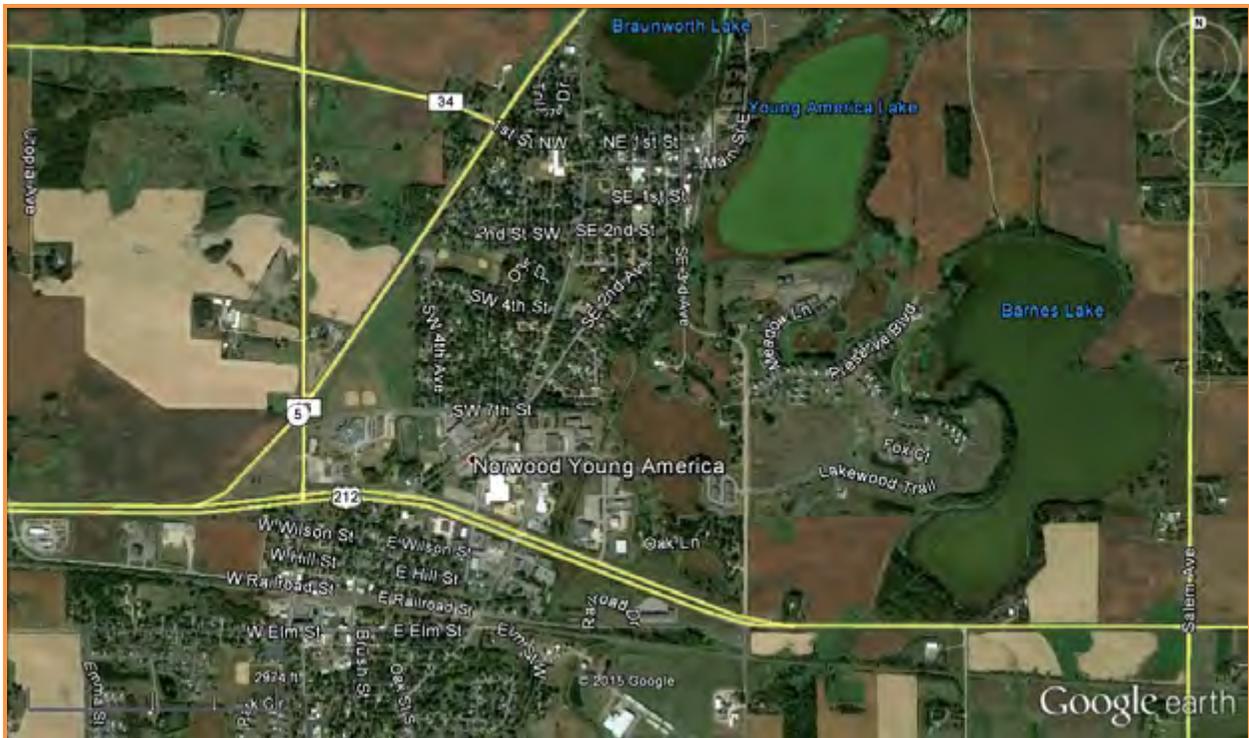
By Keith Wicks & Associates

Introduction

Keith Wicks & Associates (KWA) has been requested to submit a proposal to conduct a commercial market survey of Norwood Young America (NYA), in coordination with NYA Economic Development.

KWA (Keith Wicks) is a retail development planning consultant with over 40 years of experience in retail and commercial planning matters for retailers, chains, wholesalers, developers, community business cooperatives and local government. KWA's experience has been throughout North America.

Project objective – define NYA's retail market and make recommendations for a forward strategy to upgrade existing businesses and for new businesses to enter the market.



Specifically the survey will:

- **Identify NYA's primary retail/commercial market** in terms of number of consumers and expenditures by business category. The estimated market potential will be related to the total market and to incremental areas of radius reach and drive-times (i.e., convenience area, competitive market and extended reach).
- **Present demographic overview of the market** and assessment of how the consumer profile is suited for the recommended forward business development strategy. The review is based on the market's residents but will include overview of the daytime sector demand.

Specifically the survey will (continued):

- **Review of NYA’s infrastructure in support of the current situation and forward strategy;** market access and business exposure, including traffic volume and pattern analysis.
- **Evaluate competitive structure** by commercial category, focusing on key retail categories with reported consumer expenditures.
- **Create the NYA commercial market models** as a tool in assessing the current situation and for forecasting the changes in businesses services and business districts. The models conclude with a recommended, forward strategy scenario for existing businesses upgrade and new business entries, including suggested store size and first-pass performance forecasts for those categories with reported, market expenditures.

