



*Our Mission is to Provide Quality Public
Services in a Fiscally Responsible Manner
While Preserving the City's Open Space
Character*

NOTICE OF MEETING

City of Lake Elmo Economic Development Authority Meeting

**3800 Laverne Avenue North
Tuesday, June 15, 2021 6:00 PM**

AGENDA

- | | | |
|-----------|--|------------------|
| A. | Call to Order/Roll Call | 6:00 p.m. |
| B. | Approval of April 20, 2021 Minutes | 6:00 p.m. |
| C. | Chris Eng, Washington County Economic
Development | 6:05 p.m. |
| D. | Next Meeting Date/Future Agenda Items/
Reports | 6:40 p.m. |
| E. | Adjourn | 6:50 p.m. |

**CITY OF LAKE ELMO
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
April 20, 2021**

Call to Order/Roll Call

Mayor Cadenhead called the meeting to order at 6:00 P.M.

PRESENT: Jeff Holtz, Charles Cadenhead, Linda Larson, Mark Gaertner, and Paul Ryberg

ABSENT: None

Staff Present: City Administrator Handt

Election of Officers:

Paul Ryberg volunteered to serve as President, seconded by Larson. Motion passed.

Mark Gaertner volunteered to serve as Vice President, seconded by Cadenhead. Motion passed.

Motion by Larson, seconded by Gaertner that Handt serve as Secretary and Assistant Treasurer. Motion passed.

Larson volunteered to serve as Treasurer, seconded by Cadenhead. Motion passed.

It was also noted that there are still four openings on the EDA (two voting members and two alternates).

2021 Meeting Schedule/Future Agenda Items

Ryberg asked commissioners what their ideas were on economic development. Commissioners shared about their backgrounds and interest in seeing more economic development throughout the city (I94, Old Village, 77 acres). Ryberg wanted to know what properties in Lake Elmo are developable. Larson asked for a review of the comprehensive plan. Holtz asked for a check in with ULI. Larson also wanted more information on the labor profile and a list of tools available. Ryberg mentioned the group along I 35 working on economic development. Handt suggest having Chris Eng, Washington County Economic Development Director lead the group in a strategic plan development and provide the background data such as a labor profile for Washington County.

Motion by Cadenhead, seconded by Larson to have Eng come to the next meeting and talk to us about the county plans. Motion carried. The commissioners also agreed on June 15, 2021 at 6pm for the next meeting date. Next meeting may be in September or sooner if issues come up.

Motion by Holtz, seconded by Cadenhead to go into closed session pursuant to Minnesota Statutes Section 13D.05, subdivision 3 (c)(3) – to consider offers for the sale of the former 3M property on Ideal Avenue, south of CSAH 14 (Tax Parcel ID 16.029.21.24.0002 (portion south of CSAH 14 only)). Motion passed.

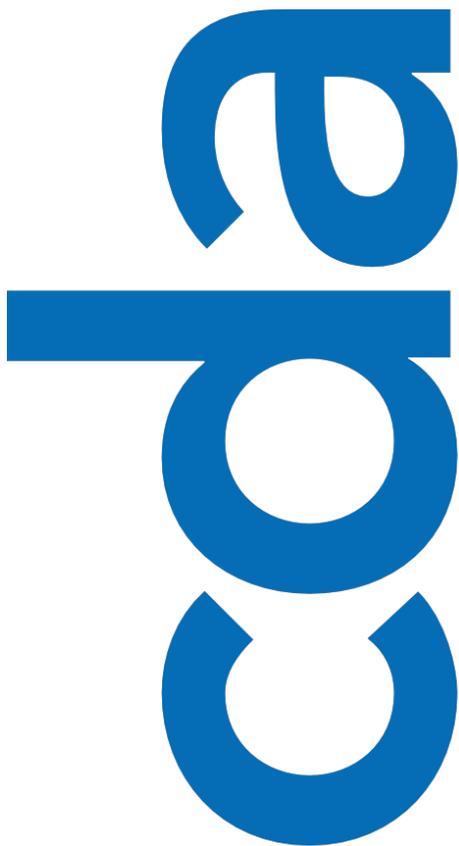
Adjourn

Meeting adjourned at 6:59 P.M.

Respectfully Submitted,
Kristina Handt

2020-2022

Economic Development Plan



**WASHINGTON
COUNTY**
Community
Development
Agency

TABLE OF CONTENTS

TABLE OF CONTENTS	1
INTRODUCTION.....	2
VISION AND GOALS.....	4
CORE PROGRAMS.....	5
NEW PROGRAMS.....	8
OTHER INITIATIVES.....	9
SUMMARY	11
ACKNOWLEDGEMENTS	12
ATTACHMENT A	19
ATTACHMENT B	22

INTRODUCTION

The Washington County Board of Commissioners adopted the first Economic Development Strategic Plan in May of 2014. Prior to this action, the County's role in economic development had been focused on providing robust county services to foster a vibrant local economy, including well-planned infrastructure, parks and open spaces, and maintaining a low tax rate. The 2014 Plan sought to establish a single point of contact for economic development within the County, update tax increment and abatement policies and incorporate economic development considerations in all of its decision making. It also sought to expand the County role in marketing.

The Washington County Board of Commissioners determined that adding an economic development component to the Washington County Housing and Redevelopment Authority (HRA) would enable the county to deliver programming on par with other counties in the metropolitan area. In 2016, the state legislature approved an amendment to the HRA enabling the creation of EDA powers and renaming the Agency to the Washington County Community Development Agency (CDA). The CDA offers several areas of assistance including housing, community development and economic development. This document is focused solely on the CDA's economic development related vision, goals, programs and resources. The CDA serves many economic development purposes, including monitoring changing trends, promoting economic development and ensuring the availability of programs and services for the diverse cities and townships within the County.

The organizational structure and relationship between the Washington County Board of Commissioners and the Community Development Agency (CDA) is illustrated in Figure 1 on the next page. The County Board appoints the CDA Board and as shown, economic development is one of the CDA's responsibilities. The County Board is responsible for reviewing and approving the 2040 Comprehensive Plan for the County, which includes a chapter on economic competitiveness. The relationship between the Comprehensive Plan and this Economic Development Plan is illustrated in Figure 1.

The County is required to complete a Comprehensive Plan every ten years per the Metropolitan Land Planning Act. While the economic competitiveness chapter was not a required element of the 2040 Plan, Washington County chose to include the chapter, realizing the benefits of planning for future economic development opportunities. The economic competitiveness chapter includes the following sections:

- **Existing Conditions:** Washington County Employment, Employment Industries, Wages in Washington County, Unemployment, Workforce Development.
- **Key Industries/Centers of Employment**
- **Opportunities and Challenges**
- **Goals, Policies and Strategies**

The purpose of this Economic Development Plan is to set out specific programs and strategies aimed at responding to the needs of communities and townships over the next three years and to guide CDA budgeting. The plan also identifies strategies to continue to promote the county for business development. The plan serves as an ongoing tool to implement the County's 2040 Economic Competitiveness Chapter.

