



Northfield Economic Development Authority (EDA)

Thursday – 7:30 AM, March 11, 2010
Council Chambers, Northfield City Hall

AGENDA

1. **Call to Order** **7:30 am**
2. **Roll Call** **7:31 am**
3. **Approval of Agenda** **7:32 am**
4. **Approval of Minutes** **7:33 am**
 - a) February 25, 2010, EDA Board Meeting
5. **Reports and Action Items** **7:35 am**
 - a) Approve Letter of Mutual Interest with Mr. Kenneth Prawer & Mr. Robert Gill
 - b) Discuss and Approve EDA's 2010 Work Plan **7:45 am**
6. **President's Report** **8:55 am**
7. **Director's Report** **8:58 am**
8. **Next Meetings**
 - Regular EDA Board Meetings: March 25, 2010
9. **Adjournment** **9:00 am**

Please call 507.645.3059 if you cannot attend the meeting.
EDA PACKET INFORMATION IS NOW AVAILABLE ONLINE AT
WWW.CI.NORTHFIELD.MN.US/

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City of Northfield | Economic Development Authority

2010 Ad Hoc Work Group Assignments

	Executive	Infill and Redevelopment	Business Recruitment Marketing	Business Park Development	Business Retention and Expansion	Additional Responsibility
Jody Gunderson, Dir.						Fed/State/Cnty
Janelle Teppen,	President		Lead			Fed/State/Cnty
Steve Engler	V.P.	Member			BRE	
Rhonda Pownell	S/T		Member	Member	CVB	
Rick Estenson		Member		Lead	NEC,	BRE
Jim Pokorney			Member	Member	CVN	
Victor Summa		Lead				NDDC
Vacant						
Support Organization						
NEC						
NDDC						
Chamber of Commerce						

Chamber of Commerce, NDDC, City Staff

Business Park Master Plan Committee

Consultant Hoisington Koegler Group Inc.	Jeff McMenimen Project Manager	Mark Koegler Principal in Charge	
Steering Committee	Rick Estenson Jim Pokorney Rhonda Pownell Erica Zweifel	Tracy Davis Tim Geary Christopher Sawyer Neil Lutsky	Mike Berthelsen Pete Sandberg Scott Richardson Jay Jasnoch
Technical Committee	Jody Gunderson Brian O'Connell	Dan Olson Katy Gehler	

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MEMBERS PRESENT: Jenelle Teppen, Rick Estenson, Steve Engler, Victor Summa, Rhonda Pownell, Jim Pokorney

MEMBER ABSENT: Vacant Seat

ALSO PRESENT: Blake Abdella, Kathryn Summa, Jon Denison, Ross Currier, Kathy Feldbrugge, Randy Jennings, Steve Rholl, Betsey Buckheit, Northfield News, City Administrator Joel Walinski, Economic Development Director Jody Gunderson, Community Development Director Brian O’Connell, Recording Secretary Sandra Bremer

1) **Call to Order**

Chair Teppen called the meeting to order with a quorum present at 7:30 a.m.

3) **Approval of Agenda**

A motion was made by Estenson and seconded by Summa to approve the agenda of February 25, 2010. Summa felt that there should have been an item on the agenda regarding the relationship between the Economic Development Director and the Economic Development Authority. Yes votes by Estenson, Pownell, Pokorney, Engler and Teppen. No vote by Summa. Motion carried.

4) **Approval of Minutes**

A motion was made by Pownell and seconded by Engler to approve the minutes of February 11, 2010.

There was discussion regarding brevity of the minutes and that it did not summarize the discussion very well. It was noted that if this was going to be the standard, that the meetings should be recorded. A concern was raised that the filling of the vacancy for the EDA should be reviewed by the EDA.

Vote on motion. All in favor. Motion carried.

5) **Reports and Action Items**

a) **Roles and Responsibilities of the Economic Development Director**

Gunderson reviewed his Staff report.

There was discussion regarding some members concern about the role of the Economic Development Director and the Economic Development Authority. Some members felt that the Director had too much oversight and control over the Board. It was questioned when the Director spoke as a City Staff person and when as a Staff person for the EDA as the EDA is a separate authority from the Council.

Some members felt that City Staff should be used as an expert guide and source of information for the Council and Boards and Commissions.

Estenson left the meeting at 8:09 a.m.

It was pointed out that the EDA was in place by action of the Council, the Council determines the levy and whether the Director's salary will be paid by the City or the EDA. It was noted the expectation is that the EDA will follow the goals set by the Council. It was noted the role of the EDA was to set policy and the Director was to assist the EDA in following these policies. It was also noted that it was important to understand that the minority opinion will have to accept the majority vote and move forward to implement the decision of the majority.

A Motion was made by Summa and seconded by Engler approving and acknowledging the roles and responsibilities of the Economic Development Director as outlined in the City of Northfield's job description.

It was noted that the discussion that still needed to occur was regarding what is the role of the Economic Development Director for the City of Northfield and what does the Economic Development Authority want this position to do for them.

All in favor. Motion carried.

b) 2010 Ad Hoc Work Group Structure and Assignments

Gunderson reviewed his Staff report.

There was discussion regarding the changes being proposed to the subcommittee structure. The concern expressed was that the ad hoc committee structure would have a sunset and could limit the involvement of the partner organizations. Some members felt that the current subcommittee structure should be maintained.

A motion was made by Pownell and seconded by Pokorney to acknowledge and adhere to the role of the EDA's Executive Committee as defined in its bylaws and reassign the duties of the Programs, Processes, and Procedure Committee back to the Executive Committee.

It was noted that the intent of the proposed change was to adhere to the bylaws and this change was recommended by the Executive Committee to the members.

Vote on motion. Yes votes by Pownell, Pokorney, and Teppen. No votes by Engler and Summa. Motion carried

A motion was made by Pokorney and seconded by Pownell to approve the Executive Committee's 2010 work group assignments with representatives from partner organization's added to the Infill and Redevelopment and Business Recruitment and Marketing work groups upon adoption of the EDA's 2010 Work Plan.

Some members felt that there had not been enough discussion regarding this issue and were not in favor of the motion.

Vote on motion. Yes votes by Pownell, Pokorney, and Teppen. No votes by Engler and Summa. Motion carried.

c) Discussion of EDA 2010 Work Plan

Deferred to next meeting due to time constraints.

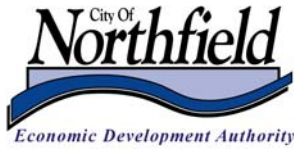
d) Approve Letter of Mutual Interest with Mr. Kenneth Praver and Mr. Robert Gill

Deferred to next meeting due to time constraints.

e) Miscellaneous Information

No discussion.

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TO: Economic Development Authority Board

FROM: Jody Gunderson, Economic Development Director

RE: Letter of Mutual Interest with Mr. Kenneth Praver and Mr. Robert Gill

ATTACHMENTS: 1. Draft Letter to K. Praver
2. Draft Letter to R. Gill

Background

Mr. Robert Gill and Mr. Kenneth Praver submitted formal annexation requests to the City of Northfield on July 1, 2009. The Northfield Planning Commission voted to recommend that the City Council approve the Praver/Gill annexation request at their January 7, 2010, Commission meeting, and on February 9, 2010, the City Council instructed the Northfield City staff to work with representatives of Bridgewater Township on an amendment to the existing annexation agreement. The Northfield EDA approved amending their professional service agreement with HKGI to include master planning services related to the Praver/Gill properties at their February 11, 2010, Board meeting.