Recommended Market Development Model									
Tenants	Individual Tactics								
	Market Share	Annual \$/Volume	Annual \$/SF	Weekly \$	Weekly \$/SF	Projected Facility TSF	Example \$/SF Rent	Annual Rent	Comments

See detailed examples at end of this proposal

- **Review community identity and marketing** with regard character, events, business attractions, competitiveness and support of the forward strategy.
- **Review NYA’s portfolio of sites** for development and assess those location’s feasibility with this project’s recommended forward strategy.
- **Conclude the results in a formal report** complete with Executive Summary, Current Market Assessment, Recommended Forward Market Strategy, and supportive information, community and site maps, imagery and other illustrations.

Survey Process

KWA will conduct first-hand market investigation in order to complete the process and make recommendations for the community.

Step 1

Initial work sessions with NYA Economic Development and associate community officials, for insight of the current market, tour of sites and thoughts toward forward strategy including development incentives/grants/funding options; similar discussions and information gathering with available key, local businesses.

Step 2

Current market evaluation via driving the community, evaluating local and competing markets, and evaluating NYA’s portfolio of sites for development.

Survey Process (continued)

Step 3

Other information gathering; demographics, consumer expenditure and regional trends.

Step 4

Create NYA's commercial market model, make recommended forward strategy and forecasts. Present preliminary results to NYA Economic Development for feedback and alterations as needed.

Step 5

Draft the formal report delivered in PDF file version and in personal presentation if desired.

Step 6

Review with NYA Economic Development the most logical business candidates to pursue for the recommended retail/commercial strategy. Option to assist in presentations to prospects, if desired.

Project Timeline

To be confirmed upon approval of this proposal, but 6-8 weeks from the field study start date. Dependent to some degree on KWA's schedule and NYA's need.

Project Fee

\$8,750 plus expenses related to the field study and for demographic information as needed.

Next step

Upon confirmation of the objective understood with this proposal and NYA's acceptance of the proposal, KWA will draft a contract and invoice for down payment equal to 1/3 of the fee. Remaining fee and expenses due upon completion of the project and delivery of the report.

References

Clifton Market Cooperative, Cincinnati (Clifton), Ohio. Marilyn Hyland, Board Director; 513-284-4192. <https://cliftonmarket.com/>

Marketplace of Salisbury, Connecticut. Ward Belcher, Board President. 860-436-0773.

Grant County, Kansas Economic Development. Bob Dale, president. gcecodevo@gmail.com

City of Rockford, MN. Nancy Carswell. www.cityofrockford.org

Louisville Downtown Dev. Corp. Clark Welch. www.louisvilledowntowndevelopmentcorp.org/

Switzerland County Economic Development. John Bond. www.switzerlandusa.com/

Kroger Louisville KMA. Todd Metzmeier; real estate; 502-423-4933.

Marion County Kentucky Economic Development. Tom Lund. www.marioncountyky.com/

Example of Market Overview Model (by commercial/retail categories)

