

City of East Bethel
Economic Development Authority Regular Meeting
June 17, 2013

The East Bethel Economic Development Authority (EDA) met on June 17, 2013 for a regular meeting at City Hall at 7:00 p.m.

MEMBERS PRESENT: Richard Lawrence Brian Bezanson John Landwehr Dan Butler
 Heidi Moegerle Julie Lux

MEMBERS EXCUSED: Mike Connor

ALSO PRESENT: Colleen Winter, Community Development Director/City Planner

Call to Order Moegerle called the meeting to order at 7:00 p.m.

Adopt Agenda **Bezanson motioned to adopt the agenda. Lux seconded; all in favor, motion carries.**

Approval of Meeting Minutes **Bezanson made a motion to approve the minutes. Butler seconded.** Lux had one misspelling, but she couldn't find it. Moegerle said to send in the change. **All in favor, motion carries unanimously.**

Reader Board Butler asked that this be put on the agenda for tonight. He is concerned over the image that we are trying to project. The reason he is concerned is we transferred a lot of money to support the reader board. He thinks the EDA should have some input on it. He knows the EDA budgeted a lot of money for the reader board, and part and parcel for that the EDA should have input. He knows the City staff is getting up and running on it. He said the top of the sign says City of East Bethel. He said the reader board spends a lot of time saying 'Welcome to the City of East Bethel.' Moegerle said she and Davis have had some discussions on what it is up on the reader board. A message is on it for more than three seconds is the minimum time. Butler said he thinks it is longer than that, but he could play it off his phone to see. Winter said they are 3 to 10 seconds depending on the message. Davis said the other thing is if they are detailed message, they are brought up into two screens. Moegerle said we are timing for people driving. Butler said it is six to seven seconds.

Moegerle asked is there going to be a reader board committee or policy? Davis said we have a preliminary policy and could bring it here for the next meeting. It is for public events or non-profit organizations. We have it just make sure there are no commercial messages. Non-profit will be based on space for the sign. The senior pancake breakfast will get featured on there, and Lions club. Other non-profit clubs will be placed by availability. Winter asked do we need 'Welcome to the City of East Bethel'? Moegerle said just say 'Welcome' and move on. Landwehr asked if there is a certain quantity of messages we are trying to put on there? Davis said it is going to depend on how many things we want to do. We are leaving it to 10/12 messages. Otherwise there isn't that much turnout. Lawrence said we are in the learning phase right now.

Davis said we don't have anyone full time on it. We welcome any input on it. Moegerle asked if Butler had any other concerns. Butler said no, he thinks that there aren't

messages that aren't appropriate for publications. He thinks it would be incumbent for us to put messages on there. We could put that message that, 'If your business was here, you would be home already.' Lux said we could say something about the commercial property webpage. We should also have something about Booster Day.

**Business
Development
Activity
Report**

- Business inquiries on existing buildings – 4 that we have addressed. There is one that is very close to signing a purchase agreement on a property.
- Business inquiries on land – 2 – City sent out 2 proposals to Greater MSP – It came through Anoka County. Through Anoka County we are trying to get a greater handle on what traction we had with Greater MSP. Karen is working to get us more lead-time.
- 2 new Home Occupations – They will be going to the City Council this month. They are small business operations.
- New construction housing – 5 homes – This is a good sign. Oak Grove has had several. The lots that need to be filled. On 226th, we have two home permits. Deer Path is one of them, and a couple of others.
- Business openings – Aggressive Hydraulics moved in to their new building on June 5, 2013 – we would talk about that a little bit later on in the agenda.
- Meeting with Real Estate/Developers – 2 – One for commercial development, one for housing development
- Continue to work with west end businesses that have to connect to sewer and water.

We had a meeting with the businesses on the east side of Hwy 65 in May. We are in the process of meeting with them one-on-one.

Moegerle asked, regarding MSP, are we getting requests for raw land or existing buildings. Winter said they are looking for 50,000 square foot buildings. Moegerle said she called Harlan Meyer in Oak Grove. The land on 221st/65 sold.

Davis said at the next meeting we are going to bring you some information on reports that we have seen on shovel ready sites and an alternative to that, a paper industrial park with a minimal amount of investment. Moegerle likes investment. We may have to invest.

**Chamber
Update –
Dan Butler**

We had our meeting on June 6, 2013. The next meeting will be on July 11, which will coincide with the ribbon cutting at Aggressive Hydraulics. He did stop into Aggressive to say 'hello'. They were very happy that he stopped in. They are looking forward to the ribbon cutting ceremony, as are most volunteer organizations. It is hard to get people to step up and take charge right out of the gate. In the interest of being transparent, he would prefer not to be the head of the Chamber and on EDA.

