



NORWOOD YOUNG AMERICA ECONOMIC DEVELOPMENT COMMISSION

Wednesday, March 14, 2018

6:00 p.m.

City Hall – Large Conference Room

310 Elm Street West

Norwood Young America, MN

- I. Call to Order**
- II. Oath of Office – Mike Eggers**
- III. Consideration of the Agenda**
- IV. Approval of Minutes**
 - A. February 21, 2018 Workshop Session
- V. Unfinished Business**
 - A. 2018 CDA Redevelopment Planning Grant
- VI. New Business**
- VII. Project Updates**
- VIII. Miscellaneous Communications**
 - A. 2018 Goals Status
 - B. Chamber Updates
- IX. Upcoming Meetings**
 - A. April 11, 2018 – Regular EDC Meeting – 6:30 p.m.
 - B. May 2, 2018 – Small Business Breakfast – 7:30 a.m.
- X. Adjournment**



DATE: March 14, 2018
MEMO TO: NYA Economic Development Commission
FROM: Holly J. Kreft, Economic Development Consultant
RE: Agenda Item II. Oath of Office – Mike Eggers

Background:

The City Council has appointed Mike Eggers to serve on the EDC. We welcome Mike and thank him for his service!

Action:

Administer oath of office.

NORWOOD YOUNG AMERICA ECONOMIC DEVELOPMENT COMMISSION

Workshop Notes from Wednesday, February 21, 2018 at 6:30 p.m.

City Hall –Conference Room
310 Elm Street West
Norwood Young America, MN

I. Call to Order

Chair Diedrick called the workshop session to order at 6:40 p.m.

EDC members in attendance were: Tina Diedrick, Carol Lagergren, Kaarin Foede and Karen Hallquist.

Absent: Kyle Strickfaden, Julie Schmidt, Mike McPadden and Theresa Meis.

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

Also present: Eric Bender and Nick Jeurissen of Greystone Construction and Randy Schuster of Vickerman Company.

Due to the lack of a quorum, Diedrick noted no formal action would be taken and only a workshop session would occur.

A. Vickerman Company – Request for Variances from the Tacoma West Industrial Park Covenants

Foust provided an overview of the requirements within the Tacoma West Industrial Park Covenants as they relate to a construction project proposed by Vickerman Company. The company is planning to purchase three industrial lots from the City and construct an approximate 118,000 square foot building, with a connection to their current facility. The project appears to meet all criteria with the exception of three items, two of which require variances from the covenants and the third which requires approval by the Design Review Team (DRT). The Economic Development Commission, along with specified staff, serve on the DRT and is asked to prepare recommendations.

Vickerman Company has submitted a letter requesting consideration of the following:

1. A variance to allow a zero-foot side yard setback on the east property line. A 15-foot side yard setback is required in the Covenants. They would like to construct a connection to their existing facility.
2. A variance to allow a 42-foot building height. A 40-foot maximum height is currently noted in the Covenants. The 42-foot height would support our fire suppression system and allow them to build higher versus increasing site coverage.
3. DRT approval is requested to allow prefinished settle wall panels as the primary exterior building material on the front and sides of the building façade. The Covenants note this material shall only be allowed in a manner approved by the DRT. The proposed material will be consistent with the existing building façade.

Eric Bender and Nick Jeurissen, Greystone Construction, provided an overview of the building plans. They noted only the center portion of the building will be at 42 feet in height. Parking will be on the east side of the building with pedestrian walkways. Loading docks for nine trucks will be on the north side of the building. A fire lane will be provided around the building. A future addition to the east was identified. An interior layout was provided. A majority of the space will be open, for shelving, with the exception of a fire pump room. There is no need for screening of mechanical equipment, as there will only be small chimneys on top of the roof. There will not be garbage generated from the addition as they will recycle the cardboard used.

The group discussed the façade, which will match the existing building.