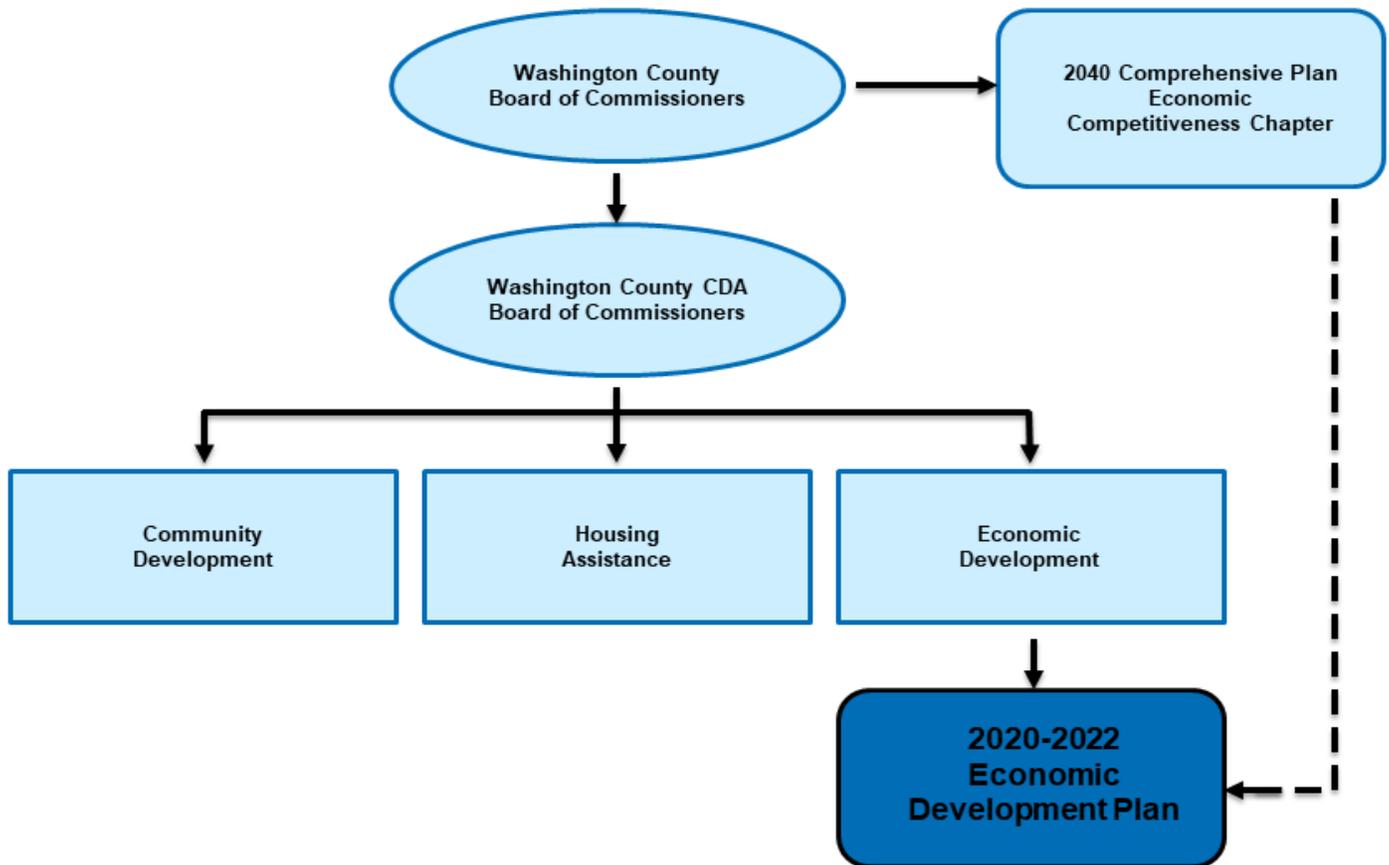


Figure 1. Relationship between the Comprehensive Plan and the CDA Economic Development Plan

VISION AND GOALS

Economic Development Vision:

The Washington County Community Development Agency helps communities across the county achieve their housing and economic development goals. The agency's economic development vision is: A thriving and competitive local economy provides family-supporting jobs, employment opportunities for our young people, and a tax base that supports critical public investments in our safety, schools, and quality of life.

Guiding Principles:

- The private sector is the lead that drives the economy.
- The County will not duplicate or replace the work of cities or other public agencies.
- The County supports a strong collaborative approach to economic development.
- Business attraction and business retention are essential policy objectives.
- The diversity of the County requires an adaptable and open-minded approach
- A deliberate, purposeful and strategic plan is required.

Economic Development Goals:

1. Promote and market the quality of life, rich diversity and assets of the county.
2. Provide resources to help entrepreneurs get started and existing businesses grow.
3. Be a value-added partner to other public and private entities.
4. Find ways to help our businesses attract and retain talent and find ways to keep our working residents here in the County.
5. Promote strong infrastructure, multi-modal transportation and high-speed broadband.

Strategic Partners

Our local communities are our primary strategic partners. The CDA convenes a Work Group of community development professionals to advise the CDA on an ongoing basis regarding our economic development initiatives. In addition, the CDA works in collaboration with local chambers, state and regional professional associations, nonprofit organizations, utility companies, Greater MSP and public agencies. Our partnerships are crucial to our collaborative approach to economic development and to help communities accomplish their economic development goals. The goals and programs specified in this plan rely on these strategic partnerships.

CORE PROGRAMS

The Washington County CDA currently offers several successful core programs and services for economic development which are planned to continue over the next three years. The core programs were initiated in 2017, and in part implement the first three economic development goals. The core programs and services are detailed in this plan, along with targeted deliverables for their continued success.



Open to Business

The Open to Business program in Washington County started in 2018 and is available through a partnership with the Metropolitan Consortium of Community Developers (MCCD). This program is a key strategy to help existing businesses grow and entrepreneurs get started. The program provides free, confidential business counseling to current and prospective entrepreneurs. The program's experienced consultants work with small business owners to access the technical assistance and financing options they need to succeed.

Examples of services offered through the Open to Business program include:

- Loans for both new/emerging and second-stage/growing businesses
- Acquisition financing for real estate
- Assistance with business plans, financial projections, and loan applications
- Technical assistance with all aspects of business operations

Between July 1, 2017 and January 1, 2019, the Open to Business program in Washington County served 250 clients and provided nearly \$1,024,000 in loans, which leveraged an additional \$1.4 million in outside investment. The program served business clients in a wide breadth of industries including service, retail, food, manufacturing, construction/real estate, health/fitness, professional/consulting and technology. The program also served businesses in several diverse communities. A breakdown of program metrics in 2017 - 2019 is shown in AWWDFKPHQW %.

A survey of initial participants was completed at the end of 2018 and revealed strong satisfaction ratings. 86% of respondents would recommend the program to others. Continued marketing of the program is needed however to increase awareness.

