

**Economic Development Commission Agenda  
June 23, 2020 | 7:30 a.m.  
Council Chambers and Microsoft Teams Platform**

**Please note: The June 23, 2020 Economic Development Commission meeting is taking place virtually due to COVID-19 and will also be held at City Hall. Members of the public may join the meeting using a PC, Mac, iPad, iPhone, or Android device. Members of the public can access the meeting online at [www.woodburymn.gov/virtualmeetings](http://www.woodburymn.gov/virtualmeetings).**

**Public comments will be accepted during the meeting by using the link to the virtual meeting to join the meeting and then submit your question via the online Q&A feature within the meeting.**

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

1. Call to order
2. Roll call and introductions
3. Oath of office—Commissioner Moore
4. Approval of meeting minutes – February 25, 2020 EDC Meeting
5. Review RFP process for COVID-19 CDBG funds
6. Changes to business outreach and economic development event processes
7. Introduction to 2021 Housing Action Plan
8. Local economic and development verbal updates
9. Adjourn

**Attachments:**

1. February 25, 2020 EDC Meeting Minutes
2. Draft RFP for COVID-19 CDBG funds

**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.**



## **Economic Development Commission Memorandum 20-02**

**To:** EDC Members  
**From:** Karl Batalden, Community Development Coordinator  
**Date:** June 19, 2020  
**Re:** June 23, 2020 Meeting of the Economic Development Commission

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The Economic Development Commission (EDC) will hold a meeting on Tuesday, June 23, 2020 at 7:30 a.m. both physically at City Hall and virtually via the Microsoft Teams platform.

1. **Call to order**
2. **Roll call and introductions**
3. **Oath of office—Commissioner Moore**
4. **Approval of meeting minutes—February 25, 2020 EDC Meeting**
5. **Review RFP process for COVID-19 CDBG funds**

The City received a special allocation of Community Development Block Grant funds (CDBG-CV) to be used to prevent, prepare for, and respond to COVID-19. This allocation of federal funds was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed into law on March 27, 2020.

The City Council amended the City's 2019 Annual Action Plan allocating \$91,000 of CDBG-CV to be used for grants to address public services needs of the community to assist low- and moderate-income persons in planning for and preventing the spread of COVID-19. Consistent with federal guidance, these dollars may not be invested in programs that otherwise have a funding source.

A request for proposals (RFP) process will be used this summer to facilitate decisions related to how the funding will be distributed. Given the federal requirements connected to the CDBG-CV funds, a significant amount of emphasis in an RFP process will be placed on a responding organization's ability to demonstrate their capacity to comply with federal regulations along with a clear plan to use the funds solely to benefit low- and moderate-income persons.

Staff has crafted a draft RFP for the review of the EDC and welcomes any and all feedback. The intention is to have the EDC review RFP before it is distributed and then staff will make funding allocation recommendations to the City Council, likely at their July 29, 2020 meeting.

The CDBG-CV funds are one-time in nature and staff does not view this RFP process as precedent-setting.

## **6. Changes to business outreach and economic development event processes**

Three core areas of Woodbury's economic development operations are the annual Woodbury Business Celebration, the Woodbury Business Connect, and the Mayor's Business Outreach visits.

With the onset of the COVID-19 pandemic, the Woodbury Business Celebration was cancelled and all business outreach has been limited to virtual interactions. While the Woodbury Business Connect is normally held in the fall, staff believes that the decreasing number of attendees in past years, combined with sensitivities connected to the pandemic, require this event to be re-examined and re-purposed or possibly postponed/cancelled.

Staff has the following policy questions for the EDC:

1. Have you recently attended any virtual networking or marketing events that were successful? If so, how were they facilitated? What worked specifically whereas what may have been cumbersome or ineffective?
2. Given that the Woodbury Business Celebration has always been held in May to honor commercial projects from the previous year, should the City mail or otherwise deliver plaques to the honorees that would have been recognized for building new buildings and/or undertaking large leasehold improvements? Or, is 2019 too far in the past and we should "skip" a year?
3. How should the Woodbury Business Connect be restructured? Should it be used to focus on specific industry sectors? Can it be done virtually? Should we postpone/cancel this year's event?
4. Staff is working to determine how to structure the Mayor's Business Outreach program in 2020. Some outreach may be virtual. We also may consider different approaches to who we meet with given the economic changes we are experiencing in the pandemic.
5. The City is very engaged with the Woodbury Area Chamber of Commerce. Are there other groups or trade associations in the community that provide opportunities for engagement with the business community?

