



The Lake Elmo Economic Development Authority (EDA) is committed to preserving and enhancing our community by creating an attractive business climate and listening to businesses and residents to prepare for the economy of tomorrow.

NOTICE OF MEETING

**City of Lake Elmo Economic Development Authority
Meeting
3800 Laverne Avenue North
Tuesday, November 15, 2022 6:00 PM**

AGENDA

- | | |
|---|------------------|
| A. Call to Order | 6:00 p.m. |
| B. Minutes
August 16, 2022 Minutes | 6:00p.m. |
| C. Solar Farm on City Landfill Property | 6:05:p.m. |
| D. Business Retention and Expansion Survey Updates
and key findings to deliver to City Council | 6:30 p.m. |
| E. Annual Review of Work Plan | 6:45 p.m. |
| F. Future Agenda Items/Reports
-Next Meeting Feb 21, 2023 | 6:55 p.m. |
| G. Adjourn | 6:55 p.m. |

**CITY OF LAKE ELMO
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
August 16, 2022**

Call to Order/Roll Call

President Paul Ryberg called the meeting to order at 6:00pm.

PRESENT: Jeff Holtz, Charles Cadenhead, Ninna Waldoch and Paul Ryberg.

ABSENT: Linda Larson, Tony Manzara

Staff Present: City Administrator Handt, Director Just

May 17, 2022 Minutes:

Motion to approve the May 17, 2022 minutes by Cadendhead, seconded by Holtz. Motion passed.

Ryberg asked to add Solar to the end of the agenda.

Business Retention and Expansion (BRE) Survey Updates

A summary of responses was included in the packet. Cadenhead mentioned he is still trying to connect with a couple of businesses. Commission discussed moving on to the businesses south of 10th St between Inwood and Keats since many of the Old Village businesses had been contacted or had the opportunity to provide feedback. Handt will send out the list for the new area. Review and discussion on some of the responses related to the labor market. Discussion by commissioners about holding a joint meeting with council or developing some report on the visits. Handt suggested planning to attend a joint work session once data was gathered. Ryberg asked about attending the rotary meetings to share info.

Consultant RFP Criteria/Scope Discussion

At the last meeting the commission decided to request \$85,000 in funding for a consultant for 2023. Chris Eng, Economic Development Director, Washington County CDA, was invited to help provide guidance. He suggested looking back to the work plan and identifying specific tasks to have a consultant complete. When asked if other cities hire consultants to do EDA work, he replied he didn't know of any in Washington County. In most cities either the city administrator or community development director do the work depending on size of city. Eng mentioned some cities have hired a consultant to market city property for development and that may be something Lake Elmo does. Commission discussed getting a consultant for some marketing, branding or website updates for the EDA. Eng mentioned a couple of trade shows city staff and elected officials from other cities in Washington County attend. He will send information about an October event at the depot in Minneapolis and invited members to attend. Before leaving Eng also provided an example of literature that Oakdale has developed for promotion.

Solar Farm on City Landfill Property

Ryberg reported he looked into placing solar on the city landfill and learned that has become a more popular practice in recent years. He will continue to gather information and report back tot eh commission.

Future Agenda/Reports

The next meeting will be Tuesday, November 15th at 6pm. Agenda topics will include BRE updates and a discussion of the top three results, consultant RFP and solar on city landfill.

Handt mentioned the ribbon cutting scheduled for Sept 27th at Flagship Recreation and the Size Up Small Business program from the Washington County CDA.

Adjourn

Meeting adjourned at 6:51 P.M.

Respectfully Submitted,
Kristina Handt



STAFF REPORT

DATE: November 15, 2022

REGULAR

AGENDA ITEM: Solar Farm on City Landfill Property

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

Earlier this year Commissioner Manzara suggested looking into placing a solar farm on the city landfill property on Jamaca Ave. Last meeting, Commissioner Ryberg also shared information and both requested this topic be placed on the November 15th Agenda so they could provide updates.

Commissioner Manzara has invited Eric Carlson of Enterprise Energy to speak to the commission.

ATTACHMENT:

- None



STAFF REPORT

DATE: November 15, 2022
REGULAR

AGENDA ITEM: Business Retention and Expansion Survey Updates and Key Findings to Council

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

Conducting a Business Retention and Expansion Survey (BRE), has been identified as the top goal for the EDA for 2022. Earlier this year, the EDA finalized the survey questions and decided to begin by meeting with businesses in the Old Village area. At the August meeting, it was decided to move on to contacting businesses south of 10th St between Inwood Ave and Keats Ave. Also at the August meeting, the commission discussed identifying their key findings and providing an update to the city council or having a joint meeting with them.

ISSUE BEFORE COMMITTEE:

What feedback do members have from their business visits? What do you see as the key findings from these surveys that you'd like to share with council? Next steps?

PROPOSAL DETAILS/ANALYSIS:

This year, 13 businesses have taken part in the business retention and expansion survey. The summary has been updated since the last meeting to include the three additional business responses. No responses have been received from the south of 10th St businesses as of the writing of this report.

After reviewing the responses, what are some of the key takeaways the commission would like to share with the council? Suggestions- many are experiencing staffing challenges, split feedback on expansions and some just include employee additions, signage and internet are common challenges noted, and looking for more consumer oriented retail to increase foot traffic are a few things that seem to be mentioned more than once.

If the board would still like to hold a joint meeting with the city council, I would suggest you invite them to your next meeting since it is already on a council meeting night. If 30 minutes is sufficient, council could join at 6:30pm allowing the EDA to do its other business beforehand.

RECOMMENDATIONS:

Provide direction on next steps

ATTACHMENT:

- Summary of results.

1. Tell Us About Your Primary Products and Services

Food

Full service beauty salon

This business is a very seasonal enterprise that sells Christmas trees and related decorations, and provides a "Farm Experience". A minor part of the business provides backdrops for photography. The background effort and expense to plant, cultivate, shape and harvest the trees is distributed through other times of the year, but essentially all the income comes in between Thanksgiving and Christmas

This restaurant provides sit-down meals and take out meals including via a drive - through window. On-line orders are accepted.

It experienced a major change in business during the COVID pandemic, their drive-through which was installed 12 years ago became the only possible venue for sales during the State's shut-down of dine-in restaurant business. Sales volume went from 30% drive-thru to 100% drive through with many layoffs of serving staff.

The main activities are Day Care, Boarding, Training and and Grooming of mostly dogs. The business is doing well, they are at or near capacity. Main competition is in Woodbury and Oakdale. At one time this was also a veterinarian location with the previous owner, but no longer. There are typically 70 dogs in for day care, and another 20 for boarding. There is a thriving dog training business too.

This business is a law firm that does estate planning, mediation, real estate closings, and real estate title work.

They have two divisions, one designs, builds and installs commercial recreation equipment such as playgrounds, splash pads, etc. in Minnesota. Customers are mostly municipalities and school districts. The other group is a supplier of portable temporary fencing on a global basis.

This insurance agency has been in Lake Elmo for a long time. Their customers are about 50% individuals and 50% commercial.

Provide Physical Therapy, yoga and other wellness activities, are a stand-alone business, not a franchisee

a real estate sales company that also does staging of homes for sale. They previously had a location in North St. Paul on Seventh St. Since the pandemic they have conducted this business from home and are working to rent out their building, which is just south of the railroad track, on the east side of Lake Elmo Avenue. The back section is being used for a hairdresser. They hope to find a small business like an ice-cream shop, which would set up in the front part of the building, which has a very nice new deck, and use their available parking lot.

Platform for people to teach and learn about nature, Community meeting place with peace and respect, Nature Center

Auto Repair - the business is running well, more work in Summer than in Winter. They could do a little more business if they could hire another one or two suitable employees. At times they have to schedule work some weeks in advance. The possible work volume is also limited by the number of work spaces available but is not interested in expanding the footprint.

2. How many Employees currently work at this location?

2FT

None-retail stations, not employees

3 full-time employees and from 0-40 seasonal employees

3 full-time and about 27 part-time employees currently

14 full-time employees, 6 part-time, and they are hoping to have 5 more seasonal summer employees
12 full time employees including 6 attorneys and supporting staff.