An additional program through MCCD will be explored for potential implementation. "Working Your Business" is a cohort learning model for existing 2nd stage businesses and entrepreneurs who aspire to grow their business efficiently, sustainably and profitably – but are stuck in a cycle where the entrepreneur's energy and resources are consumed in maintaining their current business model. Working Your Business is for entrepreneurs who want to transition from working in their business to working on their business- and having that business work for them. It will introduce participants to proven tools and management frameworks and will allow participants to engage with and learn from a network of peers.

Working Your Business will challenge participants to strategically and critically analyze their business, apply new tools, and create a plan for efficient, sustainable growth. Participants are established owner/operators who have moved out of the start-up phase and demonstrated operating stability but are experiencing limited growth in sales or assets. It is available to

entrepreneurs who received assistance from Open to Business to establish a business, and to any existing small business in a community that meets the target profile. Participants will receive continued one-on-one consulting with the advisor, learn from technical experts, and participate in peer-to-peer learning groups.

The deliverables for the program over the next three years include:

- Conduct at minimum five engagement events annually to increase awareness of program, in addition to routine agency marketing.
- Initiate “Working Your Business” program by 2021.
- Evaluate Open to Business program through the CDA annual community survey tool.

Find Your Perfect Fit

The Washington County CDA provides a connection between businesses and the 33 diverse and vibrant East Metro communities. The Find Your Perfect Fit program identifies a location specialist for businesses hoping to locate somewhere within Washington County. This program positions the CDA to be the first point of contact and a source of assistance for site selectors and businesses. The CDA also has a strategic partnership with the Minnesota Commercial Association of Real Estate (MNCAR) to provide a searchable database of available commercial parcels within Washington County. The number and diversity of communities in Washington County is of interest to site selectors and other business audiences because it means there will likely be a right fit for them. The CDA plays a crucial role in attracting these site selectors by sharing the benefits of East Metro and by assisting in matching business needs with available locations.

The deliverables for the program over the next three years include:

- Receive and distribute any new business inquiries obtained through partnership organizations to our local community partners and pass new listings on to the community where the listing is located. The CDA will work with communities when requested to respond to business inquiries.
- Establish a dedicated website for economic development Website redesign: This is an ongoing effort to improve the functionality of the CDA website. The CDA will explore and maintain community microsite pages, tourism and chamber of commerce participation.
- Evaluate the program through the CDA annual community survey tool.

Predevelopment Finance Fund

The Predevelopment Finance Fund was created by the CDA Board in 2018. The fund responds to requests for grant funding from cities and townships to help lower the cost burden of predevelopment technical studies. The Work Group noted that recent elimination of state and regional grant resources for these types of activities sharpened the need for CDA involvement. The purpose of the Predevelopment Finance Fund is to:

- Increase the availability of shovel ready commercial and industrial sites
- Provide opportunities for our existing businesses to stay and grow
- Spur new development opportunities
- Provide new opportunities for business diversity
- Create increased commercial and industrial market values
- Assist with redeveloping blighted properties

The CDA Board allocated a total of \$150,000 annually towards the program for two tiers of grant funding. Each grant operates as a match to funds provided by the local jurisdiction. The small pool includes grants totaling less than \$10,000 and the large pool includes grant amounts between \$10,000-\$40,000; however, the CDA Board may authorize a larger amount in unique circumstances. As of September 2019, eleven grant awards to six communities had been made. Approximately 320 acres have been evaluated for potential future commercial or industrial development.

The deliverables for the program over the next three years include:

- Seek comment from communities and streamline the funding application.
- Assist communities to create 50 acres of developable commercial and industrial land annually.
- Evaluate the Predevelopment Finance Fund program through the CDA annual community survey tool.

Educational and Networking Programs

The CDA is involved in a variety of educational and networking activities which help to increase visibility and make strategic connections within Washington County. The CDA is an active member/partner with the Washington County Workforce Development Board (WDB). The Workforce Development Board is composed of representatives from business, organized labor, and various public agencies. By participating, the CDA gains connections with local businesses and provides a conduit between business and labor.

The CDA convenes the annual East Metro Development Summit with the assistance of the Minnesota Real Estate Journal (MREJ). Over the past few years, the CDA has organized a panel focused on highlighting successful development within Washington County. This is a collaborative effort with communities and helps to shine a light on economic development achievements and resources.

The Washington County CDA will continue to work hand in hand with our local communities to attend, advertise, co-sponsor and market the county at various promotional events including, Minnesota Commercial Real Estate Association (MNCAR) Expo, MN Real Estate Journal Land Development Conference and MN Real Estate Journal Industrial Development Summit. We will co-sponsor three or more events per year and advertise and publish three articles per year in the MN Real Estate Journal monthly publication.

Washington County CDA will continue the established partnerships with local area chambers of commerce including: Forest Lake Area Chamber, White Bear Lake Area Chamber, Stillwater Area Chamber, Oakdale Area Chamber, Woodbury Area Chamber, Cottage Grove Area Chamber of Commerce. CDA staff will attend five or more chamber events per year.

The CDA will continue to maintain strong marketing partnerships with DEED, Connexus Energy, Great River Energy, Xcel Energy, MNCAR, Xceligent and Greater MSP on county and regional business attraction and retention efforts.

The CDA assists communities and local area chambers of commerce with Business Retention & Enhancement (BR&E) visits, as requested. These visits are especially important for smaller communities with fewer staff and less access to funds for business retention.

The deliverables for education and networking over the next three years include:

- Complete three MNREJ articles per year featuring communities, new initiatives, or other relevant topics that promote awareness of Washington County development opportunities.
- Complete twelve MNREJ advertisements regarding development opportunities in the county.
- Sponsor three or more MNREJ events per year, which promote the commercial, industrial, and/or housing opportunities in the county.
- Participate in the MNCAR Expo on an annual basis, working with county communities to target or promote specific development opportunities in the county.
- Evaluate these activities through the CDA annual community survey tool.

Community Technical Assistance

The CDA provides community technical assistance in a variety of ways with their existing programs. Over the next three years the CDA will continue to support local community economic development and redevelopment efforts. The planned flexible revolving loan program is part of this initiative.

The deliverables for the program over the next three years include:

- Work with communities to develop and implement local economic development plans
- Continue marketing for Outlot A in Red Rock Crossing Redevelopment Area in partnership with the Washington County Regional Rail Authority.
- Evaluate the technical assistance through the CDA annual community survey tool.
- Respond to community requests in a timely manner.

NEW PROGRAMS

Flexible Revolving Loan Program

With the support and assistance of the Economic Development Work Group, the CDA explored several different new programs. The members were surveyed to determine which programs were the most relevant to their respective community and approximately how many times they expected to use a given program if it was available. The programs included a revolving loan fund for business expansion, a dilapidated building demolition loan program and a commercial building rehabilitation program.

After completing this consideration, it was the consensus of the Work Group that what was really needed is an economic development loan program that is more flexible than some of the more targeted programs that were reviewed. The CDA staff will be developing policy to support the development and implementation of this tool.

