



**Economic Development Commission Meeting Agenda  
September 28, 2021 | 7:30 a.m.  
Ash Conference Rooms**

Questions regarding this workshop will be taken between the hours of 8:00 a.m. and 4:30 p.m. via [karl.batalden@woodburymn.gov](mailto:karl.batalden@woodburymn.gov) or by calling 651-414-3438 and leaving a voicemail message.

*Please note that the times listed below are estimates and are subject to change.*

1. 7:30 – Call to order
2. 7:35 – Approval of June 22, 2021 EDC Meeting Minutes
3. 7:40 – Review of City’s food-to-alcohol ratio requirements
4. 8:00 – Economic Development Strategic Plan discussions
  - a. Recap from August 31, 2021 workshop (5 minutes)
  - b. Setting goals and reviewing potential EDSP structure (45 minutes)
5. 8:50 – Wrap up and next steps
6. 8:55 – Updates
7. 9:00 – Adjourn

**Attachments:**

1. EDC Memo 21-06
2. June 22, 2021 EDC Meeting Minutes

**The City of Woodbury is subject to Title II of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability by public entities. The City is committed to full implementation of the Act to our services, programs and activities. Information regarding the provisions of the Americans with Disabilities Act is available from the City Administrator’s office at 651- 714-3523. Auxiliary aids for disabled persons are available upon request at least 72 hours in advance of an event. Please call the ADA Coordinator at 651-714-3523 (TDD 651-714-3568) to make arrangements.**

**CITY OF WOODBURY**  
**ECONOMIC DEVELOPMENT COMMISSION MINUTES**

**June 22, 2021**

Pursuant to due call and notice thereof, a meeting of the Economic Development Commission was held at Woodbury City Hall, 8301 Valley Creek Road, on the 22nd day of June, 2021.

**ITEM 1. CALL TO ORDER**

Chair Craig Johnson called the meeting to order at 7:30 a.m.

**ITEM 2. ROLL CALL**

Upon roll call the following members of the EDC were present: Craig Johnson; Chair, Kimberly Moore; Vice Chair, Kwadwo Adutwum, Emanuel Ekstrom, David Hoelzel, Pamela Morke, Bill Routt, Eric Schurr, Joseph Ward, Katie Westfall, and Michael Zoladkiewicz.

Absent: None

Also present: Anne Burt, Mayor; Janelle Schmitz, Community Development Director; Karl Batalden, Community Development Coordinator; Jamie Thoen Administrative Assistant; Brad Scheib, HKGi; and Grant Martin, LOCi Consulting.

**ITEM 3. INTRODUCTIONS**

**ITEM 4. APPROVAL OF MINUTES**

MOTION: Pam Morke moved to approve the minutes from the May 25, 2021 meeting.

SECOND: Bill Routt

VOTE: All in favor: Craig Johnson; Kimberly Moore; Kwadwo Adutwum, Emanuel Ekstrom, David Hoelzel, Pamela Morke, Bill Routt, Eric Schurr, Joseph Ward, Katie Westfall, and Michael Zoladkiewicz.

Against: None

ABSENT: None

**ITEM 5. ECONOMIC DEVELOPMENT STRATEGIC PLAN KICKOFF**

Karl Batalden, Community Development Coordinator, advised that for this first kickoff meeting, the EDC members will meet the consulting team that will be assisting with the Economic Development Strategic Plan (EDSP) process. Specifically, Brad Scheib from HKGi and Grant Martin from LOCi Consulting will be facilitating the project as well as guiding the EDC through the data and benchmarking components of the process.

He explained that staff anticipates that the EDSP process will be split into a first phase focusing on the definitions, purposes, and roles and resources related to economic development in the community. This would be followed by the next phase that explore specific industrial sectors. An aim of the second phase is to create economic development benchmarking and indicators for the use by City staff, advisory commission members, elected officials, and the public at-large. The ultimate deliverable of the EDSP process will likely create an EDSP that will be less of a policy document and more of a series of implementation and action strategies.

He advised that this update to the EDSP is an implementation step of the City's 2040 Comprehensive Plan and specifically focuses on economic development rather than the community as a whole. He informed that the EDSP process will use the nine guiding principles of the 2040 Comprehensive Plan's economic development chapter as its guiding principles. These nine guiding principles are:

1. Optimize development and redevelopment opportunities by ensuring there is an adequate supply of sites and buildings to meet the demand for commercial and industrial development, redevelopment and reinvestment.
2. Retain existing industrial and commercial businesses and assist companies with their expansion needs where appropriate.