13 employees, all FT, designers and salespeople. One each of the sales people live in a northern Minnesota city (?) and Owatonna and cover the north and south parts of the State.
five full-time and one part-time employees

Two full time employees

one full-time, 2 part-time work in hair salon. Real estate business website mentions five staff and four independent agents.

4PT, 25 volunteers

5 FT

3. Is your business currently considering (select options):

Expanding at this location with more food items

The business operates under an Interim Use Permit and is somewhat limited by this situation. A parking lot expansion was made to accommodate a safer traffic flow, this resolution has worked well. There is not a business expansion plan at this time, and the business may have to downsize eventually. It seems restrictive that a business which operates at retail for only one month a year is treated the same as an all-season business with respect to such items as traffic flow limitation

No expansion plans at this time, they have 200 seats including outdoor area, plus drive through. Their food service niche is middle of the road, tends to be stable during economic cycles, while high-end and low-end food service businesses get more fluctuation. There are about five acres of cleared land available on the property. Have had the business here since about 1980 and they have done six expansions during that time. The zoning is Old Village Mixed Use but just to the west is zoned differently.

They would like to expand at this location and double the business, but have issues as listed in section 4.

The firm's business has seen recent expansion in the estate planning area due to COVID-related anxiety, and expansion in the real estate area due to increased activity in local housing development. Building space and staff time are fully utilized at present.

Business recently expanded with the addition of the last two employees. They do not have enough storage space in their location (but there is no room to expand) so they are renting 4000 sq ft in Houlton WI for storage.

The business recently moved from the Brookfield building to the office park by the Jamaca roundabout. They have enough space but would like to expand the business by hiring and training another employee.

Just expanded to two providers

Hoping to bring in a retail tenant (ice-cream shop or?) and would need to do a bit of remodeling for ADA access. Would consider selling the building if the price is right.

Does not plan to expand, or make any voluntary changes

4. Are you currently experiencing any challenges with (select options):

municipal utilities, private utilities-gas

a. most seasonal workers enjoy the atmosphere of respect, strict attention to safety, and perks, it has not been a problem to get help, b. no experience needed, i. unable to upgrade facility as they wanted due to restrictive zoning/permitting which requires more setback for building on agricultural land (existing building would not be allowed under current rules)

a. tough labor market, which he expects to worsen when the Amazon warehouse hiring starts. The part-time staff is mostly entry-level - wait staff, busing, etc. , b. no need for educated employees, training is in house, c. no transportation needed for products, d. employees may bicycle to work, or drive their own cars, he has plenty of parking available, e. employee housing is not a real problem, many are either young adults living with family, or live in Cimmaron, f. financing is not a problem in this case, there is not a current need for bank financing but this is a solid, creditworthy business if financing were needed. Owns the building and pays rent to himself, g. Municipal utilities - this location has been on city water since 1962, no particular problems. City sewer will be coming soon. Cost will be high, h. Right now the "cost of goods sold" is killing profitability because, for example, if the price of eggs goes up 400%, there is no way to raise menu prices enough to make up for the additional cost without driving customers away.

The Conditional Use Permit for this business restricts growth and they are not sure if it can be modified. There is a very large industrial development just to the west of their property which has industrial / commercial zoning while their property was rezoned from agricultural to limited business some time ago, and they do not know what it would take to get theirs changed. Job posting is done on Handshake, Facebook, and via a career page on their own website <https://www.animalinnpetresort.net/careers/>. Another site is animalintraining.com. Younger employees generally do not live in Lake Elmo due to high costs, but come in from Oakdale or western Wisconsin. The UW River Falls campus has animal health curriculum which is the basis of some of their employees' job skills. No serious problems with employee transportation or employee housing, but recruitment is an issue now. Financing is not a problem, their water comes from a well, and the cleaning of kennels takes a lot of water. They have difficulty with getting good internet, Centurylink is expensive (both monthly cost and charges for upgrades) and slow.

