

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

Thursday, March 23, 2017

4:00pm

Grand Rapids City Hall

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in Conference Room 2A in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, March 23, 2017 at 4:00pm.

AGENDA

1. Call to Order
2. Call of Roll
3. Setting of the Regular Agenda - *This is an opportunity to approve the regular agenda as presented or add/delete by a majority vote of the Commissioners present an agenda item.*
4. Approval of minutes from the March 8, 2017 special meeting.
5. Consider approval of claims
6. Discuss opportunity to host MN Real Estate Journal Micropolitan Summit
7. 2014 SCDP Project Overview – Amanda MacDonell
8. Discuss Central School Advertising Request
9. Updates:
10. Adjourn

GREDA Members/terms:

Dale Christy – 12/31/18 (with council term)

Rick Blake– 12/31/18 (with council term)

Mike Przytarski – 3/1/21

Cory Jackson – 3/1/17

Mike Stefan – 3/1/18

Chris Lynch – 3/1/19

Sholom Blake – 3/1/19

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING
WEDNESDAY, MARCH 8, 2017
8:15 A.M.
GRAND RAPIDS CITY HALL – CONFERENCE ROOM 2A
420 NORTH POKEGAMA AVE., GRAND RAPIDS, MINNESOTA**

CALL TO ORDER: Pursuant to due notice and call thereof, a Special Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Wednesday, March 8, 2017 at 8:15 a.m. in Conference Room 2A of City Hall, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL: On a Call of Roll the following members were present: Commissioners: Sholom Blake, Cory Jackson, Rick Blake, Chris Lynch. Absent: Mike Przytarski, Michael Stefan, Dale Christy.

SETTING OF REGULAR AGENDA: **Approved without addition.**

APPROVAL OF MINUTES:

MOTION BY COMMISSIONER R. BLAKE, SECOND BY COMMISSIONER JACKSON TO APPROVE THE MINUTES OF THE MARCH 8, 2017 REGULAR MEETING. The following voted in favor thereof: Jackson, S. Blake, Lynch, R. Blake. Opposed: None, passed unanimously.

Dale Christy joined the meeting at 8:17 a.m.

APPROVAL OF CLAIMS:

MOTION BY COMMISSIONER R. BLAKE, SECOND BY COMMISSIONER CHRISTY TO APPROVE CLAIMS IN THE AMOUNT OF \$6,530.50.

Bunes Septic Service Inc	\$238.00	Itasca County Recorder	\$69.00
Itasca County Treasurer	\$673.90	Kennedy & Graven	\$1,632.75
Minnesota Energy Resources	\$95.14	Northern Star Cooperative	\$435.19
P.U.C	\$1,618.08	GRP, LLC	\$35,000

The following voted in favor thereof: R. Blake, Jackson, S. Blake, Christy, Lynch. Opposed: None, passed unanimously.

Consider approval of a Central School Lease with: Beauty and Bliss (Suite 103).

Beauty and Bliss would like to expand into Suite 103 this would be the third space they would occupy. Due to the lack of traffic in the building in exchange for leasing the space for two years they would like the first six months without charge in order to build up their business. The Central School lease committee discussed this with staff and are in favor of the proposal.

MOTION BY COMMISSIONER LYNCH, SECOND BY COMMISSIONER CHRISTY TO APPROVE A LEASE WITH BEAUTY AND BLISS, LLC FOR SUITE 103. The following voted in favor thereof: Lynch, Christy, S. Blake, Jackson, R. Blake. Opposed: None, passed unanimously.

Updates:

The developer of Blocks 20 & 21 will be meeting with an investment group later on this month. He is very optimistic that he will have the financing in place this spring.

There being no further business the meeting adjourned at 8:26 a.m.

