

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

Thursday, February 12, 2015
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, February 12, 2015 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. Welcome new GREDA Commissioner – Jon Toivonen
5. Approval of minutes from the January 8, 2015 regular meeting
6. Consider approval of claims
7. Discuss an update of the City of Grand Rapids TIF & Tax Abatement Business Subsidy Policy and appoint two GREDA Commissioners to work with staff in the development/review of proposed revisions.
8. Review and consider the costs and benefits for certifying additional sites in the DEED Shovel Ready Certification program.
9. Updates:
 - a. Central School Building and Grounds Assessment
10. Adjourn

GREDA Members/terms:

Dale Christy – 12/31/16 (with council term)
Jon Toivonen – 12/31/18 (with council term)
Mike Przytarski – 3/1/15
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
REGULAR MEETING
THURSDAY, JANUARY 8, 2015
4:00 P.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 Regular Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Thursday, January 8, 2015 at 4:07 p.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: Dale Christy, Cory Jackson, Chris Lynch, Michael Stefan. Absent: Sholom Blake, Mike Przytarski.

SETTING OF REGULAR AGENDA: Approved without addition.

APPROVAL OF MINUTES:

MOTION BY COMMISSIONER STEFAN, SECOND BY COMMISSIONER JACKSON TO APPROVE THE MINUTES OF THE DECEMBER 16, 2014 SPECIAL MEETING. The following voted in favor thereof: Stefan, Lynch, Christy, Jackson. Opposed: None, passed unanimously.

APPROVAL OF CLAIMS:

MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER STEFAN TO APPROVE CLAIMS IN THE AMOUNT OF \$10,811.46.

City of Grand Rapids	\$220.02	Itasca County HRA	\$10,290.94
Kennedy & Graven	\$300.50		

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

Consider approval of 2015 Central School leases with:

- a. Kelly Ewens dba Old School Café and Boutiques
- b. True North Salon and Spa, Inc.
- c. ServeMinnesota Action Network
- d. Dustables, Inc.
- e. Isabella's Fashions, Inc. dba The Purple Pinecone
- f. Lake Lover Trading Company

Community Development Director Mattei reviewed the amendments to the 2015 lease agreements. The leases have all been executed by the tenants and just need approval from the GREDA.

MOTION BY COMMISSIONER STEFAN, SECOND BY COMMISSIONER CHRISTY TO APPROVE THE 2015 CENTRAL SCHOOL LEASES. The following voted in favor thereof: Christy, Lynch, Stefan, Jackson. Opposed: None, passed unanimously.

Consider approval of a resolution accepting a Blandin Foundation grant for Phase 2 of the Central School Building and Grounds Assessment Study.

Phase 1 of the assessment which involved the development of concepts and preliminary cost estimates for options to create a viable space for a restaurant use in Central School has been completed. GREDA submitted a grant application for Phase 2 of the study which involves the assessment of building systems, egress requirements for the third floor and improvements or changes to the grounds. A grant request has been approved in the amount of \$18,000 from the Blandin Foundation which is the cost of Phase 2 of the study.

MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER STEFAN TO ADOPT RESOLUTION 15-01 ACCEPTING A BLANDIN FOUNDATION GRANT FOR PHASE 2 OF THE CENTRAL SCHOOL BUILDING AND GROUNDS ASSESSMENT STUDY. The following voted in favor thereof: Stefan, Jackson, Lynch, Christy. Opposed: None, passed unanimously.

Consider authorizing the work described as Phase 2 services in the October 2, 2014 proposal from Miller Dunwiddie Architects for the Central School Building and Grounds Assessment Study.

Community Development Director Mattei reviewed the work to be done during Phase 2 of the study.

MOTION BY COMMISSIONER JACKSON, SECOND BY COMMISSIONER STEFAN TO AUTHORIZE THE WORK DESCRIBED AS PHASE 2 SERVICES IN THE PROPOSAL FROM MILLER DUNWIDDIE ARCHITECTS FOR THE CENTRAL SCHOOL BUILDINGS AND GROUNDS ASSESSMENT STUDY. The following voted in favor thereof: Christy, Lynch, Jackson, Stefan. Opposed: None, passed unanimously.

Review the 2015 GREDA Work Plan.

The Commissioners reviewed the work plan and felt there was no need for additions or deletions.

MOTION BY COMMISSIONER JACKSON, SECOND BY COMMISSIONER CHRISTY TO APPROVE THE 2015 GREDA WORK PLAN. The following voted in favor thereof: Stefan, Jackson, Lynch, Christy. Opposed: None, passed unanimously.

There being no further business the meeting adjourned at 4:35 p.m.

Respectfully submitted:

Aurimy Groom, Recorder

DATE: 02/06/2015
 TIME: 11:11:38
 ID: AP443000.CGR

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 02/12/2015

VENDOR #	NAME	AMOUNT DUE

ECONOMIC DEVELOPMENT AUTHORITY		
2018225	TREASURE BAY PRINTING INC	14.50
	TOTAL	14.50
EDA - CAPITAL PROJECTS		
CENTRAL SCHOOL REDEVELOPMENT		
1309069	MILLER DUNWIDDIE ARCHITECTURE	4,141.86
	TOTAL CENTRAL SCHOOL REDEVELOPMENT	4,141.86
AIRPORT SOUTH JOBZ ZONE		
1105530	KENNEDY & GRAVEN	346.50
	TOTAL AIRPORT SOUTH JOBZ ZONE	346.50
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$ 4,502.86



CITY OF
GRAND RAPIDS
ON BUSINESS'S NATURE

REQUEST FOR GRAND RAPIDS EDA ACTION

Agenda Item #	Meeting Date: 2/12/15
Statement of Issue:	Discuss an update of the City of Grand Rapids TIF & Tax Abatement Business Subsidy Policy and appoint two GREDA Commissioners to work with staff in the development/review of proposed revisions.
Background:	<p>The City of Grand Rapids Business Subsidy Policy, which guides the City Council and GREDA in their consideration of TIF and Tax Abatement use, was developed in 2002 with assistance from our fiscal consultant (Springsted) and our economic development attorney (Kennedy and Graven).</p> <p>Staff has discussed the need to update this policy with the Finance Director and City Administrator and they agree that it is needed. The approximate total fee for Springsted to develop the revised policy and for Kennedy and Graven to review it and prepare notice of the required City Council public hearing for its adoption, is \$2,300.</p>
Recommendation:	
Required Action:	Adopt motion appointing two GREDA Commissioners to work on the Business Subsidy Policy update.
Attachments:	Email from Paul Steinman, Springsted 2002 TIF and Tax Abatement Business Subsidy Policy