## **7. Introduction to 2021 Housing Action Plan**

The City Council held a workshop session in March to kick off the 2021 Housing Action Plan process with future workshops tentatively scheduled for August and February with a likely adoption of the ultimate planning document in the first half of 2021.

While parts of the Housing Action Plan are technical in nature and line up with Metropolitan Council requirements to receive regional grant dollars, the majority of the plan is at the complete discretion of the City. One of the areas of focus for the plan will be to discuss the role of tax increment financing (TIF) and tax abatement and how these statutory economic development tools may be used for housing. The City has facilitated two senior housing developments using TIF in the past, but the current practice in the City is to avoid using the tool for housing unless it is absolutely necessary.

TIF and tax abatement are economic development finance tools that direct future tax

revenues to a specific project. In Minnesota, TIF districts are normally required to pass a “but-for” test. In other words, but-for the offering of the TIF, the project would not move forward. Minnesota law has been amended to eliminate the but-for test for affordable housing projects given the assumption that development of rental communities with affordable rents will require some type of subsidy.

Ultimately, a policy question for the EDC and City Council will likely be along the lines of investigating possible changes to the City’s policies on TIF and tax abatement for affordable housing projects. Currently, the City’s TIF and tax abatement policies do not allow for the use of either tool to subsidize affordable housing development, with the exception of affordable housing that serves seniors.

Staff anticipates that an outcome of the 2021 Housing Action Plan process will be a recommendation that the EDC review the TIF and tax abatement policies either as a part of or in the lead up to the next Economic Development Strategic Plan (likely a 2021-2022 work plan item). As such, the 2021 Housing Action Plan item is largely summary-level in nature at this point in time, but staff will present the over-arching themes to the document at the meeting.

**8. Local economic and development verbal updates**

Staff will provide verbal updates at the meeting.

**9. Adjourn**

Please free to call or via 651-414-3438 or e-mail via [karl.batalden@woodburymn.gov](mailto:karl.batalden@woodburymn.gov) if you have any questions in advance of the meeting.

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

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

**February 25, 2020**

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 25<sup>th</sup> day of February 2020.

**CALL TO ORDER**

Chair Gina Kazmerski called the meeting to order at 7:30 a.m.

**ROLL CALL**

Upon roll call the following members of the EDC were present: Gina Kazmerski, Radhika Upadrashta, David Hoelzel, Pamela Morke, William Ludwig, Craig Johnson, Bill Routt and Joseph Ward, Emanuel Ekstrom and Eric Schurr.

Absent: Kimberly Moore

Also present: Anne Burt, Mayor; Janelle Schmitz, Acting Community Development Director; Karl Batalden, Community Development Coordinator, and Jamie Thoen, Community Development Administrative Assistant.

**OATH OF OFFICE**

Mayor Anne Burt administered the Oath of Office to the new and reappointed EDC members.

**ITEM 1: APPROVAL OF MINUTES**

**MOTION:** Bill Routt moved to approve the minutes from the November 26, 2019 meeting.

**SECOND:** William Ludwig

**VOTE:** All in favor: All present

Against: None

**ABSENT:** Kimberly Moore

**ITEM 3: REVIEW DRAFT 2019 COMMUNITY DEVELOPMENT ANNUAL REPORT**

Janelle Schmitz welcomed the Commission and noted that one of the responsibilities of the Economic Development Commission is to deliver an Annual Report for the Community Development Department to the Council. She noted that the Commission had received an electronic version of the report last week, and that there were updated printed copies available to follow along at the meeting. She noted that the Annual Report includes information from the past year (2019) on development activity and planning efforts of the department, and given that this is the end of a decade, the report includes a look-back over the past ten years for many of the items covered in the Annual Report. She noted that the beginning of this decade started with the Great Recession, and it ended with very positive economic indicators.