Recommendation

Last fall the EDA signed a letter of mutual interest with the property owners located just west of the Northfield Hospital (Lysne, Sorum, Fink). The letter is intended to acknowledge the commitment each party has as it relates to the master planning of their property. The Economic Development Director is requesting that the EDA sign a letter of mutual interest using the same terms as those outlined in the letter with the Lysne, Sorum, and Fink properties. The Board did not get to this item at its February 25, 2010, Board meeting.

Action: Approve Motion

VOTE: TEPPEN POWNELL ESTENSON VACANT
 POKORNEY ENGLER SUMMA

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Northfield City Hall
801 Washington Street
Northfield MN 55057

March , 2010

Mr. Kenneth F & B Prawer
9634 Dundas Blvd
Northfield, MN 55057

Subject: Prawer Property – P.I.D. # 0703175002, 0703400001, 0702350001

Dear Mr. and Mrs. Prawer:

Over the last several months the City has taken many actions to respond to your annexation request. The Economic Development Authority (EDA) believes it would be prudent to recap the status of your request for annexation request and document how we would like to proceed.

- **August 13, 2009:** EDA enters into professional service agreement with Hoisington Koegler Group, Inc. (HKGI) for services related to the master planning of the proposed Business Park(s). The professional service agreement with HKGI was structured in a manner that allowed the firm to begin work on the property west of the Northfield Hospital and proceed later with the property south of Highway 19, upon written notification from the EDA Board. The EDA Board wanted to ensure that the Planning Commission and City Council acted favorably toward the Prawer/Gill annexation request prior to master planning the properties.
- **December 1 & 2, 2009:** EDA holds Charrette Planning sessions with Master Plan Steering Committee and Public. The intent of the Northfield 3rd Business and Industrial Park Visioning Charrette was to kick off the planning process by exploring context and site issues, opportunities, desired outcomes and potential solutions and strategies for future business and industrial park development on each of the two project study sites. Planning would go no further on the Prawer/Gill property until the EDA gives HKGI notification to proceed with master planning the site.
- **January 7, 2010:** The Northfield Planning Commission voted to recommend the City Council approve the Prawer/Gill annexation request.
- **February 9, 2010:** The City Council instructs the Northfield City staff to proceed with Bridgewater Township to negotiating an amendment to the existing annexation agreement between the two parties.



Northfield City Hall
801 Washington Street
Northfield MN 55057

- **February 11, 2010:** The Northfield EDA approves amending their professional service agreement with HKGI to include master planning services related to the Prawer/Gill properties.

The Economic Development Authority is pleased to have partnered with you on the preliminary concept planning that allowed the City Council to consider your annexation request. It is our desire to continue this collaboration as evidenced in the action that was taken by the EDA Board on February 11, 2010.

The EDA believes the next step is to confirm our understanding and agreement as it pertains to proceeding with the master planning of your property and creating the concept plan for a business park within the City of Northfield.

The EDA Board members desire to enter into an agreement of understanding with the property owners that propose the following terms:

1. You, as the property owner, concur that the master planning of your property will be directed by the EDA.
2. You understand that the EDA has agreed to enter into a contract with a consulting firm for this purpose and to finance the costs associated with the first phase of master planning the property in the area being considered for annexation. The first phase of the master planning process is described in the Scope of Services which is or will be part of the contract between the EDA and the consulting firm, as shown in the attachment to this letter.
3. You have agreed to permit the EDA and the EDA's consultants to enter on your property for purposes necessary to the first phase of the master planning process, provided that we obtain written permission from you before the entry occurs and provided that no damage is done to crops or buildings.
4. You understand that this is the first of multiple phases in the development of the land and that future phases may require financial participation by you in order to move toward the creation of a successful business park. Before any such financial participation by you will be expected, we will meet with you to discuss possible next steps and associated expenses and to determine a reasonable approach upon which all parties can agree.
5. You have agreed to notify the EDA when and if you intend to sell or otherwise convey your property to a third party. The EDA would like to receive this notice at least 30 days before a binding purchase agreement is signed or, if there is no purchase agreement, at least 30 days before closing on the transaction. The EDA has no desire to prevent you from selling your property if you wish to do so, but the EDA would like to know in advance whether the new owner agrees to carry on with the planning and development of the land in your stead, or whether the EDA should cease further planning activities in order to avoid unnecessary costs to the public.



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801 Washington Street
Northfield MN 55057

We believe that this letter represents the terms which would allow the EDA to advance the master planning of your property. If you agree, please indicate your acceptance of these terms by signing in the space provided below.

Thank you for your continued support of this economic development process which will be of benefit to the City of Northfield and surrounding community.

Sincerely,

Jenelle Teppen, President
Northfield Economic Development Authority

Terms and conditions set forth above are hereby accepted by the undersigned.

By: _____

By: _____

Date: _____

Date: _____



Northfield City Hall
801 Washington Street
Northfield MN 55057

March , 2010

Mr. Robert D Gill
9425 Edgebrook Dr
Northfield, MN 55057

Subject: Gill Property – P.I.D. # 070317500, 0702251001

Dear Mr. and Mrs. Gill:

Over the last several months the City has taken many actions to respond to your annexation request. The Economic Development Authority (EDA) believes it would be prudent to recap the status of your request for annexation request and document how we would like to proceed.

- **August 13, 2009:** EDA enters into professional service agreement with Hoisington Koegler Group, Inc. (HKGI) for services related to the master planning of the proposed Business Park(s). The professional service agreement with HKGI was structured in a manner that allowed the firm to begin work on the property west of the Northfield Hospital and proceed later with the property south of Highway 19, upon written notification from the EDA Board. The EDA Board wanted to ensure that the Planning Commission and City Council acted favorably toward the Prawer/Gill annexation request prior to master planning the properties.
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Thank you for your continued support of this economic development process which will be of benefit to the City of Northfield and surrounding community.

Sincerely,

Jenelle Teppen
President, Economic Development Authority

Terms and conditions set forth above are hereby accepted by the undersigned.

By: _____

By: _____

Date: _____

Date: _____



TO: Economic Development Authority Board
 FROM: Jody Gunderson, Economic Development Director
 RE: Discuss and Approve EDA’s 2010 Work Plan
 ATTACHMENTS: 1. Draft EDA 2010 Work Plan
 2. Resolution 2010-005

Background

The EDA held its annual strategic planning session on October 28, 2009, at the Northfield Golf Club. The purpose of the meeting was to discuss the initiatives the Board accomplished in 2009, which ones should carry over into the next year, and new initiatives the Board wanted to undertake for 2010.

In recent weeks the EDA’s work groups have met and reviewed the document developed at the EDA’s planning session, and provided greater detail to the initiatives they propose to undertake in 2010.

