

— PINE ISLAND —

ECONOMIC DEVELOPMENT AUTHORITY

EST 1993

BOARD OF COMMISSIONERS

MONDAY FEBRUARY 5th 2023

TIME 5:30PM

FEBRUARY BOARD MEETING AGENDA

- CALL TO ORDER
- APPROVAL OF NOVEMBER MINUTES
- FINANCIAL REPORT
- REVOLVING LOAN REPORT
- MELISSA HALLER RESIGNATION
- RACHEL D'S LOAN
- ADVERTISEMENT OPPORTUNITY
- DEVELOPMENT PLAN
- DOWNTOWN BUILDINGS DISCUSSION
- 2024 WORK PLAN
- SANDRA'S REPORT
- DIRECTORS REPORT
- ADJOURN MEETING

Meeting Minutes DECEMBER 4 2023

CALL TO ORDER

Meeting called to order at 5:33pm by Ann Fahy-Gust

APPROVAL OF NOVEMBER MINUTES

Motion made by David Friese to approve minutes, second by Brian Hale Vote 4-0

FINANCIAL REPORT

Motion to approve made by David Friese, second by Mike Hildenbrand. Vote 4-0

REVOLVING LOAN REPORT

Mitch informed the board that the Rachel D's building had been sold and was under the impression that the loan was to be paid off in the middle of November. However, the loan has not been repaid yet and will conduct further research into why it was not paid off. Other than that, all loans are current.

Motion to approve the revolving loan report by Mike Hildenbrand. Second by David Friese. Vote 4-0

RAEDI

John Wade was informed that the EDA board voted to suspend the membership with RAEDI for 2024 but are revisiting the discussion. The board allowed John Wade to present on being part of RAEDI is a good financial decision and what the City of Pine Island receives for being a member.

Some changes made at RAEDI include the creation of a communities council for the member communities which will have a seat on the board and a standing discussion slot during every RAEDI board meeting.

For direct support from RAEDI to businesses within Pine Island, John Wade provided data from the SBDC, which is under the RAEDI umbrella. The SBDC has served 23 clients for 176.75 hours and assisted in raising \$500,000 in capital within the City of Pine Island between 2018 and 2023.

The EDA Board requested to have committee updates and RAEDI board meeting minutes will be provided so they can remain up to date on activities within RAEDI.

Motion made by David Friese to approve the RAEDI contract for 2024. Second by Brian Hale. Vote 4-0

DEVELOPMENT PLAN

Mitch updated the board on the progress of the project that he is working on with Xcel and DEED. The project is still in early discussions and as such is still confidential, but it is moving forward.

DOWNTOWN BUILDINGS DISCUSSION

Ann, Brian, Mike, and Mitch updated the board on conversations with developing a real estate investment group. Initial meeting set with an attorney on March 1st.

2024 WORK PLAN

Mitch and Sandra asked the board to begin considerations for what their top priorities will be in 2024. The board requested that a survey like they received in 2022 be sent out. Mitch and Sandra will complete this.

SANDRA'S REPORT

Sandra presented the Welcome to Pine Island Packet she created for new businesses and requested the board to look it over and discuss any potential changes or additions to the packet. The packet includes relevant information about city hall, the EDA programs, business directory on the city website, business resources, and Pine Island Chamber information.

Sandra also informed the board of other activities including picking a date and advertising for the Pine Island play-by-play that is taking place on December 18th, updates to the city website, and submitting business information to the business directory.

DIRECTOR'S REPORT

Mitch provided updates to the board on his activities. He had a recent conversation with a past resident looking to purchase property in Pine Island to assist in the economic growth of his hometown. The new owner's of the Rachel D's building are in discussions with a potential tenant and might be applying for a façade loan to install a handicap door on the main street side of the building.

David Hewitt has been informed of the changes to be made to the EDA business signage by trailhead park and will begin to work on them. No timeline set for when that will be completed. Mitch will also be resubmitting the grant to the community foundation for the accessible playground to be reviewed.

ADJOURN MEETING

Motion to adjourn by Mike Hildenbrand, second by David Friese 6:54pm

Members Present: Ann Fahy-Gust, Brian Hale, David Friese, Mike Hildenbrand

Guest: Steven Scheevel, Mitch Massman, Sandra Drees, John Wade

EDA Workplan Survey Results and Next Steps

Key Focus Areas for 2024

1. Attract Businesses
2. Revitalize Downtown
3. Housing
4. Relationship Building

Reasons for Focus Areas

1. Aesthetically pleasing downtown will help to attract more businesses.
2. Fill available commercial lots in opportunity drive while pursuing Walter Property

Additional Areas

1. Open additional space for businesses to move into town whether that is downtown or elsewhere.
2. Highway 52 frontage development

Types of Businesses to Attract

1. Fast food
2. Retail shopping from boutiques to flower shops to bookstores
3. Pizza and coffee
4. Hotel

What the EDA Done Well

1. Future planning
2. Building relationships and open dialogue
3. Being a resource for businesses
4. Working to create shovel ready lots

How the EDA can work to accomplish and/or move these goals forward in 2024:

EDA Commissioners agreed that being a resource and building relationships within the community has been a good thing overall. To continue this effort, the EDA will pursue additional resources and learning opportunities such as the “Enhancing Your Online Presence” webinar, hosting business after-hours events, providing the business welcome packet to each new business, forwarding relevant information from MN DEED, informing new and current businesses of programs the EDA has available, and any other information as necessary.