The estimated project cost is \$6.5 million. The company anticipates hiring 11 new employees over the next three years, with wages over \$15 per hour. A ground breaking is planned for mid-March, upon approval of all plans.

The City has also been working with the Company to explore financial programs to assist with the project. The city will sell the lots at \$1 per square foot, versus the \$2.75 per square foot market value. A tax increment finance district will be established. In addition, the City Council approved a resolution supporting the submittal of an application to the Job Creation Fund program at the MN Department of Employment and Economic Development.

A special meeting will be called for the EDC for Monday, February 26, 2018 at 5:45 p.m. to take action and prepare a recommendation on the requests for variance from the Tacoma West Industrial Park Covenants and approve the exterior building materials.

B. Joint Meeting with the City Council, Planning Commission and Chamber of Commerce.

The group discussed the upcoming joint meeting planned for March 14, 2018 at 6:00 p.m. The purpose of the meeting will be to (1) Recommend boundaries for the Historic Downtown Young America and the Historic Downtown Norwood areas, (2) Review and approve the scope of services for a streetscape plan, to be submitted to the Carver County CDA for a matching grant and (3) Discuss incentive programs to encourage redevelopment of building facades and interior code improvements.

A draft scope of services was reviewed. The committee requested “Stakeholder engagement” be added to the list, to allow property and business owners an opportunity to provide input, and obtain their buy-in on the plan.

Maps illustrating the age of commercial and residential structures in the two downtowns, as well as Highway 212 Business Corridor were provided. Tables with information on the PID, address, year the structure was built, assessed market value, size of the parcel, building material, roof type, building height and owner versus renter occupancy was provided. Committee members requested street names be added to the maps, along with landmarks and/or addresses within the downtown boundaries.

Boundaries for the downtown districts were discussed. Within the Historic Downtown Norwood, it was suggested the properties immediately adjacent to Elm, from Reform to Oak be included. Within the Historic Downtown Young America, it was suggested the boundaries extend along the south side of 1st St. NE east past 3rd Avenue and south toward 1st St. SE, but parallel with the boundary between Willkommen Park. Boundaries were sketched on maps which will be updated for the Joint Session.

C. Small Business Week Breakfast

The group discussed optional speakers for the May 2, 2018 Small Business Week Breakfast, which is proposed to be co-sponsored by the EDC and Chamber of Commerce. The consensus of the group was to invite Doug and Jeff from Henderson, MN to present information on historic Henderson.

D. Project Updates

It was reported ribbon cuttings were conducted at Serv-a-Dock and JIT Metal Finishing.

Staff has reached out to Find It Here and a new photography studio that will open at 217 East Main Street, by Nicole Lueck.

Future ribbon cuttings at these businesses as well as Diversified Plumbing, Dog Tag Furniture 218 Casper St, and 212 Equipment, 17550 US 212, were suggested.

The Chamber of Commerce is working with staff to finalize the forms for business spotlights.

It was requested one-year meetings with new businesses begin in March. It was suggested two or three be conducted in a half day, with small groups of EDC members participating.

The next newsletter will be prepared by April, 2018. MDG, LLC. staff will coordinate with Kelly.

E. Miscellaneous Communications.

A. Chamber Updates – Karen provided updates on Chamber membership, sharing that 12 new members have joined since the beginning of the year. They continue to work on renewals. A recap of the Chili feed was provided. The next event will be the Taste of Norwood Young America.

F. Upcoming Meetings.

A special meeting will be held on Monday, February 26, 2018 at 5:45 p.m. to discuss the Vickerman Company project.

The next regular meeting of the EDC is March 14, 2018 at 6:00 p.m. A Joint Session with the City Council, Planning Commission and Chamber of Commerce will follow at 6:30 p.m.

Adjourn.

The workshop session adjourned at 8:22 p.m.