Respectfully submitted:

Aurimy Groom, Recorder

DRAFT

DATE: 03/15/2017
 TIME: 13:49:23
 ID: AP443000.CGR

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 03/23/2017

VENDOR #	NAME	AMOUNT DUE

EDA - CAPITAL PROJECTS		
IND PARK SWAN MACHINE		
1900225	SEH-RCM	650.00
TOTAL IND PARK SWAN MACHINE		650.00
MANUFACTURING HANGAR		
1415483	NORTHERN INDUSTRIAL ERECTORS	11,780.83
2209421	VIKING ELECTRIC SUPPLY INC	77.01
TOTAL MANUFACTURING HANGAR		11,857.84
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$ 12,507.84
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
1415511	NORTHERN STAR COOPERATIVE SERV	347.50
1621130	P.U.C.	1,259.54
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$ 1,607.04
TOTAL ALL DEPARTMENTS		14,114.88

Rob Mattei

From: Johnson, Jeff <jjohnson@recg.com>
Sent: Tuesday, September 20, 2016 1:11 PM
To: Rob Mattei
Subject: Grand Rapids Area Real Estate Summit information
Attachments: Micropolitan.Host.rate.sheet.2016.pdf; Mrej_May16_2.pdf

Hello Rob

Thanks again for your time today on the phone and your interest in hosting a commercial real estate development and investment summit in Grand Rapids next spring. I have attached some more information on the logistics of hosting this event in Grand Rapids and how we can make this happen for your community. As we spoke about we would like the City of Grand Rapids to be our Host Sponsor for \$9,500. We have set up a program so you can easily raise the \$9,500 from companies and organizations from Grand Rapids that would benefit from being involved with a program like this. Once the \$9,500 is raised we will agree to split any additional dollars that you raise from companies located in Grand Rapids that would like to be involved with this program. Each company will get many benefits and deliverables that we will provide to them in addition to deliverables and marketing we will provide the City of Grand Rapids for being involved with this event. Also, below you will find a sample of a similar event that we hosted recently in the Brainerd Lakes region that will give us the template to work with. Ultimately we feel we will be able to positively impact: Investment in the Grand Rapids region, Job Growth in your region and Property Tax Growth in your region by attracting new development and expansion with opportunities your community has to offer.

Minnesota Real Estate Journal has been providing commercial real estate news and information for commercial real estate professionals for the past 35 years also, we have hosted over 1,000 events over the past 20 years similar to the one I am proposing we host Grand Rapids.

Please let me know if you have any questions and I look forward to continuing our discussion.

Thanks

Jeff Johnson
Publisher & President
Minnesota Real Estate Journal
Real Estate Summits
jjohnson@recg.com

952-405-7780 Direct Dial
612-819-0385 Cell
952-885-0815 Fax

13700 83rd Way North, Suite 206
Maple Grove, MN 55369

Micropolitan Summit Series

MINNESOTA REAL ESTATE JOURNAL



BRainerd LAKES AREA

MICROPOLITAN SUMMIT

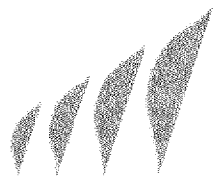
REAL ESTATE • INVESTMENT • DEVELOPMENT

JULY 15, 2016

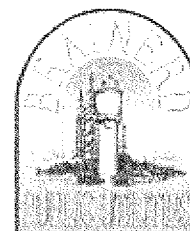
ARROWWOOD LODGE AT BRAINERD LAKES | 6967 LAKE FOREST ROAD, BAXTER, MN

10 AM - 2 PM

THIS COURSE HAS BEEN APPROVED BY THE MINNESOTA COMMISSIONER OF COMMERCE
FOR 4 HOURS OF REAL ESTATE CONTINUING EDUCATION.



Brainerd Lakes Area
ECONOMIC DEVELOPMENT
Corporation



Last Chance Registration for Fridays Event

Regular Rate \$99

Walk-Ins Welcome | Walk-In Rate \$129



Brainerd Lakes Area Micropolitan Summit - Real Estate • Investment • Development

July 15, 2016

Arrowwood Lodge at Brainerd Lakes

6967 Lake Forest Road

Baxter, MN 56425

Agenda:

9:55 Welcome and Introduction

Baxter Mayor Darrel Olson

Emcee: Rod Osterloh, Close~Converse Commercial Properties

10:00 AM Brainerd Lakes Area State of the Market/Way of Life

Moderator: Miranda Anderson, Essentia Health

Tim Houle, Crow Wing County Administrator

Andrea Rusk, ISD 181 Superintendent

Vicki Chepulis, Five Wings Arts Council

Kim Rollins, Lakes Ignite and Nor-Son Inc.