Future planning and creating shovel ready lots are similar things the EDA will continue. Things to do in 2024 include working with the CEDA team that is completing the Comprehensive Plan and finishing the hotel feasibility study.

New goals for 2024 are long term goals that coincide with plans already underway. The EDA is working to establish a private real estate group with the purpose of purchasing, renovating, and leasing/selling buildings downtown. This will provide revitalization and at the same time attract new businesses to the area with buildings that are fit for business. The private real estate group committee will meet with an attorney to discuss next steps in March.

Other business attraction efforts will primarily take place along Hwy 52 frontage including Walter Property, Dave Maroney Property, and Bioscience Drive. Business attraction in these areas will likely not be completed in 2024 as the Walter Property contract has not been paid and Maroney is dependent on MnDOT work near SxSE Brewing. Bioscience Drive remains a potential site for businesses to relocate.

Housing growth, primarily single family, slowed down significantly in 2023 as interest rates continued to rise. However, as interest rates have now stabilized, I suspect that this growth will continue again in 2024. Furthermore, multi-family housing developments are in discussions to move forward. There are multiple developers who would be interested in building multi-family housing in Pine Island once land is made available. To move this forward, staff will work to identify potential land.

Specific businesses to attract will remain a long-term plan and priority as we must have the right locations and access to attract some of them. Fast food and coffee chains require specific traffic counts and access points. A recent connection with a fast food chain informed me that our demographics are a bit light for what they typically look for. However, I do believe this can be overcome with better access points that we will continue to lobby MnDOT to achieve. The hotel feasibility study should be complete in mid-February and then we can work to attract a chain.

Overall, the EDA is moving in the right direction. While we do have some constraints related to access and demographics, these are just problems to solve as we move forward in pursuit of these goals.

Director's Report

Work Plan

- Land Development
 - Hotel feasibility study is set to be completed in mid to late February. We toured the community with a representative from Core Distinction and the first impressions are positive.
 - Reached out to a couple of prospective businesses to inform them of opportunities available in Pine Island. I have heard back from one and they said that our demographics are a little light for what they typically look at. However, they will send the information to local operators to consider. I did send additional information about the upcoming projects likely to occur such as Prairie Island, MN DEED projects, and more.
 - Spoke with developer working closely with Xcel about their plans. Project is continues to look promising as they complete their due diligence.
- Housing Developments
 - A new developer is now considering the Walter property that was originally going to be developed into townhomes. It would be a similar project as first proposed.
 - Spoke with 2 multi-family developers who are ready to pursue a project in Pine Island if a suitable site is identified.
- Downtown Storefronts
 - Subcommittee will be meeting with an attorney in March.
 - The realtor who was going to bring a client to see the Klatt building was unable to get a meeting set. The original meeting was set for January 20th, but the building owner did return contact after the original meeting was set.
 - There is a buyer interested in the Severson Construction property who would explore a coffee shop.
- Working with Xcel Energy on land usage plan to recruit industry to town.
 - Discussions are continuing. This is a long-term project that will likely continue into late 2024 before anything moves forward.

Business Contact

- Working with David Hewitt to get EDA business kiosk sign updated. Update: He has received the list of items to be updated. I have not been provided with a timeline for when this will take place.
- Completed a walkthrough of KAATS Gymnastics new addition we helped to finance.
- Working with Island Pallet as they consider a potential expansion.

Potential Grants/Financial Assistance

- Community Foundation is allocating \$1,250 to the inclusive playground and will seek a matching grant from SMIF.
- Completed Lowe's Hometown Grant that could provide upwards of \$150,000 for the inclusive playground.

Miscellaneous

- Established a webinar to assist businesses with growing their online presence. This is a collaboration with Medcity Creative.

Sandra's Report:

Social Media/Channel 7

- Designed social media postings for the next few months
- Updated channel 7 postings

Mural

- Created digital map for mural locations
- Researched mural designs and structure

Historical Booklets

- Created digital graphics for the recreation of historical booklets
- Designed historical markers for future use

File Transfers

- Transferred all photo's and marketing documents to the City's Google Drive
- Updated Mitch on working projects