Recommendation

The Economic Development Director recommends that the EDA Board utilize the same protocol it used in 2009. The 2009 work plan protocol was as follows:

1. EDA Board member identified as lead for the each program area introduces the proposed initiatives for the year
2. EDA Board discusses proposed initiatives
3. EDA Board members may recommend changes to program initiatives
4. EDA Board approves initiatives identified in draft work plan area

(Repeat protocol for each program area)

The EDA’s Draft 2010 Work Plan is organized in the following order:

- | | |
|---|-------------------------------------|
| 1. Business Park Development | 3. Infill & Redevelopment |
| 2. Business Recruitment, Marketing,
and Public Relations | 4. Business Retention and Expansion |

Action: Approve Resolution 2010-005

VOTE: ___ TEPPEN ___ POWNELL ___ ESTENSON ___ VACANT
 ___ POKORNEY ___ ENGLER ___ SUMMA

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2010 Work Plan

MISSION STATEMENT

Operating under the authority of the City Council, the EDA shall be the chief economic development agency for the City.

GOALS

Improve the economic condition of Northfield through appropriate commercial and industrial development, thus creating a higher tax base and further job opportunities, all in ways that meet the guidelines of the City's Comprehensive Plan.

*Approved by the Northfield City Council
Resolution 90-292, September 17, 1990*

20 YEARS

2010 BOARD MEMBERS

JENELLE TEPPEN, PRESIDENT
STEVE ENGLER, VICE PRESIDENT
RHONDA POWNELL, SECRETARY/TREASURER
RICK ESTENSON
JIM POKORNEY
VICTOR SUMMA

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INTRODUCTION

“Economic development“ is defined by the International Economic Development Council (IEDC) by stating main objectives and describing it as a process. The most commonly used objectives are the creation of jobs and wealth, and improving the quality of life. Economic development is a process that influences the growth and restructuring of an economy to enhance the economic well-being of a community. Simply stated, the desired result of effective economic development is the creation of wealth for a particular community or region. How an economic development agency achieves this goal is in large part determined by the strategy that has been formulated and its prudent use of limited resources. However, the process is client driven and in today’s fast-paced environment, happens very quickly. The ability to respond to the client’s needs is essential to effectively compete for the opportunity to retain the company or to be considered as a location by the client.

Economic development efforts typically focus on policies and programs in three major areas:

- Government policies that undertake the broad economic objectives including employment, health care, sustainable growth, and inflation control. Inflation control for economic development is to expand the economic base which would allow the levy rates for the cost of government services to remain stable.
- Infrastructure policies and programs that provide services including: building transportation, sewer, water, electric, and natural gas systems; enhancement of quality-of-life services such as recreational facilities, parks, lakes, and trails; and providing development of arts and cultural facilities.
- Business climate policies and programs directed at improving conditions through specific efforts such as: business finance, marketing, neighborhood development, business retention and expansion, technology transfer, and real estate development.

There is no single strategy, policy, or program for achieving successful economic development. Communities differ in their geographic and political strengths and weaknesses; therefore, each community has a unique set of challenges for economic development.

ECONOMIC IMPACT

Economic impact is defined as new dollars injected into the economy of the community, county, region, and state. In general, the impact is tracked through the following measures:

- *New jobs—payroll*
 - *Existing jobs—payroll*
 - *New property tax collection*
 - *Increase in tax collection (sales, corporate, employment, utility, road use)*
 - *Multiplier effect on region (housing starts, buying power, multiplier varies 1.5 to 3 times the project investment)*
 - *Increase in school enrollment*
-



RICE COUNTY ECONOMIC IMPACT ANALYSIS

University of Minnesota Extension Center for Community Vitality, November 2009

The University of Minnesota Extension Center for Community Vitality, under the direction of Ms. Brigid Tuck, Mr. Bruce Schwartau, and Mr. David Nelson, completed an economic impact analysis for Rice County in November of 2009. This study was a collaboration between the University of Minnesota, Rice County Economic Development, and Rice County communities.

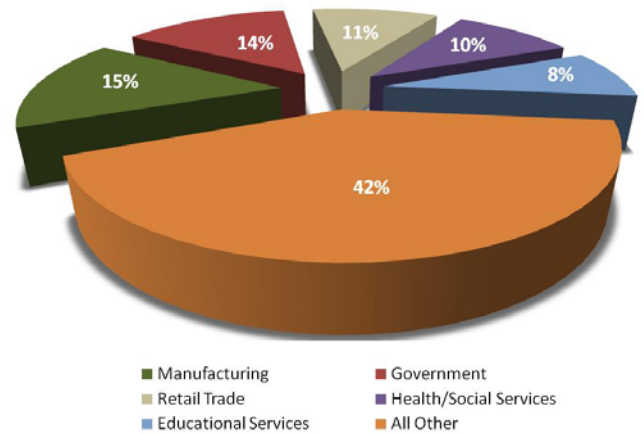
The Economic Impact Analysis was designed to assist communities in making informed economic development decisions. The impact analysis features the QuickTake 100 which highlights the economic impact in a designated county of 100 jobs in a selected industry. Along with the QuickTake 100, the impact analysis also provides an overview of the current economic structure of the county.

Interpreting the Results

The following table details how 100 jobs in each of the selected industries impacts the Rice County economy. Additionally, each of the selected industries highlights the direct impact of 100 jobs, the indirect and induced impacts created by those 100 jobs, and the top three “other industries” affected (Table 1.0).

Each page of the Economic Impact Analysis features an important note about the industry and its impacts on the local economy. The report also demonstrates how much output and labor income is generated (including direct, indirect, and induced impacts) by 100 jobs in that industry. Finally, the report features a bar chart that shows how many jobs in the industry currently exist in the county and illustrates how 100 jobs will change overall industry employment.

Employment by Major Industry
Rice County 2007



Labor Income by Major Industry
Rice County 2007

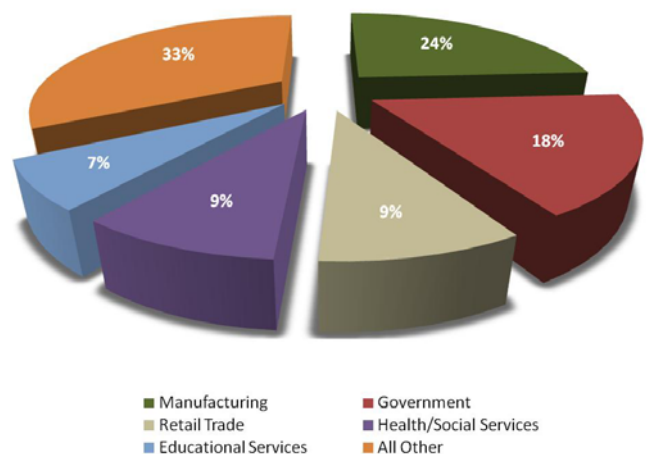


Table 1.0

<i>Rice County QuickTake 100</i>	Number of Jobs Created	Indirect Impact	Induced Impact	Total Impact	Top 3 Industries Affected by Job Creation
Breakfast Cereal Manufacturing	100	76	48	224	(1), (3), (4)
Veterinary Pharmaceutical Manufacturing	100	81	49	230	(1), (3), (5)
Glass Manufacturing	100	45	39	184	(1), (3), (5)
Surgical/Medical Manufacturing	100	49	34	183	(1), (5), (6)
Computer Software Development	100	49	34	183	(1), (6), (8)
Computer Data Warehousing	100	35	32	167	(1), (6), (7)
Circuitry Manufacturing	100	34	32	166	(1), (3), (5)
Wholesale Trade	100	21	30	151	(1), (6), (7)
Truck Transportation	100	26	23	149	(1), (4), (7)
Wind Component Manufacturing	100	26	22	148	(1), (3), (6)
Fabricated Metal Manufacturing	100	19	26	145	(1), (6), (7)
Medical and Diagnostic Labs and Outpatient Care	100	15	21	136	(1), (6), (7)
Construction of New Nonresidential Commercial Structures	100	14	20	134	(1), (6), (7)
Grain Agriculture	100	15	7	122	(1), (2), (9)
Retail Trade – General Merchandise	100	6	10	116	(1), (6), (7)
Agricultural Support Activities	100	1	14	115	(1), (6), (7)
Retail Trade – Hobby, Sporting Goods, Books and Music	100	4	7	111	(1), (3), (4)
Nursing and Residential Care Facilities	100	4	6	110	(1), (6), (7)