- What is the current State of the Economy in the Brainerd Lakes Area

- What is the main workforce sources to support new business and how are they trained
- Populations and workforce trends that are impacting the real estate market
- Education as a focus- Quality and types of education systems private and public
- How does private industry work with local education systems i.e.
- Brainerd Lakes Region Way of Life

10:55 AM Residential Real Estate Market Update

Moderator: Carrie Lee, Keller Williams (Incoming GLAR President)

Rob Birkeland, Larson Group Real Estate

Andy Hayes, Positive Realty

Jody Fischer, Keller Williams

Joe Ranweiler, B-Dirt

- State of the Industry – Size of the Residential Real Estate Market & Overview of existing market
- Market trends – Homes sales analysis year over year – what is selling and why
- What do outside investors see as opportunities in the Brainerd Lakes Area
- Projects that are impacting housing in Brainerd Lakes Region – infrastructure and other
- New Real Estate Development – Where is it happening & Why
- Lake Front Property Market Update – Scale & Size of the Market

11:55 AM Break with Lunch and Refreshments

12:05 PM Commercial Real Estate Market Update

Moderator: Chris Close, Close~Converse Preferred Properties

Mark Korte, Nor-Son, Inc.

Nate Grotzke, Close~Converse Preferred Properties

Scott Bender, Bremer Bank

Scott Lanz, Lanz Appraisal

- Why are outside investors interested in Micropolitan cities and Brainerd Lakes Region
- Retail Market Update – Vacancy Rates, Market Size, Trends, & Opportunities
- Apartment Market Update – Vacancy Rates, Market Size, Trends, & Opportunities
- Office Market Update – Vacancy Rates, Market Size, Trends, & Opportunities
- Economic Development Opportunities in the Region
- Future Outlook and Opportunities investors and brokers need to know about Brainerd Lakes Region

1:00 PM Business Park & Industrial Park Development & Opportunities:

Moderator: Sheila Haverkamp, Brainerd Lakes Area Economic Development Corporation and

Jaimee Meyer, Cass County Econ Dev.

Nate Grotzke, Close~Converse Commercial Properties

Mark O'Day, Brainerd Public Utilities

Kristi Westbrook, Consolidated Telecommunications Company

Karlo Goerges, Pequot Tool & Manufacturing

- Current State of Brainerd Lakes Region Business Park Vacancy Rates, Market Size, Trends, & Opportunities
- Who are the local employers and what businesses are coming to the area
- Transportation and other amenities that are crucial to the region
- World-class high speed fiber optic internet infrastructure
- What do Site Selectors and Brokers need to know

2:00 PM Adjourn & Thank You

Brainerd Mayor Ed Menk



GOLF

Interested in golfing after the event?

The Pines at Grand View Lodge is offering a discounted golf rate of \$39.00 plus tax per person with tee times available from 3:00pm to 4:10pm. Please call **Tim Martin** at **218-963-8742** and set up your tee time. Reservations must be set up Friday, July 1st to receive the discount.

REGISTRATION

WHEN

Friday, July 15, 2016
10:00 AM - 2:00 PM Program
9:15 AM Registration
Lunch Included with Registration

Upcoming Events

WHERE

Arrowwood Lodge at Brainerd Lakes
6967 Lake Forest Road, Baxter, Minnesota 56425,
USA

FEE

Event Registration
Early-Bird Rate \$89
Regular Rate \$99
(\$129.00 Walk-In Rate)

***Refunds available up to 72 hours
prior to the event.***
***No refunds, transfers or cancellations
within 72 hours, during or after event.***

RSVP

Thursday, July 14, 2016

Sponsorship or

Registration Questions?

**Speaking
Information**

Jeff Johnson
952-405-7780
jjohnson@recg.com

Online Registration



MICROPOLITAN CITY HOST SPONSORSHIP \$9,500 (In-kind trade of \$12,500)

Booth at Event - List of Attendees - 12 Free Passes to the event (\$1,200 Value)