**Ribbon
Cutting
Aggressive
Hydraulics**

Winter said as Butler alluded to we will plan the ribbon cutting ceremony. She is going to work with Rockie and it will be between 8-8:30 a.m. We would like to do tours, but we need to be respectful of Aggressive Hydraulics. We are working on the details of that. The local officials, county officials and others will be invited as well. The date is July 11, 2013.

**EDA Survey
Booster Day**

In 2012 the East Bethel EDA conducted a survey at Booster Days and the question before you - Is there value in this survey and do we want to conduct another one during the Booster Day Celebration? Winter attached both the survey and results from last year.

We wanted the survey to be on the website prior to Booster Day and culminate it at Booster Day. What she wants to do, what of these topics are helpful, what would be relevant? What is our end goal? We know it can't be scientific in nature. We are getting

their feelings.

First and foremost what is the intent? Are we looking for goodwill? Is it really trying to get at the heart of key issues? She would like the EDA to have a discussion on this point.

Moegerle said she made that survey last year. It was her idea to get people interested. While that was valuable at the point of time, we need to move on to what is East Bethel to become. Twenty months ago we were handed a deck of cards we didn't expect. She thinks we need to look at what we want to develop to be. The idea of waiting for business to come - we are then at their mercy. She thinks we need to find out what our residents want. Do we need to invest? She just came back from a long driving trip. You can see from the highway what cities invested in their city. Are we a destination or a drive through?

Lux said we should expand from here. We need to look at more overall. Do we have a business incubator center? Maybe a question about the City Center. What sort of features do you see? Moving it to the next step.

Landwehr said branching out of all of that, the thing that got the most interest is building something more than what we are, and keeping the flavor of where we came from. He thinks you need to move forward, keeping a sense of where you came from. Figuring out how to do that is where we need to look. Here is where we are; what is the timeline to getting to where we want to be and figuring out and following a map of other communities. Do we want to look like a Big Lake or a Maple Grove? Maybe giving them visuals. What are the services that we can have here that you don't want to drive to somewhere and want to get?

Moegerle said a person who doesn't understand timelines, might not know what to do. Moegerle said we owe \$27 million for the project. How much of the bitter facts do we give? Or do we just say, 'Here are the questions we want in that context.' Landwehr said you have to be careful with that. You have to let people know we can't stand still, that isn't a choice. He said he has heard people say, 'I moved here 10 years ago because of how it was. It has gone away.' Since it has gone away, how do you want to see it change? We now have sewer and water and how do you want to embrace that? Moegerle said should we list the positives. Lux said having sewer and water helps us attract businesses. Landwehr said showing off our assets is great - that Coon Lake is one of the top twelve lakes in the State of Minnesota. We should look at our assets and how to best use it. Moegerle said should we have a map showing where the sewer and water is. Bezanson said you need to show them the map. You can't show them the budget. Then it gets emotional.

Moegerle said they would put something together.

Bezanson asked what did we pay Ady Voltedge, and how many people did they survey? There is a clear trend on the respondents. They said what they thought the long-term future is. Most people consider this rural. Moegerle said no one has objected to that. Bezanson said you have to assure them that the sewer and water district can be maintained in a rural area. If you moved out here, expecting to be able to go to the store on a whim, you learn in a real hurry. To me people learn in a real hurry that they have to be able to plan ahead. It isn't as convenient as if you live in Blaine or South Minneapolis. Moegerle said she knows people in the cities that go to the grocery store once a day. We need to tout that there are lifestyle options. Bezanson said there would probably be a fairly substantial retail project in this town. Davis said as much as we would like things to be, we cannot fight progress or geography. In speaking of keeping things rural, it is not economical to expand the sewer water system, and 75% of the community remains untouched. That 25%

will take 30-50 years to grow. Also keep in mind, that 25% that probably ¼ of that is already is developed low density and a quarter of that is wetlands. We figure there is 2,000 acres that could be developed. 2,000 acres, we have a relatively small part that will develop. Bezanson said when you look though, actually some of the nicer higher sand ground is along Hwy 65. If you are going to draw a dry north south trip. It is very developable.

Bezanson said when he was reading the Ady Voldedge report (it was the businessmen response), that high speed internet is a big thing. We haven't talked about that. Moegerle said for this one, we are going to be focusing on residents. Only 3% of our tax base comes from businesses. She thinks we should address businesses. Bezanson said he doesn't think we are going to get anything out of it. Moegerle said if we see a strong trend, we saw a strong trend in this (first) survey. Twenty-five percent of the respondents wanted water parks. This time we may see a strong trend of something else. Again, it isn't everybody. If it is open to everybody. Self-selectors have a bias.