3. Attract quality businesses to further expand employment opportunities and tax base in the City.
4. Increase awareness of Woodbury as a premier destination for businesses.
5. Support reinvestment in and redevelopment of properties including the reuse or removal of vacant buildings to spur investment in the community.
6. Encourage a variety of housing opportunities to support the workforce needs of existing businesses and attract new industry to the community.
7. Identify and prioritize infrastructure improvements to prepare for and accommodate economic growth.
8. Utilize a context-sensitive, solutions-based approach to providing infrastructure to meet the needs of current businesses and provide for future growth opportunities.
9. Serve as a resource to businesses and commercial property owners on local programs to support energy efficiency, renewable energy, waste reduction and recycling.

He said staff proposes to begin the conversation with the “what” and the “why” so that the EDSP process can fully explore the “how”. Commissioner Ekstrom inquired as to whether or not additional guiding principles could be added or if language could be modified. Janelle Schmitz, Community Development Director, responded that there is a desire to ensure that the language adequately reflects the plan and the context of economic development in the community and that additions or edits are perfectly acceptable.

Mr. Batalden noted that staff anticipates a review in July of the City’s policy statements regarding emerging trends and changing technologies as well as discussions regarding Woodbury’s economic development strengths, weaknesses, opportunities, and threats. He said these discussions will help complete the first phase in terms of exploring the definition of a successful EDSP and identification of potential barriers in the process. From an end deliverable perspective, staff is recommending that the EDSP be structured somewhat similarly to the 2021 Housing Action Plan.

Discussion ensued regarding the following points:

- The EDSP should clearly define possible partners in economic development and their role, including the roles played by the EDC, City Council, advisory commissions and staff. This could be identified in a graphic manner that shows how different groups are all interconnected.
- Mr. Batalden illustrated how different levels of government are involved in economic development as well as noting the contributions of the Woodbury Area Chamber of Commerce as well as the Open to Business program as contracted by the Washington County Community Development Agency.
- Commissioner Morke recommended investigating whether or not the Woodbury Community Foundation might play a role.
- Commissioner Schurr inquired about development vs. redevelopment. Ms. Schmitz responded that re-investment is also part of the mix and that the City’s approach to economic development is evolving as the community grows.
- Commissioner Morke inquired about stakeholder engagement. Staff responded that since this update to the EDSP is an implementation of the 2040 Comprehensive Plan, much of the broader community stakeholder engagement from that process remains valid. Additionally, the County CDA will likely be involved in the process along the way. Furthermore, as the EDSP process transitions to future phases, narrowly-defined industry-specific engagement may be included. Commissioner Morke reiterated that her question was regarding how members of the community that are not otherwise represented can play a role in the EDSP process. Staff responded that the EDC members are selected by the City Council to represent that broad and diverse array of community stakeholder opinions and backgrounds.
- Commissioner Ekstrom asked about identity and place-making. Commissioner Schurr noted that there are many from outside of the community who do view Woodbury as a regional center—especially from a medical and retail perspective. The group concurred that Woodbury is not a cultural destination.
- Commissioner Morke emphasized the importance of housing in an economic development plan.

- Commissioner Zoladkiewicz inquired as to how manufacturing will be addressed in the EDSP.

Mr. Scheib and Mr. Martin spoke about the “what, why, and how” of economic development and asked the commissioners to describe what economic development is to them. They also asked the commissioners to reflect on, from an economic development perspective, what problem(s) need to be fixed or what end result the community is trying to achieve. Various commissioners offered that

- Quality of life is just as important as developing vacant land;
- It is important to have a balanced and strong business community;
- The businesses in the community should reflect and meet the needs of the community;
- The guiding principles represent an eco-system of many parts including entertainment, places to live, lodging, housing and the balance of all of those parts;
- Perception is reality. Residents and potential residents should want to live, work and grow here;
- We want a resilient community;
- We should focus on a deliberate investment in long-term growth or wealth that is not limited to financial but that also includes but health, wellness, social, and environmental aspects;
- Benchmarking and who are we benchmarking against is critical;
- Recognition/Image is important (we are number 9 for *Money Magazine*'s best places to live);
  - Long term value over short term returns
  - Resilient – enduring qualities
- People and businesses flourish when they coexist;
- The EDSP needs to be both forward-looking and forward-thinking ;
- Education is important;
- We want Woodbury to be a clear destination.

Following this discussion, the facilitators identified that this input would be used to begin further analysis, data gathering, and the beginning steps of creating the structure of the ultimate EDSP deliverable.

#### ITEM 6. PROJECT UPDATES

Ms. Schmitz provided the EDC with a memo from the City Clerk regarding the ending of the emergency orders of the Governor on July 1, which allowed for flexibility regarding meeting virtual attendance, and reviewed the requirements going forward. She continued that the expectation is to attend future meetings in person, especially given the nature of the EDSP discussion. She also reminded the EDC of the attendance policy for commissioners. She also advised that most of the remaining EDC meetings in 2021 would be workshops rather than meetings.

Janelle Schmitz provided a verbal update regarding development projects in the community.

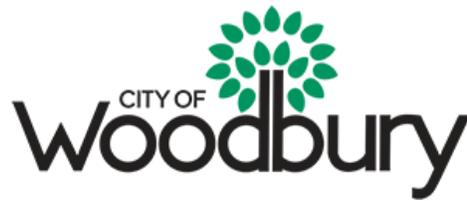
#### ITEM 7. ADJOURN

The meeting of the EDC adjourned at 9:10 a.m.

Respectfully submitted,

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Karl Batalden, Community Development Coordinator  
Approved by the Woodbury Economic Development Commission on September 28, 2021



**Economic Development Commission Memorandum 21-06**

**To:** EDC Members  
**From:** Karl Batalden, Community Development Coordinator  
**Date:** September 23, 2021  
**Re:** September 28, 2021 EDC Meeting

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The Economic Development Commission (EDC) is scheduled to hold a meeting on September 28, 2021, at 7:30 a.m. in the Ash North and South Conference Rooms at City Hall. Please note that the times listed with each agenda item are estimates and are subject to change.

This memorandum includes a variety of hyperlinks to documents which are located on the City’s website. These hyperlinks are underlined in blue font. If any reader of this memorandum cannot access the relevant documents via the hyperlinks, please e-mail [karl.batalden@woodburymn.gov](mailto:karl.batalden@woodburymn.gov) and pdf attachments can be provided.

1. **Call to order (est. 7:30)**
2. **Approval of June 22, 2021 EDC Meeting Minutes (est. 7:35)**
3. **Review of City’s food-to-alcohol ratio requirements (est. 7:40)**

The EDC has been directed by the City Council to review the City Code related to Alcoholic Beverages, Chapter 4, associated with food-to-alcohol ratios for holders of certain liquor licenses. Said review will incorporate questions of equity in terms of ensuring that liquor license holders are being treated fairly and consistently as well as the City’s historic and continued desire to prohibit bars and/or nightclubs from the community. It will also include a review of stakeholder outreach and policy analysis to determine if Section 4-28 of the City Code is presenting an unnecessary barrier to the operations of local businesses as well as economic development in the community.

[Section 4-28 of the City Code](#) incorporates a requirement that no on-sale intoxicating liquor license shall be renewed by an establishment unless at least 50 percent of the gross food and beverage receipts of the establishment are annually attributable to the sale of food. Separate from this requirement, a range of liquor license types are regulated elsewhere within [Chapter 4 of the City Code](#) with different food-to-alcohol ratios. This approach is intended both to be consistent with State law, as well as in recognition of the fact that some businesses sell liquor as a minor part of their overall operations portfolio. An additional intention of Section 4-28 of the City Code is to prevent bars and/or nightclubs from opening in the community. The table below describes how the City’s current liquor licenses are distributed by type.

Quantity of Liquor Licenses in Woodbury by Ratio				
Type of Liquor License	Minimum Pct of Sales Attributable to Food			
	50%	60%	10%	N/A
On Sale Intoxicating	29	0	2	0
On Sale Wine	0	11	0	0
Off Sale Intoxicating	0	0	0	14
Consumption and Display	0	0	0	2
On Sale Brewer Taproom and Off Sale Brewer	0	0	0	1
On Sale Culinary	0	0	0	0

Staff surveyed the 29 on sale intoxicating liquor license holders and the 11 on sale wine liquor license holders to gauge the interest in the business community to a possible new regulatory approach of reducing the requirement for all liquor license holders to a minimum 10 percent of food sales. Staff received responses from 13 license holders. When asked “Has the city’s existing requirement regarding food-to-alcohol ratios been a barrier to your business,” 13 license holders responded no, while 1 responded yes.

Additionally, some license holders provided direct feedback that lowering the food-to-alcohol requirement would decrease the City’s quality of life and risk new entries to the Woodbury marketplace of a bars and/or nightclubs, which has historically been seen as undesirable by City policymakers.