The deliverables for the program over the next three years include:

The Washington County CDA will develop policies, explore options to fund, and implement the Flexible Loan Program including requesting approval for CDA Levy dollars. *The county-wide Flexible Revolving Loan Program will begin in 2021 or sooner if funding becomes available.*

OTHER INITIATIVES

Marketing, Branding and Business Recruitment

As the convener of economic development within Washington County, the CDA is well equipped to respond to new opportunities as they arise. The following is a list of ongoing and upcoming opportunities that the CDA plans to explore. The CDA also aims to be nimble and strategic in responding to new opportunities.

The deliverables for marketing, branding and business recruitment over the next three years include:

- In collaboration with our city and township partners, the Washington County CDA will continue to strengthen and promote a business brand for Washington County emphasizes the county's many assets including or close proximity to St. Paul and MSP International Airport along with available land and talent.
- Washington County CDA will continue to attend, advertise, co-sponsor and market at various promotional events including, Minnesota Commercial Real Estate Association (MNCAR) Expo, MN Real Estate Journal Land Development Conference and MN Real Estate Journal Industrial Development Summit. *This will be ongoing.*

The MN Technology Corridor

The CDA and regional community partners recently hired the Golden Shovel Agency to create a website aimed at branding and marketing the MN Technology Corridor for high technology businesses. The CDA will continue working to brand and market the corridor by leveraging broadband availability and available land with community partners.

Transportation and Transit Opportunities

In 2019, Washington County received a state grant to study implementation options as a result of the 2018 County Transit Study.

The CDA will continue to work with Washington County regarding transportation and transit issues that will stimulate economic growth in the county. The deliverables for the program over the next three years include:

- Washington County CDA staff will be an active participant in the Washington County Transportation Consortium.
- Promote multi-modal transportation, including transit, rail, and micromobility options, that stimulate economic growth in the county as part of the CDA education and networking initiatives.
- Promote mobility management activities that connect individuals to goods, services, employment, job training, and other opportunities that support and stimulate economic engagement in the county.

Workforce Development and Talent Attraction and Retention

Workforce development: The CDA will improve partnerships with businesses, our K-12 schools, higher-education entities, Washington County Workforce Development and DEED to assist health care and manufacturing employers with attracting and retaining talent.

Washington County CDA will continue its existing partnership with Greater MSP, the MN Department of Employment and Economic Development (DEED) and the Washington County Workforce Development Board. The CDA will assist and partner whenever possible with local schools and higher education on talent attraction and retention efforts as well as assist the CareerForceMN.com career resources.

The deliverables for the program over the next three years include:

- The Economic Development Director will serve as an active member on the Washington County Workforce Development Board.
- Whenever possible, the CDA will work with businesses, our K-12 schools, communities, Greater MSP, Century College, the State of Minnesota and other partners to recruit the types of businesses that will entice some of our residents to work closer to home. This could benefit both the highly trained and less trained working residents. The Washington County CDA will also work to provide our community partners with demographic data and labor and housing studies on an ongoing basis.

EPA Brownfields Grant

The CDA submitted a \$600,000 EPA Brownfields Assessment Grant in January 2019 to analyze and inventory potentially contaminated sites. In addition, Phase I and Phase II environmental site assessments would be conducted at brownfield sites located within Washington County as part of an effort to spur redevelopment and reuse of the brownfield sites. The CDA was not awarded this initial grant and plans to resubmit to the EPA within the next three years.

The deliverables for the program over the next three years include:

- Prepare and submit the grant application to EPA
- Implement the EPA grant program on a county-wide basis

SUMMARY

The purpose of this Economic Development Plan is to set out specific steps aimed at responding to the needs of communities and townships over the next three years and to guide CDA budgeting.

No matter the location, economic development is a benefit to the entire County. Our local communities are our primary strategic partners. The CDA will continue to work with communities and other public, private and non-profit organizations to accomplish the goals of this plan.

Figure 2 below summarizes the alignment between the core programs and new initiatives with the plan goals. While being mindful of the Guiding Principles, the CDA will continue to evaluate these programs on a regular basis in conjunction with its partners and pursue amendments to this plan as necessary.

Figure 2. Summary of Programs to Implement Plan Goals

Economic Development Goals	Core Programs	New Initiatives
Promote and market the quality of life, rich diversity and assets of the county.	"Find Your Perfect Fit" Marketing Program Annual East Metro Summit	Create new economic development website
Provide resources to help entrepreneurs get started and existing businesses grow.	Open To Business program	Working Your Business Program
Be a value-added partner to other public and private entities.	Community Technical Assistance Predevelopment Finance Fund program Networking with local chambers	MN Tech Corridor Brownfields Assessment Grant
Find ways to help our businesses attract and retain talent and find ways to keep our working residents here in the county.	Connect local schools and businesses regarding specific training opportunities	Labor Study Commuter Survey
Promote strong infrastructure, multi-modal transportation and high-speed broadband.	Explore Grant Opportunities Convene stakeholder meetings	TBD

ACKNOWLEDGEMENTS

The Economic Development Director along with CDA staff, has coordinated monthly meetings with the Economic Development Work Group who bring a wealth of knowledge and experience to the process and provide important local perspectives to the economic development plan update.

Special thanks go out to the following Economic Development Work Group Members for their participation and assistance in this 2016-2017 Economic Development Plan update:

Patrick Casey – City Administrator, Forest Lake; Dan Udem – Assistant City Administrator, Forest Lake; Bryan Bear – City Administrator, Hugo; Rachel Juba – Community Development Director, Hugo; Scott Neilson – City Administrator, Kevin Corbid – Washington County Deputy Administrator; Tom McCarty – City Administrator, Stillwater; Bill Turnblad – Community Development Director, Stillwater; Eric Johnson – City Administrator, Oak Park Heights; Adam Bell – City Administrator, Bayport; Ron Moore – City Administrator, Afton; Kristina Handt – City Administrator, Lake Elmo; Ed Shukle – City Administrator, Landfall; Bart Fischer – City Administrator, Oakdale; Bob Streetar – Community Development Director, Oakdale; Janelle Schmitz – Assistant Community Development Director, Woodbury; Karl Batalden – Community Development Coordinator, Woodbury; Deb Hill – City Administrator, Newport; Kevin Walsh – City Administrator, St. Paul Park; Christine Costello – Economic Development Director, Cottage Grove; Barbara Dacy – Executive Director, Washington County CDA; Melissa Taphorn – Deputy Executive Director, Washington County CDA; Chris Eng – Economic Development Director, Washington County CDA