Butler thinks we are missing a question in the survey asking if they own a business. Trying to find out who the people or where do you work. If you had a chance to work in East Bethel? Moegerle said you want demographics. Butler said if his mother answered a survey of someone who owned a business. It might be a source for East Bethel businesses. We have never asked the question on who owns business outside of East Bethel. If someone owns a business in Spring Lake Park. Try to connect that dot. As a follow up, what considerations would you need to move your business to East Bethel? We are focused on the residents, but he thinks we should have a focus on business owners.

Lawrence said we were talking about the development of the corridor. People are telling him now that they just want their taxes raised and don't do development. Landwehr said that is the emotional reaction. Bezanson said they might have the opportunity. Lux said like Landwehr said, if you are standing still you are moving backwards. Lawrence said we have to plan ahead, 'Come 10 p.m. if he wanted to have a burger, he would have to drive to Holiday at late night.' But you have to plan. It is difficult, because so far as planning or idea on what we will be bringing in. We have no designation on what we want to come in. Moegerle said you mean strategic planning.

Lawrence said we need to figure out what we want, and move forward. Let's not raise taxes. Winter said this survey has to focus on the corridor. Anything we do, we need to talk about the assets. We need to really find out from folks. She sees where Dan is going. Some of it should be information for people, about the sewer and water project. Moegerle said the Coon Lake Beach takes the recreation piece. There could be businesses in the recreation industry that would be interested.

Landwehr said with school being out there is not anything locally for kids to do. Kids have to go somewhere to have something to do. It is time, effort, and there are a lot of things to do in other communities and nothing to do here. Moegerle said they talked to the school about that. That might be another aspect of it. How long should this survey be? Landwehr said the 13-17 year olds would be interesting to get their ideas. It is very interesting. Moegerle said at the LMC conference they said, 'You need to plan for the teenagers. They are the people you want to attract and build for.' The LMC conference is this week, Bob and Ron are also going. It is about economic development.

Winter said based on the ideas you have presented, she will email it out to the members and respond back. Can we move forward with it based on member feedback? Moegerle said you want to have it online by when? Winter said realistically, we would be looking at next Wednesday. Lux said announce it on the reader board. Winter asked did you have

people handing out the surveys? Moegerle said Butler did a heck of a job. Winter said having a couple of folks hand out the surveys. Moegerle said Lux handed them out.

Marketing Action Plan

Over the past couple of meetings we have had some good discussion regarding the EDA mission, marketing, etc. Winter has included in your packet the Ady Voltedge Action Plans and wants to talk about those items that are EDA related.

At one of the first meetings, she brought up Ady Voltedge. That was a significant step. She doesn't think we need to reinvent the wheel. They are great action plans. Quite frankly we have done some of this. Action item number 6, about page 25. As far as the copy goes. Online they also have page 25.

It is actually item number 6. Develop a Business Retention and Expansion [BRE] strategy. She attended a meeting with Greater MSP with a BRE. It didn't address East Bethel. The University of MN does a great job with BRE. That is something we haven't really addressed. That is something that needs to be a priority over the next year. Do you think that is something from a strategic item we need to focus on? That is why we have made an extra effort with the west end businesses. The willingness to meet with them one-on-one has been really well received. At the same time, the ones that we have met with understand. We have really tried, as a staff, to be very easy to work with the businesses. The City Council has talked about the east side. There has been some discussion for a program for storefront improvements. She thinks we need to have regular visits to our business community. It needs to be consistent, timely and every year. Moegerle likes that idea. We had this discussion about paying taxes. If they are paying and getting a value, they don't mind paying taxes. If it is valuable to the business people it is a good idea. Lux said it is a good business practice. Regular. Do you have a program in mind? Winter said they see staff pretty often. There are a quite a few businesses she hasn't met. It is good for them to see. She would like the EDA, City Council and Chamber to also take part in the visits, in a way it makes sense. Sometimes a business-to-business relationship is a very good one. Through the U of MN, we could make something tailored to our needs. Moegerle said it is important that we get a commitment. Davis said this is where we think the Chamber would be a great forum. People in the Chamber can give them the information. If you are looking for expansion or loan information. A lot of this stuff is better received if it is coming from a business owner to a business owner. Davis said things we do at the breakfast meeting facilitates the dissemination of information. We look forward to working with the Chamber. Landwehr said what got you there will keep you there. If you don't take care of the older businesses that isn't good. Winter said the home occupations they are interim use permits. We need to work with those folks and maybe at some point they might outgrow their building.