Commissioner Ekstrom asked who the primary audience for the Annual Report was. Ms. Schmitz responded that the Council is the primary audience, but given the positive nature of the data in the Annual Report it has sometimes been used as a marketing or promotional piece. She noted that staff gives copies to each of businesses that we meet with throughout the year as part of the Business Outreach

program. There was discussion as to whether the Annual Report should include more marketing or promotional messaging, as some other cities have done (i.e. distance from airport, accolades and awards, etc.) Staff noted that typically they use the data in the Annual Report to help create customized marketing or promotional materials for various business prospects, and add that type of promotional information in the customized pieces. Commissioner Upadrashta commented that in that regard the Annual Report is almost like an encyclopedia from which we can draw the needed information.

As Ms. Schmitz reviewed the Annual Report, the Commission had the following comments:

- Cover Page: Photos will need to be updated and more clearly identifiable projects
- Executive Summary: Add a bullet about current population and ranking (8<sup>th</sup> largest city). Add comment about housing diversity under the housing start bullet.
- New Commercial Construction: The chart should be stacked (similar to housing mix chart).
- Employment: The numbers shown are 2018 employment figures and staff will update accordingly as new figures are reported. It is likely that we will shorten the list to only those with over 200 employees. Commissioner Schurr suggested that we calculate the percentage of jobs that fall under these “major employers” as compared to the total number of jobs in our city. In other words, what is the breakdown between large and small employers in Woodbury? This will help tell the story of large and small employer mix.
  - Commissioner Schurr also asked about the percentage of residents that live and work in Woodbury and whether there is a goal that we are trying to reach in that regard. This speaks to both employment and the diversity of housing.
  - Karl Batalden responded that about 20 percent of residents live and work in Woodbury. We do not have a particular goal, especially being part of a large metropolitan region. Our proximity to major employment centers across the metro help attract residents to Woodbury. Our housing and economic development policies work together to ensure that residents have opportunities to work in Woodbury, and employees who work in Woodbury have opportunities to also live here.
- New Businesses: Chair Kazmerski provided some updates to the new business list. Commissioner Hoelzel suggested moving the call out box regarding our unique chamber relationship (Mayor Burt and Karl Batalden serving on the board of directors) to the page with the ribbon cutting photos.
- Trends in Residential Growth: Karl Batalden as discussed the city’s goal of having a 50-50 mix of attached and single family homes. He noted that this is unique for a suburb like Woodbury, but has been a long-standing goal in part to help ensure we have an adequate labor force for our businesses, many of which are in the service and retail sectors.
- Comprehensive Plan/Benefits of Growth: The land use map is difficult to read, especially without a legend. Should there be a reference to the development potential for light industrial/warehouse/distribution uses in the northeast part of the city? This would tie into the “Moving Forward” part of the overall theme of the Annual Report.
- Economic Development Strategic Plan: How can we incorporate the “moving forward” part of our theme into this discussion. Commissioner Morke requested that we soften the language on regarding the use of TIF for the Valley Creek Road and Woodlane Drive redevelopment, so that audience knows this is not something we frequently use.
- Demographics: Ms. Schmitz suggested that perhaps this could be moved toward the front of the Annual Report, since it has a lot of useful data that provides the context for some of the other pages. The Commission concurred.
- Housing and Code Enforcement: There was discussion about the HRA’s loan program, and housing affordability in general. Karl Batalden noted that the city would be updating its Housing Action Plan this year, and that the EDC and Planning Commission would be playing a role in that

review.

- Decade in Review: Commissioner Morke suggested that we use a different photo at the very end of the document that would better convey the theme of the report.

Ms. Schmitz thanked the Commission for their thorough review of the Annual Report and their feedback. Their feedback will be incorporated into the next draft, which is scheduled to be reviewed by the Planning Commission on March 2. The City Council will receive the Annual Report, with Chair Kazmerski presenting, on March 18. Mayor Burt also thanked the Commission for their comments, noting that they help to make the end product better.