(1) Retail Trade	(4) Transport/Warehouse	(7) Health/Social Serv.
(2) Real Estate	(5) Manufacturing	(8) Admin/ Waste Serv.
(3) Wholesale Trade	(6) Lodging/Food Service	(9) Ag/Forestry/Fish

Understanding the Terms

Employment: includes full- and part-time workers and is measured in annual average jobs. Total wage and salaried employees as well as the self-employed are included in employment estimates in *IMPLAN*. Because employment is measured in jobs and not in dollar values, it tends to be a very stable metric.

Direct Impact: is equivalent to the initial change in the economy. For the QuickTake 100, the direct impact is 100 jobs.

Indirect Impact: The indirect impact is the summation of changes in the local economy that occur due to spending for inputs (goods and services) by the industry or industries directly impacted. For instance, if employment in a manufacturing plant increases by 100 jobs, this implies a corresponding increase in output by the plant. As the plant increases output, it must also

purchase more of its inputs, such as electricity, steel, and equipment. As it increases its purchase of these items, its suppliers must also increase its production, and so forth. As these ripples move through the economy, they can be captured and measured. Ripples related to the purchase of goods and services are indirect impacts.

Induced Impact: The induced impact is the summation of changes in the local economy that occur due to spending by labor by the employees in the industry or industries directly impacted. For instance, if employment in a manufacturing plant increases by 100 jobs, the new employees will have more money to spend to purchase housing, buy groceries, and go out to dinner. As they spend their new income, more activity occurs in the local economy. This can be quantified and is called the induced impact.

Total Impact: The total impact is the summation of the direct, indirect and induced impacts.

The purpose of conducting the Economic Development Impact Analysis for Rice County was to provide a quantitative analysis each community could use to make more informed decisions about what type of impact their investments may have to their respective communities. When evaluating the impact study in reverse, it also demonstrates what sectors of the economy are impacted by the loss of jobs in a particular business sector.

ECONOMIC DEVELOPMENT AUTHORITY

Outline from EDA's Strategic Planning Retreat

The EDA held its annual strategic planning retreat on October 28, 2009, to review its successes for the year, the elements that contributed to their success, areas requiring improvement, and initiatives the Board would like to undertake in 2010.

EDA SUCCESSES IN 2009

- Collaboration with partner organizations to accomplish 2009 initiatives. The EDA recognized the need to engage other organizations to assist with the implementation of their work plan. The EDA delegated certain responsibilities in order to concentrate on more pressing matters;
- Awarded three micro grants to support the growth of existing businesses;
- The EDA sponsored a forum that introduced community leaders to a team of individuals intimately involved with the redevelopment of downtown Holland, Michigan. Northfield leaders were very receptive to learning those issues the Holland group confronted during the redevelopment process;
- The EDA assisted the City advance the annexation of property west of the hospital and began work on the business park(s) master plan for this area;
- Willingness to invest money for professional services, and the willingness of the Board to devote their time and energy, was critical components in the success of implementing the EDA's work plan;
- The EDA successfully recruited StrataPoint to locate company in Northfield. A number of community assets were accessed exclusive from the City's master plan loan program;
- Business Retention and Expansion visits demonstrated the EDA's interest in listening to the concerns of local businesses to determine how the EDA may assist;
- The Board viewed their continuing efforts to establish face to face contact businesses as a contributing factor in the EDA's success;
- Updates to the website, more specifically the addition of available property and lease space to the toolbox section of the EDA's website;
- The participation and the utilization of City staff's professional skills contributed to the overall success of the organization;
- Modifying EDA's loan program in response to current economic conditions.

ELEMENTS CONTRIBUTING TO THE SUCCESS IN 2009

- Ability to clearly delegate specific areas of responsibility
- Willingness to learn from others
- Willingness to spend money for expertise
- Council and EDA in step with each other and seeking a common goal
- High level of energy and hard work
- Development of personal relationships through face to face interactions
- Leveraging Public/Private partnerships
- Leveraging community assets, not just financial incentives
- Leveraging skills of City Staff

AREAS REQUIRING IMPROVEMENT

- The EDA must get better acquainted with and understand the needs of Northfield's top ten employers;
- Continue to learn from the experiences of other communities;
- Become a more innovative thinking organization;
- Gain a better understanding of the real economic drivers of area businesses;
- Foster an environment where businesses want to come to Northfield; sell the community assets;
- Acknowledge and discuss tough topics;
- With limited capacity, make sure focus is on key issues where capacity exists to properly address the issue;
- Becoming more proactive, rather than reacting to situations, especially with respect to needs of local businesses;
- Provide a clear understanding of how the EDA will get things done. In particular, look to delegate responsibility to staff and partners and leverage Economic Development Director position;
- Need carriers of the vision over the long term, this will ensure continuity and follow through;
- Need to focus on adopting, rather than accepting, recommended action to help ensure follow through and accountability;
- The EDA Board must be clear about its expectations for each action area, including timeframe, deliverables and action plan. This would mean managing more like taskforce rather than a standing committee;
- Clarify what City Council expects from the EDA on future annexation efforts and potential business park development.

WHAT INITIATIVES THE EDA WILL UNDERTAKE IN 2010

The EDA Board reserved the remainder of the retreat to discuss the key initiatives they would like to address in 2010. The Board also discussed what financial commitments would be required in order to achieve the desired results. On February 25, 2010, the Board approved the EDA's Work Group assignments and instructed members to work within their assigned group over the following week to complete the draft version of the 2010 EDA Work Plan. The Board returned on March 11, 2010, and discussed the merits of each initiative and adopted their 2010 Work Plan.

Business Park Development

The Economic Development Authority Board members approved the Business Park Development Committee’s recommendation on July 30, 2009, and entered into a Professional Service Agreement with Hoisington Koegler Group, Inc. (HKGi) for master planning of the proposed business park(s).

The EDA requested and received guidance from Mr. Mark Koegler regarding what type of representation would be beneficial to have on the Steering/Technical Committee. Mr. Koegler advised the EDA Board to assemble a team of individuals with a broad spectrum of experience from the community. The EDA Board unanimously approved resolution 2009-014 appointing the following individuals identified in table 1.1 to the Business Park Master Plan Steering /Technical Committee.

STEERING COMMITTEE	Background	Table 1.1
1. Rick Estenson.....	Economic Development Authority	
2. Jim Pokorney.....	Economic Development Authority	
3. Rhonda Pownell	Economic Development Authority	
4. Erica Zweifel.....	City Council Member	
5. Tracy Davis	Planning Commission Board Member	
6. Tim Geary	Plant Manager Malt-O-Meal/Resident of Northfield	
7. Christopher Sawyer.....	Chamber of Commerce Board Member/Businessman	
8. Neil Lutsky.....	Carleton College	
9. Pete Sandberg.....	St. Olaf College/Resident of Northfield	
10. Scott Richardson	Northfield Hospital/Resident of Northfield	
11. Jay Jasnoch.....	Developer/Architect/Resident of Northfield	
12. Mike Berthelsen	Northfield Public School Board Member/ VP for Facilities Management at University of Minnesota/Resident of Northfield	

TECHNICAL SUPPORT	
1. Jody Gunderson.....	Economic Development Director
2. Brian O’Connell.....	Community Development Director
3. Dan Olson.....	City Planner
4. Katy Gehler-Hess	Engineering Director

The Steering and Technical Committee are expected to provide the following attributes for the master planning process:

1. Steering Committee should represent the various interests and values of the community and the organizations they represent;
2. Communication link between the planning process and the stakeholders within the community;
3. Provide direction to staff and the consultant team on the process and scheduling of the planning effort;
4. Serve as an Advisor on plan content. Broader public input is essential to informing people of the master plan and its guidelines, however, the steering committee may be asked to offer preliminary input on plan alternatives in preparation for broader public meetings;
5. Where appropriate, participation and involvement in workshops and charrettes throughout the planning process. Committee members may be asked to work with community organizations and businesses in getting the word out about public events related to the planning process.

Northfield 3rd Business and Industrial Park Master Plan Project Schedule (DRAFT) 11/12/2009															Updated 1-12-2010	
TASKS	2009 SEP	OCT	NOV	DEC	2010 JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT		
PREDESIGN																
Project Kickoff and Goal Setting w/Staff																
Kickoff Mtg. w/Steering Comm/EDA Sep 24																
Project Area Inventory/Analysis																
Establish Project Website																
MARKET ANALYSIS																
Preliminary Analysis																
Steering Committee/EDA Meeting Nov 12																
Property Owner/Stakeholder Meeting Nov 13																
Industry Roundtable (TBD)																
Prepare Final Report																
STRATEGIC VISIONING CHARRETTE																
Conduct Charrette Dec 1 - 2																
Steering Committee Meeting Dec 17																
CONCEPT ALTERNATIVES - SITE 'A'																
Prepare Concept Alternatives																
Preliminary Feasibility Study																
Steering Committee Meeting Feb 18																
CONCEPT ALTERNATIVES - SITE 'B'																
Prepare Concept Alternatives																
Preliminary Feasibility Study																
Steering Committee Review/Meeting Mar 18																
CONCEPT ALTERNATIVES REVIEW																
Steering Committee/EDA Review Apr 15																
City Council/Planning Commission Worksession Apr 19																
Property Owner/Stakeholder Meeting Apr 27																
Public Open House Apr 29																
Project Website Survey																
MASTER PLAN AND DEVELOPMENT STANDARDS																
Steering Committee Meeting May 20																
Prepare Draft Master Plan and Development Standards																
Prepare Feasibility Study/Cost Analysis																
Steering Committee Review/Meeting Jun 17																
IMPLEMENTATION STRATEGIES																
Preliminary Strategies (Phasing, Finance, Marketing)																
Steering Committee/EDA Review/Meeting Jul 15																
City Council/Planning Commission Worksession Jul 19																
Property Owner/Stakeholder Meeting Jul 22																
Public Open House Aug 5																
Project Website Survey																
FINAL REVIEW AND APPROVALS																
Finalize Master Plan Report																
Steering Committee Review/Meeting Sep 16																
EDA Review/Meeting Sep 23																
Planning Commission Presentation Oct 12																
City Council Presentation Oct 18																

The EDA began the Master Planning process in September of 2009. Jeff McMenimen, Director of Design, Hoisington Koegler Group, Inc., presented the schedule for the master planning process at the November Steering/Technical meeting. The Committee will meet throughout the year as the master plan for the Business Park(s) evolves. The consultants anticipate delivery of the final draft of the master plan to the City's Planning Commission and Council in October of 2010.

BUSINESS PARK DEVELOPMENT...CONTINUED

Summary of 2010 Initiatives

1. Complete work on Business Park Master Plan
2. Provide support to the City as it works through annexation issues related to the Prawer/Gill properties
3. Identify infrastructure financing options
4. Develop Phasing Scenarios
5. Promote the adoption of the final master plan to the Planning Commission and City Council
6. Determine ownership of implementation of master plan and prepare for implementation

Complete work on Business Park Master Plan: The City Council and the Economic Development Authority has identified the completion of the Master Plan for the Business and Industrial Park as a priority to the City. The Master Plan process began in September of 2009 and adoption of the plan is expected to occur by November of 2010.

Provide support to the City as it works through annexation issues related to the Prawer/Gill properties: The Northfield Planning Commission voted to recommend that the City Council approve the Prawer/Gill annexation request at their January 7, 2010, Commission meeting, and on February 9, 2010, the City Council instructed the Northfield City staff to work with representatives of Bridgewater Township on an amendment to the existing annexation agreement. The Northfield EDA approved amending their professional service agreement with HKGi to include master planning services related to the Prawer/Gill properties at their February 11, 2010, Board meeting. Given the financial investment the EDA has invested in the Prawer/Gill properties, it would be in the best interest of the EDA to continue to serve in a supporting role for the City.

Identify infrastructure financing options: HKGi will be outlining potential funding options the City may employ to develop infrastructure for the Business Park.

Specific work to be performed in this task includes:

- Review existing City programs and policies. The purpose of this review is to understand how existing policies influence the use of various public finance tools. Existing finance programs, such as tax increment financing districts, may provide resources for implementation;
- Review planned investments. The previous tasks identified infrastructure investments required for the development of the business and industrial park area. A clear understanding of these investments is needed to connect them with the tools available to Minnesota cities. The cost and timing estimates will be used for the analysis of finance options;
- Build the "tool box". We will create an inventory of public finance tools available to undertake public investment to implement the Master Plan. Our investigations will look beyond the traditional tools and explore grant programs, tax credits, and new bonding options from the American Recovery and Reinvestment Act. This inventory is intended to serve as a reference for future planning and decision making. Information to be included in the tool box includes: Statutes, Activities that can be funded,

Revenues accessed through this tool, Ability to borrow, Key limitations, Availability of State credit enhancement, Impacts on tax-exempt status of bonds, Process requirements.

Analyze the financial implications: This task will be more than just an inventory of tools. Analysis and investigation is needed to better understand the potential financial implications of finance options. This task will be used to create and analyze finance strategies for alternative public investment plans. An important focus of this task will be the public and private costs associated with the options.

Prepare finance strategies: The information created in this task leads to finance strategies for implementation of the Master Plan. The strategies will focus on the following questions: Which tools are best suited to particular investments? What specific steps should be taken to coordinate finance with overall implementation? How could the Plan be enhanced with legislative change?

Develop phasing strategy: The purpose of this task is to provide the City with a feasible plan to phase development within the industrial/business parks. The Hoisington Koegler Group team will draw from the expertise of its consultant team members and Steering/Technical Committee to prepare a phasing strategy for developing the industrial/business parks to achieve financial success in the marketplace. The phasing strategy will address the costs associated with development and providing infrastructure to the site(s) to service them for the anticipated development. It will also take into consideration the anticipated absorption expectations of various components of the proposed development.

