

City of East Bethel
Economic Development Authority Meeting
July 15, 2013

The East Bethel Economic Development Authority (EDA) met on July 15, 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 Mike Connor

MEMBERS EXCUSED:

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

Call to Order Moegerle called the meeting to order at 7:05 p.m.

Adopt Agenda **Moegerle motioned to adopt the agenda, and recommended adding the Reader Board Policy, Website Update and Council Reports. Butler seconded; all in favor, motion carries.**

Approval of Meeting Minutes **Moegerle motioned to table the approval of the minutes.** She said there are a lot of corrections that need to be made. It would be easier for her to turn her pages in for corrections and have them come back at the August meeting.

Butler said in the second sentence it should be Rockie, rather than Roxy. It should be Rockie Ramacher. Moegerle asked if there were any other points of correction.

Butler said he is okay with tabling the minutes. **Butler seconded; all in favor, motion carries.**

Shovel Ready Sites In your packet you will find information on Shovel Ready sites. The information about Shovel Ready sites was provided by Ady Voltedge.

Lawrence was wondering if 1252 was buildable. Winter said this map shows the west end business park. In this park, where there isn't an address, it is available property. There is also potential next to Aggressive Hydraulics and by the Theater there are lots that can be developed.

Winter said one of the items that the State of Minnesota talks about is Shovel Ready sites and adequate infrastructure. There are a couple of ways you can do the Shovel Ready program.

The State of Minnesota has a 'Shovel Ready process' that cost about \$2,500 for each site. There are several communities that take advantage of this program. She said we wouldn't have to do a full shovel ready process. We could make other information available to developers.

Landwehr asked for clarification, if you pay that \$2,500, you can use the language and otherwise you can't. Connor asked if the cost would be a City expense. Are there benefits that are obvious? Why is it important that we have the property stated as 'Shovel Ready'? Winter said there are several components to the 'Shovel Ready' standard by the State of Minnesota. They are as follows:

- identify ownership
- provide general site information (we could provide this)
- specific tests and assessments

Landwehr asked if she was familiar with the website, 'What's in my Neighborhood'. Winter said no. He said is a site provided by the MPCA. On this site you enter in a target address and it will provide you all sorts of information on the contaminants in the area. It is not as encompassing as an EDR report, but will give you target information. It just gets back to the question to what are you buying. 'Shovel Ready' sites are a great thing. For lending institutions 'What's in my Neighborhood?' is a great reference. The map in 'What's in my Neighborhood' is really cool. There are all sorts of different tabs you can pull up. You can look at everything within ½ mile, 1 mile, 5 miles, etc.

Moegerle is not finding that 'Shovel Ready' is a trademarked term. Davis said on the front page of the handout you see an illustration of requests we get from site solicitors. On this one, it seeks a potential building or a 'shovel ready' site. The second page is our reply. At some point we might want to do some more research and talk to DEED about this program. For now we need to do our own definition so we can provide immediate responses. Moegerle asked why the property owners wouldn't make it 'shovel ready'. Lux said because of the upfront costs. Landwehr said with 'shovel ready' you don't have to do the soil corrections. "That is a contaminant correction if required and," Lux added, "or correcting for wetlands or stable ground." Landwehr said you might incorporate the wetland into your building plan. You may not want to get rid of it.

Davis said there is a lot of environmental information out there that can be found on the internet and from existing studies. Each prospective business for a site has different needs. There are different types of soil corrections that need to be done for differing building needs, sizes and locations. Investment in geo-technical work is not a priority at this time. We would want to get statements from the landowners that they would be interested in selling and provide the pertinent information for the site.

Moegerle asked what a 'Phase One Environmental Study' is. Landwehr said it is the historical use of the property. What, if any, environmental risks there are. It will also include a title search. For the geo technical part of it, we can go to the US Geological offices to get that information. Winter said we could get access to the topo surveys from Anoka County GIS surveys.

Winter said the city closest to us that is using the State of Minnesota Shovel Ready designation is Isanti. Landwehr said it would be interesting to find out how many sites were developed in Isanti due to this. Winter said she could talk to them. Butler said the Minnesota Shovel Ready logo is on the City of Isanti's website.

Winter said these are aerial maps. There is a commitment for title insurance. Connor asked if we would be a partner with the landowner in some fashion then. Can we do this with the owner's consent? Winter said no, absolutely not, unless we had their consent, and we would be facilitators rather than partners. Bezanson said if you do it for one landowner, you better be ready to do it for all the landowners that are interested. This is something that the landowner should pay for.

