

AGENDA
ECONOMIC DEVELOPMENT AUTHORITY MEETING
FRIDAY, NOVEMBER 18, 2016
7:00 A.M.
CITY COUNCIL CHAMBERS

- I. Call to Order/Roll Call

- II. Approval of Agenda

- III. Consent Agenda
 - A. September 16, 2016 Minutes
 - B. October 17, 2016 Planning Session Minutes
 - C. Synchronist Payment; Annual User Fee \$2,400

- IV. Public Comment

- V. Old Business
 - A. Business List Enhancement
 - B. EDA Strategic Plan

- VI. New Business

- VII. Other
 - A. Decertification of Tax Increment Financing District #23

- VIII. Updates
 - A. Housing
 - Tax Abatement
 - Interest in new projects.
 - B. CVN – Next session Dec. 9
 - C. CGI Videos
 - D. Pondview Lots are on the market and buildable/ Lower property purchase
 - E. DEED
 - a. Regional job numbers above average but wages below average due to large retail employment
 - b. DEED very interested that Waseca is drawing construction plans to west interchange
 - F. Boards & Commissions
 - B.E.S.T.
 - October 26, 2016 Business Summit Update
 - Visioning

- IX. Next Meeting Date
 - A. December 16, 2016

- X. Adjournment

Upon request, accommodations will be provided for individuals with disabilities wishing to participate

MINUTES

**ECONOMIC DEVELOPMENT AUTHORITY
SEPTEMBER 16, 2016
7:00 AM
CITY COUNCIL CHAMBERS – CITY HALL**

I. Call to Order/Roll Call

The meeting was called to order at 7:00 a.m. by Vice-President Dave Dunn.

Members Present: Marty Armstrong
Dave Dunn
Ann Fitch
Jill Stagman
Larry Thompson

Members Absent: Daren Arndt
Russ Weir

Staff Present: Gary Sandholm, Economic Development Coordinator
Ranae Schult, Community Development Assistant

II. Approval of Agenda

It was moved by Fitch, seconded by Thompson, to approve the agenda as presented; the motion carried 5-0.

III. Consent Agenda

A. August 19, 2016 Economic Development Authority Meeting Minutes

It was moved by Thompson, seconded by Fitch, to approve the Consent Agenda as presented; the motion carried 5-0.

IV. Public Comment

No public comments were made.

V. Old Business

A. Business List Enhancement

Gary Sandholm, Economic Development Coordinator, stated approximately 325 postcards were sent out to area businesses in order to obtain accurate contact information, i.e., phone numbers, email addresses, as well as NIACS and SICS codes.

It is anticipated all information will be returned for further discussion at the October Economic Development Authority meeting.

B. Housing

- **Tax Abatement**

The Economic Development Authority approved a revised Tax Abatement Policy, which is being reviewed by the City's Consultant and Attorney.

Staff is looking at codification of the policy by 2017 for 2017/2018.

- **Interest in New Projects**

Gary Sandholm, Economic Development Coordinator, stated the City is seeing some activity in multi-family, single family and renovation project, which is attributable to information provided by the City of Waseca Housing Study.

VI. New Business

A. EDA Planning Session

Staff feels it is important for the Economic Development Authority to review the status of the objectives that were laid out in the summer of 2015, to evaluate progress that has been made, and determine the objectives and strategies to pursue in 2017.

The date established for the EDA Planning Session is Monday, October 17, 2016, at 5:00 p.m.

VII. Other

Jim Gibson, President, B.E.S.T. of Waseca County, provided an update on the activities of B.E.S.T. of Waseca County.

VIII. Updates

Updates were provided regarding the following topics:

A. CVN

Gary Sandholm, Economic Development Coordinator, stated he has spoken to three companies that showed interest in Waseca. He hopes to know within two or three weeks if Waseca will be a fit for these businesses.

B. CGI Videos

Staff informed the Economic Development Authority that in October/November video proofs should be available to review.

C. Boards & Commissions

- **B.E.S.T. of Waseca County**

- The Fall B.E.S.T. Business Summit Conference has been set for Wednesday, October 26, 2016, from 9:00 am – 1:00 pm at the Public Safety Center Conference Room.

- A brief discussion was held regarding a meeting scheduled with Superintendents from NRHEG, Waseca and Janesville regarding enhancement Junior Achievement programs.

- **Tourism Board**

Commission member Ann Fitch informed the EDA that the Fourth of July fireworks show has been taken over by the Tourism Board. Ms. Fitch stated that the Chamber has been helpful in providing past contributors. Ms. Fitch further stated that the Tourism Board will also be spearheading the Sesquicentennial celebration in 2018.

IX. Next Meeting Date

The next Economic Development Authority meeting is scheduled for Friday, October 21, 2016, at 7:00 a.m.

X. Adjournment

It was moved by Fitch, seconded by Thompson, to adjourn the meeting at 7:35 a.m.; the motion carried 5-0.

Ranae Schult
Community Development Assistant

MINUTES

ECONOMIC DEVELOPMENT AUTHORITY PLANNING SESSION OCTOBER 17, 2016 5:00 PM PUBLIC SAFETY CENTER

The Economic Development Authority planning work session began at 5:00 p.m.

Members Present: Marty Armstrong
Daren Arndt
Dave Dunn
Ann Fitch
Jill Stagman
Larry Thompson
Russ Weir

Staff Present: Gary Sandholm, Economic Development Coordinator
Danny Lenz, City Manager
Ranae Schult, Community Development Assistant

City Staff provided the Economic Development Authority members information on their 2015 Objective/Strategies/Tactics, and the status of the projects.