#### ITEM 4: PROJECT UPDATES

Janelle Schmitz provided a brief update on development projects, notably that the Key Inn (formerly the Red Roof Inn) is scheduled to be demolished this week. Other new commercial projects include Park Dental (CityPlace) and Fresh India grocery store (near Super Target).

Mayor Burt also gave a brief update on the temporary water treatment facility, which is scheduled to go before the City Council for approval on February 26.

ITEM 5: none

#### NEXT MEETING

The next meeting of the EDC is scheduled for Tuesday, June 23, 2020 at 7:30 a.m. Ms. Schmitz reminded the Commission that the Business Celebration, which is a required EDC function, is scheduled for Thursday, May 7 at Central Park.

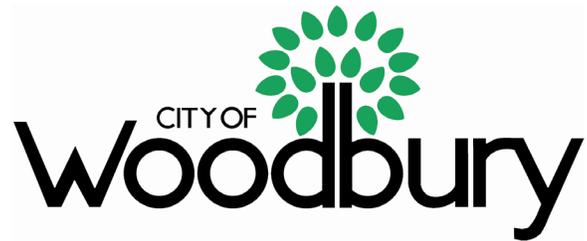
#### ADJOURNMENT

The meeting of the EDC adjourned at 9:15 a.m.

Respectfully submitted,

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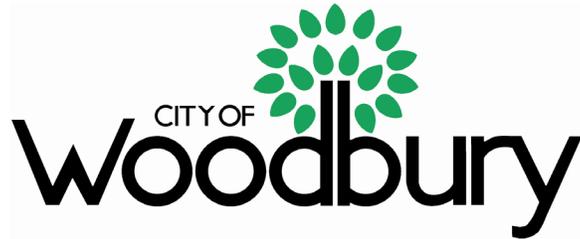
Karl Batalden, Community Development Coordinator  
Approved by the Woodbury Economic Development Commission on June 23, 2020



**The City of Woodbury requests proposals for public services grant dollars from community organizations and/or agencies that are actively engaged in preventing the spread of COVID-19.**

**Responses to this request for proposals (RFP) are due on July 16, 2020, no later than Noon.**





## I. Introduction

The City of Woodbury (the “City”) is seeking proposals from community organizations and/or agencies (“Respondents”) interested in receiving public services grants in an amount not to exceed \$91,000 to prevent, prepare for, and respond to COVID-19.

The City received a special allocation of Community Development Block Grant funds (“CDBG-CV”) to be used to prevent, prepare for, and respond to COVID-19. This allocation of federal funds was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed into law on March 27, 2020.

## II. Objectives

The City has allocated \$91,000 of CDBG-CV to grants addressing public services needs of the community to assist low- and moderate-income persons in planning for and preventing the spread of COVID-19. Consistent with federal guidance, these dollars will not be invested in programs that otherwise have a funding source.

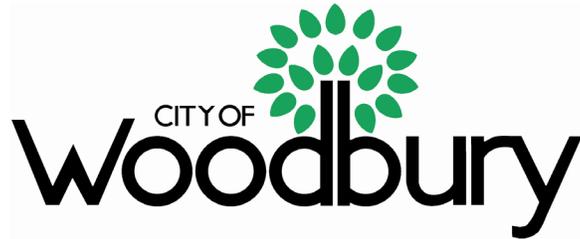
Eligible community organizations and agencies should apply for funding that provide assistance in the areas of emergency food assistance, emergency housing and shelter needs, counseling and more. Chapter 7 of “Basically CDBG” is available via <https://files.hudexchange.info/resources/documents/Basically-CDBG-Chapter-7-Public-Services.pdf> which provides basic information about how CDBG funds can and should be used to provide public services.

Successful grant proposals will demonstrate compliance with the CDBG-CV national objective to provide a benefit to low- and moderate-income persons. The CDBG-CV program presumes certain groups of people have low and moderate incomes. They are: persons who are elderly, severely disabled, victims of domestic abuse, abused children, illiterate adults, people who are homeless, migrant farm workers, and persons living with AIDS.