**ATTACHMENT A:
Economic Profile**

Demographic Characteristics

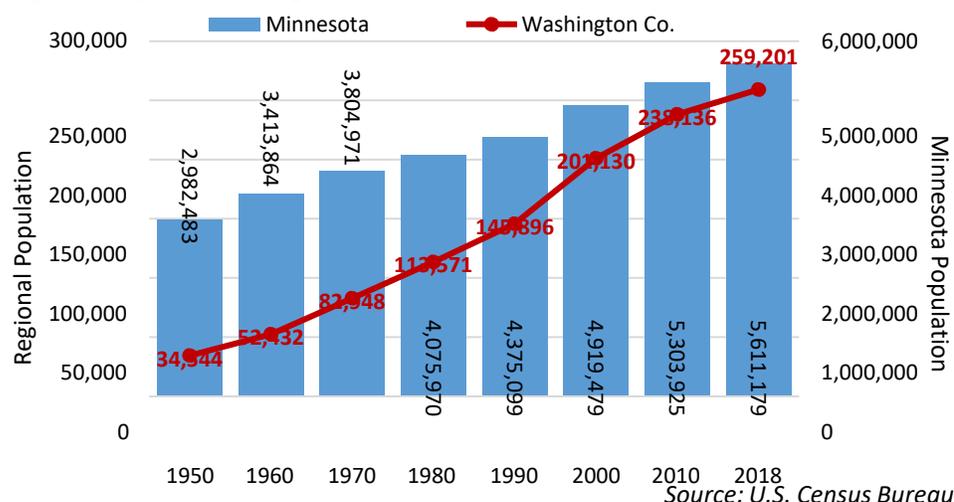
The following data describes the key characteristics of Washington County’s demography and economic base, which helps to illuminate its strengths and weaknesses. The information below will compare the county to itself, the region, and to the State of Minnesota. Trends in demographics, income and wages, poverty, labor force, and business establishments are examined.

Washington County is the both the fifth largest county as

well as the fifth fastest-growing county in Minnesota. The graph below depicts the history of robust population growth in the county, dating back to 1950. According to the U.S. Census

Bureau’s 2018

Figure 1. Population Change, 1950-2018



American Community Survey (ACS) 1-Year Estimates, Washington County’s total population is estimated at 259,201 people. While population growth has cooled off since the turn of the century, Washington County is still growing at a faster rate than the state overall. For example, between 2010 and 2018, Washington County gained over 21,000 people, growing by 8.8 percent. Minnesota’s total population grew by 5.8 percent during that period of time (see Figure 1).

Looking forward, the Minnesota State Demographic Center projects Washington County’s population to increase by nearly 40,000 people between 2020 and 2040. This 14.3 percent projected growth rate is significantly faster than the state’s 8.8 percent projected growth rate and the

Table 1. Population Projections, 2020-2040				2020-2040 Change	
Washington Co.	2020 Projection	2030 Projection	2040 Projection	Numeric	Percent
Under 5 years	14,951	17,484	22,006	7,055	47.2%
5-14 years	33,833	31,531	39,269	5,436	16.1%
15-24 years	41,244	42,844	39,438	-1,806	-4.4%
25-34 years	23,829	39,246	39,145	15,316	64.3%
35-44 years	30,560	23,369	38,403	7,843	25.7%
45-54 years	39,340	36,675	28,216	-11,124	-28.3%
55-64 years	39,322	37,599	33,510	-5,812	-14.8%
65-74 years	26,010	34,957	32,265	6,255	24.0%
75-84 years	9,585	15,213	19,612	10,027	104.6%
85 years & over	5,843	6,572	10,432	4,589	78.5%
Total	264,517	285,490	302,296	37,779	14.3%

Source: Minnesota State Demographic Center

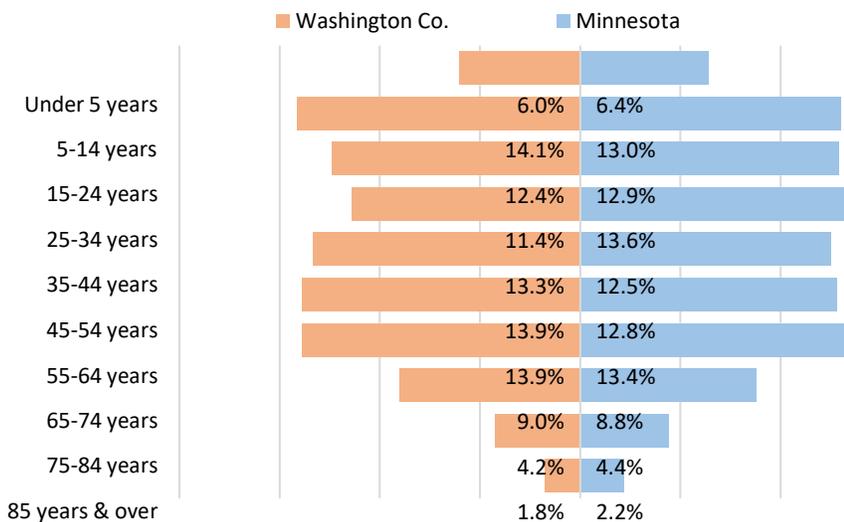
Seven-County Metro Area’s projected growth rate of 15.2 percent. Interestingly, the Metropolitan Council has much more robust population projections for Washington County. According to their estimates, Washington County is anticipated to pass 340,000 persons by 2040.

Broken down by age, projected population growth in Washington County through 2040 is anticipated to be the fastest for older age cohorts. For example, those between the ages of 75 and 84 years are projected to grow by 104.6 percent between 2020 and 2040. This growth rate is over seven times that of the county’s total population growth rate. The largest projected gains, however, will be for those between the ages of 25 and 34 years (see Table 1).

Interestingly, while Washington County’s current median age (39.6

years) is higher than Minnesota’s (38.2 years), it has a slightly smaller share of persons 65 years of age and older than the state. The county does have a larger share of persons between the ages of 35 and 64 years (41.1 percent) than the state (38.7 percent). Just over one-in-five Washington County residents are below the age of 15 (see Figure 2).

Figure 2. Percentage of Population by Age Group, 2018



Source: U.S. Census Bureau, Population Estimates

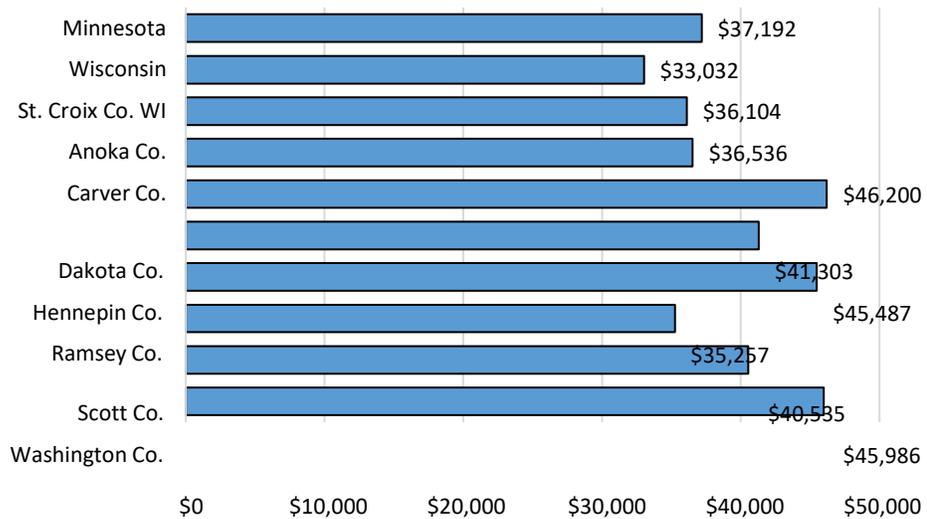
Income and Occupational Employment

As of the 2018 American Community Survey (ACS) 1-Year Estimates, Washington County had a median household income of \$95,124. This was 35.3 percent higher than the State of Minnesota’s respective median household income, \$70,315. Over the past year of available data, 2017 to 2018, Washington County’s median household income increased by 3.5 percent. Comparatively, statewide median household income increased by 2.8 percent. Median household income in Washington County increased from \$94,809 for 2-person families, to \$123,026 for 3-person families, to \$140,721 for 4-person families.