Economic Development Policies
City of Grand Rapids, Minnesota
May 2002

Business Subsidy
Tax Abatement
Tax Increment Financing

Prepared by:

Springsted Incorporated
85 East Seventh Place, Suite 100
St. Paul, MN 55101

Minnesota Offices

Corporate Headquarters

85 East Seventh Place, Suite 100
St. Paul, MN 55101-2887
651.223.3000
651.223.3002 Fax

520 Marquette Avenue, Suite 900
Minneapolis, MN 55402-1122
612.333.9177
612.349.5230 Fax

Iowa Office

100 Court Avenue, Suite 204
Des Moines, IA 50309-2257
515.244.1358
515.244.1508 Fax

Kansas Office

7211 West 98th Terrace, Suite 100
Overland Park, KS 66212-2257
913.345.8062
913.341.8807

Virginia Offices

1206 Laskin Road, Suite 210
Virginia Beach, VA 23461-5263
757.422.1711
757.422.6617 Fax

12 Culpeper Street
Warrenton, VA 20186-3205
540.341.4290
540.349.4713 Fax

Washington D.C. Office

2121 K Street NW, Suite 800
Washington, D.C. 20037-1829
202.261.6506
202.261.3508 Fax

Wisconsin Office

1001 West Glen Oaks Lane, Suite 108
Mequon, WI 53092-3366
262.241.4422
262.241.4994 Fax

Table of Contents

	Page(s)
CITY OF GRAND RAPIDS BUSINESS SUBSIDY POLICY	1
A. Mandatory Criteria	1
B. Policy	1
C. Project Evaluation Criteria	2
D. Additional Considerations	4
E. Financial Assistance Not Considered A Business Subsidy	4
CITY OF GRAND RAPIDS TAX ABATEMENT AND TAX INCREMENT FINANCING POLICY	6
A. Purpose	6
B. Public Purpose Objectives	6
C. Policy Positions	7
D. Project Requirements	8
E. Application Process	8
Exhibit A: Business Assistance Application.....	9
Exhibit B: Business Assistance Review Worksheet for Commercial/Industrial Projects	14
Exhibit C: Business Assistance Review Worksheet for Housing Projects	17
ATTACHMENTS	
A. Tax Abatement Statute – 2001	
B. Tax Increment Financing Statute - 2001	
C. Business Subsidy Statute - 2001	
D. Sample Business Subsidy Agreement	
E. Business Subsidy Reporting Forms – 2002	

City of Grand Rapids Business Subsidy Policy

The following business subsidy criteria are intended to satisfy the requirements of Minnesota Statutes, §§116J.993 through 116J.995 (the "Act"). The term "City" means the City of Grand Rapids. The term "project" means the property with respect to which the business subsidy is provided.

A. MANDATORY CRITERIA

All projects must comply with the following criteria:

1. But For Test. There is a substantial likelihood that the project would not go forward without the business subsidy. This criterion may be met based solely on representations of the recipient of the business subsidy.
2. Wage Policy. If the project results in the creation of any jobs, the wage for each part-time and full-time job created must be, within two years of the date assistance is received (as defined in the Act), at least equal to 75% of the most recent average weekly wage figures for Itasca County as published by the Minnesota Department of Economic Security or the Federal Bureau of Labor Statistics or such greater amount as the City may require for a specific project.
3. Economic Feasibility. The recipient must demonstrate to the satisfaction of the City that it has adequate financing for the project and that the project will be completed in a timely fashion.
4. Compliance with Act. The business subsidy from the City must satisfy all requirements of the Act.

B. POLICY

1. The City recognizes that the creation of good paying jobs is a desirable goal which benefits the community. Nevertheless, not all projects assisted with subsidies derive their public purposes and importance solely by virtue of job creation. In addition, the imposition of high job creation requirements and high wage level requirements may be unrealistic and counter-productive in the face of larger economic forces of influence and the financial and competitive circumstances of an individual business. In determining the requirements for a project under consideration for a business subsidy, the determination of the number of jobs to be created and the wage levels therefore will be guided by the following principles and criteria:
 - a. The evaluation of projects will take into consideration the project's importance in and benefit to the community from all perspectives, including created or retained jobs.
 - b. If a particular project does not involve the creation of jobs, but is nonetheless found to be worthy of support and subsidy, assistance may be approved without any specific job or wage goals if permitted by applicable law.
 - c. In cases where the objective is the retention of existing jobs, the recipient of the subsidy will be required to provide evidence which demonstrates that the loss of those jobs is specific and demonstrable.

- d. The setting of wage and job goals will be informed by (i) prevailing wage rates, (ii) local economic conditions, (iii) external economic forces over which neither the City nor the recipient of the subsidy has control, (iv) the financial resources of the recipient and (v) the competitive environment in which the recipient's business exists.
2. Because it is not possible to anticipate all the needs and requirements of every type of project and the ever-changing needs of the community and in order to retain the flexibility necessary to respond to all proposed projects, the City retains the right to approve projects and business subsidies which may vary from the principles and criteria set forth herein.

C. PROJECT EVALUATION CRITERIA

The project review and evaluation criteria are the following:

1. Jobs and Wages
 - a. New Jobs. The minimum net number of direct full time equivalent jobs to be created or retained by the proposed project for a period of at least two years from the estimated benefit date.
 - b. Payroll. The minimum annual net payroll (including employer contributions for health benefits) to be generated at the end of the third anniversary date of the estimated benefit date.
2. Tax Base
 - a. Increase in Tax Base. The net increase in property taxes estimated to be generated by the project in the first full year of operation.
3. Land Use
 - a. Compliance with Comprehensive or Other Plans. Whether, apart from any needed services to the community described in section 5 below, the project is more compatible with the comprehensive plan than other permitted uses for the property. For example, the project may involve a "clean" industry such as a technology or service business which is preferred over other permitted uses.
 - b. Marginal Property. Whether the project is located on property which needs but is not likely to be developed or redeveloped because of blight or other adverse conditions of the property. For example property may be so blighted that the cost of making land ready for redevelopment exceeds the property's fair market value.
 - c. Design and/or Other Amenities. Whether, as a result of the business subsidy, the project will include design and/or amenity features not otherwise required by law. For example, the project may, at the request of the City, include landscaping, open space, public trails, employee work out facilities or day care facilities which serve a public purpose but are not required by law.