Promote the adoption of final Master Plan to Planning Commission and City Council: Upon approval by the Technical/Steering Committee of all major aspects of the master plan, development standards and implementation strategies, the HKGi team will prepare the final master plan documents. The final Master Plan report will be drafted and supplemented with narrative in a report style plan. The report will include project inventory graphics, market analysis, concept alternatives, master plan recommendations and plans, development standards, financial analysis and implementation strategies. Members of the Steering/Technical Committee will be expected to address any concern expressed by the Planning Commission and City Council in an effort to secure its adoption.

Determine ownership of implementation of master plan and prepare for implementation: To ensure that the work and investment that went into the final business park master plans are advanced to the next stage of development, it is incumbent upon the EDA Board, City staff, and Northfield's elected officials develop a course of action and the role of each party.

BUSINESS RECRUITMENT, MARKETING, AND PUBLIC RELATIONS

Collateral Marketing Material

Updating and enhancements to a prospect response packet is a priority in the economic development organization’s program of work. This is a continuous process and requires attention to the following elements: available buildings and sites, demographics, workforce, financial programs, locational advantages, infrastructure capacity, transportation network, and quality-of-life materials.

Marketing

Like any company, if a consumer is not familiar with your product, they are less likely to purchase it. A function of an economic development organization is to market the community/region to businesses in targeted industries. Marketing should include both internal and external activities.

Communities market to achieve multiple economic development objectives, including:

- Attraction, retention, and expansion of businesses
- Attraction and retention of residents and tourists
- Improvement of the community's image locally, nationally, and internationally
- Promotion of policies and programs

Marketing may feature the community as a whole, individual properties or sites, particular neighborhoods, specific programs and policies, or business sectors. From an economic development point of view, attracting one major business to the community may revitalize an economy by creating jobs, spinning off ancillary businesses, and changing the image of the community as a business-friendly area. Many organizations contribute to a community's marketing activities—state and local governments, chambers of commerce, local businesses, regional organizations, community development corporations, and convention and visitors bureau. The degree to which these organizations coordinate their activities around a common vision is a critical determinant of marketing success.

BUSINESS CLIMATE

A community’s business climate is the policies and programs established in the state, county, and locality that a company has to follow when conducting business in that jurisdiction. Ultimately, a good business climate allows businesses to conduct their affairs with minimal interference while maximizing return on investment. While no business climate is perfect for every kind of company, certain attributes of the regional or local economy allow investors to find fewer risks and higher returns when compared to other places. Key factors used in the measure of business climate include:

- *Business and income tax levels*
- *Workforce costs, availability, and skill sets*
- *Utility costs*
- *Market proximity and size*
- *Quality of services*
- *Cost of living*
- *Quality of life*
- *Environmental regulation*
- *Permitting, licensing, and various reporting regulations*
- *Real estate costs and availability*
- *Infrastructure availability and capacity*
- *Access to financing and capital*
- *Incentives*

Branding

We can define “brand” as the sum of all available information about a place, product, or service. The brand conveys information in two ways. The first is through direct experience with the product. The second way is through the various communication drivers that communities use to shape perceptions such as: advertising, public relations, name, logo, environment, and packaging.

Many variables are involved in the positioning of brands in the marketplace, but the three components essential to developing a clear brand definition are vision, meaning, and parameters of relevance.

1. **Vision:** Encompasses both of the brand's roots, why you are in business and where your company is headed.
2. **Meaning:** A brand's meaning is just that: what your brand represents to the marketplace. Meaning is generally manifested in establishing desired image attributes that drive all decisions about the brand. If you, the marketer, have only a dim notion of what your brand is about, you can be sure that your target market is totally in the dark.
3. **Parameters of Relevance:** The parameters of relevance are simply the limits to which you can extend your brand beyond its core meaning without compromising your credibility. It involves understanding what your brand is and what it isn't. Your ability to move successfully into new areas depends on whether you choose the right new areas and if they align with the vision.

Branding incorporates many things to convey a message, but brand positioning is first and foremost about customers...the people who buy your product or service and keep you in business.

BUSINESS RECRUITMENT, MARKETING, AND PUBLIC RELATIONS...CONTINUED

Summary of 2010 Initiatives

1. Continue development of community marketing print materials including newsletter, e-letter, and stories of local businesses
2. Enhance marketing capabilities of City's website, fully implement StrataPoint software
3. Leverage Business Park Master plan business marketing report for citywide recruitment program
4. Improve and promote media relations of Economic Development Authority
5. Develop marketing piece for the purpose of soliciting State and Federal funding for Business Park infrastructure
6. Organize major employer appreciation and recognition gathering
7. Develop community-wide marketing video

Continue development of community marketing print materials including newsletter, e-newsletter, and stories of local businesses: A quarterly newsletter can serve a number of purposes for an economic development agency.

- It can be used to inform businesses, site selectors, realtors, and developers of the economic development initiatives underway in the community (new or expanding business operations).
- A newsletter may also assist the community to convey a particular message or brand for the community
- Stories about local business success will promote the EDA as an effective organization and promote the community as a business-friendly place to operate a business.
- An e-newsletter is not just the same content you would put in a printed newsletter, then cut-and-pasted to an e-mail message. The Internet is a different communications environment and requires a different writing style. People do not read long documents online, they scan to find something relevant or interesting to them. E-newsletters should be kept to three screens or less, and formatted to be scannable. E-newsletters are like sound bites of the Internet allowing people to be "information snackers."

Enhance marketing capabilities of City's website, fully implement StrataPoint software: In 2009, StrataPoint Inc. relocated its operations to Northfield. During the City's negotiations with the company it was determined that there may be a way that the EDA can accomplish its desire to have an advanced property search web based platform for development properties and leasable office space in the community. City staff has met with representatives of StrataPoint Inc. and believe that this platform may be available as early as spring of 2010.

Leverage Business Park Master Plan marketing report for citywide recruitment program: The Business and Industrial Park marketing strategy and marketing framework plan will include real estate trends and characteristics affecting development of the Northfield project. Types of businesses and industries being sought for the Northfield site will be identified and specific types of businesses and industries will be evaluated, confirmed and documented. Key state and local agencies and organizations that should be engaged in joint marketing will be identified. Recommendations shall also be made to inform various representatives, including site location consultants, commercial/industrial brokers and developers about Northfield, and how

to engage them in its future development. A dynamic and ongoing marketing program for Northfield will need to include a comprehensive branding and marketing strategy to maximize market awareness and interest in the park's development opportunities. Various print and electronic media materials will be initially profiled and introduced in the marketing strategy/framework plan.

Improve and promote media relations of Economic Development Authority: The City Council has identified the EDA as the lead economic development agency for the City of Northfield. It is important that the EDA comport itself in a manner that instills the confidence by the City's elected officials, businesses, and residents. This can be accomplished through many methods but most noticeably is how the EDA's operations and work are portrayed by the media. The EDA needs to identify those areas requiring improvement, and develop a strategy to convey its message.

Develop marketing piece for the purpose of soliciting State and Federal funding for Business Park infrastructure: The EDA is currently working to complete a master plan for a Business Park located just west of the Northfield Hospital. HKGi consulting firm has been hired to develop a conceptual plan for the newly annexed property, as well as identify financial instruments that may be utilized to provide infrastructure to the property. City staff have been involved in acquiring funding for these types of projects and believe that a marketing piece should be developed outlining the project and presenting a case for State or Federal funding.