Figure 3 breaks down per capita income for Washington County, surrounding counties in the Metro Area and Wisconsin, and the State of Minnesota. As of the

2017 ACS 5-Year Estimates, Washington County had the state's 3rd-highest per capita income (\$41,591). This had further increased to \$45,986, according to 2018

Figure 3. 2018 Per Capita Incomes



Source: U.S. Census Bureau, American Community Survey

ACS 1-Year Estimates. This high level of personal income means that there is strong purchasing power within the county, which provides for an opportunity to support new development.

As of the 2017 ACS 5-Year Estimates, Washington County had an estimated 133,811 employed residents who were at least 16 years of age. Employing 13.9 percent of the county's residents was management, making it the top-employing occupational group. This was followed by office and administrative support; sales; business and financial operations; education, training, and library; and production (see Table 2).

Table 2. Washington County Occupational Statistics, 2017 5-Year Estimates				
Occupational Group	Employment	Male Share	Female Share	Median Earnings
Civilian Employment Population 16 Years and Over	133,811	51.2%	48.8%	\$48,636
Management	18,661	60.4%	39.6%	\$90,079
Office and Administrative Support	16,623	31.3%	68.7%	\$37,420
Sales	14,324	53.2%	46.8%	\$35,926
Business and Financial Operations	9,496	43.3%	56.7%	\$66,761
Education, Training, and Library	6,926	24.5%	75.5%	\$43,448
Production	6,698	75.5%	24.5%	\$45,444
Food Preparation and Serving	6,412	40.2%	59.8%	\$10,844
Health Diagnosing and Treating Practitioners	6,391	24.8%	75.2%	\$72,347
Computer and Mathematical	6,016	69.3%	30.7%	\$80,823
Personal Care and Service	5,213	21.1%	78.9%	\$16,853
Construction and Extraction	5,134	94.4%	5.6%	\$53,472
Transportation	4,142	87.7%	12.3%	\$40,270
Building and Grounds Cleaning and Maintenance	3,337	62.6%	37.4%	\$24,002
Architecture and Engineering	3,323	80.8%	19.2%	\$87,813
Installation, Maintenance, and Repair	3,022	95.1%	4.9%	\$50,021
Arts, Design, Entertainment, Sports, and Media	2,558	45.7%	54.3%	\$40,665
Community and Social Services	2,415	26.7%	73.3%	\$50,139
Healthcare Support	2,387	11.6%	88.4%	\$30,224
Health Technologies and Technicians	2,346	13.0%	87.0%	\$39,545
Material Moving	2,212	84.9%	15.1%	\$29,410

Legal	1,890	45.7%	54.3%	\$74,571
Life, Physical, and Social Science	1,534	63.1%	36.9%	\$71,889
Law Enforcement	1,274	71.0%	29.0%	\$69,496
Fire Fighting and Prevention	993	68.5%	31.5%	\$35,893
Farming, Fishing, and Forestry	484	73.1%	26.9%	\$21,522

Source: U.S. Census Bureau, American Community Survey

Over three-fourths (76.5 percent) of employed Washington County residents commute to work outside of Washington County itself. On the other side of the coin, 61.5 percent of those who work in Washington County commute into the county from outside (see Table 3).

Table 3. Washington County Inflow/Outflow (All Jobs)	2017	
	Count	Share
Employed in Washington County	83,135	100.0%
Employed in Wash. Co. but Living Outside	51,121	61.5%
Employed and Living in Wash. Co.	32,014	38.5%
Living in Washington County		
Living in Washington County	136,129	100.0%
Living in Wash. Co. but Employed Outside	104,115	76.5%
Living and Employed in Wash. Co.	32,014	23.5%

Source: U.S. Census Bureau, OnTheMap

Table 4. Washington County Industry Employment Statistics, 2018				
NAICS Industry Title	2018 Annual Data			
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)	Avg. Annual Wage
Total, All Industries	5,776	87,008	\$4,197,990	48,256
Retail Trade	697	14,386	\$384,080	26,676
Health Care and Social Assistance	665	12,164	\$652,078	53,612
Manufacturing	221	9,746	\$681,073	69,888
Accommodation and food Services	432	9,499	\$175,696	18,460
Educational Services	154	7,464	\$340,321	45,448
Construction	553	4,342	\$291,333	67,080
Public Administration	57	3,750	\$210,628	56,212
Finance and Insurance	363	3,622	\$294,303	81,276
Professional, Scientific, and Technical Services	716	3,473	\$244,224	70,252
Other Services	658	3,443	\$89,294	25,948
Wholesale Trade	230	2,810	\$242,508	86,424
Transportation and Warehousing	140	2,701	\$123,047	45,552
Administrative and Support Services	280	2,499	\$112,495	44,980
Arts, Entertainment, and Recreation	135	2,325	\$40,211	17,316
Management of Companies	49	1,779	\$161,601	91,416
Information	85	1,097	\$56,197	51,220
Real Estate, Rental, and Leasing	286	824	\$32,922	39,884
Agriculture, Forestry, Fishing, and Hunting	43	773	\$29,924	38,844
Utilities	7	259	\$31,654	122,096
Mining (Q2 QCEW data)	7	57	N/A	91,260

Source: DEED Quarterly Census of Employment & Wages (QCEW) program

According to the Minnesota Department of Employment and Economic Development's (DEED) Quarterly Census of Employment and Wages (QCEW) data, Washington County had 5,776 establishments in 2018

supplying 87,008 covered jobs. As of the writing of this report, the most recent QCEW data was Q2, 2019. As of that time, Washington County had 6,081 establishments supplying 88,736 covered jobs. This made Washington County Minnesota's 7th largest-employing county (recently surpassing Stearns County in total employment).

As of annual 2018, Retail Trade was Washington County's largest-employing industry sector, with nearly 14,400 jobs. As such, Retail Trade accounts for one-sixth of the county's total employment. For reference, Retail Trade accounts for just over one-tenth of Minnesota's total employment. Average annual wages within Retail Trade, \$26,676, are 55.3 percent of the average annual wage for the total of all industries in Washington County, \$48,256 (see Table 4). Retail Trade was Washington County's largest-growing industry between 2017 and 2018, adding 750 jobs. It was the county's 2nd largest-growing industry over the past five years, adding more than 2,100 jobs.