Respectfully submitted,

Jo Foust
Economic Development Coordinator
Municipal Development Group LLC



DATE: March 14, 2018
MEMO TO: NYA Economic Development Commission
FROM: Holly J. Kreft, Economic Development Consultant
RE: Agenda Item V. A. 2018 CDA Redevelopment Planning Grant

Background:

Due to the lack of a quorum at the February 21st meeting, formal action will be needed at this meeting. At the joint meeting on January 8th, the group discussed submitting an application for the 2018 CDA Redevelopment Planning Grant for a downtown redevelopment plan for the two historic downtowns.

Below are details regarding the grant program:

- **Redevelopment:** The Program is intended to assist cities with Redevelopment Plan goals. Blighted and under-utilized areas do not maximize their potential economic value and can negatively impact the livability of a community. The responsibility for creating redevelopment activities rests primarily with the cities.
- **Funding Available:** \$400,000 is available for grants provided under the program during this funding round. The CDA will reserve ten percent (10%) for Redevelopment Planning Grants. The maximum Planning Grant amount is \$7,500. The remaining funds will be used for Redevelopment Incentive Grants. The maximum Redevelopment Incentive Grant amount is \$60,000.
- **Redevelopment Planning Grants** may be used to fund activities that are required to establish a Redevelopment Plan. As such, the Redevelopment Plan is not required to be in place to be eligible for a Redevelopment Planning Grant, so long as the Redevelopment Planning Grant is intended to be used to assist in the development of a Redevelopment Plan.
- The application must meet the following threshold criteria to be scored:
 - The application must be approved by the respective city council.
 - There must be a minimum leverage rate of 1 to 1 (\$1 of other funds for every \$1 of Redevelopment Planning Grant).
 - The city must be supportive of affordable housing and the CDA’s mission.

- A resolution containing the following required provision must be adopted by the city: *the City is supportive of affordable housing and of the CDA's mission, to improve the lives of Carver County residents through affordable housing and community development.*
- Applications are accepted on a rolling basis due the 1st of the month

At the February 21st workshop, it was requested to add Stakeholder Engagement to the process. Please find attached the updated proposal from MDG LLC to complete the downtown redevelopment plan.

Action:

Recommendation to the City Council to authorize MDG LLC to submit an application on behalf of the City of Norwood Young America for the 2018 CDA Redevelopment Planning Grant. If the grant is received, the cost to the City will be \$4,000 with grant funds providing the additional \$4,000.



more than a place, it's home.



Downtown Redevelopment Plan Proposal

Municipal Development Group, LLC. proposes to work with the City of Norwood Young America to develop a Downtown Master Plan which includes the following Scope of Services. We are happy to modify the Scope of Services to fit the City's needs and budget.



Jo Foust, Principal
Holly Kreft, Associate
Municipal Development Group, LLC
25562 Willow Lane
New Prague, MN 56071
952-758-7399 (office)
www.municipaldevelopmentgroup.com



Proposed Scope of Services

- Develop an inventory parcels in and around the two downtowns to identify the age of structures, building facade, height, and current use.
- Work with the City Council, EDC, Planning Commission and Chamber of Commerce to identify boundaries for the two downtowns and the Hwy 212 Commercial district.
- Prepare GIS maps to illustrate the boundaries of the two downtowns and the Hwy 212 Commercial district
- Incorporate data from the Historical Society on the historical significance of various buildings in the two downtowns
- Facilitate discussions with the City Council, EDC, Planning Commission and Chamber to identify the strengths, challenges and implementation steps to build on strengths and address challenges in the downtowns.
- Outline potential architectural design elements, that are period appropriate, for each downtown.
- Identify potential streetscape elements to incorporate in each downtown.
- Outline signage opportunities including wayfinding signs, banners, etc.
- Address connectivity of the three commercial districts for vehicular and pedestrian traffic
- Identify funding sources and redevelopment programs to assist in encouraging building owners to invest in their buildings.
- Stakeholder engagement via meetings and/or miscellaneous forms of input.
- Summarize short term and long range implementation steps.
- Work with a landscape architect to prepare two renderings (one of each downtown area)
- Total estimated cost \$8,000



