

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY REGULAR MEETING  
MONDAY, FEBRUARY 11, 2019 – 8150 BARBARA AVENUE**

**1 & 2 CALL TO ORDER/ROLL CALL** The Economic Development Authority (EDA) of Inver Grove Heights met on Monday, February 11, 2019, in the City Hall Council Chambers. Vice-President Bartholomew called the meeting to order at 5:30 p.m. Present were Economic Development Authority Members Dietrich, Perry, and Tourville; City Attorney Kuntz, Finance Director Smith, City Administrator Lynch, and Secretary Fox. President Piekarski-Krech was absent.

**3. CONSENT AGENDA**

**A. Minutes**

**Motion by Tourville, second by Perry, to approve the minutes from the November 13, 2018 Regular Economic Development Authority Meeting**

**Ayes: 3**

**Nays: 0**

**Abstention: 1 (Dietrich) Motion carried**

**B. Claims**

**Motion by Tourville, second by Perry, to approve the disbursements from November 14, 2018 to February 11, 2019.**

**Ayes: 4**

**Nays: 0 Motion carried**

**4. REGULAR AGENDA**

**A. Election of Officers**

**Motion by Tourville, second by Perry, to elect Piekarski Krech as President, Bartholomew as Vice-President, Tourville as Treasurer, City Finance Director or Replacement as Assistant Treasurer, and the Executive Director's Designee as Secretary.**

**Ayes: 4**

**Nays: 0 Motion carried**

**B. Open To Business Year-End Report**

Laurie Crow, Dakota County Business Advisor for 'Open to Business', summarized the year-end report. She advised that use of the program increased in 2018. In order to better market the program, they hired a public relations firm to help write print and digital ads that cities can use to promote 'Open To Business'. Ms. Crow advised that she met with 120 clients in 2018 and anticipates exceeding that number in 2019. They did over \$500,000 of direct lending, and over \$6M of facilitated lending, in Dakota County. They have seen an increase in larger projects, their main source of referral has been from the cities themselves, and service-related businesses are still the biggest users. She advised that their organization has grown; they anticipate being throughout the entire twin cities area by mid-year. It is important to get the word out to businesses that this program exists, and to let them know that the program is not just for start-ups but also for existing businesses.

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Boardmember Bartholomew asked if 'Open To Business' did any loan activity for Inver Grove Heights businesses.

Ms. Crow replied there was no direct lending done in Inver Grove Heights.

Boardmember Bartholomew encouraged them to figure out a way to increase use of the program.

Boardmember Tourville urged Boardmembers to continue to refer people to this program for both financial and technical assistance.

Ms. Crow stated they are constantly looking for creative ways to raise awareness of the program and continuously retrain themselves to help support all aspects of owning a business.

Boardmember Tourville hoped that 'Open To Business' recognized the need to increase their staff after contracting with several additional cities and counties.

Ms. Crow replied that they have already increased their staff to meet those needs, and have also contracted out for assistance with public relation pieces, ads, etc.

### **C. Market Update**

Peter Tanis, Newmark Knight Frank, gave a presentation on the office market trends in the Twin Cities area. He advised that co-working is a trend they are seeing right now, which is large co-location spaces that house many smaller businesses. Finding and retaining good employees is an on-going issue in this tight labor market. Office space location has become an important part of attracting talent, with people looking for public transit, access to housing, walkability, etc. Companies are also trying to be smarter about their footprint and cost of real estate and are migrating from suburban to urban areas. Currently the main land acquisitions are for multi-family housing or industrial development. Retail is the most confusing asset class right now, largely due to the e-commerce effect. Many developers are converting larger big box retail spaces into alternatives uses. Access and proximity to other retailers is a big driver in the retail world. The big drivers in industrial today are distribution and clear height.

Boardmember Bartholomew questioned how the market trends would apply to land in Inver Grove Heights, particularly open parcels by our Target store and near Argenta Trail/I-494. He hoped there would be some spillover effect from the Vikings Lake development.

Mr. Tanis replied that typically activity creates other activity. He advised that suburban retail outlots can be challenging and he felt the industrial side was an important place to focus.

Boardmember Bartholomew stated perhaps they should consider multi-family housing for some of their available open space since it's a hot market right now.

Mr. Tanis agreed, stating it's important to drive progress by incentivizing.

Mr. Kuntz asked Mr. Tanis to give examples of the industrial uses he had in mind.

Mr. Tanis responded that the industrial development they are seeing right now is distribution high-bay warehouse space.

Mr. Kuntz asked if there was a typical ratio of square footage to employees.

Mr. Tanis replied that distribution centers have a lower personnel count.

**D. PROGRESS PLUS UPDATE**

Mr. Lynch advised that Jennifer Gale was unable to attend tonight's meeting, but he would try to answer any questions regarding the information provided in the packet.

Boardmember Bartholomew asked Mr. Lynch to elaborate on what Progress Plus is doing regarding GrowMN.

Mr. Lynch advised that GrowMN is a program designed to help grow the state's economy and works in partnership with chambers of commerce and Progress Plus. During the GrowMN visits they try to learn about the business, learn what their challenges are, and ask if there are ways GrowMN can assist them.

Boardmember Bartholomew asked if Inver Grove Heights had an interest in having a presence on the MNCAR website.

Mr. Lynch replied in the affirmative, stating it would be a priority item for the new community development director.

Boardmember Tourville stated it was important to share information gleaned from meetings with business owners/retention visits/surveys and to use that data to determine appropriate follow-up actions.

**5. NEXT MEETING:** May 13, 2019.

**6. ADJOURNMENT:** Motion by Perry, second by Tourville, to adjourn. The meeting was adjourned by unanimous vote at 6:10 p.m.