Beyond Retail Trade, Washington County also has significant employment within Health Care and Social Assistance (12,164 jobs), Manufacturing (9,746 jobs), Accommodation and Food Services (9,499 jobs), Educational Services (7,464 jobs), and Construction (4,342 jobs). Employment growth over the past five years of available data has been particularly robust in Manufacturing (+2,482 jobs), Retail Trade (+2,105 jobs), Health Care and Social Assistance (+1,643 jobs), Wholesale Trade (+1,046 jobs), and Construction (+1,044 jobs). Overall, 15 of 20 major industry sectors gained employment in Washington County between 2013 and 2018.

Table 5. Washington County Industry Employment Trends, 2013 – 2018					
NAICS Industry Title	2018 Number of Jobs	2017 – 2018 Job Change		2013 – 2018 Job Change	
		Numeric	Percent	Numeric	Percent
Total, All Industries	87,008	+2,242	+2.6	+11,026	+14.5
Retail Trade	14,386	+750	+5.5	+2,105	+17.1
Health Care and Social Assistance	12,164	+353	+3.0	+1,643	+15.6
Manufacturing	9,746	+263	+2.8	+2,482	+34.2
Accommodation and food Services	9,499	+36	+0.4	+855	+9.9
Educational Services	7,464	+27	+0.4	+202	+2.8
Construction	4,342	+399	+10.1	+1,044	+31.7
Public Administration	3,750	+12	+0.3	+265	+7.6
Finance and Insurance	3,622	+455	+14.4	-35	-1.0
Professional, Scientific, and Technical Services	3,473	+104	+3.1	+631	+22.2
Other Services	3,443	-17	-0.5	+557	+19.3
Wholesale Trade	2,810	+88	+3.2	+1,046	+59.3
Transportation and Warehousing	2,701	+34	+1.3	-192	-6.6
Administrative and Support Services	2,499	-495	-16.5	-688	-21.6
Arts, Entertainment, and Recreation	2,325	+98	+4.4	+220	+10.5
Management of Companies	1,779	+150	+9.2	+429	+31.8
Information	1,097	+2	+0.2	+397	+56.7
Real Estate, Rental, and Leasing	824	-18	-2.1	+78	+10.5
Agriculture, Forestry, Fishing, and Hunting	773	+12	+1.6	+100	+14.9
Utilities	259	-9	-3.4	-31	-10.7

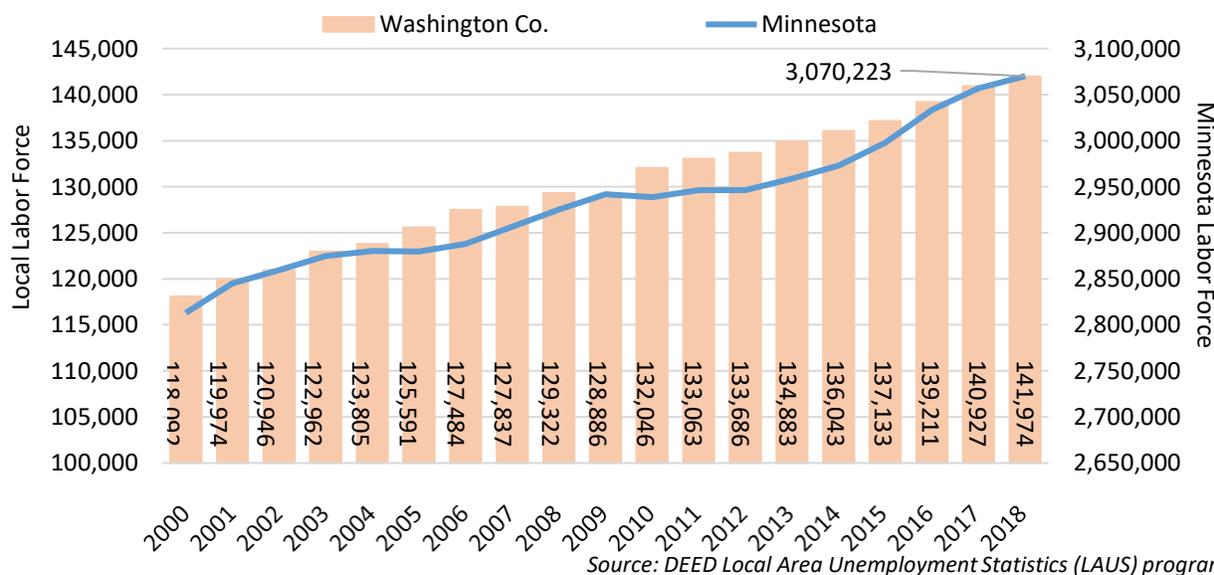
Mining (Q2 QCEW data)	57	+2	+3.6	-86	-60.1
<i>Source: DEED Quarterly Census of Employment & Wages (QCEW) program</i>					

Labor Force Trends

Washington County’s total labor force was an estimated 141,974 during annual 2018. While Washington County’s labor force is growing at a faster clip than Minnesota’s, this growth is similarly slowing down. For example, between 1990 and 2000, the county’s total labor force expanded by 42.1 percent, adding just over 35,000 people. Between 2000 and 2010, the county’s labor force expanded by 11.8 percent, adding nearly 14,000 people. Between 2010 and 2018, the county’s labor force has expanded by 7.5 percent, adding over 9,900 people (see Figure 4). Over the next decade, between 2020 and 2030, Washington County’s labor force is anticipated to expand by 5.9 percent, adding over 8,500 people (see Table 6). For reference, Minnesota’s labor force is anticipated to expand by 2.4 percent between 2020 and 2030.

Unemployment in Washington County remains low. As of annual 2018, the unemployment rate for the county was 2.5 percent, the lowest such rate since 2000 (see Figure 5). This 2.5 percent represented approximately 3,558 unemployed persons.

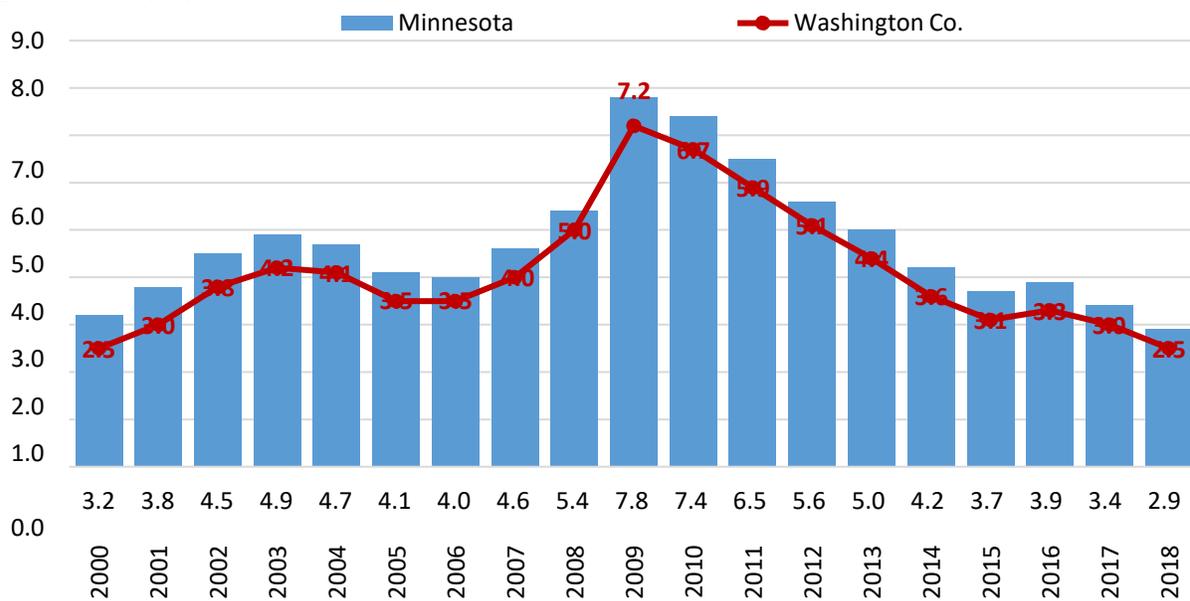
Figure 4. Annual Labor Force Estimates, 2000-2018