Households: 3,861 Population: 11,016 Expenditures	Today's Market Potential by Category				Competitor Structure			Subject Market's First-pass Projected Potential					
	% HHD Expenditures	Annual HHD Expenditures	Monthly Potential	Weekly Potential	Est. Primary Competitors	Aver. Weekly \$ per Comp.	Aver. Mkt Shr	Mkt Shr	Annual \$	Weekly \$	Est. Store Size	Weekly \$/SF Productivity	Business Description
Example Retail Category	100.00%	\$219,268,014	\$18,272,335	\$4,216,693									
Food At Home*	14.31%	\$31,382,468	\$2,615,206	\$603,509	7	\$75,439	12.50%	13%	\$3,942,484	\$75,817	14,000	\$5.42	New grocery store.
Alcohol Beverages	0.89%	\$1,945,678	\$162,140	\$37,417	3	\$9,354.22	25.00%	30%	\$648,559	\$12,472	2,000	\$6.24	New liquor store.
Food Away From Home	5.43%	\$11,911,199	\$992,600	\$229,062	10	\$22,906.15	10.00%	Projecting breakfast, lunch & dinner restaurant format.					
Breakfast	0.38%	\$841,746	\$70,146	\$16,187				8%	\$1,058,773	\$20,361	3,000	\$6.79	Fast food chain.
Lunch	1.69%	\$3,707,057	\$308,921	\$71,290				4%	\$529,387	\$10,181	1,500	\$6.79	Specialty food chain.
Dinner	2.87%	\$6,282,773	\$523,564	\$120,823				7%	\$926,427	\$17,816	3,000	\$5.94	Indep., full service dining.
Snacks/Non-alcoholic	0.49%	\$1,079,499	\$89,958	\$20,760				2%	\$264,693	\$5,090	1,000	\$5.09	Indep.coffee shop
Furnishing/Home Equip.	3.14%	\$6,874,488	\$572,874	\$132,202	Not recommended for the market.								
Furniture	0.73%	\$1,592,707	\$132,726	\$30,629									
Major Appliance	0.42%	\$918,765	\$76,564	\$17,669									
Small Appliance	2.13%	\$4,671,958	\$389,330	\$89,845									
Health Care:	2.37%	\$5,187,771	\$432,314	\$99,765	No local retailer			15%	\$864,629	\$16,627	3,000	\$5.54	Indep. Pharmacy
Drugs	0.93%	\$2,031,130	\$169,261	\$39,060						230	Est. scripts/week @ \$65 per		plus retail sales floor.
Personal Care Prod./Serv.	1.20%	\$2,632,395	\$219,366	\$50,623									
Medical Supplies	0.24%	\$524,247	\$43,687	\$10,082									
Vehicles, new & Used	5.57%	\$12,206,251	\$1,017,188	\$234,736	Not recommended for the market.								
Gasoline/Motor Oil	4.79%	\$10,511,596	\$875,966	\$202,146	4	\$50,537	25.00%	19%	\$2,550,366	\$49,046	Using example \$3.50/gal.		Groc. related fuel prog.
Maintenance & Repairs	1.52%	\$3,333,375	\$277,781	\$64,103					728,676	14,013	Gallons		
Apparel & Services	3.51%	\$7,704,080	\$642,007	\$148,155	Not recommended for the market.								
Men (16+)	0.10%	\$229,691	\$19,141	\$4,417									
Women (16+)	1.16%	\$2,553,764	\$212,814	\$49,111									
Children	0.18%	\$398,611	\$33,218	\$7,666									
Footwear	0.64%	\$1,394,394	\$116,200	\$26,815									
Home/Garden Supplies	1.31%	\$2,879,697	\$239,975	\$55,379									
Entertainment	5.66%	\$12,409,153	\$1,034,096	\$238,638	Not recommended for the market.								
Fees & Admissions	1.24%	\$2,709,041	\$225,753	\$52,097									
TV/Radio/Sound Equip.	2.06%	\$4,520,898	\$376,741	\$86,940									
Pets, Toys & Play Equip.	1.46%	\$3,203,150	\$266,929	\$61,599									
Dollar store	Multiple categories of Non foods, soft wear and food				No local competitor.			0.3%	\$548,170	\$10,542	2,500	\$4.22	Multiple categories.
Child & Elderly Care	0.96%	\$2,102,714	\$175,226	\$40,437	No local, commercial competitor.			35%	\$367,975	\$7,076	2,000	\$3.54	Child care + play yard.

Example Recommended Market Development Model									
Tenants	Projected Potential								
	Mkt Shr	Annual \$/Volume	Annual \$/SF	Weekly \$	Weekly \$/SF	Projected Facility TSF	Example \$/SF Rent	Annual Rent	Comments
Conventional Grocery	13%	\$3,942,484	\$281.61	\$75,817	\$5.42	14,000	\$9.00	\$126,000	New, independent retailer.
Pharmacy	15%	\$864,629	\$288.21	\$16,627	\$5.54	3,000	\$12.00	\$36,000	New independent pharmacist; possibly w/in gro
Liquor	30%	\$648,559	\$324.28	\$12,472	\$6.24	2,000	\$15.00	\$30,000	New full format, independent liquor store.
Fast Food A	8%	\$1,058,773	\$352.92	\$20,361	\$6.79	3,000	\$15.00	\$45,000	Nt'l. chain; suggesting co-brand w/fuel center.
Full Service Restaurant	7%	\$926,427	\$308.81	\$17,816	\$5.94	3,000	\$12.00	\$36,000	Indep.; suggesting end cap for patio option.
Coffeehouse	2%	\$264,693	\$264.69	\$5,090	\$5.09	1,000	\$18.00	\$18,000	Independent; w/snacks & wi fi.
Fuel Center (gas only; no retail)	19%	\$2,550,366	\$1,275.18	\$49,046	\$24.52	2,000	\$20.00	\$40,000	Suggesting co-brand w/grocery store. If
Gallons Forecast		728,676		14,013					separte then add to \$15k inside sales.
"Dollar" store	0.3%	\$548,170	\$219.27	\$10,542	\$4.22	2,500	\$10.00	\$25,000	Smaller format chain like Dollar Tree.
Daycare	35%	\$367,975	\$183.99	\$7,076	\$3.54	2,000	\$7.00	\$14,000	Facility and play yard (rent accordingly).
Identified Retail Totals		\$11,172,076		\$214,848		32,500		\$370,000	6 primary tenants depending on co-branding
Averages			343.76		\$6.61		\$11.38		strategyAverage rent plus CAM
Other Suggested Options									
Fast Food Option B	4%	\$529,387	\$352.92	\$10,181	\$6.79	1,500	\$18.00	\$27,000	Subway, Cousins Subs, etc.; suggesting co-bran
Bank Out Parcel	Performance not projected (not a defined retail category)						Real estate sale		Est. 4,000 sf branch bank format; out parcel.
General Shops	Performance not projected (undefined retail category).					4,500	\$15.00	\$67,500	Prof. services; maybe including local business
					(3 shops at 1,500 sf each)				incubator if w/subsidized program.
Mixed-use development	Consideration given a broadened devleopment plan including residential and/or senior liv								



April 17, 2015

Ms. Jo Foust
Principal
Municipal Development Group, Inc.
25562 Willow Lane
New Prague, MN 56071

CONTRACT FOR PROFESSIONAL SERVICES

Maxfield Research Inc. proposes to provide market research and consulting services to the City of Norwood Young America to complete an initial market assessment for retail and office space in the community. In addition, we have provided an option for an assessment of industrial real estate.

It is our understanding that the primary objective of the study is to provide the City of Norwood Young America with a market-based analysis that will guide efforts to attract viable and feasible commercial development to the community. As a part of this analysis, Maxfield will examine current market conditions and demographic and economic factors for the trade area and will focus on the amount of commercial development supportable in Norwood Young America.

This proposal outlines our scope of services for an *Initial Market Assessment* for commercial development. The Initial Market Assessment may be upgraded to a *Full Market Feasibility Study* at a later date that would assist in defining recommended development concepts and a thorough analysis of the performance of competitive projects in the trade area.

SCOPE AND COST OF SERVICES

1. Interview key City staff and community leaders in Norwood Young America to identify and define the primary draw area (“trade area”) for commercial uses, recent development trends, and the performance of existing commercial spaces in Norwood Young America.
2. Field visit and windshield survey of commercial spaces in Norwood Young America. Discuss the commercial corridors and proximity to other retail and services, aesthetics, access and visibility.
3. Inventory existing business mix in Norwood Young America. (May require assistance from the City of Norwood Young America)

4. Provide demographic and economic findings on the following:
 - a. Examine overall population and household growth (2000 to 2025)
 - b. Median household income in the trade area (2015 and 2020)
 - c. Consumer expenditures for retail goods and services (2015 and 2020)
 - d. Historic and projected employment trends
 - e. Business growth trends (types of business establishments)
5. Examine building permit data (permits issued and valuation) to estimate the number of commercial buildings by type (retail, industrial, or office) and total space added since 2000 for Norwood Young America.
6. Inventory actively marketing commercial spaces in Norwood Young America and the vicinity; include information on year built/renovated, building space available, vacancies/occupancies, profiles of users/tenant mix, lease rates/sales price, acreage available, and absorption of land areas.
7. Interview commercial leasing brokers and economic development specialists regarding demand for commercial space in the area; provide information on types of tenants/users, overall market trends, amenities, and the potential for additional space in the trade area.
8. Inventory any planned commercial developments in the trade area. Assess the impact these projects will have on future development in Norwood Young America.
9. Quantify preliminary demand for retail and office space in the trade area and the amount capturable in Norwood Young America.
10. Summarize findings and include preliminary recommendations on commercial land uses that have the greatest potential in Norwood Young America.

Cost for Staff Time for Initial Market Assessment

\$5,500.00

Optional Industrial Analysis

In addition to commercial analysis, the following industrial analysis can also be incorporated into the study:

11. Review and analyze the amount of industrial land (pad ready sites) currently available in Norwood Young America; data will be compiled from building permit records and assessor's data.
12. Using available information and/or information from Assessor's records, identify the number of existing buildings that are currently vacant by category in Norwood Young America.
13. Inventory actively marketing industrial spaces in Norwood Young America and the vicinity; include information on year built/renovated, building space available, vacancies/occupancies, profiles of users/tenant mix, lease rates/sales price, acreage available, and absorption of land areas.
14. Identify any pending or under construction industrial uses in the Market Area.

15. Quantify preliminary demand for industrial space in the trade area and the amount capturable in Norwood Young America.
16. Summarize findings and include preliminary recommendations on industrial land uses (i.e. distribution, warehouse, flex, showroom, etc.) that have the greatest potential in Norwood Young America.

Cost for Additional Staff Time for Optional Industrial Analysis \$2,500.00

Cost for Staff Time for Commercial/Industrial Analysis \$8,000.00

COST OF SERVICES

The work outlined in the Initial Market Assessment is proposed to be completed for **Five Thousand Five Hundred Dollars (\$5,500.00)**, including the cost for out-of-pocket expenses for postage, photocopying, outside data purchases, one PDF electronic copy, and travel costs to Norwood Young America. An initial payment in the amount of Two Thousand Seven Hundred Dollars (\$2,700.00) will be required along with an executed copy of this agreement prior to us beginning work.

The work outlined in the Initial Market Assessment with Industrial Analysis is proposed to be completed for **Eight Thousand Dollars (\$8,000.00)**, including the cost for out-of-pocket expenses for postage, photocopying, outside data purchases, one PDF electronic copy, and travel costs to Norwood Young America. An initial payment in the amount of Four Thousand Dollars (\$4,000.00) will be required along with an executed copy of this agreement prior to us beginning work.