4. Impact on Existing and Future Public Investment
 - a. Utilization of Existing Infrastructure Investment. Whether and to what extent (a) the project will utilize existing public infrastructure capacity and (b) the project will require additional publicly funded infrastructure investments.
 - b. Direct Monetary Return on Public Investment. Arrangements made or to be made for the City to receive a direct monetary return on its investment in the project. For example, the business subsidy may be in the form of an interest bearing loan or may involve a project sharing arrangement.
5. Economic Development
 - a. Leveraged Funds. For every dollar of business subsidy to be provided for the project, the minimum amount of private funds which will be applied towards the capital cost of the project.
 - b. Spin Off Development. The dollar amount of non-subsidized development the project is expected to generate in the surrounding area and the need for and likelihood of such spin off development.
 - c. Growth Potential. Based on recipient's market studies and plans for expansion, whether and to what extent the project is expected within five years of its completion, be expanded to produce a net increase of full time equivalent jobs and of payroll, over and above the minimum net increase in jobs and payroll described in section 1 above.
6. Quality of Life
 - a. Community Services. Whether the project will provide services in the community and the need for such services. For example, the project may provide health services, retail convenience services such as a nearby grocery store, or social services needed in the community.
 - b. Natural Environment. Whether the project will add to, or detract from, the environment. The natural environment surrounding our community plays an integral part in the local tourist and forest based economy. It is a reflection of what is important to the community - clean air and water, beautiful scenery, recreational opportunities, and a strong desire to pass along these attributes to future generations.
7. Other
 - a. Other Factors. Depending on the nature of the project, such other factors as the City may deem relevant in evaluating the project and the business subsidy proposed for it.

D. ADDITIONAL CONSIDERATIONS

The City will give consideration to one or more of the issues listed below in determining whether to provide financial or other assistance to a project as a business subsidy:

1. The City may consider the requirements of any other business subsidy received, or to be received, from a grantor other than the City.
2. If the business subsidy is a guaranty, the amount of the business subsidy may be valued at the principal amount of the guaranteed payment obligation.
3. If the business subsidy is real or personal property, the amount of the subsidy will be the fair market value of the property as determined by the City.
4. If the business subsidy is received over time, the City may value the subsidy at its present value using a discount rate equal to an interest rate which the City determines is fair and reasonable under the circumstances.

As used herein "benefit date" means the date the business subsidy is received. If the business subsidy involves the purchase, lease, or donation of physical equipment, then the benefit date occurs when the recipient puts the equipment into service. If the business subsidy is for improvements to property, then the benefit date refers to the earliest date of either: when the improvements are finished for the entire project, or when a business occupies the property.

E. FINANCIAL ASSISTANCE NOT CONSIDERED A BUSINESS SUBSIDY

The following forms of financial assistance are not a business subsidy as per Minnesota Statutes, §§116J.993, Subd.3:

1. A business subsidy of less than \$25,000;
2. Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
3. Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
4. Redevelopment property polluted by contaminants as defined in section 116J.552, subdivision 3;
5. Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50 percent of the total cost;
6. Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
7. Assistance for housing;

8. Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance subdistrict as defined under section 469.174, subdivision 23;
9. Assistance for energy conservation;
10. Tax reductions resulting from conformity with federal tax law;
11. Workers' compensation and unemployment compensation;
12. Benefits derived from regulation;
13. Indirect benefits derived from assistance to educational institutions;
14. Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
15. Assistance for a collaboration between a Minnesota higher education institution and a business;
16. Assistance for a tax increment financing soils condition district as defined under section 469.174, subdivision 19;
17. Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
18. General changes in tax increment financing law and other general tax law changes of a principally technical nature;
19. Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
20. Funds from dock and wharf bonds issued by a seaway port authority;
21. Business loans and loan guarantees of \$75,000 or less; and
22. Federal loan funds provided through the United States Department of Commerce, Economic Development Administration.

Adopted by: _____

Date of Adoption: _____

Date of Public Hearing: _____

City of Grand Rapids Tax Abatement and Tax Increment Financing Policy

A. PURPOSE

The purpose of this policy is to establish the City's position relative to the use of Tax Abatement and Tax Increment Financing (TIF), also referred to in this document as the *business assistance programs*, or *business assistance*. This policy shall be used as a guide in the processing and review of applications requesting the use of Tax Abatement and Tax Increment Financing. It is the expressed intent of the City to minimize the risk and amount of business assistance to a project and to leverage its public dollars to maximize private sector funding.

The City is granted the power to utilize the business assistance programs by Minnesota Statutes 2001 chapters 469.1812 through 469.1815 and chapters 469.174 through 469.1799, as amended. The fundamental purpose of the business assistance programs is to encourage desirable private development or redevelopment within the City that would not occur *but for* the assistance provided.

The City will approve or reject requests for business assistance on a case by case basis taking into consideration established policies, project criteria, and the project's demonstrated public purpose. Meeting all policy criteria does not guarantee approval of the requested business assistance. The City maintains its ability to approve or deny the request at its discretion.

B. PUBLIC PURPOSE OBJECTIVES

The City will consider the use of business assistance programs which demonstrate the achievement of one or more of the following public purpose objectives:

1. To encourage redevelopment within the Central Business District.
2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
3. To enhance and/or diversify the City's economic base.
4. To encourage additional unsubsidized private (re)development.
5. To remove blight and/or encourage (re)development of commercial and industrial areas.
6. To create housing opportunities for senior and low to moderate income families.
7. To provide a diversity of housing adjacent to the Central Business District.
8. To provide a variety of family housing ownership alternatives and housing choices.

9. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.
10. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government, or any of the following:
 - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - Mitigation of project impact on the natural environment.

C. POLICY POSITIONS

1. Business assistance shall be provided primarily through pay-as-you-go financing in order to minimize the risk of public participation.
2. Business assistance requests for up-front project financing through the sale of bonds or other internal sources will require personal guarantees of the developer. These requests shall be addressed on a case by case basis and be limited to the following highest priority projects:
 - Projects proposed related to redevelopment of the Central Business District.
 - Projects proposed which will remediate environmentally contaminated sites where such costs exceed the fair market value of the property.
3. Business assistance requests for Tax Increment Financing shall only be considered after a determination that Tax Abatement will not generate a subsidy sufficient to complete the project.
4. Business assistance shall not be provided for projects without a minimum developer equity injection of 20%.
5. Business assistance shall not be provided for projects requiring land and/or building purchases at prices in excess of fair market value.
6. Business assistance shall only be provided for projects with a demonstrated market demand.
7. Business assistance shall not be provided in cases where it would create an unfair competitive advantage for the assisted project(s).
8. Business assistance shall not be provided to developers/projects that cannot adequately demonstrate an ability to complete the proposed project on time and on budget.