Washington County	2020 Labor Force Projection	2030 Labor Force Projection	2020 – 2030 Change	
			Numeric	Percent
16 to 19 years	9,994	9,138	-857	-8.6%
20 to 24 years	15,793	18,866	3,073	19.5%
25 to 44 years	47,811	55,042	7,231	15.1%
45 to 54 years	34,934	32,567	-2,367	-6.8%
55 to 64 years	28,092	26,861	-1,231	-4.4%
65 to 74 years	6,789	9,124	2,335	34.4%
75 years and over	879	1,242	362	41.2%
Total Labor Force	144,292	152,839	8,547	5.9%

Source: Minnesota State Demographic Center, 2013-2017 American Community Survey

Figure 5. Unemployment Rates, 2000-2018



Source: DEED Local Area Unemployment Statistics (LAUS) program

Distinguishing Industries

Washington County stands out from the State of Minnesota for its extremely high concentration of employment in Wood Product Manufacturing. Concentration is measured with location quotients, which compare the share of employment in a particular industry locally, to the share of employment that same industry constitutes for a base economy (in this case being the State of Minnesota). See Table 7 for those 12 industries with the most significant location quotients in Washington County. Note, these 12 industries also each have over 1.0 percent of the county's total employment.

Table 7. Washington County Distinguishing Industries, 2018						
Industry	Number of Firms	Number of Jobs	Share of MN Jobs	Location Quotient	Total Payroll (\$1,000s)	Avg. Annual Wages
Total, All Industries	5,776	87,008	3.0%	-	\$4,197,990	\$48,256
Wood Product Manufacturing	13	3,423	29.2%	9.7	\$228,001	\$66,508
Chemical Manufacturing	10	1,204	9.8%	3.2	\$112,502	\$93,496
Justice, Public Order, and Safety Activities	11	1,577	6.6%	2.2	\$96,918	\$61,464
General Merchandise Stores	45	3,946	6.5%	2.1	\$87,937	\$22,256
Amusement, Gambling, and Recreation Industries	100	2,203	6.0%	2.0	\$37,847	\$17,212
Personal and Laundry Services	227	1,581	5.5%	1.8	\$37,558	\$23,712
Heavy and Civil Engineering Construction	29	1,263	5.5%	1.8	\$93,897	\$74,464
Food and Beverage Stores	94	2,995	5.3%	1.8	\$69,432	\$23,140
Building Material and Garden Equipment and Supplies Dealers	46	1,414	5.3%	1.8	\$41,522	\$29,432
Clothing and Clothing Accessories Stores	88	983	4.8%	1.6	\$18,021	\$18,304
Food Services and Drinking Places	391	8,696	4.4%	1.5	\$158,231	\$18,148
Ambulatory Health Care Services	374	6,042	3.9%	1.3	\$429,989	\$71,136

Source: MN DEED Quarterly Census of Employment and Wages (QCEW)

Small businesses are vital to Washington County's economy. Well over half (57.2 percent) of Washington County's business have less than 5 employees (totaling just over 3,401 firms), and another 16.7 percent of firms have between 5 and 9 employees. 12.0 percent of the county's firms have between 10 and 19 employees. Altogether, 85.9 percent of Washington County's firms have less than 20 employees.

Table 8: Washington County Employers by Size Class, 2017			
Number of Employees	Washington County		Minnesota
	Number of Firms	Percent of Firms	Percent of Firms
Less than 5 employees	3,401	57.2%	53.4%
5-9 employees	992	16.7%	17.8%
10-19 employees	714	12.0%	13.3%
20-49 employees	527	8.9%	9.5%
50-99 employees	180	3.0%	3.3%
100-249 employees	100	1.7%	1.9%
250-499 employees	21	0.4%	0.5%
500 or more employees	10	0.2%	0.2%
Total Firms	5,946	100.0%	100.0%

Source: U.S. Census Bureau, County Business Patterns

ATTACHMENT B: OPEN TO BUSINESS SUMMARY REPORT: 7/1/2017 – 7/31/2019

In the first two years, the Washington County Open to Business program served 247 client engagements broken out by year:

- 2017 (half year): 49
- 2018: 125
- 2019 (7/31/19 YTD): 73

Total Loans Approved:

- 2017: 2 loans
\$175,000 Open to Business
Leveraged \$1,790,000 total investment*.
- 2018: 8 loans
\$392,500 Open to Business
Leveraged \$1,762,350 total investment.
- 2019 (7/31/19 YTD): 9 loans
\$457,000 Open to Business
Leveraged \$2,241,041 total investment.

Total: 19 loans

\$1,024,500 Open to Business

Leveraged \$4,003,391 total investment.

*Total investment: O2B, bank, credit union, borrower equity, other financing in the project.

Client City (Business/Residence) – Alphabetically

Afton	(1/0)
Bayport	(4/1)
Cottage Grove	(34/35)
Forest Lake	(29/31)
Hastings	(2/3)
Hugo	(15/14)
Lake Elmo	(9/8)
Lakeland	(2/2)
Lake St. Croix	(1/0)
Mahtomedi	(6/7)
Marine on St. Croix	(5/6)
Newport	(1/2)
Oakdale	(17/16)
Oak Park Heights	(2/2)
Scandia	(13/13)
St. Paul Park	(3/2)
Stillwater	(61/58)
White Bear Lake	(2/1)
Willernie	(5/4)
Woodbury	(31/31)

Client City (Business/Residence) – By Activity

Stillwater	(61/58)
Cottage Grove	(34/35)
Woodbury	(31/31)
Forest Lake	(29/31)
Oakdale	(17/16)
Hugo	(15/14)
Scandia	(13/13)
Lake Elmo	(9/8)
Mahtomedi	(6/7)
Willernie	(5/4)
Marine on St. Croix	(5/6)
Bayport	(4/1)
St. Paul Park	(3/2)
Hastings	(2/3)
Lakeland	(2/2)
Oak Park Heights	(2/2)
White Bear Lake	(2/1)
Newport	(1/2)
Lake St. Croix	(1/0)
Afton	(1/0)