A PowerPoint presentation and additional pertinent information was also provided for discussion on the South and West Interchanges, Market Place Subdivision (Location One Information System <LOIS>), DEED 2015 Labor Force Participation Rates, Population Pyramids 2000 Census, Environmental Systems Research Institute (Esri) Retail Marketplace Profile and Esri Demographic and Income.

- **West Interchange**
EDA would like to see West Interchange work continue, but realize with recent events, may not be possible – how could we keep this moving along. Staff is currently working on sewer system at the direction of Council, which takes time and money. How does putting money towards West Interchange look to developers. Staff indicated it shows there is serious money devoted to the project. The City is working on construction plans. Need to cut costs-reduce upfront costs.
- **Housing**
Staff inquired if housing is a top priority. EDA comment was that with housing, comes employees for the business. EDA inquired when purchasing lots and building can begin in Pondview. Staff indicated the City purchased 60 plus acres of land in the residential area, and after requirements are met, there will be 40 acres plus remaining. Discussion was held regarding the need of single-family or newer, updated apartments in Waseca. EDA member indicated that the manager of Bomgaars is looking for a home in the \$180,000 - \$250,000 range. Staff reiterated that a single-family home is not what everyone is looking for – we currently have a 10 year supply of single-family lots.
- **Shovel Ready Land**
EDA member feels the number one priority of the EDA is to have shovel ready land available. What are we doing to attract businesses? It needs to be a top priority to get the 50-100 employee manufacturing operations in Waseca. Staff indicated that by working at the construction plans for the

West Interchange and working with CVN, we are laying the ground work to be prepared to take advantage of opportunities, however, Staff agreed for the need to have shovel ground ready, or will be ready in six months. Staff also stated the need to demonstrate a work force is in place.

Staff was directed to increase the priority of industrial business recruitment.

- **Agri Business**

Discussion was held regarding the agriculture businesses in the area, i.e., Birds Eye (Pinnacle), SROC, ethanol plant, etc. Staff suggestions were made regarding having businesses talking to GreenSeam, or setting up something like the Buyers Supply Network in northeast IA. (Note: the Made In Minnesota has a database similar to the Buyer Supplier Network.)

- **Jobs**

Discussion about how we can bring high skilled jobs to the community. NextGen was an example of a company that would like to grow and stay in Waseca. Staff stated the need to look at what can we can do to assist housing/job development. What sort of assistance is needed for job growth? Staff stated there are retail development strategies. Question was made if job growth and housing can be combined, i.e., earmark lots for housing of employees if a larger company locates in Waseca. Discussion was held regarding a public/private partnership – perhaps something in conjunction with the HRA.

- **Strategic Priorities**

Staff indicated they would rework the 2015 priorities based on direction from the EDA:

- Look at different ways between housing and business development that just Tax Abatement and Tax Increment Financing;
- Start identifying specific needs to businesses, i.e., buyer/supplier network
- West Interchange
- Go from general to specifics based on the Housing study

A brief discussion was held regarding the role of the EDA and how Staff feels the EDA is fulfilling this role. If the EDA would like an evaluation, Staff would request Council do the evaluation.

It was the consensus of the EDA to cancel the Friday, October 21, 2016 Economic Development Authority meeting. The next EDA meeting is scheduled for Friday, November 18, 2016.

The EDA planning work session ended at 7:10 p.m.

Ranae Schult
Community Development Assistant

BLANE
CANADA
LTD.

Invoice

Date 10/1/2016

Due Date 11/30/2016

Bill To Waseca Economic Development Admin
508 S State St.
Waseca MN 56093

Description	Amount
Annual Synchronist PRIME users' fee. This Internet-based program allows access to the User's website, ongoing telephone technical assistance, periodic upgrades, a secure server back-up and periodic webinars offering training for the staff.	\$ 1,000.00
Annual Synchronist CRTS users' fee.	700.00
Annual Opportunity Manager users' fee.	700.00
BCL- 651-122315	
CRTS-	
OpMgr-	
Total	\$2,400.00

60 Days

Thank you for selecting the Synchronist Business Information System!



To: Russell Weir, President
Waseca Economic Development Authority

From: Shelly Kolling
Finance Director

Meeting Date: November 18, 2016

Subject: Termination of Collection of Tax Increments from Tax Increment Financing District 23

BACKGROUND: In 2000, the Waseca City Council created a 25 year Tax Increment Financing (TIF) district #23 for Central Redevelopment activity. In 2005 the City did a modification to this TIF plan and issued bonds to fund downtown improvements. TIF proceeds from this district are the source of revenue to repay the bonds.

The original bond issue was for a twenty year term ending in Feb 2026. Upon review of this bond issue it has been determined the City of Waseca will be able to pay off the balance of this bond issue.

Staff has reviewed regulations related to this TIF district to see if there is another purpose for the City to use this revenue. From a regulation standpoint, the most effective process is to set up a new TIF district at the time we have a project that is eligible.

Based on the processes indicated above, staff recommended to Council who has approved decertification of TIF district #23 as of year end 2016. Staff is presenting this information to the EDA for informational purposes.

The next steps include City staff will completing the decertification process with the County Auditor/Treasurer and the State of Minnesota. The request will inform them of the action taken and establish with the County Auditor/Treasurer to no longer remit any increment to the City for this district. Following decertification of the district, taxes for this area will be distributed to the taxing authorities at the same rates established for other parcels in the City.

BUDGET IMPACT: The decertification of these parcels will result in the City receiving their allocation of the taxes, which are estimated to be additional tax revenue of \$100,000.