DATE: March 14, 2018
MEMO TO: NYA Economic Development Commission
FROM: Holly J. Kreft, Economic Development Consultant
RE: Agenda Item VII. Project Updates

Following are project updates from the past month:

1. **Ribbon Cuttings** – As discussed at the February 21st workshop, Diversified Plumbing, Dog Tag Furniture, and 212 Equipment were contacted for ribbon cuttings. Diversified Plumbing indicated they hoped to be ready in mid to late April for a ribbon cutting. Dog Tag Furniture declined a ribbon cutting at this time. Karen will contact 212 Equipment. I would recommend that Karen contact any businesses outside of City limits for a ribbon cutting and either MDG LLC or the Chamber contact businesses within City limits.
2. **Other New Businesses** – Steve and Cynthia met with Advanced Electrical about their preferred site for a new building. Holly reached out to Brian Forcier, the developer of the new Cobblestone Inn and Suites in Hutchinson, to discuss interest in a hotel. Karen reached out to the owner of Green Leaf, which is closing in Waconia. Steve discussed the Tacoma West Industrial Park properties with Ben Drew of Cushman Wakefield. Holly and Jo had been in contact with Ben in January. Holly talked with Justin Stueve, the new owner of the former TechStar building.
3. **Vickerman Expansion Update** – Steve will provide an update on the Vickerman expansion project.



DATE: March 14, 2018
MEMO TO: NYA Economic Development Commission
FROM: Holly J. Kreft, Economic Development Consultant
RE: Agenda Item VIII. A. 2018 Goals

Background:

Attached are the 2018 Goals as approved in December of 2017. They will be included in the packet each month for review and updates.

I also contacted Allison Striech with Carver County CDA about the broker event. She said that they would have funds available to host the event, but do not have the staff capacity to plan it. I asked her to provide me with an estimation as to the time she would need for assistance should the EDC be interested in Jo and me helping with that. I will provide an update at the meeting.

Action:

No action required at this time, only for discussion.

2018 Economic Development Commission Goals

	A	B	C	D
1	Marketing Goals	Deadline	Assigned To	Notes
2	Construction of entrance monument signs	1st Quarter	Sign Subcommittee	MnDOT grant submitted; base ordered from American ArtStone; quotes for metal sign
3	Develop a streetscaping plan for downtowns and Faxon Road	1st Quarter		Presented to Joint Meeting on March 14th
4	Continue to post on EDC Facebook page			
5	Continue newsletter inserts with City			1st newsletter will go out in April
6	Work with NYA Times to develop Business Spotlights			1st Spotlight will be Home Solutions in March
7				
8	Industrial Development Goals	Deadline	Assigned To	Notes
9	Participate in Carver County Real Estate Expo			
10	Participate in southwest Metro marketing/real estate events			
11	Promote the available sites in Tacoma West			
12	Host Manufacturer's Week			
13	Remain in contact with existing manufacturers			
14				
15	Commercial Development Goals	Deadline	Assigned To	Notes
16	Host National Small Business Week event			Doug and Jeff from Henderson confirmed
17	Conduct ribbon cuttings and ground breakings			
18	Promote the EDC loan program and Open to Business			
19	Investigate the feasibility of applying for Carver County CDA grant			Submitting by April 1st for the Redevelopment Planning Grant
20	Actively promote commercial sites and work with owner/realtors			
21	Respond to business leads in a timely manner			
22				
23	Collaboration Goals	Deadline	Assigned To	Notes
24	Support the Chamber of Commerce and events			
25	Hold quarterly joint meetings in 2018			Meetings held in January and March
26	Continue to work with CDA and Open to Business			
27	Conduct a check-in with businesses one year after opening			1st follow-up with Children of Tomorrow on March 14th