Davis said we should get this information put together, so if someone comes looking for a location, we will have the information covered. We need to have this information already in hand. Davis said he is not recommending that we go with the State of Minnesota program. Butler said he was looking at the application on the State's website. It is basic information, including what utilities are available? It is pretty straight forward. If we had all the background information, we could have all of it ready to go for developers.

Moegerle asked if the amount paid for 'shovel ready' designation could be recouped at the sale? Winter said no, not usually. Moegerle asked Winter where this would be in the terms of your priorities, with all the other work you have? Winter said the information that is required

is all marketing. We want to have the most available information. It is a very high priority. Moegerle asked do we get another intern to do this? Winter said she doesn't think it would be one person, but it would spread among Staff for their areas of expertise. The question that the EDA should ask about shovel ready certification is to see if we can borrow what other cities have done and keep this to a Staff project.

Connor wanted to know how long Isanti has been part of the program. Moegerle said she thinks this is important. She thinks this is very important to work on. It should all be in our tool box. Winter stated that if we wanted to do just one site, Connexus would help with one site. Davis said at this time there are only 4-7 properties that would qualify for this and we could do this as in-house project. Moegerle asked where are the priorities? Winter said we have many challenges that are critical and this is one part of the solution to address marketing needs.

Moegerle motioned to pursue getting more information on 'shovel ready' sites and continue on that line. Lux said it would be great to find out what they deem as a 'shovel ready' site. **Butler second and added to also check on Connexus.** Lawrence said we should also find out about 'pad ready' sites. Moegerle asked are we even ready for 'pad ready', with wetlands? Butler said yes. Lawrence said we need to have that option. **All in favor, Motion carries unanimously.**

Winter said she would like the City map to list the sites we would be looking at as 'shovel ready'. Moegerle said yes, that is correct. Landwehr said it has to have utilities.

Business Development Activity Report

The following is a list of business development contacts and activities that have occurred in the past month

- Business inquiries on existing buildings – 2. There is a small business that will be appearing before the Planning Commission. Moegerle wanted to know if they were East Bethel residents. Winter said no, they are not. Moegerle asked do we need to have a separate category for a CUP being in anticipation of the land sale? Winter said they have to have a purchase agreement on the property. They need to be able to know if they can do what they want on the site. Moegerle said she knows this is common. She wondered if other cities have a different procedure or process. Winter said she can look into that. We are going to eliminate a lot of that conditional use process.
- Business inquiries on land – 6 – City sent out 1 proposal to Greater MSP.
- One new Home Occupation – Moegerle asked if the new home occupation is a new home in East Bethel. Winter said no it is a new business.
- New construction housing – 7 new home permits in the City for 2013. In Oak Grove we are at 22. There are 2 new homes off of 226th Avenue, in a development that has been platted in the mid 2000's. There have been two in Whispering Aspens.
- Business openings – Aggressive Hydraulics moved in to their new building on June 5, 2013.
- Meeting with Real Estate/Developers – 1 – Mixed use development
- Connections to sewer and water – Letters went out to businesses required to hook up to system by August 31, 2014. One business has hooked up to system. Originally the idea was that they had to hook up by the end of the year. City Council approved an extension that would allow businesses until 2014 to hook up but they would have to pay their sewer and water connection fees by the end of December 2013. We have two businesses that reapplied to the Met Council for review of their SAC Fees. Bezanson said Rice Lake is working on the waste water treatment plant right now. Davis said the existing sewage is being pumped and hauled. Lawrence asked how many trucks have been hauling. Davis said it is only Aggressive Hydraulics hooked up to the system at this time.

Winter said that the residential development has increased from 2012. Moegerle said are we having many people with people starting projects without permits. Winter said people know

they have to get permits for everything. Now that you can access this on our website, it helps a lot. We had one instance last year on someone starting without a permit.

**Chamber
Update – Dan
Butler**

Dan Butler presented an update on the Chamber. He reported that there was a meeting on July 11th and officers, including a President, Vice President, Secretary, Treasurer and four board members were elected. The bylaws will be filed with the Secretary State, the fee paid and we will be official. We are sitting at 16 or 17 members. The next meeting is August 8.

**Ribbon
Cutting
Aggressive
Hydraulics**

Winter said there were going to be some photos on our website of the Aggressive Hydraulics Ribbon Cutting Ceremony. Approximately 75 people were there. Paul did a good job, and was very gracious. It was a way for us to celebrate the opening of Aggressive Hydraulics. County Commissioners Julie Braastad, Matt Look and Robin West were in attendance along with State Representative Tom Hackbarth and State Senator Michelle Benson. All the members of the City Council were present in addition to EDA and Planning Commission members. In addition, Greater MSP and DEED, Bank Cherokee, Village Bank and Peoples Bank were represented. Paul and his crew gave tours of the facility. It is a very nice facility and a great addition to our community.

**Marketing
Action Plan**

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

Attachment(s):

- 1.) Ady Voltedge Action Plan, Part A
- 2.) Ady Voltedge Action Plan, Part B
- 3.) Ady Voltedge Community Survey Results

We have the foundation with what Ady Voltedge has done. We have a strategic plan in place. Moegerle said we do.

Winter said she wanted to talk about Action Plan part A. We have been talking at the Planning Commission about the development of the Corridor. The City Council had a retreat and also discussed it. This is the most important part of our community from a development standpoint. It is important that we look at what we need to do to enhance this area. Zoning and the sign and other ordinance code revisions are areas that need to be examined to see if they currently reflect the needs of the Corridor.

Butler said the sign code is lax because of the economy. If you don't want to enforce your code, there is no code. The other thing he wanted to say, in looking at the City and how it operates, we have our fire inspections that are conducted. If the people that are doing that can work in tandem with code enforcement that would be a second set of eyes. Davis said fire inspectors only look at the areas they are tasked with. We have been a little less restrictive on signs, due to the economic conditions. We need to be consistent to everyone. Moegerle said she doesn't know if you were aware from 2008-2010, there was the sign moratorium. She isn't sure that the Council fixed the issues. Lawrence said we have tried to conform our sign policy to what other cities have done. Often times our signs were so restrictive, the other communities could not advertise us. Landwehr said sometimes it is style of sign, not just square footage. Landwehr said we need something consistent and workable.

In terms of updating the Comprehensive Plan. One of the things we want to do is set a working meeting between the EDA and Planning Commission. She would like to see the meeting sooner versus later, hopefully this fall.

There also is the idea of form based codes. It makes the development more appealing from the developer's standpoint. It allows you to have a broader mix of businesses in one area. It would make more sense for us to change the zoning in different areas. Moegerle asked if that

is because of the size of the property? Winter said the businesses by the theater area are mostly light industrial. There is heavy truck traffic, outdoor storage, and traffic. We might want to look at marketing that area differently. The area by the theater and gas station is commercial. Landwehr said it gets back to what is our plan or view that we want to provide people, and are we any closer to knowing what that is? Winter said it is another step. Landwehr said it is a big thing to say that one size doesn't fit all. You can look at that area and see a lot of different areas/requirements. They need to be viewed that way and we need to market them. There is one in Cambridge that is a good example.

Winter said in conclusion, she really thinks that the focus on the implementation plan needs to be those five things. Moegerle asked if the executive summary is a way we will address this, and asked how will that executive summary be prepared and approved. Winter said it will need input from all levels. We have a lot of the background information that Ady Voldedge supplied. We have the Corridor and everything outside of the Corridor.

Bezanson asked why the land fill will have to be rezoned. Winter said because it isn't zoned for a permanent land fill designation. Winter said the PCA says the land will have to be serviced for 30-50 years. Bezanson said you could have a PUD on that site. You have a lot of challenges on that site, and not all the challenges are environmental. Winter said we won't be able to do anything on that site for the foreseeable future. PCA is dictating that. Bezanson asked what the zoning is. Moegerle asked if they can plant trees. Bezanson asked if it is going to be rezoned to a green area. Moegerle said we could plant trees and have sustainable land. Connor asked how many acres it is. Davis said it is approximately 40 acres.

Winter said she would like to come back for a joint work session after Labor Day. It would look at MIDS, zoning code and Corridor Issues.

Business Update

Winter got an update from Lisa Hughes from DEED. She sent a slide show and this encapsulates all the economic development initiatives. This is the first time the State of Minnesota has done a lot in the arena of investment. The programs that may benefit the City are as follows:

Minnesota Investment Fund...this program has been under capitalized in the past. It is typically a program that can be used as a loan program to the business. It can be part of the larger financing.

Job Skills Partnership... It is money that goes to work force training. It is a one to one match. It is for a new business that is coming in and the employees need to be trained.

Job Creation Fund... It is like JOBZ which was created to stimulate the jobs. This kind of takes the place of that. It is a program that has \$24 million in base funding. This allows company rebates. It provides capital investments.

Other Programs that may offer opportunities to the City include:

Data Centers

Capital Equipment Exemption – This is an immediate sales tax exemption.

Contaminant Site Clean Up

Transportation Economic Development - \$20 million for trunk highway. This is very interesting and could be very interesting for us. We could potentially take advantage of this program.

Moegerle asked how we can get our name up there, versus the City of St. Paul. How do we get at the top of the list? Are there applications available? What do we need to be in line for the competitive grants? Winter said they are tied to creating jobs.

Moegerle said we are looking into a redevelopment on the southwest corner. Is this something

that we should be calling on to find out if we can proceed with that? Every city is looking at those and getting ready to try to get that money. How do we tap that? Winter said it is project driven. If we get a project we will utilize the resources. Davis said to do a revitalization project, we need to show job creation to qualify for these programs.

Moegerle asked about the area looked at on the east side of Hwy 65, we are looking at what funds are available? Winter said we might have to use funds for blight considerations and also road improvements. We need the visual and aesthetics. Once we know the funding that we have, we will be able to talk about it specifically. Davis said we have to have something definitive in hand. We have met with them twice in the past two years. Butler said we could make this information available at the Chamber meeting.

Landwehr said the City of Osseo will have a kick off project where the Main Street is being torn down, and new buildings put up. It is a combination of grant funds and private funding and it took two years. Winter said she does think that the projects we talked about have been in the pipeline for a long time. This is the first time, in a long-time, that we may have programs available to us. Moegerle said we had talked at the last meeting about having EDA members visit different businesses. We talked about some of the commissions going to visit people. Is that something we should be doing, going and taking the temperature of people on the east side? Winter said establishing a business expansion and retention program is important. Davis said we have begun that process through the business meetings and the two meetings with the business owners on that side of the highway. This something the Chamber could be very effective in doing. If it is something done outside of Staff, it should be through the Chamber or a committee that gives a consistent message.

Moegerle asked if our Breakfast Meeting going to be taken over by the Chamber? Winter said we can talk to the Chamber to find out what the value is. We need something that is timely.

Reader Board Policy Moegerle made a motion to have a reader board policy on the agenda for the August 19, 2013 EDA meeting. She asked members to give any ideas to City staff by the next meeting, so we can have it all incorporated. Connor said he thought Council was taking action on that. Davis said they approved a Reader Policy and are taking action on a proposed Website Policy. **Connor seconded.** Moegerle said if we are going to have it designed, if you have any information on what needs to be in the reader board policy. Landwehr said that white church sign covers up our sign if you are sitting at the intersection. Davis said that sign was there before ours was. We have had discussion on trying to relocate that church sign. We don't own that property and are working with the landowners. **All in favor, motion carries unanimously.**

Website Update At the June meeting we talked about the website home page and the 'Welcome to Our World.' We were going to look at the cost of changing the home page. Because that is not here, **Moegerle motioned at the August meeting we have information on updating the website home page.** We need to know how much it costs to update the website home page. **Landwehr seconded.** Butler said it is a just a flash player with pictures, you should be able to just drop that one picture. It shouldn't cost more than \$50.00. **All in favor, motion carries unanimously.**

Other Reports Moegerle attended the LMC conference. She talked to a lot of people in and out of Anoka County about the City of East Bethel as a recreation destination. She has talked to business owners about it. They were all wildly excited about it. She is excited it is gaining ground. Anoka County is also having a tent at the 3M conference. The ideas were exciting. Butler asked do we want to sponsor something over there? Landwehr said it is expensive. Moegerle said could we see if we can give a handout as advertisement. Landwehr said that would be awesome. There are those big vendors that give out things. Landwehr said like labels for our own bottles of water.

Booster Day is Saturday. She did put together a survey that was sent to City Council members for comment. Butler said he will be busy Saturday and can't help out. Moegerle asked if anyone can hand it out. Landwehr said he could help out on Saturday morning. We will get it started there and then online.

Adjourn **Moegerle made a motion to adjourn the Economic Development Authority meeting at 8:45 p.m. Lux seconded; all in favor, motion carries.**

Respectfully submitted by:

Jill Anderson
Recording Secretary