Organize major employer appreciation and recognition gathering: Statistically the majority of business and employment growth occurs with existing companies nationwide. It is imperative that the EDA recognize the important role the major employers have in the continuing success of our community. Organizing an event with representatives of major employers in the community will provide an opportunity to recognize Northfield companies and an opportunity to network with key decision makers.

Develop community wide marketing video: A video produced by the Holland, MI group sparked an interest in a similar production highlighting Northfield's distinctive qualities. An informal group representing some of the community's most visible institutions continues to meet and discuss the project. It is expected that a modest request for EDA financial support will be forthcoming in early 2010.

INFILL & REDEVELOPMENT

Infill and redevelopment are compact forms of development that use land and other resources efficiently to improve and create more livable communities.

Infill is the construction of new buildings within existing urban areas on vacant or underutilized parcels of land. It may be as simple as building a single family home on one lot in an established neighborhood or as complex as creating a mixed-use center for offices, housing and retail on a much larger piece of land. Infill parcels are generally located in areas with water, sewer, transportation and other services in place.

Redevelopment is finding new or more intensive uses for land or buildings within an existing urban area. It may involve replacing existing structures with new ones or converting them to new uses. Redevelopment also can result in a change in use, such as replacing existing homes with apartments or building a restaurant on a parking lot. Redevelopment is typically market-driven. It usually occurs when a developer or community group determines that a new use for a site will be more profitable or productive than the current use.

The Economic Development Authority's Infill and Redevelopment Work Group's goal is to support existing businesses and attract new businesses to available properties within the City. This would maximize existing infrastructure while increasing the commercial and industrial tax base.

THE SIX MOST COMMON OBSTACLES TO INFILL AND REDEVELOPMENT

1. Infill and redevelopment projects often cost more to build than raw land projects
2. Policymakers tend to overlook the public cost-savings of infill and redevelopment
3. Largely due to past experience with poor quality examples, many community members actively oppose infill and mixed-use projects
4. Developers often avoid infill or redevelopment projects in inner-city neighborhood due to fear of reduced marketability
5. Finance and capital markets can be a barrier to the infill developer
6. Zoning for separate uses has gone too far

Source: *The Infill and Redevelopment Code Handbook: Oregon Department of Land Conservation and Development-September 1999*

INFILL & REDEVELOPMENT...CONTINUED

Summary of 2010 Initiatives

1. Develop complete listings of available existing as well as vacant infill commercial properties, both for rent and for sale
2. Identify potential funding programs to advance in-fill and redevelopment
3. Develop policy relating to EDA's desire to purchase some key properties to hold for opportunity, or control of development. Explore funding sources for acquiring these properties
4. Determine whether EDA may invest in the Northfield Real Estate Fund
5. Monitor in-fill and redevelopment efforts of other organizations, and new business inquiries that come to Economic Development Director. Support staff in this effort
6. Continue the working relationship with the NEC to review various loan applications as well as identify potential new businesses wishing to locate in Northfield
7. Evaluate and support private sector infill initiatives
8. Be pro-active in evaluating various projects that might come before the Council and the Planning Commission
9. Work with City Council and Staff to identify key sites for municipal or public buildings or public projects
10. Provide specific suggestions regarding Marketing efforts: e.g. Public Relations and marketing materials to support the InFill and Redevelopment work group (EDA) agenda efforts to market infill development
11. Sponsor forums on issues important to the advancement of economic development

Develop complete listings of available existing as well as vacant infill commercial properties, both for rent and for sale: In 2009, StrataPoint Inc. relocated its operations to Northfield. During the City's negotiations with the company, it was determined that there may be a way that the EDA can accomplish its desire to have an advanced property search web based platform for development properties and leasable office space in the community. Once fully developed the web site will include available commercial and industrial property through-out the city for lease and rent.

Identify potential funding programs to advance in-fill and redevelopment: The EDA evaluated potential funding programs in 2009. The EDA will need to develop a loan program to replace the master development loan due to the expiration of the master plan district in 2013. The Infill and Redevelopment Work Group will evaluate the needs of businesses in our current economic environment and develop programs that apply to infill or redevelopment projects.

Develop policy relating to EDA's desire to purchase some key properties to hold for opportunity, or control of development. Explore funding sources for acquiring these properties: There has been some discussion among EDA Board whether it is appropriate for the organization to purchase property for development and redevelopment purposes. The Infill Work Group will develop a policy to assist the Board in evaluating the merits of a property purchase.

Determine whether EDA may invest in the Northfield Real Estate Fund: Recently a local investment group was formed with the expressed purpose of investing in properties primarily in the Northfield Downtown Business District. The Infill and Redevelopment Work Group will investigate whether investing in this fund is legally permissible, and if permissible, the pros and cons of the EDA investing in such a fund. Representatives of the Northfield Real Estate Fund will be invited to a meeting to provide information and respond to questions.

Monitor in-fill and redevelopment efforts of other organizations, and new business inquiries that come to Economic Development Director. Support staff in this effort: There are a couple of organizations and groups that have expressed interest in the redevelopment throughout the City of Northfield. The Infill and Redevelopment Work Group believes that it is important that the EDA coordinate its infill initiatives with those groups in order to develop a cohesive plan for infill and redevelopment.

Continue the working relationship with the NEC to review various loan applications as well as identify potential new businesses wishing to locate in Northfield: The Infill and Redevelopment Work Group believes that since loan applications submitted to the EDA for consideration involve property within the City that is either infill or redevelopment, the evaluation of those loans should initiate within the Infill and Redevelopment Work Group.

Evaluate and support private sector infill initiatives: The Infill and Redevelopment Work Group will evaluate the merits of infill and redevelopment projects and recommend that the EDA take a proactive support for the project if it is appropriate.

Be pro-active in evaluating various projects that might come before the Council and the Planning Commission: In recent years the City has undertaken evaluations involving projects throughout the City (i.e. Public Safety Center, Skate Park, and Liquor Store). The Infill and Redevelopment Work Group will identify projects the EDA would like to serve as a resource for the City.

Work with City Council and Staff to identify key sites for municipal/public buildings or public projects: In recent years the Northfield's municipal and public buildings have undergone evaluation by the City's elected officials. The Infill and Redevelopment Work Group would like to advocate that the EDA Board be included in the City of Northfield's site selection process.

Provide specific suggestions regarding Marketing efforts: e.g. public relations and marketing materials to support the InFill and Redevelopment Work Group (EDA) agenda efforts to market infill development: Since the Business Park is still being master planned by the City, all marketing efforts will effectively involve the marketing of infill or redevelopment sites. The Infill and Redevelopment Work Group believes that they should be providing input to marketing efforts advanced by the Business Recruitment, Marketing, and Public Relations Work Group.

Sponsor forums on issues important to the advancement of economic development: The EDA will seek out opportunities to host forums on issues it believes are important to advance the economic development initiatives for the City of Northfield. The forums will be designed to provide information to the EDA Board, elected officials, and residents of Northfield.

BUSINESS RETENTION AND EXPANSION PROGRAM

Nationally, 80 percent of new business growth is generated from existing companies. Without fostering an existing business program, your community's best companies could be your competitor's best prospects. The purpose of a business retention and expansion program is to establish relationships between community businesses and economic developers to strengthen existing companies, establish early warning systems to flag at-risk businesses that require assistance, and ensure that public programs meet local business needs. Business retention initiatives usually include a mechanism for linking expanding businesses with public programs designed to mitigate growing pains and regulatory issues. Retention programs involve educating the stakeholders, recognition events, headquarter calls, periodic surveys, interviews, and visitations with companies to evaluate the assets and opportunities.