D. PROJECT REQUIREMENTS

All projects requesting business assistance must demonstrate the following:

1. That the project is not financially feasible but-for the use of Tax Abatement or Tax Increment Financing.
2. That the project will comply with all provisions set forth in Minnesota Statute chapters 116j.993 through 116j.995, as amended (Business Subsidies).
3. That the business assistance request complies with all provisions set forth in Minnesota Statutes 2001 chapters 469.1812 through 469.1815 as amended (Tax Abatement), and chapters 469.174 through 469.1799 as amended (Tax Increment Financing).
4. That the project is consistent with the City's comprehensive plan, land use plan, and zoning ordinances.

E. APPLICATION PROCESS

1. Applicant submits a Business Assistance Application (Exhibit A) to the Community Development Office of the City.
2. Staff reviews the application and completes the Application Review Worksheet (Exhibit B/C).
3. Staff submits results of the Worksheet for review by the EDA (commercial/industrial project), or the HRA (housing project), or both if appropriate for a mixed use project.
4. EDA and/or HRA review proposal, provide comments, and make an advisory recommendation to the City Council on denial or approval of the request within 30 days.
5. If advisory approval is granted, staff prepares all necessary notices, resolutions and certificates.
6. City Council holds public hearing(s) on the proposed project to consider the advisory recommendation(s).
7. The City Council grants final approval or denies the request.

EXHIBIT A
BUSINESS ASSISTANCE APPLICATION

A. APPLICANT INFORMATION

Name of Corporation/Partnership

Address

Primary Contact

Address

Phone Fax E-mail

Type of business assistance requested (select one):

- Tax Abatement Tax Increment Financing

Have you been, or are you currently, involved in any bankruptcy proceedings or lawsuits related to other development projects with which you have been involved? If yes, please provide an explanation.

- Yes No

On a separate sheet, please provide the following:

- Brief description of the corporation/partnership's business, including history, principal product or service, etc. Attach as Part 1.
List names of officers and shareholders/partners with more than five percent (5%) interest in the corporation/partnership. Attach as Part 2.
Brief description of the proposed project. Attach as Part 3.
A but for analysis and narrative. Attach as Part 4.

Attorney Name

Address

Phone Fax E-mail

Contractor Name

Address

Phone Fax E-mail

Engineer Name

Address

Phone Fax E-mail

Architect Name

Address

Phone Fax E-mail

B. PROJECT INFORMATION

1. The project will be: (Check all that apply)

- Industrial: (New Construction Redevelopment/Rehab Expansion)
- Office/research facility: (New Construction Redevelopment/Rehab Expansion)
- Commercial: (New Construction Redevelopment/Rehab Expansion)
- Housing: (New Construction Redevelopment/Rehab Expansion)
- Other _____

2. The project will be: Owner Occupied Leased Space

- If leased space, please attach a list of names and addresses of future tenants and indicate the status of commitments or lease agreements. **Attach as Part 5.**

3. Project Address _____

- Include Legal Description and PID number(s). **Attach as Part 6.**

4. Site Plan Attached: Yes No

5. Current Real Estate Taxes on Project Site:\$_____

6. Estimated Real Estate Taxes Upon Completion:

Phase I	\$ _____
Phase II	\$ _____
Phase III	\$ _____
Total	\$ _____

7. Construction Start Date: _____

8. Construction Completion Date: _____

If Phased Project: _____ % Completed in _____ years
 _____ % Completed in _____ years
 _____ % Completed in _____ years

C. PUBLIC PURPOSE OBJECTIVES

It is the policy of the City of Grand Rapids that the business assistance should result in a public benefit as identified in items 1-7 below. Please indicate how the proposed project will accomplish this by checking the appropriate boxes. **Attach additional narrative as Part 7.**

- 1. To encourage redevelopment with the Central Business District area.
- 2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- 3. To enhance and/or diversify the City's economic base.
- 4. To encourage additional unsubsidized private (re)development.
- 5. To remove blight and/or encourage (re)development of commercial and industrial areas.
- 6. To create housing opportunities for senior and low to moderate income families.
- 7. To provide a diversity of housing adjacent to the Central Business District.
- 8. To provide a variety of family housing ownership alternatives and housing choices.
- 9. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.
- 10. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
 - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - Mitigation of project impact on the natural environment.

D. SOURCES & USES OF FUNDS

Attach additional information as Part 8

<u>SOURCES</u>	<u>AMOUNT</u>
Bank Loan	\$ _____
Other Loans	\$ _____
Owner Equity	\$ _____
Fed Grant/Loan	\$ _____
State Grant/Loan	\$ _____
Tax Abatement	\$ _____
Tax Increment Financing	\$ _____
Industrial Development Bonds	\$ _____
Other	\$ _____
TOTAL	\$ _____

<u>USES</u>	<u>AMOUNT</u>
Land Acquisition	\$ _____
Site Development	\$ _____
Construction	\$ _____
Machinery & Equipment	\$ _____
Architectural/Engineering Fees	\$ _____
Debt Service Reserve	\$ _____
Contingencies	\$ _____
Other	\$ _____
TOTAL	\$ _____

Total Amount of business assistance requested from either Abatement or Tax Increment Financing: \$ _____

E. ADDITIONAL DOCUMENTATION AND CHECKLIST

Applicants will also be required to provide the following documentation.

All personal financial information will be kept private and confidential.