-Marketing Materials Passed out at the event - Logo on Support Materials

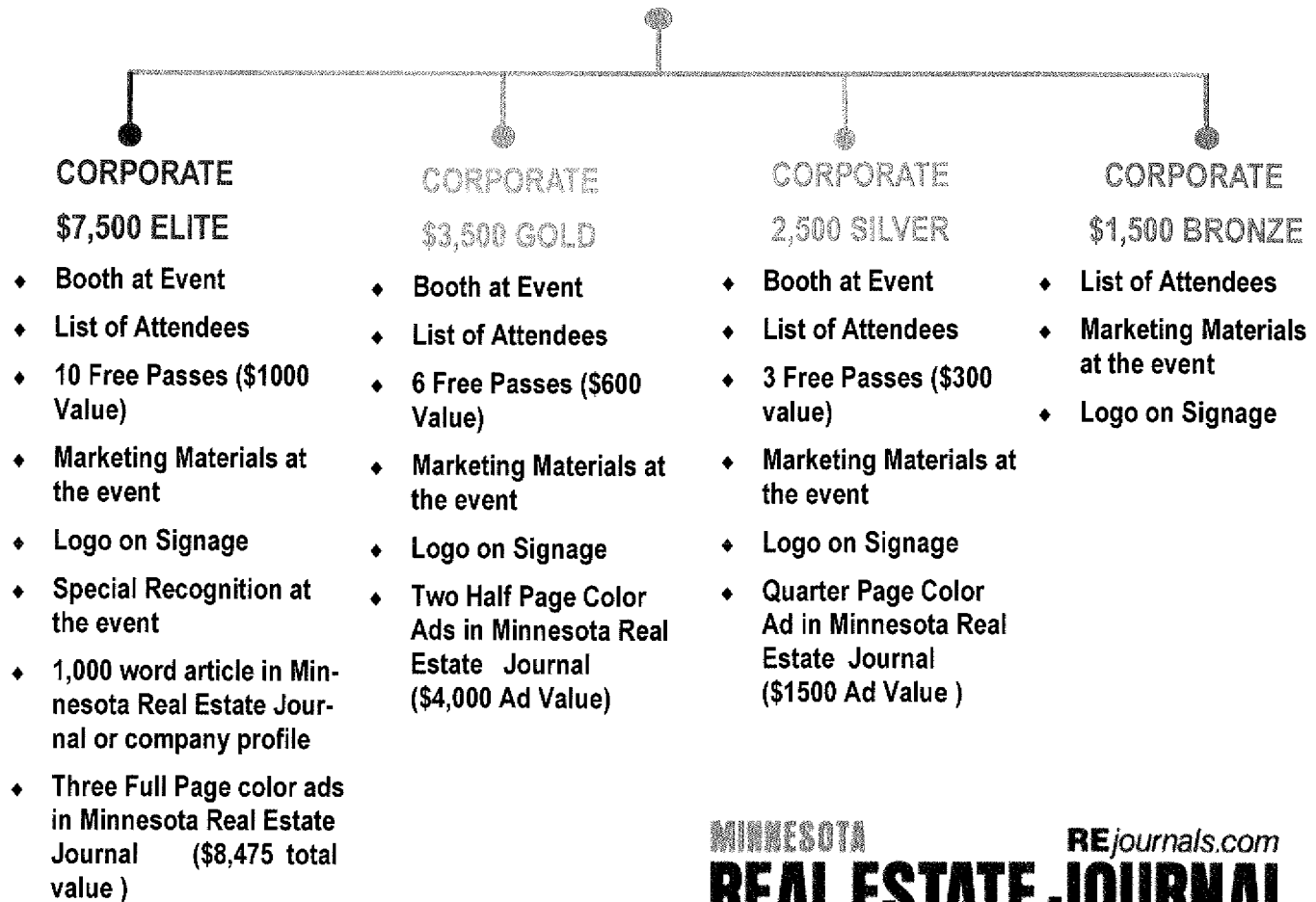
- Special Recognition at the event with Keynote Speaking - Category Exclusive

Involvement with Conference Content and organizing event EMCEE of Program

- 1,000 word article in Minnesota Real Estate Journal or Community Profile (15,000 monthly readers)

- Four Full Page Color ads in Minnesota Real Estate Journal (\$11,300 Total Ad Value)

All corporate monies raised goes towards the \$9500 HOST SPONSORSHIP



MINNESOTA **REAL ESTATE JOURNAL** REjournals.com

MN Real Estate Journal
13700 83rd Way N. Ste 206
Maple Grove, MN 55369

TACONIA Marketing
8134 Main Street North
Maple Grove MN 55369

952-405-7780 Fax 952-885-0818
jjohnson@recg.com

320.760.5014
grow@taconia.com



Advertising Proposal

Historic Central School

Problem

I am submitting this proposal as a means to improve business development at the Historic Central School. Historically, the Central School has not effectively kept tenants in residency and has only been partially full. Part of the problem is that most local residents of Itasca County do not frequent the school and are not even aware of the businesses within the school. There is no "store front" presence and people do not think to come to the school for any shopping needs.