The challenge at this time is lack of nearby affordable housing for junior staff members, some come from Wisconsin and Cottage Grove. Transportation is not an issue as most employees have cars, and on-site parking is an advantage. Utilities - An issue with municipal utilities relates to City water billing - no problem with water supply.

a. talent - no problem right now - the talent needed is in two categories - have both filled now, b . employee education/training - equipment designers (require education) and sales (can be trained on the job), c. suppliers mostly ship to work sites, not a problem, f. financing is not a problem but the cash flow is very seasonal - money comes in when the work is done, during construction season, but costs are high in the winter. g. Only major problem has been with road reconstruction in front of their building - very poor coordination with contractor has caused business disruption, and lack of cooperation in design resulted in plan for a curb which would prevent access to their loading dock area. Delays have been random and have interfered with their plans, and water was shut off with very short notice.. The curb plan issue has required time-consuming extra meetings. Their experience with the City Building Department, Fire Department, and code enforcement during the extensive remodeling of their building 2019-2021 was very positive. h. They get very poor internet service from Xfinity - expensive, slow, narrow bandwidth. Electric and gas are ok.

a. it has been difficult to hire the right person to expand the business, b. they are willing to train someone, e. lower-paid employees live further away

f no issues with financing, had a loan from Lake Elmo Bank to get started with rental, g municipal utilities OK, code enforcement issue – The landlord said that a chiropractor had occupied space in the building previously and had not needed any special permit. Matt went to City to be sure, City Planner Ben Prchal told him that he needed to pay \$5000 for a conditional use permit to do physical therapy at that location. Matt was told that if he had not asked, probably there would have been no issue. He told Ben that there was no way he could come up with \$5000 for this permit process, and then was told that it would not be necessary. h private utilities – broadband from Xfinity is very expensive, finally went with T-mobile hotspot.

a-f no issues; 4 g - if ice cream shop is set up, need to work through State restaurant health inspection system; 4 h no issues

Attracting and retaining staff - Need volunteers on sundays or possible intern -Financing-need successful fundraising
problem getting employees to do this kind of work - issue not specific to them but affects industry

f. self-financed - he rents the space

g, no problem - they are on city water, have had no code enforcement problems

h. had very poor internet service from Century Link - finally called Jason and threatened to change provider, Jason came and fixed the issue right away.

a. yes (people are not seeking this job in Lake Elmo)

b. no

c. no

d. no

e. housing in Lake Elmo is not affordable for potential employees without other income

f. no

g. utilities OK, signage regulations are illogical and very limiting

h. Century Link internet is bad

i. other - plantings along the sidewalk are overgrown and no one takes care of them - who is responsible?

parking time limit is too short - some customers need four hours of service but can only park for two hours.

5. Are there any customers, vendors, service providers or suppliers the city may want to consider visiting with about possibly relocating to Lake Elmo that could compliment your business?

Brewery, more retail

It would be good to have more consumer-oriented retail in Lake Elmo to bring in ordinary shoppers who now go to Stillwater or Woodbury - a "General Store" other retail, grocers, more choice in restaurants.

The restaurant's suppliers need not be very local. More traffic coming to other businesses would help to increase the number of potential customers. Estimates that 50 % of his business is people who see XXXX's as a destination, 50% are driving by and stop in.

A complementary local business could be a pet store/pet supply location. Customers now go to Woodbury or Stillwater big box pet store locations.

Interesting question - their business partners are real estate companies and banks.. Otherwise, not a lot of connection to local businesses

They would like to have a local company that offers storage. They would like to engage a local construction company to built the playgrounds they design. They moved their business from St. Louis Park to Lake Elmo for business advantage (Lake Elmo is growing) and because they got a good deal on a suitable building.

They rely more on referrals, more foot traffic would not benefit their business very much. They use a 3rd party social media provider and pay for a sign at Lions Park field.

A complementary business would be a gym, health club, other fitness activities nearby etc. They get some business leads from foot traffic but rely on mostly social media and referrals from fitness coaches to get new patients. Some more prominent signage may be helpful but regulations are limiting

They would like to have a nearby business which rents out climate-controlled, easily accessible storage space. 1500 sq ft is needed to store their home staging articles. An ice-cream shop would benefit from more traffic in general, but the hair salon is more of a destination business.