- 1. Written business plan or a description of the business, ownership/ management, date established, products and services, and future plans.
- 2. Financial statements for past two years, including profit and loss statements and balance sheets.
- 3. Two year financial projections, or if housing project, or leased space, include a 10-year operating pro-forma.
- 4. Personal financial statements of all major shareholders (principals) including the most recent 2 years of tax returns.
- 5. Letter of commitment from other sources of financing, stating terms and conditions of their participation in the project.
- 6. Administrative fee of \$5,000. In addition to defraying the cost of staff time, the fee will be used to pay costs associated with processing this request for financial assistance such as legal, engineering and financial analysis. The City reserves the right to stop the processing of the request until additional fees are paid should the original amount be insufficient to pay such costs. That portion which remains unspent, if any, will be returned only if the project is denied approval.
- 7. Attach the following documentation:
 - _____ Part 1 – Corporation/Partnership Description
 - _____ Part 2 – List of Shareholders/Partners
 - _____ Part 3 – Description of Project
 - _____ Part 4 – *But For* Analysis
 - _____ Part 5 – List of Prospective Lessees
 - _____ Part 6 – Legal Description, Property Identification Numbers, maps of the project area, and project renderings
 - _____ Part 7 – Public Purpose Narrative
 - _____ Part 8 – Sources & Uses of Funds – Additional Information

The undersigned certifies that all information provided in this application is true and correct to the best of the undersigned’s knowledge. The undersigned authorizes the City of Grand Rapids to check credit references, verify financial and other information, and share this information with other political subdivisions as needed. The undersigned also agrees to provide any additional information as may be requested by the City after the filing of this application.

Applicant Name _____ Date _____

By _____

Its _____

EXHIBIT B
BUSINESS ASSISTANCE REVIEW WORKSHEET
FOR COMMERCIAL/INDUSTRIAL PROJECTS
TO BE COMPLETED BY APPLICANT AND CITY STAFF

A. The project meets which of the following objectives as set forth in Section C of the Business Assistance policy:

- 1. To encourage redevelopment with the Central Business District.
- 2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- 3. To enhance and/or diversify the City's economic base.
- 4. To encourage additional unsubsidized private (re)development.
- 5. To remove blight and/or encourage (re)development of commercial and industrial areas.
- 6. To create housing opportunities for senior and low to moderate income families.
- 7. To provide a diversity of housing adjacent to the Central Business District.
- 8. To provide a variety of family housing ownership alternatives and housing choices.
- 9. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.
- 10. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
 - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - Mitigation of project impact on the natural environment.

B. Ratio of Private to Public Investment in Project:

\$ _____	Private Investment	5:1	5
\$ _____	Public Investment	4:1	4
_____	Ratio Private : Public Financing	3:1	3
		2:1	2
		Less than 2:1	1

C. Job Creation:

_____	Net <i>new</i> jobs (minimum 40 hours per week) w/ health insurance benefits	50+	5
		40+	4
		25+	3
		15+	2
		Less than 15	1

D. Wage Level of jobs created:

Average hourly wage
Of new jobs _____

Points:	
Over \$21/hour	<u>5</u>
\$18-21/hour	<u>4</u>
\$14-17/hour	<u>3</u>
\$10-13/hour	<u>2</u>
Under \$10/hour	<u>1</u>

E. Ratio Of Business Assistance To New Jobs Created:

\$ _____ Business assistance requested
_____ Number of net *new* jobs created
\$ _____ of business assist. per net *new* job created

Points:	
\$8,000 or less	<u>5</u>
\$10,000 or less	<u>4</u>
\$12,000 or less	<u>3</u>
\$15,000 or less	<u>2</u>
Over \$15,000	<u>1</u>

F. Project size:

The project will result in the construction
of _____ square feet

Points:	
75,000+	<u>5</u>
60,000+	<u>4</u>
30,000+	<u>3</u>
15,000+	<u>2</u>
15,000 or less	<u>1</u>

G. Type of Project:

_____ 100% Owner Occupied
_____ Mix Owner Occupied & Investment
_____ Investment Property

Points:	
	<u>5</u>
	<u>3</u>
	<u>1</u>

H. Likelihood that the project will result in unsubsidized, spin-off development:

_____ High
_____ Moderate
_____ Low

Points:	
	<u>5</u>
	<u>3</u>
	<u>1</u>

I. Impact on tax rate? All things being equal, how much would the City's tax rate hypothetically increase if the project were to proceed with the requested business assistance?

- .01%-.02%
- .03%-.04%
- .05%-.06%
- .07%-.09%
- .10%-.12%

Points:	
	<u>5</u>
	<u>4</u>
	<u>3</u>
	<u>2</u>
	<u>1</u>

Sub-Total Points _____ of a possible 40 points.

Bonus Points

The project will be 100% *pay-as-you-go* financing

Bonus Points:	
	<u>5</u>

Total Points:

Overall project analysis:	High	31 - 45 points
	Moderate	21 - 30 points
	Low	11 - 20 points
	Not Eligible	0 - 10 points

EXHIBIT C
BUSINESS ASSISTANCE REVIEW WORKSHEET
FOR HOUSING PROJECTS
TO BE COMPLETED BY APPLICANT AND CITY STAFF

A. The project meets which of the following objectives as set forth in Section C of the Business Assistance policy:

- 1. To encourage redevelopment with the Central Business District.
- 2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- 3. To enhance and/or diversify the City's economic base.
- 4. To encourage additional unsubsidized private (re)development.
- 5. To remove blight and/or encourage (re)development of commercial and industrial areas.
- 6. To create housing opportunities for senior and low to moderate income families.
- 7. To provide a diversity of housing adjacent to the Central Business District.
- 8. To provide a variety of family housing ownership alternatives and housing choices.
- 9. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.

- 10. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
 - o Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - o Mitigation of project impact on the natural environment.

B. Ratio of Private to Public Investment in Project:

\$ _____ Private Investment
 \$ _____ Public Investment
 _____ **Ratio Private : Public Financing**

Points:
 5:1 5
 4:1 4
 3:1 3
 2:1 2
 Less than 2:1 1

C. Project provides housing that is not restricted to persons 55 years and older:

Points:
3

D. Project provides that at least 30% of the total units are three-bedroom or more: Points: 3

E. Project proposes rehabilitation of existing housing, housing stock, and maximizes utilization of existing infrastructure: Points: 5

F. Project proposes a location near existing jobs, transportation, recreation, retail services, social services, and schools: Points: 5

G. Project size: Points:
 The project will result in the construction of _____ square feet 40,000+ 5
30,000+ 3
20,000+ 3
10,000+ 2
10,000 or less 1

H. Likelihood that the project will result in unsubsidized, spin-off development: Points:
 _____ High 3
 _____ Moderate 2
 _____ Low 1

I. Impact on tax rate? All things being equal, how much would the City's tax rate hypothetically increase if the project were to proceed with the requested business assistance? Points:
 .01%-.02% 5
 .03%-.04% 4
 .05%-.06% 3
 .07%-.09% 2
 .10%-.12% 1

Sub-Total Points _____ of a possible 34 points.

