

**MINUTES OF THE PROCEEDINGS
OF THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF JORDAN
IN THE COUNTY OF SCOTT
FEBRUARY 21, 2018**

1.0 CALL TO ORDER

Present: Ron Jabs, Ray Sandey, Dr. Chuck Cook, Brenda Lieske, Dan Elke
Absent: Mike Franklin, Tanya Velishek, Ryan Dahnert

Also Present: Tom Nikunen, City Administrator, Lucinda Meyers, Planner, Addison Lewis,
Planner/Economic Development Specialist

2.0 ADOPT AGENDA

Motion by Lieske, second by Sandey to approve agenda. Oppose: None. Motion approved.

3.0 APPROVAL OF MINUTES

A. January 17, 2018

Commissioner Cook stated noted that he is marked as absent but believed he was present for the January 17, 2018 meeting.

Motion by Sandey, second by Cook to approve January 17, 2018 minutes. Oppose: None.
Abstain: Lieske. Motion approved.

4.0 NEW BUSINESS

A. Schrom Construction Workforce Housing Proposal

Administrator Nikunen provided an overview of the proposal for workforce housing by Schrom Construction. The proposal is for 28 townhome units. The developer is requesting concept approval and a letter of support from the EDA for use of a 13 year Tax Increment Financing district. The proposed site is located off 185th Street West, west of County Road 9. The development will include (1) 8 unit townhome, (2) 6 unit townhomes, and (2) 4 unit townhomes. Each unit would include an attached one car garage, with one additional parking space in each driveway.

Commissioner Elke inquired whether there had to be a park space provided in this location. Administrator Nikunen stated that the developer has the option of providing park land, cash, or a combination of both to meet the parkland dedication requirements.

Commissioner Cook asked how many units are located within Wexford Square. Planner Meyers stated that there are a total of 61 units. Chair Jabs noted that this proposed development would bring the total to 89 units in this area.

The EDA inquired to Mr. Schrom what the estimated total project cost would be. Mr. Schrom indicated that he estimated the project would cost approximately \$4.5-5 million.

Commissioner Sandey asked Mr. Schrom if his other projects have been financed using TIF. Mr. Schrom stated his projects used to be 100% market rate; however the economics have changed and there is a greater need for communities to fill in the financing gap. Approximately 6 of the 28 units would be subsidized.

Chair Jabs inquired about the single car garages and asked if there would be opportunities to provide additional parking. Mr. Schrom stated that their clientele generally has a lower parking need. Jabs responded that he would like to get a better understanding of what the city's housing needs are and what is the current housing breakdown for single family compared to multifamily and renter occupied compared to owner occupied. Planner Meyers noted that staff can do some research and bring back some of those statistics to the commission at the next meeting.

Commissioner Sandey asked how many active TIF districts the city has. Administrator Nikunen stated that the city has three active TIF districts. The EDA discussed some of the past TIF districts. Commissioner Sandy asked if the city's use of TIF is greater in comparison to other communities. Nikunen stated that he believed the city is relatively on the high end in its use of subsidies.

Commissioner Sandey asked Mr. Schrom what infrastructure costs were out of the norm with this project that required financing. Mr. Schrom replied that infrastructure costs are just higher than they used to be and there is a need for TIF in order to make the finances work.

Commissioner Lieske asked if this proposal would go to the City Council next, following a recommendation from the EDA. Nikunen stated that the developer would need to fill out an application. The request would come back to the EDA, where there would be a public hearing, and then the request would go before the City Council. The developer would need to submit documentation demonstrating their need for TIF.

Schrom emphasized that a benefit to this project is that it would be a great incubator for bringing families to Jordan. There would be 22 market rate units. This is generally viewed as transition housing with high turnover. Tenants generally go on to find other housing within the community and stay in the community.

Chair Jabs stated that if this is to proceed, he would like to see additional accommodations for parking and park land. Commissioner Sandey also noted his concern regarding the amount of parking, stating that he does not look favorably on the one car garages. He would also like to see some type of park or open space provided. Sandey stated he does not feel the EDA has enough

information to say whether TIF is justified for this project. Schrom noted that some type of open space or playground would be provided for use by these residents.

Chair Jabs asked if an apartment building would be better for this lot. Commissioner Sandey said he did not believe an apartment would be ideal for this lot.

Planner Meyers stated that staff can conduct additional research to see if there is a need for this type of housing if the EDA is not comfortable making a recommendation. Commissioner Elke said that he believes there is a need for the housing but would like to see additional information from staff. Chair Jabs inquired of Mr. Schrom if he would be ok waiting a month for this item to come back to the EDA. Mr. Schrom expressed that he understands the process will take as long as it takes but asked what information the EDA was looking for. Chair Jabs stated they are looking for data that would indicate whether there is a need for this type of housing and stated that if it is supported by data. Commissioner Sandey requested that the Maxfield housing study previously completed for Scott County be distributed to the EDA members. Chair Jabs stated that the EDA would collect additional information and revisit this item at the next meeting.

5.0 OLD BUSINESS

A. Discussion of Economic Development and EDA Goals for the Economic Competitiveness Chapter of the Comp Plan

Planner Meyers provided an overview of Economic Development goals to be included in the Economic Competitiveness chapter of the 2040 Comprehensive Plan update. Meyers noted that the EDA previously discussed goals 1-3 at the previous meeting and requested that the EDA review and provide feedback to staff regarding goals 4-9.

The EDA discussed that there seem to be more opportunities for commercial development than industrial. Administrator Nikunen noted that the city assists in promoting industrial property outside of the city limits. Chair Jabs asked if we should emphasize working with property owners outside city limits or work to bring industrial property into the city. Commissioner Sandey asked what the difference is in taxes for property owners outside city limits compared to inside. Nikunen noted that taxes outside the city are about 1/3 to 1/2 what they are inside city limits. Sandey asked if it is possible to annex a large amount of property without a specific user. Nikunen said that the city only annexes land when petitioned by the township to do so. Nikunen added that a problem is that there is no land touching the city limits that is currently guided for heavy industrial use.

The EDA discussed goal 4 and decided to add language that emphasizes marketing sites “in and around” Jordan.

Planner Meyers noted that goal 5 is to effectively market the business community and stated that it would be good if the EDA can come up with strategies for how this will be achieved. Commissioner Sandey stated that we should continue with Business of the Week. Commissioner

Lieske asked if the city website markets businesses. Planner Meyers said that Business of the Week is on Facebook, Twitter, and the City website.

Chair Jabs asked how goal 6 is different from goal 5. Planner Meyers responded that 6 is more about meeting with business owners and connecting them to resources than marketing the businesses themselves.

Commissioner Cook asked what else the city is currently doing to market businesses. Nikunen stated that we have a lot on our website regarding attractions in Jordan. We also did a video that promoted businesses and residential.

Regarding goal 6, Planner Meyers stated that staff started doing outreach to businesses regarding issues and ways the city can help the business community. Chair Jabs noted that the City should meet with businesses to form a personal connection and to find out what their plans are and find ways to support them so they stay here. Chair Jabs asked if we put on our website if a particular business is hiring. Nikunen said that it is posted on the website or Facebook if a business lets us know.

Nikunen said that the city would like to reach out to businesses to sit down with them. He added that the city previously sent out a survey and received limited responses. Chair Jabs asked if anything in the responses stood out. Nikunen responded that a few of the downtown businesses stated they did not like the Cinco de Mayo event because it disrupts regular business activity.

Meyers noted that the city can also promote its outreach efforts on Facebook or the website so that businesses can contact the city as well.

Meyers inquired of the group regarding goal 7. Commissioner Elke stated he believed the city should continue with this goal. Chair Jabs also stated support for continuing this goal and said that a list should be developed to make sure people know what we want in the community regarding types of businesses.

Planner Meyers asked the EDA what they thought of goal 8, regarding conducting visioning sessions on economic development. The EDA discussed this but felt that many similar activities have already been done. The goal should be kept but scheduled for 5 years in the future. Nikunen added that the EDA should meet with the City Council to make sure everyone is on the same page for the vision for economic development.

Planner Meyers asked the EDA what they thought of goal 9, regarding research strategies employed by other communities to strengthen existing and attract new businesses. Commissioner Elke stated he would like to see this goal continued. Commissioner Cook said he would like to see the city not try to reinvent the wheel and try to learn from what other communities are doing. Cook stated that the City of Carver may be good to look at, as they have some similar issues dealing with growth, an old downtown, and having newer areas develop but is not sure what strategies they are employing. Commissioner Lieske stated that the LMC conference provides a lot of good information on best practices and strategies used by other communities. Planner Meyers emphasized that the city will try to learn from other communities

with strong downtowns and strong main streets. Commissioner Jabs added that it is good to know what neighboring communities are doing to make sure we remain competitive. The EDA stated that review of the Downtown Master Vision should take place annually.

6.0 MANAGEMENT REPORT

A. General Management Updates

The EDA discussed other projects going on around Jordan. Administrator Nikunen provided an update that Bridle Creek has submitted an application for preliminary plat of over 200 homes. The group also discussed the interceptor project and further discussed issues related to annexation and challenges surrounding industrial development.

B. Next Meeting- March 20, 2018

7.0 CITY COUNCIL MEMBER UPDATE

8.0 COMMISSIONER MEMBER REPORT

10. ADJOURNMENT

Motion by Elke to adjourn, second by Cook. Opposed: None. Motion approved to adjourn meeting at 8:42 p.m.

Tanya Velishek, Mayor

ATTEST:

Tom Nikunen
City Administrator