Partnerships with schools to have a program where students regularly visit the nature center for education

would benefit from more nearby businesses whose employees might be able to drop off a car to get work done, then pick it up before they go home.

more retail business would attract more shoppers, some of whom could use our services this business is a destination for some customers and a drop-in for other customers.

better signage would enable some people to recognize the business location and come back later

6. Is there anything the City or EDA can do to help your business grow and expand?

They would like to see a more flexible rule for business signage - perhaps seasonal installation of a suitable sign?

Have city staff or commission members come out to see what is being planned before writing up a recommendation or making a vote. Have consultation sessions with cooperation rather than rule-based pushback against development requests. The city is perceived as non-collaborative and unhelpful, sometimes it seems like a confrontational situation.

The city is perceived to treat businesses unevenly, what has been allowed for one business is denied for another. For safety and smooth traffic flow, Krueger Tree farm would like to be able to set up small lighted signs to direct the incoming and outgoing traffic in the evenings from Thanksgiving to Christmas but the regulation does not allow such signage. If a business asks for permission to do something, the request is "put under the microscope" to look for items that might be against the rules, rather than having an open discussion of what is needed and what

The possibility of using the farm as a photographer's background was interpreted as creating an "entertainment" business which was not allowed in the zoning area. It took a lot of effort to resolve this issue, the back-and-forth communication was difficult. Ultimately in this case the IUP was amended satisfactorily, but the ruling seemed quite arbitrary with respect to the number of trips was allowed (actually many more than requested).

does not expect the City to help attract customers, but there are things that can be done to not discourage customers. Deal with the traffic issues

Traffic issue 1 - since the traffic light was installed at LE Ave and Hwy 14, there is no guidance to those pulling out of XXXX's driveway to go left on 14, or straight north on LE Ave. This situation is dangerous especially for those with slower reaction time, because the driver has to guess when to go and has no idea of what the signals are directing the other three traffic flows. Said that The business climate in Lake Elmo has been an issue (reputation for "unfriendly to business"). The settlement of the development lawsuit (LE vs Metro Council) did help their lender decide that the LE location was viable. They are originally from California, and lived in Farmington MN where there is also an issue with difficult business climate. How much is the State, how much local? They would like to improve the signage for their location to make the business more visible, but understand that LE is very restrictive in that regard. They would like to get a clear

encouraged that the City has opened a channel through the EDA to listen to business owners' concerns. In the past their only connection was to pay the real estate taxes. The City organization was not viewed as helpful, and the divisive nature of historical Councils did not engender much confidence. She would like to be kept apprised of the activities of the EDA.

New developments in Lake Elmo are required to provide a park (maybe with a playground) or pay a parks dedication fee, they would like to form connections with the developers of new housing developments to be able to offer their services. It would be helpful if the City had a program to help businesses that want to redevelop existing buildings to make them suitable for the new owner's business (restore or upgrade existing commercial buildings) to maintain a historic appearance. They would like better cooperation with the City snow removal process. The plow now pushes the snow onto their limited parking area, which they must then clear.

While there are many new developments where homeowners need insurance, most of the big developers have their own in-house insurance business, which typically offers a low cost bare-bones policy, and XXXX only gets the business after the homeowner has a bad experience with this "package" plan.

"It is good to hear that someone cares about the business climate in Lake Elmo.

They are really busy in the real estate business, and have no suggestions for what the City could do to help them in the short term.

Signage right off the main road before the entrance - content on the city website

He had no suggestions for short term improvements that L.E. City or EDA could make. This is a destination business and does not depend on casual drive-by customers who happen to notice it.

improve the signage regulations to allow more useful signs.

pay for snow clearing on downtown sidewalks

7. Are there any priorities you would like to help identify for the City of Lake Elmo or the Lake Elmo EDA to consider as strategic planning action steps?