Many economic development professionals describe the importance of an existing business survey tool as “the ability to gather strategic information for marketing which should become a top priority for every development organization. Internal information resources should create opportunities and anticipate changes that impact businesses within a community. The emphasis of the retention survey instrument should be on capturing three types of information: customer satisfaction, predictive information, and marketing research.”

Without an effective retention and expansion program, opportunities will be lost. Increasing the return on investment from your retention and expansion effort will enhance the value. The intent is to tap into the knowledge of area executives cultivating business strategy information that will identify opportunities for the community and economic development organizations to promote or enhance.

OBJECTIVES OF A BUSINESS RETENTION AND EXPANSION PROGRAM

1. To demonstrate to local businesses that the community appreciates their contributions to the local economy
2. To help existing businesses solve problems
3. To assist businesses in using programs aimed at helping them become more competitive
4. To anticipate future local business issues and trends and develop strategies to address these
5. To build community capacity to sustain growth and development
6. To specifically identify those businesses poised to expand that need assistance to grow
7. To develop collaborative relationships for participating in comprehensive long-range retention and expansion activities
8. To identify opportunities to attract support businesses

BUSINESS RETENTION AND EXPANSION PROGRAM...CONTINUED

Summary of 2010 Initiatives

1. Enhance local business database to track business conditions
2. Conduct BR&E visits with top ten employers
3. Facilitate the growth and expansion of existing businesses by advocating on their behalf

Enhance local business database to track business conditions: The Northfield Chamber of Commerce, Northfield Downtown Development Corporation, and the Northfield city staff have all made it a practice to meet with representatives of existing businesses throughout the year and discuss the economic status of their company. During those visits a considerable amount of information is collected, but is not documented in a standardized format. The EDA will meet with its partners to determine if a standardized format can be developed. This would provide a tool for the economic development organizations to better monitor the economic conditions of Northfield's businesses and address any on-going issues they may be experiencing.

Conduct BR&E visits with top ten employers: Over the last couple of years the nation's businesses have experienced tumultuous economic times. Given the uncertainty of the economy, it is more important now than ever before that the City foster a strong working relationship with Northfield's companies. The Rice County Economic Impact Analysis completed in November of 2009 clearly demonstrates the ripple affect major employers have on the retail and service sectors of our local economy. The City staff will meet with the community's major employers and determine how and what type of assistance they require to strengthen and grow their operations.

Facilitate the growth and expansion of existing businesses by advocating on their behalf: In recent years, a number of Northfield's companies have expanded their operations in the community. The expansion of those companies has occurred through collaboration between the City and businesses. However, there are also examples of the businesses expanding their operations to locations outside the City of Northfield. The EDA will take a proactive role in advocating for Northfield companies on issues that are important to their operations, and seek for solutions that encourage business expansions locally.

ECONOMIC DEVELOPMENT TERMS

Shovel Ready Site: A shovel ready site is property zoned correctly for future anticipated uses. It will contain the appropriate infrastructure. A Phase I Environmental Site Assessment report should be obtained and, ideally, a Phase II report completed. It is important to have full knowledge of easements, right-of-ways, setbacks, and protective covenants that pertain to the property. Any limiting factors need to be addressed, such as wetland mitigation. In other words, the community or developer needs to have as much knowledge about the site as possible and there should be no surprises. A shovel ready site will be a financial commitment by the community or developer and ready for grading. The site can continue in agricultural uses; however, topographical maps will be needed to demonstrate contours and slopes.

Site Selection: Site selection is the process of rating factors specific to the project needs. Most common elements needed to be rated include: the company size, product, industry, marketplace proximity, physical infrastructure (highway accessibility, high-speed Internet access, and energy availability and cost), labor force (labor costs, available skilled labor), and business climate (state and local incentives, corporate tax rates, tax exemptions, lease rates, or construction costs).

Site Selection Process: The site selection process is a process of elimination and is a dramatic decision that has an impact on almost every facet of the process internal to a company. The decision affects the company's organization, sustainability, and operational and economic efficiency. The decision also affects the community from the perspective of new investment injection into the region and the cost to support the growth.

The site selection is a *life cycle* decision that recognizes the balance among the initial cost of the real estate, executing the project, and operating the facility. It also recognizes the benefit and cost to the local community and the environment. While the initial cost may be a significant driver, all factors must be considered in order to make the right decision for the community and the company.

The International Economic Development Council defines the site selection process as: The process by which firms find new locations for business facilities or expansions of their operations. During the location process, businesses look to minimize start-up and operating costs while maintaining close proximity to their suppliers and customers.

Though most new locations are within the same region and about 60 percent are due to expansion, communities market themselves extensively to expanding firms and to independent third parties called site selectors. These location professionals select sites based on detailed, current data about the local labor force, business climate, and available properties. The community, often on short notice, submits this data.

Site selection factor ratings depend on the type of facility, the company size, product, and industry, and thus, the kind of physical infrastructure and workforce skills that are necessary. Good data collection provides a competitive advantage to communities that are able to chart economic, industrial, and workforce trends.

Site Selector: Site selector is a term given to an individual who has the responsibility for directing a company's location search process for another or different location in which to conduct business. Professional site selectors are hired as consultants, usually in a specific industry sector, to research the competitive advantages of different locations.

Targeted markets: Sectors of industry that are the focus of new business attraction efforts. Northfield focuses on logistics, specialty manufacturing, environmental technologies, healthcare/medical, professional/technical services, and information technology.

DRAFT

**RESOLUTION #2010-005
ECONOMIC DEVELOPMENT AUTHORITY**

**APPROVING 2010 NORTHFIELD ECONOMIC
DEVELOPMENT AUTHORITY WORK PLAN**

- WHEREAS, the Economic Development Authority (EDA) for the City of Northfield was created in 1990 through the enabling legislation of the Minnesota State Legislature; and,
- WHEREAS, the EDA's primary objective is to promote and improve the economic conditions of Northfield's businesses and residents; and,
- WHEREAS, the EDA commissioned the services of TIP Strategies to develop its Comprehensive Economic Development Plan completed in June 2006 and that plan was reviewed in 2009 and deemed to be consistent with the EDA's goals; and,
- WHEREAS, the EDA's 2010 Work Plan reflects the strategies that are delineated in the City's Comprehensive Economic Development Plan; and,
- WHEREAS, the EDA's 2010 Work Plan program initiatives are comprised of work in the areas of Infill and Redevelopment, Business Recruitment, Marketing and Public Relations, Business Park Development, and Business Retention and Expansion.

NOW, THEREFORE, BE IT RESOLVED that the Economic Development Authority agrees to conduct the organization under the program initiatives outlined in the EDA's 2010 Work Plan.

BE IT FURTHER RESOLVED that the Economic Development Authority will regularly review the EDA's 2010 Work Plan and adjust program initiatives if warranted.

PASSED by the Economic Development Authority of the City of Northfield on this 11th day of March 2010.

Jenelle Teppen, President

Rhonda Pownell, Secretary/Treasurer

VOTE: _____ TEPPEN _____ POWNELL _____ ESTENSON _____ VACANT
 _____ POKORNEY _____ ENGLER _____ SUMMA