Any additional research or meeting time requested by the Client beyond that set forth in the accompanying Scope of Services will be billed at our normal rates for staff time which range from \$55 to \$150 per hour for professional staff.

WORK PRODUCT

The Initial Market Assessment will be presented in memorandum format.

COMPLETION TIME

The work outlined under the Scope of Services will be completed within Forty-Five (45) to Fifty (50) days, pending the receipt of a signed contract and initial payment in our offices, unless delayed by unexpected emergencies, forces beyond the control of one or both parties or by

written agreement of the parties. If the optional industrial analysis is also completed the time to complete the study will be extended by about 10 to 14 days.

PAYMENT

All invoices are payable to Maxfield Research Inc., within fifteen (15) days of receipt of an invoice showing the work completed and the direct costs for expenses. A finance charge of one and one-half percent (1.5%) per month will be added to the unpaid balance of each invoice not paid within thirty (30) days.

DISCLAIMER

The objective of this research assignment is to gather and analyze as many market components as is reasonable within the time limits and projected staff hours set forth in this agreement.

We assume no responsibility for matters legal in character.

Certain information and statistics contained in the report, which are the basis for conclusions continued in the report, will be furnished by other independent sources. While we believe this information is reliable, it has not been independently verified by us and we assume no responsibility for its accuracy.

The conclusions in the report are based on our best judgments as market research consultants. Maxfield Research Inc. disclaims any express or implied warranty of assurance of representation that the projections or conclusions will be realized as stated. The result of the proposed project may be achieved, but also may vary due to changing market conditions characteristic of the real estate/banking industry, changes in facts that were the basis of conclusions in this report, or other unforeseen circumstances.

This agreement will be construed according to the laws of the State of Minnesota.

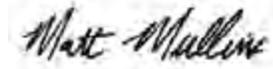
TERMINATION

This agreement may be terminated upon written notification of either party to the other. In the event of termination, the Client will pay Maxfield Research Inc. for staff hours performed at the firm's normal hourly rates, plus all expenses incurred through the date of termination.

If this proposal meets with your approval, please sign and return one copy to the offices of Maxfield Research Inc.

Agreed to this _____ day of _____ 2015.

MAXFIELD RESEARCH INC.



Matt Mullins
Vice President

MUNICIPAL DEVELOPMENT GROUP

Jo Faust
Principal

I Authorize: (please initial below)

_____ Initial Market Assessment
(\$5,500.00 with the initial payment of
\$2,700.00)

_____ Initial Market Assessment w/Industrial
(\$8,000.00 with the initial payment of
\$4,000.00)



30 years of Experience Offering Solutions to your Real Estate Challenges

Maxfield Research Inc. is a full-service research firm providing timely and comprehensive real estate market information and analysis that is critical to the success of our clients. With 30 years of experience in real estate market feasibility and consulting, our expertise enables us to offer solutions to difficult challenges. We assess the needs of each project, anticipate problems and provide solutions. We work closely with each client to assure our research data and analysis provide exactly the information needed in planning and developing new projects. We provide customized studies designed to deliver strategic framework for each of our clients' objectives to optimize land use and value of their real estate needs.

Developing dynamic relationships and delivering strategic solutions has earned us our clients' confidence in our expertise. Our broad experience and varied customer base includes public, private and institutional clients seeking crucial information in making decisions regarding the latest trends in the real estate industry.

Maxfield Research Inc. is a local, regional and international player in the real estate consulting industry.

Examples of Our Services

Residential—Assist with information on multifamily, senior housing, tax credit, master planned communities, residential scenarios and more.

Commercial—Analysis for retail, office, industrial and hotel space working with private developers on specific projects

Land Use—Highest and best use assessments, redevelopment and development issues, collaborating with planning consultants to provide market data and support land use recommendations.

Special—Providing expert testimony and litigation support, economic impact analysis, financial pro-formas, etc.

Consulting Services—custom analysis according to specific needs, specified aspects regarding floor plans, unit mix, premium pricing assessments, competitive shopping and more.

Our Clients

Public Sector—recommendations provide decision makers a guide to future planning. Strategic counsel on market trends and real estate activities assists clients with a value added service

Private Sector—provides clients with objective and unbiased advice to position themselves to maximize opportunity and reduce risk

Institutional Sector—extensive experience serving broad spectrum of clients with unique organizational needs.



Our Staff

Mary Bujold, President

Matt Mullins, Vice President & Business Development

Joe Hollman, Sr. Research Analyst

Brian Smith, Sr. Research Analyst

David Sajevic, Research Analyst

Rob Wilder, Research Analyst

Mace Wescott, Research Analyst

Phyllis Austin Office Manager

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Maxfield Research Inc.

Research that breaks ground....



General Background

Matt Mullins brings over 18 years of real estate consulting and advisory service experience to Maxfield Research Inc. Matt has managed and directed real estate analysis projects locally, regionally, and nationally for a broad spectrum of private and public sector clients. Matt's experience canvasses a variety of real estate and land use types, including: single-family and multifamily housing, commercial, industrial, mixed-use, hospitality, entertainment, tourism, transit-oriented developments, among others.

Matt is a trusted advisor whom industry leaders regularly rely on his forthright insight into the real estate market. Matt frequently presents real estate findings and emerging trends to public sector entities and professional trade organizations. In addition to his strategic research and consulting responsibilities, Mr. Mullins also manages and implements business development strategies and marketing initiatives for Maxfield Research. Furthermore, Matt oversees and mentors other Maxfield Research advisors.

Mr. Mullins joined Maxfield Research in January 2003. Prior to joining Maxfield Research, Matt previous experience was as a consultant for other nationally and globally-based advisory service firms providing real estate advisory services.



Matt Mullins
Vice President &
Business Development

Experience

- Highest & Best Use Studies
- Comprehensive Housing
- Redevelopment and Adaptive Reuse
- Master-planned Communities
- Apartments & Condominiums
- Senior Housing & Retirement Communities
- Single-family Homes & Townhomes
- Retail, Commercial, & Industrial
- Hospitality & Conference Centers
- Golf Courses & Marinas
- Mixed-use Development
- Transit-Oriented Development
- Resort/2nd Home Communities
- Student Housing
- Financial Analysis

Maxfield Research Inc.

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Professional Organizations

- Urban Land Institute (ULI)
- Sensible Land Coalition (SLUC)
- National Association of Realtors (NAR)
- Minnesota Association of Realtors (MAR)
- Minneapolis Association of Realtors (MAAR)
- Builders Association of the Twin Cities (BATC)
- National Association of Home Builders (NAHB)

Education

- Bachelor of Arts in Urban Studies & Geography
St. Cloud State University

- Mini-Masters in Real Estate Development
- Mini-Masters in Investment Real Estate
University of St. Thomas

Registration and Licenses

- Licensed Real Estate Broker in the State of Minnesota



DATE: July 2, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item V.D. Joint Meeting Agenda Discussion

Background:

The EDC voted to postpone a June 10, 2015 joint meeting with the City Council, Chamber of Commerce and Planning Commission until perhaps September, in hopes of learning business and residential survey results and gaining input from a commercial market study.

Action:

Discussion regarding focused joint meeting outcomes is kindly requested. At the May meeting, the following was discussed:

- Presentations by the Council, EDC, Planning Commission and Chamber regarding 2015 Goals and status of reaching those goals.
- Discussion on future uses in the downtowns (commercial, mixed use, residential, etc)
- Other

Norwood Young America EDC 2015 Strategic Plan

Goal & Implementation Steps	Status	Responsible Party(ies)
1. Define business needs within the Community		
A. Conduct a Business Survey	<ul style="list-style-type: none"> • Survey form approved at Feb. EDC meeting • Cover letter and info. shared with Chamber 3/18/15 • Survey underway 4-1-15 • Survey promoted at the 4-15 Chamber meeting. • As of 5-1-15 there were 8 responses. • As of 6-3-15 there were 21 responses (est. 22%). • EDC members to conduct outreach directly with businesses following May 13th EDC meeting. • On 5-18-15 MDG emailed all contacts in Chamber list with email addresses re: survey completion. • As of 07-02-15 there were 24 responses. 	Foust – development of survey Chamber of Commerce & EDC distribution
B. Update a Commercial Market Study/Analysis	<ul style="list-style-type: none"> • Proposals were sought from two market research firms – Maxfield Research and Keith Wicks & Associates. • The EDC interviewed KWA at their June 10, 2015 workshop meeting. • The EDC will take action at the July 8, 2015 meeting. 	MDG – arrange interviews and provide sample questions for EDC. EDC to recommend a firm to the Council.
C. Complete a Hotel Market Study	<ul style="list-style-type: none"> • Hospitality Marketers retained in February, 2015 • Meeting held with consultant and information provided March 24, 2015 • Preliminary report completed. Finding is NYA can't support a hotel at this time. <p>COMPLETE</p>	EDC/Council approval Mathwig, Lund, Helget & Foust attending Hospitality Marketers COMPLETE
2. Identify ways to expand the role of the EDC		
A. Develop a Mission Statement and Vision	<ul style="list-style-type: none"> • Draft Mission statement and Vision developed at the Feb. EDC meeting. • Adopted at the 4-8-15 EDC meeting. <p>COMPLETE</p>	EDC Commission COMPLETE

Norwood Young America EDC 2015 Strategic Plan

B. Review and evaluate existing policies.		
C. Develop a Finance Committee and promote EDC programs	<ul style="list-style-type: none"> • A Finance Committee was established at the January, 2015 meeting. • Finance Committee met on June 10, 2015 and recommended approval of a \$5000 loan participation, which the EDC and Council subsequently approved (180 Collision LLC) 	Commissioners Strickfaden and Mathwig, along with Helget and Foust are on the committee.
3. Encourage collaborative efforts with other stakeholders in the community.		
A. Participate in Chamber of Commerce activities.	<ul style="list-style-type: none"> • EDC members Lund, Mathwig and Schmidt, along with EDC Consultant Foust attended the Chamber meeting April 15th. • The Chamber continues to work with the EDC to distribute and promote completion of the Business Survey. 	EDC members and staff
B. Conduct quarterly meetings/bi-annual joint meetings with the City Council, Planning Commission and Chamber of Commerce representatives.	<ul style="list-style-type: none"> • A joint meeting was held January 7, 2015. • A second quarter meeting has been scheduled for Wed. June 10, 2015. • At the May meeting the EDC decided to postpone the second quarter joint meeting. It is suggested the September EDC meeting date be targeted for a joint meeting. Meeting postponed in favor of receiving additional input from pending surveys and studies. • At the July meeting the EDC is to begin discussing what outcomes they would like to achieve at a joint meeting in September. 	EDC, City Council, Planning Commission and Chamber of Commerce
4. Promotion and Marketing		
A. Update the tag line, "Not Your Average Community!"		
B. Review trade show options.	The EDC approved \$100 to attend and participate in the MNCAR Expo on October 28, 2015 3:00 – 7:00 PM	EDC Commission

Norwood Young America EDC 2015 Strategic Plan

	<p>-at THE DEPOT DOWNTOWN MINNEAPOLIS.</p> <p>Booth and marketing materials need to be finalized!</p>	
C. Create table tents to display at restaurants to market activities in the city.	Table tents with information about the resident survey were distributed by EDC Members.	
D. Include "Coming Events" on the City's web site.		
E. Market available sites to business prospects and be responsive to business inquiries.	<ul style="list-style-type: none"> Project updates are included as a part of the monthly EDC discussion. We have been in contact with 12 business leads in the first ½ of 2015. 	Staff and EDC
5. Identify Resources Available for Economic Development		
A. Prepare a map and links to information with available commercial and industrial site locations.	<ul style="list-style-type: none"> A summary of available sites is currently posted on the EDC web site. A summary was also included in the April 8, EDC packet. Outreach to 12 contacts with lease or purchase real estate (structures or land) was conducted on May 4, 2015. The purpose is to update information on available sites in order to maintain current contact and pricing information. This is as requested at the April EDC meeting. Listing update finalized on 05-18-15, by MDG. Input of amended information onto website is needed. 	Foust
B. Summarize financial programs available for business development.	<ul style="list-style-type: none"> Financial resources are listed on the EDC web site. 	Foust
C. Inform local industries of financial programs available.	<ul style="list-style-type: none"> Information has been provided to PPI and other business leads, as financial needs are identified. 	Foust Helget EDC



DATE: July 2, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item VI.A. Business Visits/Tours

Background:

A tour of Waconia Manufacturing was held on Monday, June 1, 2015. Troy Williams, President Waconia Manufacturing shared information on their company noting they currently have 39 employees in Norwood Young America and 71 in Waconia. The company serves the US and Canada. Commissioner Bruce Mathwig joined Administrator Helget and I on the tour. It was very informative!

A tour of Vickerman Company was held on Wednesday, July 1, 2015. Randy Schuster provided a PowerPoint summarizing their company's products, market and sales history. They currently have 18 full time employees in Norwood Young America, but increase to over 50 during their peak season which runs October through January. Commissioners Diedrick, Schmidt, Mathwig, Administrator Helget and I participated in the tour.

Action:

Direction as to next business(es) to tour is also requested.



DATE: July 2, 2015

MEMO TO: NYA Economic Development Commission

FROM: Jo Foust, Economic Development Consultant

RE: Agenda item VI.B. Corporate & Community Workforce Training

Background:

At the May meeting the EDC discussed corporate and community workforce training and requested additional outreach be performed. Following are updates:

1. Workforce training was discussed during the business visit with Waconia Manufacturing on Monday June 1st. Troy noted they participate with a number of other industries in the Dunwoody Program in Winsted. As additional business visits are undertaken, similar questions will be asked. The purpose is to determine whether or not local need and/or interest exists.
2. MDG spoke at length with Trevor Millerbernd, CEO Millerbernd Manufacturing regarding satellite school Dunwoody operates in Winsted. Millerbernd reports:
 - a. The program has benefitted his company, but several welding positions remain open.
 - b. Students to the school are recruited from a 30 mile radius, so NYA would be able to be served.
 - c. An LLC was organized to work with Dunwoody to establish the satellite office in Winsted. The Move LLC is comprised of 12 businesses who each contributed \$5,000 a year for two years to provide student scholarships. Businesses with a need for vocational employees can join The Move LLC, including those in NYA. Trevor Millerbernd is the contact. They don't have a website but he does have information that can be distributed.
 - d. Dunwoody completely runs the satellite office.
 - e. The Move LLC and Dunwoody surveyed manufacturers prior to establishing the satellite office. They determined over 70 vacant welding employment positions in the 30 mile radius, not nearly as many CNC positions. Dunwoody set the open employment positions (a demand factor) at a minimum of 35. Therefore, a welding class was offered and a second will be starting up this fall. A CNC class hasn't been set as demand not great enough.
 - f. Millerbernd does not recruit employees and send them to the satellite school, rather they recruit from the satellite school.

- g. The Move LLC has designed program requirements for the welding class to help ensure graduates have the specified knowledge each business requires.

Action:

This item is for information and discussion.



DATE: July 2, 2015
MEMO TO: NYA Economic Development Commission
FROM: Jo Foust, Economic Development Consultant
RE: Agenda item VI.C. MnCAR Presentation

Background:

The EDC has briefly discussed a marketing plan which would assist in promoting the industrial lots available in Tacoma West Industrial park. The EDC is planning to have a booth and promote the community and industrial lots, at the October 28, 2015 MnCAR Trade Show.

A representative from MnCAR has been in contact with me to discuss marketing opportunities with their organization including receiving direct emails on business leads (for a fee). He is willing to attend an EDC meeting and provide an overview of their organization and benefits of their marketing program.

Action:

If the EDC would like a presentation from a representative from MnCAR at the August meeting, please advise.



DATE: July 2, 2015
MEMO TO: NYA Economic Development Commission
FROM: Jo Foust, Economic Development Consultant
RE: Agenda item VIII. Project Updates

Background:

Following are updates on business projects. New updates are in **bold font**.

- **2015-A. Family Dollar (Retail) – Faxon Road N. Construction is underway, with footings constructed in June, 2015.**
- **2015-B. The Haven (Residential) –**The ground breaking was held on Tuesday, March 31, 2015. Several EDC/Council and City representatives attended. **Footings were installed in June, 2015. Construction is underway.**
- **2015-C. PPI –(Manufacturing) - PPI was scheduled to close on the Young America Corporation facility at 717 Faxon Road the end of June. The company will be financing the project without the assistance of the Job Creation Fund, MCCD, Carver Co. and EDC. Their goal is to move into the facility in July/August, 2015.**
- **2015-D. Joyful Spirit Massage & Wellness (Service) –**Joy Andrews opened her business at 218 Wilson on February 3, 2015.
- **2015-E. (Vehicle Repair/Warehousing)** This business is in need of four to five acres of land and a 14,000 to 20,000 square foot building. **The company toured the Duebers building but found it was cost prohibitive to rehab. the building. Information on the industrial park was emailed to them in June. A follow-up call and email were placed July 1, 2015.**
- **2015-F. (Warehousing/Trucking).** This company contacted the city January 13th. They toured the Young America Corp building and inquired about zoning on the site. Information on alternative available industrial sites was emailed to them; however, they appear more interested in the existing facility which is being purchased by PPI. **No updates at this time.**
- **2015-G. (Mini-Storage).** Grady Kruse received rezoning approval of the property at 28 Industrial Blvd from C-2 to B-I, to accommodate the construction of a 2,000 sq ft. mini storage building. A 4,803 sq ft. building is adjacent. A new mini storage building is proposed.
- **2015-H (Light Manufacturing/Assembly).** This company contacted us on March 31st. They looked at the buildings at 321 Elm St. and had a purchase agreement for 250 Industrial Boulevard. **On July 1st they noted they have postponed their relocation plans as they**

are too busy with production. They will keep the building at 250 Industrial Boulevard in mind.

- **2015-I (Auto Body).** This company is planning to start a new business, 180 Collision LLC. at 180 Industrial Boulevard. The EDC and MCCD approved loan requests in June. The company is planning to move to the community late July, 2015.
- **2015-J (Retail –Auto).** Mid-June this contact inquired about zoning regulations for 508 Faxon. He is investigating opening a business at the site.
- **2015-K (Service/Light Industrial).** This contact requests confidentiality. He is just beginning to research a new business. He was referred to the MCCD. We discussed the EDC and MCCD loan programs on July 2nd.
- **2015-L. (Industrial) –** We received a RFP from DEED for an industry seeking a 10 acre industrial site. We are researching their site requirements as they relate to the city's industrial park, water and sewer facilities and rail. If we meet the criteria, we will submit a proposal by the July 8th deadline.
- In March, 2015, we received a notice from Greater MSP re: a company seeking only existing buildings between 125,000 and 150,000 sq ft, for lease only for nutrition/pharma. We did not respond as we did not have a facility meeting the criteria. Land sites were not being considered.

Action: If the EDC has any other business prospects, or questions on the above, please advise.