Slow down residential development. More new residents equal more kids which equals more schools which equals more school district taxes. I know this is true, I have owned my building since 1980 and know the consequences of out of control development and it is not good for small business owner. The huge assessments to fund the main street sewer project have made the profitability of my business pretty bleak.

Would it be possible for a seasonal commercial business such as this business to be classified for tax purposes as commercial for the business period and agricultural for the non-business period?

Go to the county and get information on the tax base - how much is commercial, how much is residential. Be sure to consider this background when making strategic planning decisions. Why is the Fiscal Disparity tax on businesses so high? This is money that leaves the City. Take steps to ensure that another loss of commercial land by Lake Elmo, like Oakdale's annexation of Section 32, does not occur. Estimates that that area has \$600 million in commercial real estate value - and Lake Elmo does not get a penny of the tax revenue even though the businesses are heavily patronized by Lake Elmo residents.

What is the plan for business development in LE? We suggested that there may be a section of larger business/industrial near I-94 and I 694, a smaller-business downtown, and residential development in the rest of the City. We would like to have local businesses to meet the needs of local customers, to keep the spending in LE. Changing demographics - bringing in more young workers and families with kids.

She thought that community business awareness could be improved. We mentioned the creation of Connect Lake Elmo as an organization to help with this need.

Strategically, said that it would be good if more retail business with "charm" could be attracted to the downtown area to generate more foot traffic. Many of the downtown businesses are destinations (like the architects, real estate, insurance, etc) and do not depend on random visits by people walking by, but the by-gone coffee shop and once-proposed ice cream shop would make the downtown a lot more attractive. Even amenities like Bayport's hanging flower baskets and Mabel's ice cream would help downtown Lake Elmo attract more customers.

The strategy should be more inclusive to small businesses, and make it easier to deal with the City for business modifications. Their plan had been to expand on the original Old Village site but the complications of dealing with a third-party engineering firm made the process very inefficient and time-consuming, finally they gave up and moved to the roundabout business park. They like Lake Elmo, "Main Street" is amazing and has opportunities for improvement, it is "not Woodbury". There should be good opportunities with the new demographics (more active young families) to provide growth for a service business, if people can be persuaded to keep the business local. It would be helpful if there were attractive businesses or activities to keep people "in town" after they come for a haircut or a restaurant meal.

It would be good if the City could relax the requirements for signage on businesses. It would be good if the City could provide notification on the highways about businesses that exist in Lake Elmo, something like the ones on the freeway that mention "food" "fuel" "lodging". Then some customers might drive in instead of driving by.

Build business incubators

No suggestions - we did talk about signage to let people know that Lake Elmo has auto repair available, and about the possibility of creating more traffic by bringing in more retail business to downtown Lake Elmo, but he did feel that these would make much difference to them

bring in more traffic - such as via "businesses in Lake Elmo" signs at intersection of Highways 14 & 15

currently there are some obsolete signs still standing in Lake Elmo, causing confusion.

what about having a page on the City website that links to a local business directory?



STAFF REPORT

DATE: November 15, 2022

REGULAR

AGENDA ITEM: Economic Development Plan

TO: Economic Development Authority Commissioners

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

At the February 15, 2022 meeting after months of meetings and feedback from the city council, the EDA recommended a work plan for years 2022-2024. It was accepted by the City Council at their March 1, 2022 meeting.

Each fall the city's commissions update their work plans for council review and approval early the following year.

ISSUE BEFORE COMMITTEE:

Are there any additional changes to the work plan before submitting to City Council for approval?

PROPOSAL DETAILS/ANALYSIS:

The goal for 2022 was the business retention and expansion surveys. The commission has gathered about a dozen survey responses from the Old Village area. Should this goal be extended into 2023 or removed?

The goal for 2023 was to develop more data. As you heard earlier this summer, Washington County CDA will be undertaking a labor market study. Lake Elmo will be included in the central region data.

The goal for 2024 was to increase the number of commercial and industrial businesses. It included significant staff investments in updating the website, newsletters and other communications. We don't currently have the resources to complete all of these deliverables but will reassess after the addition of a Community Development Director in 2023.

If the EDA wishes to continue pursuing a solar farm at the city landfill property, that should be included as a recommended update to the city council for their approval. Any items from the BRE survey responses the EDA would like to tackle should be included in the recommended update. Any other ideas the commissioners have for updates to the plan should be included in a recommended update. It's important that the EDA prioritize items and stick to the plan in order to be most successful. "If everything is a priority, then nothing really matters."

Any additions to the work plan should be in the same format-goal, action steps, deliverables and timeline.

FISCAL IMPACT:

TBD

The council did not include any funding for the EDA in the 2023 budget. They would like to wait for the community development director to be on board and then revisit the need for funding.

OPTIONS:

1. Make no changes to the work plan
2. Amend and then recommend to Council

RECOMMENDATION:

“Motion to recommend the 2023-2024 (or 2025 if new items are added or reprioritized) Lake Elmo EDA Work Plan to the City Council.”

ATTACHMENT:

- Draft 2022-2024 Lake Elmo Economic Development Work Plan

2022 – 2024
Lake Elmo EDA
Economic Development Work Plan

Lake Elmo EDA Mission

The Lake Elmo Economic Development Authority (EDA) is committed to preserving and enhancing our community by creating an attractive business climate and listening to businesses and residents to prepare for the economy of tomorrow.

Goals

1. Develop strong relationships with existing businesses and explore options for a Business Retention and Expansion (B,R&E) Visitation Program
2. Develop data (talent availability, business types, demographic information)
3. Increase the number of commercial and industrial business
4. Develop and maintain sense of place and create new positive community perception

Planning Process

The purpose of this document is to serve as the Lake Elmo EDA 2021 Economic Development Strategic Plan with a planning horizon through 2024.

Strengths, Weaknesses, Opportunities and Threats / 2040 Comp Plan

To assist in the EDA's discussion and to help achieve the goals and action steps identified within this plan, a summary of the July 21, 2021 group discussion on Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis and also includes maps from the 2040 Comprehensive Plan Update is included as Attachment A.

Goals/Action Steps/Deliverables

1. Develop strong relationships with existing businesses and explore options for a Business Retention and Expansion (B,R&E) Program.

Action Step: City and Washington County CDA staff will research and explore options for a business retention and expansion visitation program. Staff will: 1) work to create a list for possible businesses to visit, 2) develop and recommend a proposed program structure including timing, 3) create a draft business survey and 4) discuss the potential interview process and overall program operations including reporting the survey results. Recommendations will be brought to the EDA for consideration, input and discussion.

Deliverables: Staff will be providing potential program options to EDA for discussion and consideration. This began in the fourth quarter of 2021 and will be ongoing.

2. Develop data (including talent availability, business types, demographic data)

Action Step: City staff with assistance from Washington County CDA staff and DEED will provide community demographic information (including but not limited to: talent availability, business types, community profile, demographic data).

Action Step: City staff with assistance from the Washington County CDA will explore hiring a consultant to update/undertake a detailed labor market study and then report back to the EDA Board.

Action Step: City staff with assistance from the Washington County CDA will explore options to obtain resident input through a survey and then report back to the EDA Board.

Deliverables: The labor market study and demographic/data study update will begin in 2023 or sooner contingent on available funding.

3. Increase the number of commercial and industrial businesses

Action Step: City staff with the assistance of CDA staff will explore opportunities to attract new businesses into the city. Updates to the EDA may include maintaining a list and periodic reports of commercial and industrial projects that are in the planning process, under construction and recently completed.

Action Step: City staff will showcase more economic development stories and business updates on the EDA website the CDA's website as well as in the City's Newsletter.

Action Step: A community asset and resources list will begin to be developed in 2024 and will be maintained on an ongoing basis.