Bonus Points Bonus Points:
 The project will be 100% *pay-as-you-go* financing 5

Total Points: _____

Overall project analysis: High 31 - 39 points
 Moderate 21 - 30 points
 Low 11 - 20 points
 Not Eligible 0 - 10 points

TAX ABATEMENT STATUTE

2001

TAX INCREMENT FINANCING STATUTE

2001

BUSINESS SUBSIDY STATUTE

2001

SAMPLE BUSINESS SUBSIDY AGREEMENT

BUSINESS SUBSIDY REPORTING FORM

2002

Rob Mattei

From: Paul Steinman <psteinman@springsted.com>
Sent: Tuesday, January 27, 2015 9:29 AM
To: Rob Mattei
Cc: Tom Pagel; Barb Baird; Martha Ingram; Mikaela Huot
Subject: RE: Business Subsidy Application/Policy

Work flow thoughts:

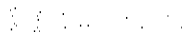
- 1) We review it in our shop and redline the current document including deleting outdated language and adding our recommendations for new language to insert, where appropriate. We will propose "sideline" questions for the EDA to discuss any high priority concepts (wage rate, jobs requirements, application fee) and other issues.
- 2) Martha reviews and modifies draft.
- 3) Final redlined product gets distributed and I will facilitate finalizing the package with the EDA addressing the sideline questions.
- 4) Springsted to complete final draft
- 5) Martha to draft PH notice

Martha or Mikaela – suggestions?

Paul T. Steinman, CIPFA
Vice President

WWW.SPRINGSTED.COM " BIO " V-CARD

SPRINGSTED INCORPORATED
380 Jackson Street, Suite 300
Saint Paul, Minnesota 55101-2887
651-223-3066 Direct
612-280-3915 Cell
651-268-5066 Fax



This communication is confidential and intended for the addressee only. If you are not the intended recipient, please notify the sender immediately and then delete this communication from all data storage devices and destroy all hard copies. Dissemination, distribution, copying and/or other use of the information contained in this communication is strictly prohibited.

From: Rob Mattei [<mailto:rmattei@ci.grand-rapids.mn.us>]
Sent: Tuesday, January 27, 2015 9:01 AM
To: Paul Steinman
Cc: Tom Pagel; Barb Baird; Martha Ingram
Subject: RE: Business Subsidy Application/Policy

Paul,

Barb, Tom and I discussed this and we would like to have Springsted and K&G do this work. I will ask two GREDA Commissioners to work with me on this, at their next meeting on 2/12.

I would like Martha and your suggestions on work flow.

Rob Mattei
Community Development Director
City of Grand Rapids

420 North Pokegama Avenue
Grand Rapids, MN 55744-2662
Office: 218-326-7622
Mobile: 218-244-2924
Fax: 218-326-7621
www.cityofgrandrapidsmn.com

From: Paul Steinman [<mailto:psteinman@springsted.com>]
Sent: Thursday, January 22, 2015 12:15 PM
To: Rob Mattel
Subject: Business Subsidy Application/Policy

Rob – sorry this took me a bit to collect the information you requested.

Our fee would be approximately \$1,500 and Martha said she would review and write the PH notice/resolution to approve the new package as required by state statute, for about \$800. I would present the information to your EDA and facilitate a discussion of the major decision points in coordination with other meetings so there wouldn't be any fee associated with that.

Let me know your thoughts -

Paul T. Steinman, CIPFA
Vice President

WWW.SPRINGSTED.COM • [BIO](#) • [V-CARD](#)

SPRINGSTED INCORPORATED
380 Jackson Street, Suite 300
Saint Paul, Minnesota 55101-2887
651-223-3066 Direct
612-280-3915 Cell
651-268-5066 Fax

 SPRINGSTED

This communication is confidential and intended for the addressee only. If you are not the intended recipient, please notify the sender immediately and then delete this communication from all data storage devices and destroy all hard copies. Dissemination, distribution, copying and/or other use of the information contained in this communication is strictly prohibited.

NOTICE: The information contained in this email and any document attached hereto is intended only for the named recipient(s). If you are not the intended recipient, nor the employee or agent responsible for delivering this message in confidence to the intended recipient(s), you are hereby notified that you have received this transmittal in error, and any review, dissemination, distribution or copying of this transmittal or its attachments is strictly prohibited. If you have received this transmittal and/or attachments in error, please notify me immediately by reply e-mail and then delete this message, including any attachments.



CITY OF
GRAND RAPIDS
IT'S IN MINNESOTA'S NATURE

REQUEST FOR GRAND RAPIDS EDA ACTION

Agenda Item #	Meeting Date: 2/12/15
Statement of Issue:	Review and consider the costs and benefits for certifying additional sites in the DEED Shovel Ready Certification program.
Background:	<p>A recommendation made in the attached inventory of GREDA marketing activities was in regard to expanded participation in the Minnesota Dept. of Employment and Economic Development (DEED) Shovel Ready Certification Program.</p> <p>While definitions vary from state to state, the term 'Shovel-Ready' generally refers to commercial and industrial sites that:</p> <ul style="list-style-type: none">• Have had all of the planning, zoning, surveys, title work, environmental studies, soils analysis and public infrastructure engineering completed prior to putting the site up for sale.• Are under the legal control of a community or other third party. <p>These site qualities/characteristics are important to prospective buyers because they know that these sites can be purchased without undue complications, which can put those sites in a more competitive position in a flooded market.</p> <p>GREDA certified their Co. Road 63 (Ainsworth) property in the program in 2011, becoming the only certified site north of Brainerd. With that site now sold, the marketing plan recommendation involves GREDA considering the costs and benefits of certifying the Airport South Industrial site or other GREDA sites.</p> <p>I've updated the attached budget, which was originally based upon actual quotes in 2010, with estimated costs for all of GREDA's industrial and commercial sites. Some of the benefits of the program are listed in the attached printout from the DEED website.</p> <p>I had a recent conversation with Kevin Kelleher, new DEED director of the program, and he is looking to enhance the program and expressed a willingness to come up and speak with GREDA in the near future.</p>
Recommendation:	
Required Action:	None required
Attachments:	GREDA Marketing Inventory and Recommendations 9-23-13 Revised budget for Shovel Ready Certification