Landwehr wanted to know if there would be a plan for the next meeting. Winter said yes, she will for the next meeting.

Winter said the second item she wanted to talk about is the Business Attraction Strategy. We now have an intern. The traffic counts, business counts, we have a good handle on this sort of thing. The thing that we don't have a good handle on the theme. That is a conversation you have had many times over. Do we need that sort of unified? That tag line or do we need that what is going to attract them. Moegerle said tell me about the tag line. Winter said is it important? Moegerle said she did a lot of traveling last week. Kearney, Nebraska, Sandhill Crane Capitol of the World. They had a museum that crossed a four-lane highway. There was something about 'Sandhill Capitol of the World.' They chose that as their identity. Did it get them more work? Bezanson said did you get off the highway; did you go into the museum? Bezanson said the museum is all about the Oregon trail.

Lux said in terms of economic development a tag line is nice, but the tools are more essential. Moegerle said if a tag line as simple as Welcome to Our World. On the website back in 2010, it was Gateway to the Twin Cities. She always thought we were the Gateway to the North. Lux said East Bethel, Community, committed, all encompassing. Landwehr said ours would have to be something that embraces development but is rural. Moegerle said maybe we should brainstorm some of them. Landwehr said no one wants development in his or her backyard. Every cell phone tower meeting he has been to, they don't want towers. That is a small example of it. He doesn't know of any development where people would want bright lights or smoke stacks. Moegerle said in general this is a good idea. Do you want us to send in our list?

Butler said we developed a packet and does it need to be updated? To see what we would be sending out to prospective businesses that would be moving here. Cities send people to international conferences. He doesn't know what the follow up has been to the businesses we talked to. He thinks Rita put something together. Following up and keeping our name in front of the businesses. If we have an updated packet, having something to send out. If we don't have something updated, update it.

Moegerle asked if we have news releases? When you have real estate people looking for us. We have ways of bringing us to their attention. We have to earn that attention and not just paper them to death. You would like to have us send papers out? Butler said no, he would suggest that once we make contact with a real estate person from Target, we should follow up with them on a regular basis. Moegerle asked isn't that common business practice? Davis said you have a very valid point. The updates should be specific. Take a look at our new website. We have a commercial development at Hwy 22 and 65. We can use our website as an avenue. Landwehr said you have to send them an email. Davis said Target, Kohl's and Walmart told us that you have to grow before you will be our market. We contacted people like Costco and they said they look for 200,000 people within a 5 mile radius as one of their criteria for a location. As long as we have something new, it is time to contact them.

Landwehr said their criteria changes over time.

Bezanson said it sounds like kids that get that degrees in GIS get jobs in a hurry. They do this kind of work for the national big box stores. If you look at businesses like Aggressive Hydraulics, you try to recreate that same business relocation model. He lives here, has a skilled work force. The transportation system here is a big deal. His point is we need to concentrate on the model that works. Lux asked do we have a trade show display? Like the Precision Manufacturers Conference coming up. Lux said just having a case study about Aggressive Hydraulics would be good to hand out. Butler said in two or three weeks go to the other businesses to see what the impact is. Go to the bank, the gas station, Route 65 and the other businesses to see what the impact is. Bezanson said we should go and talk to Aggressive Hydraulics and ask what we are doing right and what we are doing wrong.

Winter said the Authority gave her food for thought. She said every month we would discuss this.

Bezanson said we just need to make sure we need to work on point number 8. Create a policy on the Cities financial participation. We have this fund for potential sewer hook ups. The worse thing we can do is let people think we are capricious and arbitrary. There isn't that perception now. We have to keep that in the subconscious. Moegerle said it is the law. We now have a city attorney that keeps us on the straight and narrow. Since the

three of us came on, we are very consistent. Bezanson said he is just saying we need to keep on that path.

**Other
Reports**

Moegerle said her travel was interesting to see how other cities promote themselves. There were particular ones that decided to have development. Who had McDonalds that were natural colors or red and yellow? The Home Depot that wasn't orange. Landwehr asked did you stay on 80? She said she went two different ways.

The Council meeting is on Wednesday. She might miss that to go to the 100th anniversary of the LMC. It will be the third time she has been there.

Adjourn

Moegerle made a motion to adjourn the Economic Development Authority meeting at 8:15 p.m. Lawrence seconded; all in favor, motion carries.

Respectfully submitted by:

Jill Anderson
Recording Secretary