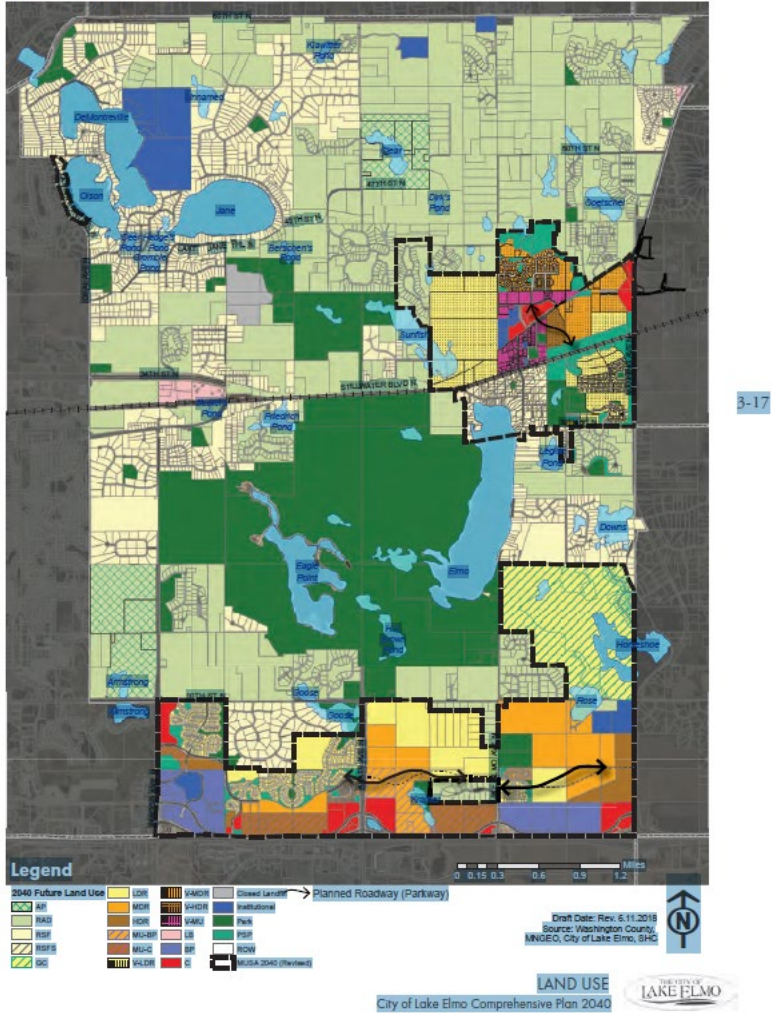
Action Step: City staff with the assistance of CDA staff will meet with interested property owners, site selectors, commercial realtors, developers on an ongoing basis to promote development opportunities.

Deliverables: Staff will explore options to update the EDA's web presence including, considerations for a potential web platform, adding an inventory of available land and buildings, listing available business resources and developing a digital marketing plan and materials {digital rollout} for business recruitment, expansions and retention. This will begin in the first quarter of 2024 and will be ongoing. Recommendations will be provided to the EDA members on a regular basis for discussion and input.

Deliverables: Staff will attend events attended by commercial realtors, developers and site selectors. This began in the second quarter of 2021 and will be ongoing.

Attachment A
2040 Lake Elmo Comprehensive Plan Map
Strengths, Weaknesses, Opportunities,
Threats Group Discussion

Map 3-3. Future Land Use Map



3-17

Strengths, Weaknesses, Opportunity, Threats Discussion

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Strengths

Available land (zoned, open, transportation)
Low tax base
Large residential base (high incomes)
Educated talent pool
Central geographic location
Highway 36 & I-94
Interest in development
Flexible zoning
Quality of life
Excellent schools

Opportunities

Demand for warehouse and industrial
Shift in workplace/telecommuting
Broadband
Downtown
Partner with County
Survey small businesses
Airport
Neighboring communities
Imation (4 Front)
Recreation opportunities
Truck/trailer parking

Weaknesses

Infrastructure availability
Neighboring communities
Perception (not business friendly)
Small city (talented city staff)
Conflicting goals
Clean energy
Economic incentives
Data on talent availability
Education/training
Transit

Threats

Competition neighbor communities
New workforce (post pandemic)
Social unrest
Economic future
Wisconsin
Perception of the past
Resources for businesses
Unknowns (Met Council)