GREDA Marketing Activities/Tools Inventory and Recommendations

September 26, 2013

Current Activity	Comments/Summary	Recommendations
grandrapidseda.com website		<p>Update: scrolling pictures, demographics, leading local employers, incentive programs.</p> <p>Enhance: workforce statistics</p> <p>Provide link to meetings on ICTV website.</p> <p>Add: educational attainment chart, cost of living index comparison, testimonials from local businesses we've helped, add retail market profile information</p> <p>Upgrade: Joomla CMS and Intellectual Properties software.</p>
mnprospector.com website	DEED site database and information source. Same format as northlandconnection.com	Continue to monitor and update
northlandconnection.com website	Northspan regional site database and information source	Continue to monitor and update
mnpproperties.com website	IRRRB site database and information source. Also the same format as northlandconnection.com	Continue to monitor and update
GREDA properties print brochure	These are used primarily in meetings with new prospects.	Although some of the properties featured have been sold, we can still utilize our current supply of brochures.
Development site signage	4x6 real estate sign with contact information located on GREDA and City sites.	We are working toward a standardized, look with all new signs.
CBIL Program print brochures	In house designed and produced brochure with basics	Update design of brochure as a card with brief description and contact information, print and distribute copies to local commercial bankers.
Meetings with local lenders	Provide overview of CBIL, TIF, Tax Abatement and other programs done in partnership with other ED agencies.	Continue with periodic meetings.
Press Releases	Press releases have been issued regarding: Shovel Ready Cert., DC Manufacturing, Hammerlund	Continue with periodic press releases.

Articles in Newspapers and Business Magazine/Newspapers	and Frito Lay, as examples. The recent articles in Business North and GR Herald have been sparked by our press releases and tweets as well as invitations to the media for groundbreaking ceremonies	Expand exposure/contact with Duluth media outlets.
GREDA Twitter Account	We have been sending out tweets of our press releases and pictures of groundbreaking events. Some have been re-tweeted by IRRRB to a larger following.	Continue
TCV Meeting Broadcasts		Business North has informed me that they will be sending a reporter to GREDA meetings periodically.
DEED Shovel Ready Certification	The shovel ready sites are featured on DEED's positivelyminnesota.com site and on mnprospector.com	Having sold the certified Co. Rd. 63 site, consider the costs & benefits of certification for the Airport South Industrial Park.
Presentations to Civic Organizations and Groups	Staff has made presentations featuring GREDA activities to: Kiwanis, Rotary and Business Roundtable.	Continue
New Activity	Comments/Summary	Recommendations
Planned visits with Corporate Executives at local Industries	According to the DCA Winning Strategies Survey, planned visits rank as the most effective marketing technique. Additionally, dialogue with industry peers is the leading source of information influencing executive perceptions of an areas business climate. Strengthening relationships with our existing businesses, through planned visits, will lead to improved attitudes about area business climate.	Develop a limited scope BRE program, involving planned visits with a number of local businesses each year.
Expand contact/establish awareness with key commercial/industrial brokers who serve as location advisors	According to the DCA Winning Strategies Survey, about half of the corporate respondents outsource the site selection process to a location advisor, which most often is a real estate broker.	Establish contact/build relationships with key commercial/industrial brokers in Twin Cities. An approach might involve staff attending some of the commercial real estate day seminars, which we regularly receive email notices on.

GREDA Marketing Activities/Tools Inventory and Recommendations

September 26, 2013

Current Activity	Comments/Summary	Recommendations
grandrapidseda.com website		<p>Update: scrolling pictures, demographics, leading local employers, incentive programs.</p> <p>Enhance: workforce statistics</p> <p>Provide link to meetings on ICTV website.</p> <p>Add: educational attainment chart, cost of living index comparison, testimonials from local businesses we've helped, add retail market profile information</p> <p>Upgrade: Joomla CMS and Intellectual Properties software.</p>
midprospect.com website	DEED site database and information source. Same format as	Continue to monitor and update
northlandconnection.com website	nortlandconnection.com Northspan regional site database and information source	Continue to monitor and update
Irrproproperties.com website	IRRRB site database and information source. Also the same format as nortlandconnection.com	Continue to monitor and update
GREDA properties print brochure	These are used primarily in meetings with new prospects.	Although some of the properties featured have been sold, we can still utilize our current supply of brochures.
Development site signage	4x6 real estate sign with contact information located on GREDA and City sites.	We are working toward a standardized, look with all new signs.
CBIL Program print brochures	In house designed and produced brochure with basics	Update design of brochure as a card with brief description and contact information, print and distribute copies to local commercial bankers.
Meetings with local lenders	Provide overview of CBIL, TIF, Tax Abatement and other programs done in partnership with other ED agencies.	Continue with periodic meetings.
Press Releases	Press releases have been issued regarding: Shovel Ready Cert., DC Manufacturing, Hammerlund	Continue with periodic press releases.

Articles in Newspapers and Business Magazines/Newspapers	and Frito Lay, as examples. The recent articles in Business North and GR Herald have been sparked by our press releases and tweets as well as invitations to the media for groundbreaking ceremonies	Expand exposure/contact with Duluth media outlets.
GREDA Twitter Account	We have been sending out tweets of our press releases and pictures of groundbreaking events. Some have been re-tweeted by IRRRB to a larger following.	Continue
ICIV Meeting Broadcast		Business North has informed me that they will be sending a reporter to GREDA meetings periodically.
DEED Shovel Ready Certification	The shovel ready sites are featured on DEED's positivelyminnesota.com site and on mnprospector.com	Having sold the certified Co. Rd. 63 site, consider the costs & benefits of certification for the Airport South Industrial Park.
Presentations to Civic Organizations and Groups	Staff has made presentations featuring GREDA activities to: Kiwanis, Rotary and Business Roundtable.	Continue
New Activity	Comments/Summary	Recommendations
Planned visits with Corporate Executives at local industries	According to the DCA Winning Strategies Survey, planned visits rank as the most effective marketing technique. Additionally, dialogue with industry peers is the leading source of information influencing executive perceptions of an areas business climate. Strengthening relationships with our existing businesses, through planned visits, will lead to improved attitudes about area business climate.	Develop a limited scope BRE program, involving planned visits with a number of local businesses each year.
Expand contact/establish awareness with key commercial/industrial brokers who serve as location advisors	According to the DCA Winning Strategies Survey, about half of the corporate respondents outsource the site selection process to a location advisor, which most often is a real estate broker.	Establish contact/build relationships with key commercial/industrial brokers in Twin Cities. An approach might involve staff attending some of the commercial real estate day seminars, which we regularly receive email notices on.