Comments from one liquor license holder within the community included:

*I know from our family owning multiple businesses throughout Minneapolis I will share with you what happens with just 10% food requirements you become essentially nightclub operators.... Every community thinks it’s never going to come to their suburb but if you lower your food requirements which would benefit me as well as every other restaurant and bar owner in the city - when restaurants change into clubs you will see a significant change in the industry in your city. I know the good and bad of food percentages I can live with some leniency, however, the city needs to be very careful on how they want our future in Woodbury to look.*

Staff has completed its review of this topic and offers the following recommendation and context to the EDC:

- a. Staff recommends no change to the current City Code.
  - i. From an equity perspective, the range in liquor license requirements is in fact equitable because it is tied to the differing nature and operating reality of liquor license holders.
  - ii. The results of the stakeholder outreach were quite clear that the City’s current regulations do not present an undue burden on or barrier to the businesses that currently hold a liquor license.
  - iii. In the recent past, no license holders have failed to meet their required ratio. In the event that a license holder were to fail to meet their required ratio, the City Clerk’s office would work with the business to achieve compliance as opposed to a revocation of the license.
  - iv. Chapter 4, Section 4-28 of the City Code was, to an extent, originally drafted to prevent bars and/or nightclubs from coming to the community. This perspective is still valid and a lessening of the food-to-alcohol ratio may lead to unintended consequences.
  - v. The City’s economic development staff is not aware of any business owners who were deterred from opening a business in the community due to the food-to-alcohol regulations connected to liquor.

#### **4. Economic Development Strategic Plan discussions (est. 8:00)**

- a. Recap from August 31, 2021 EDC Workshop (5 minutes)

This item will be presented verbally at the meeting.

- b. Setting goals and reviewing potential EDSP structure (45 minutes)

As discussed at the June 22, 2021 EDC meeting, the intention of staff is to create an updated Economic Development Strategic Plan (EDSP) in a manner consistent with the recently adopted Housing Action Plan. Specifically, the EDSP is intended to be an action-oriented implementation step of the [2040 Comprehensive Plan](#). As such, the updated EDSP will recognize that the [Economic Development Chapter](#) of the 2040 Comprehensive Plan includes nine economic development guiding principles and eleven economic development implementation steps, which will serve as the foundation of the EDSP. (The nine guiding principles and eleven implementation steps are listed at the end of this memorandum as an Exhibit.)

From an overall structure perspective, staff recommends that the EDSP final deliverable be structured as follows:

- i. Purpose of EDSP
- ii. History of economic development strategic planning in Woodbury
- iii. Economic development in context
- iv. Introduction of process and structure
- v. Action plan which will include
  - a. **Goals:** Goals are more aspirational in nature. They define the desired end state or what it looks like. The goals respond to one or more of the nine guiding principles in the 2040 Comprehensive Plan's Economic Development Chapter.
  - b. **Objectives:** Objectives will be used to get to a more specific achievable or measurable goal where appropriate.
  - c. **Strategies:** Strategies represent the game plan or what the City will do to carry out the goal. Strategies will be broad action-oriented statements. Strategies will respond to the 11 implementation steps identified in the 2040 Comprehensive Plan's Economic Development Chapter.
  - d. **Tactics:** Tactics are a specific method or action to achieve an objective. A tactic is different than a strategy in that it has an identified timeline, budget and/or level of city resource need identified to carry it out and, as well as a responsible party/partner.
  - e. **Performance measurement metrics:** Metrics will be identified to help the City monitor if economic development activities are having a positive effect on achieving the City's economic development goals.

#### Potential draft goals

Based on the July 27, 2021 and August 31, 2021 EDC workshop sessions, staff believes that the nine economic development guiding principles and eleven economic development implementation steps can be condensed into three-to-five macro level economic goals. For the purpose of starting the conversation, staff is proposing four potential EDSP goals. Staff requests that the EDC members provide direction to staff regarding whether these are the correct goals, or if they need to be further condensed or expanded.

- i. Woodbury will be seen as a community of choice by employers.

Woodbury will be seen as a community of choice by employers due to its strong and diverse labor pool supported by robust residential growth, a desirable and enduring built environment, and a coherent and navigable regulatory system. *Related 2040 Comprehensive Plan Economic Development Guiding Principles – GP3, GP4, and GP6.*

- ii. Woodbury will have sufficient (desirable) development and redevelopment opportunities.

As land resources on the edge diminish, new growth turns to areas of the community that are revitalizing and redeveloping. Availability of development or redevelopment opportunities depends on many factors including proper land use guidance and zoning, available infrastructure capacity, market demand and forces, property owner willingness to sell or develop, political acceptance, and the right economies of scale. By aligning the factors that the City has control over, Woodbury will continue to have desirable future opportunities for growth. *Related 2040 Comprehensive Plan Economic Development Guiding Principles – GP1, GP5, GP7, and GP8.*

- iii. Woodbury will be a resilient community where business thrives.

Diversity of services and businesses has been and will continue to be a strength for Woodbury's economy. A strong infrastructure system, diverse commercial base, variety of housing stock and livable neighborhoods, and a robust park and recreation system will enable the City to withstand and recover quickly from various disruptions (market, climate, technology, etc.) *Related 2040 Comprehensive Plan Economic Development Guiding Principles – GP1, GP2, GP3, GP5, GP6, GP7, and GP9.*

- iv. Woodbury will be known to the business and development community as strong collaborators, innovators, and problem solvers.

Woodbury has a strong reputation as a community that finds ways to take innovative ideas from the back of a napkin to reality. Whether it is working with start-ups from within the community or businesses looking to come to the city, staff and policy makers are able to align the necessary resources to make great projects happen. *Related 2040 Comprehensive Plan Economic Development Guiding Principles – GP2, GP4, GP8, and GP9.*

With input from the EDC at the meeting on the above draft goals, staff can begin to draft the objectives, strategies, tactics and metrics for each of the goals as well as working on the final EDSP deliverable, for discussion at a subsequent EDC meeting.

**5. Wrap up and next steps (est. 8:50)**

**6. Updates (est. 8:55)**

If time allows, staff will provide a verbal project update.

**7. Adjourn (est. 9:00)**

**EDC Memo 21-06**  
**September 28, 2021 EDC Meeting**  
**Page 5**

Respectfully submitted,

Karl Batalden  
Community Development Coordinator

cc: Mayor and Councilmembers  
Clint Gridley, City Administrator  
Angela Gorall, Assistant City Administrator  
Janelle Schmitz, Community Development Director  
Brad Scheib, HKGi  
Grant Martin, LOCi Consulting

EXHIBIT A TO ECONOMIC DEVELOPMENT COMMISSION MEMORANDUM 2021-06

2040 Comprehensive Plan Economic Development Chapter Guiding Principles

1. Optimize development and redevelopment opportunities by ensuring there is an adequate supply of sites and buildings to meet the demand for commercial and industrial development, redevelopment and reinvestment.
2. Retain existing industrial and commercial businesses and assist companies with their expansion needs where appropriate.
3. Attract quality businesses to further expand employment opportunities and tax base in the City.
4. Increase awareness of Woodbury as a premier destination for businesses.
5. Support reinvestment in and redevelopment of properties including the reuse or removal of vacant buildings to spur investment in the community.
6. Encourage a variety of housing opportunities to support the workforce needs of existing businesses and attract new industry to the community.
7. Identify and prioritize infrastructure improvements to prepare for and accommodate economic growth.
8. Utilize a context-sensitive, solutions-based approach to providing infrastructure to meet the needs of current businesses and provide for future growth opportunities.
9. Serve as a resource to businesses and commercial property owners on local programs to support energy efficiency, renewable energy, waste reduction and recycling.

2040 Comprehensive Plan Economic Development Chapter Implementation Steps

1. Encourage landowners in areas guided Places to Work to consolidate land and develop a master plan for business park-type development rather than piecemeal industrial/office developments.
2. Optimize the capacity and flexibility of public infrastructure to serve business needs.
3. Encourage and facilitate infill commercial, industrial and retail development on remaining vacant parcels to optimize redevelopment opportunities.
4. Monitor status of vacant commercial buildings in order to encourage and facilitate redevelopment of underutilized or distressed properties into viable commercial, industrial and retail developments by working with property owners and interested developers.
5. Identify any barriers to redevelopment due to City code, development review requirements or market conditions.
6. Work with local businesses and industry leaders to ensure needs for expansion and development are adequately met, and maintain an open line of communication with the business sector through participation in the local Chamber of Commerce.
7. Partner with MN DOT, Washington County, Gold Line Partners, Metro Transit and other stakeholders to improve transportation and transit systems.
8. Facilitate the consideration of environmentally sensitive development that includes resource and energy conservation, waste reduction and recycling.
9. Evaluate the fiscal implications of facilitating development through investment in site readiness.
10. Facilitate entrepreneurial opportunities within the community to spur growth of small businesses.
11. Promote county, regional and state financing programs for local energy efficiency and solar energy projects on commercial and industrial buildings.