The tourists will visit the school, but the likelihood of re-visiting is diminished when there are only one or two retail stores within the school. My vision is for the school to be a true marketplace and the primary shopping destination for locals and tourists.

Solution

Part of the problem is the lack of advertising and promotion of the school. Some of the tenants are working on creating quarterly events at the school to increase awareness. However, the primary solution is to increase the city advertising budget in order to draw shoppers and retailers to come to the school.

Currently the city has \$600 budgeted per year for advertising. I would like to propose increasing that to \$5,210.00 for the next fiscal year. You may reference Addendum A for the proposed advertising budget. The advertising money will go towards participation in the Macroctie First Friday Art Walk; quarterly advertising for special events planned (Girls night out, Aveda Earth Month, Christmas, Central School Birthday Party); a billboard; and a domain name for a general website on wix.com that will have all tenant information.

Ashley Brubaker has agreed to create and maintain the website. The only ongoing expense for the website will be yearly domain name renewal and a monthly email account.

Advertising for quarterly events will be spent on radio adds, print adds, flyers,

and social media advertising. This will be coordinated by myself, Ashley Brubaker, or Janna Salmela.

The budgeted cost of billboard advertisement includes design. Ideally, the billboard would be located within the city limits. If that is not available, the billboard will be located as you come into Grand Rapids from the west, east, or south. There is potential to use this allotted money on more than one billboard. The logical strategy for this advertisement would be to use the new electronic billboard located on highway 2 in front of Dreams Come True Dance company in addition to another billboard located on the south end of town or highway 2 east.

Conclusion

I have personally committed to making the Central School great by renting 3 separate spaces in an effort to increase traffic and appear more desirable to retailers looking for space. To date, I have spent \$732.00 on advertising since October 1, 2016, and I still consistently hear the vast majority of customers say, "I didn't know you were in here". With all due respect, a \$600 budget for promoting the Central School is minuscule. In addition, other similar entities likely budget much more than my proposal of \$5,210.

If you are able to rent out one more space because of increased advertising and promotion, you will see a return on investment within 6-7 months. I am asking for your help to truly make the Historic Central School Marketplace a great destination for locals and tourists.

Lisa K. Carsrud, Central School Tenant and Business Owner

Addendum A

Marketing Expenditure	Monthly Cost	Annual Cost
Macrostie Art Center: First Friday Promotion	30.00	360.00
Domain Name for Wix Account	4.17	50.00
Monthly Email Account	5.33	63.96
Quarterly Events Advertising	233.33	2,800.00
Billboard Advertisement (Addendum B)	167.00	2,000.00

Addendum B

Billboard Advertising Pricing in Grand Rapids, MN

Duration	Size					
	8 sheet (60"w x 80"h)	32 sheet (160"w x 120"h)	48 sheet (240"w x 120"h)	64 sheet (320"w x 120"h)	96 sheet (480w" x120"h) x 168h")	Bulletins (576w x 168h")
4 Weeks	\$284.67 - \$711.68	\$711.68 - \$1,897.82	\$948.91 - \$14,233.65	\$948.91 - \$18,978.20	\$1,138.69 - \$23,722.75	\$1,423.37 - \$28,467.30
8 Weeks	\$569.35 - \$1,423.37	\$1,423.37 - \$3,795.64	\$1,897.82 - \$28,467.30	\$1,897.82 - \$37,956.40	\$2,277.38 - \$47,445.50	\$2,846.73 - \$56,934.60
16 Weeks	\$854.02 - \$2,135.05	\$2,135.05 - \$5,693.46	\$2,846.73 - \$42,700.95	\$2,846.73 - \$56,934.60	\$3,416.08 - \$71,168.25	\$4,270.10 - \$85,401.90
6 Months	\$1,708.04 - \$4,270.10	\$4,270.10 - \$11,386.92	\$5,693.46 - \$85,401.90	\$5,693.46 - \$113,869.20	\$5,883.24 - \$142,336.50	\$85,401.90 - \$170,803.80
1 year	\$3,416.08 - \$8,540.19	\$8,540.19 - \$22,773.84	\$11,386.92 - \$170,803.80	\$11,386.92 - \$227,738.40	\$11,766.48 - \$284,673.00	\$170,803.80 - \$341,607.60