GREDA Marketing Activities/Tools Inventory and Recommendations

September 26, 2013

Current Activity	Comments/Summary	Recommendations
grandrapideeda.com website		<p>Update: scrolling pictures, demographics, leading local employers, Incentive programs.</p> <p>Enhance: workforce statistics</p> <p>Provide link to meetings on ICTV website.</p> <p>Add: educational attainment chart, cost of living index comparison, testimonials from local businesses we've helped, add retail market profile information</p> <p>Upgrade: Joomla CMS and Intellectual Properties software.</p>
midprospect.com website	DEED site database and information source. Same format as	Continue to monitor and update
northlandconnection.com website	nortlandconnection.com Northspan regional site database and information source	Continue to monitor and update
irrrrbproperties.com website	IRRRB site database and information source. Also the same format as	Continue to monitor and update
GREDA Properties print brochure	nortlandconnection.com These are used primarily in meetings with new prospects.	Although some of the properties featured have been sold, we can still utilize our current supply of brochures.
Development site signage	4x6 real estate sign with contact information located on GREDA and City sites.	We are working toward a standardized, look with all new signs.
CBIL Program print brochures	In house designed and produced brochure with basics	Update design of brochure as a card with brief description and contact information, print and distribute copies to local commercial bankers.
Meetings with local lenders	Provide overview of CBIL, TIF, Tax Abatement and other programs done in partnership with other ED agencies.	Continue with periodic meetings.
Press Releases	Press releases have been issued regarding: Shovel Ready Cert., DC Manufacturing, Hammerlund	Continue with periodic press releases.

Articles in Newspapers and Business Magazines/Newspapers	and Frito Lay, as examples. The recent articles in Business North and GR Herald have been sparked by our press releases and tweets as well as invitations to the media for groundbreaking ceremonies	Expand exposure/contact with Duluth media outlets.
GREDA Twitter Account	We have been sending out tweets of our press releases and pictures of groundbreaking events. Some have been re-tweeted by IRRRB to a larger following.	Continue
ICBY Meeting Broadcasts		Business North has informed me that they will be sending a reporter to GREDA meetings periodically.
DEED Shovel Ready Certification	The shovel ready sites are featured on DEED's positivelyminnesota.com site and on mnprospector.com	Having sold the certified Co. Rd. 63 site, consider the costs & benefits of certification for the Airport South Industrial Park.
Presentations to Civic Organizations and Groups	Staff has made presentations featuring GREDA activities to: Kiwanis, Rotary and Business Roundtable.	Continue
New Activity	Comments/Summary	Recommendations
Planned visits with Corporate Executives of local industries	According to the DCA Winning Strategies Survey, planned visits rank as the most effective marketing technique. Additionally, dialogue with industry peers is the leading source of information influencing executive perceptions of an areas business climate. Strengthening relationships with our existing businesses, through planned visits, will lead to improved attitudes about area business climate.	Develop a limited scope BRE program, involving planned visits with a number of local businesses each year.
Expand contact/establish awareness with key commercial/industrial brokers who serve as location advisors	According to the DCA Winning Strategies Survey, about half of the corporate respondents outsource the site selection process to a location advisor, which most often is a real estate broker.	Establish contact/build relationships with key commercial/industrial brokers in Twin Cities. An approach might involve staff attending some of the commercial real estate day seminars, which we regularly receive email notices on.

Minnesota Shovel Ready Site Certification
 Grand Rapids EDA
 Project Budget



Site:	Co. Rd. 63/IEIP (Completed)	Airport S. Infr. Park	Infr. Park East	Blocks 20/21	Block 5	Category Totals	Category Totals w/Discount
Application Fee	\$2,950	\$3,250	\$3,250	\$3,250	\$3,250	\$15,950	\$15,950
Title Search/Commitment/Policy	(Complete)	(Complete)	\$3,500	(Complete)	(Complete)	\$3,500	\$3,500
ALTA Survey	(Complete)	\$4,850	\$5,610	\$3,425		\$17,310	\$17,310
Phase I Envir.	(Complete)	2,000	2,000	(Complete)	(Complete)	\$4,000	\$3,600
Phase II Envir.	(Not Needed)	Need TBD	Need TBD	(Not Needed)	(Complete)	\$0	\$0
Geotechnical Analysis	(Done by Others)	7,600	4,500	(Complete)		\$14,300	\$11,685
Total Budget/Site:	\$2,950	\$17,100	\$18,860	\$6,675	\$2,800	\$55,060	\$52,085

SHARE THIS

DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT

Shovel-Ready Program Overview

The competition between communities nationwide to attract business startups, expansions and relocations (and jobs and tax base they bring with them) has never been more fierce.

Communities everywhere are looking for something that makes them stand out from the pack. Certified shovel-ready sites can give your community that competitive edge.

What is a Shovel-Ready Site? Benefits How Site Selectors Choose a Location

Benefits

Shovel-ready sites are a benefit to companies and site selectors because they take much of the time, expense, unpredictability and risk out of development.

Because the sites are more likely to catch the eye of corporate site selectors or site selection consultants, they're also a distinct competitive advantage for site owners and communities.

Benefits for Companies

Certified shovel-ready sites are extremely attractive to companies looking to expand, relocate or start up. The reasons are simple:

Global economic forces are pushing companies to make market decisions faster than ever before. They no longer have the luxury of spending six to 12 months on a site search. Shovel-ready sites can be purchased quickly.

Companies need sites that are ready for development and can match the construction completion date with customer product delivery demands.

Shovel-ready sites simplify the development process and greatly reduce risk by eliminating most of the unknowns from the site selection decision and increasing the predictability of getting the land developed, the building constructed and the business up and running.

Finally, shovel-ready sites lower development costs, a very important factor at a time when all companies are more cost-conscious.

Benefits for Minnesota Communities and Site Owners

Certification offers several benefits for communities and site owners, but let's start with the most important: increased visibility in a very crowded marketplace.

Minnesota's Certified Shovel-Ready sites will be heavily marketed at national conferences and trade shows as well as on the property search tool we provide for site selectors. The result is improved visibility for both the community and the site.

Certified shovel-ready status is fast becoming a standard for sites being marketed throughout Minnesota. Having certified sites demonstrates that communities are progressive, business-oriented, and prepared for new development.

For communities serious about taking their efforts to attract new commercial and industrial growth to a whole new level, our Shovel-Ready Certified sites are the natural next step.