Grantees will be provided with instructions regarding the specific manner in how to document that the CDBG-CV funds are in fact assisting low- and moderate-income persons. In no case shall service providers be required to verify ID of a client via a driver’s license or similar documentation. Templates of self-certification and/or other similar forms will be provided to the grantees to ensure compliance.

Currently, the income limit for the CDBG-CV program is based on family size per below:

- Household of 1: \$54,950
- Household of 2: \$62,800



- Household of 3: \$70,650
- Household of 4: \$78,500
- Household of 5: \$84,800
- Household of 6: \$91,100
- Household of 7: \$97,350
- Household of 8: \$103,650

### III. Proposal Submission Format

Responses to this RFP are due no later than Noon on July 16, 2020. No exceptions will be made.

One electronic copy shall be submitted via e-mail to [karl.batalden@woodburymn.gov](mailto:karl.batalden@woodburymn.gov).

### IV. Inquiries and Proposal Contact

For any inquiries during the RFP application period, please contact:

City of Woodbury  
attn: Karl Batalden  
651-414-3438  
[karl.batalden@woodburymn.gov](mailto:karl.batalden@woodburymn.gov)

### V. Timing

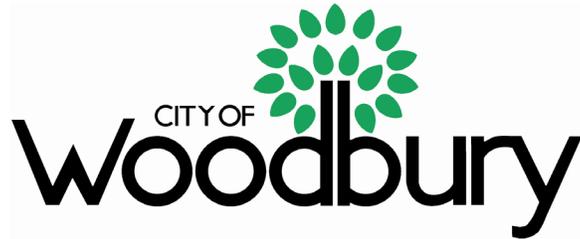
RFP released to the public and posted on City website	June 26, 2020
Responses to the RFP due no later than Noon	July 16, 2020
Designation of RFP award(s) by City Council	July 29, 2020 (estimated)

### VI. Evaluation Criteria

Responses to the RFP will be evaluated based on the following criteria. There are a maximum of 100 points and successful Respondents to this RFP must score at least 75 points:

- Ability to expend CDBG-CV grant dollars in a manner that directly benefits low- and moderate-income persons. (50 points possible)
- Demonstrated ability to comply with CDBG-CV and related federal rules, laws and statutes. (30 points possible)
- Ability to expend grant dollars within six (6) months of executing a grant agreement with the City. (10 points possible)
- Documentation of financial need (10 points possible)





Grant awards will be in a minimum amount of \$15,000 with a maximum potential grant award of \$91,000.

## **VII. List of Mandatory Attachments/Exhibits**

Respondents to the RFP shall include the following in their digital submittal:

- a. Cover page including but not limited to:
  - i. Respondent name and mailing address
  - ii. Respondent contact name and contact information
  - iii. Signature of authorized corporate officer (digital)
- b. Project narrative
- c. Proposed budget
- d. Description of previous staff and/or organizational experience with federal grant compliance
- e. List of key staff and responsibilities
- f. Statement that the requested grant funds are not automatically available from other sources

## **VIII. City of Woodbury Rights**

The City of Woodbury may investigate the qualifications of any Respondent under consideration, require confirmation of information furnished by Respondent, and require additional evidence of qualifications relative to the task described in this RFP. The City of Woodbury reserves the right to:

1. Reject any or all proposals if such action is in the public interest.
2. Cancel the entire RFP.
3. Issue a subsequent RFP.
4. Remedy technical errors in the RFP process.
5. Negotiate with any, all, or none of the RFP respondents.

Issuance of this RFP and receipt of proposals does not commit the City of Woodbury to enter into a contract. The City of Woodbury reserves the right to postpone opening for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with other than the selected Respondent should negotiations with the selected be terminated, to negotiate with more than one Respondent simultaneously, or to cancel all or part of this RFP.

This RFP does not commit the City of Woodbury to enter into a contract, nor does it obligate the City of Woodbury to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract.