



Discussion Items

TO: Faribault EDA
FROM: Samantha Markman, Econ Dev Coordinator
THROUGH: Deanna Kuennen, Community & Econ Dev Director
MEETING DATE: December 19, 2019
SUBJECT: Updates/Project Reports

UPDATES:

Prospects/Business Updates

- Old Faribault Foods Site
 - A food manufacturing business has a signed purchase agreement on the Old Faribault Foods Site, they have requested an extension to their due diligence period prior to closing on the property.
- Bioenergy Business
 - Staff has been working with a company seeking Faribault area location.
 - A project meeting connecting a property owner and the business occurred on 10/17. Staff is awaiting next steps from the property and business owner.
- 1.5 Acre Commercial
 - Staff received an inquiry from a broker representing a Commercial Business with needs of a 1.5 acre site near I-35/Hwy 60 Interchange.
 - Sites were provided and now Staff is awaiting next steps from the project team.
- December CVN
 - Staff attended the December trimester meeting for Community Venture North (CVN) which showcases companies in growth stages to accommodate new facilities and/or product shares in various industries.
 - Unique Opportunities, a multifamily housing developer specializing in 3-, 4-, and 5-bedroom complexes presented to connect with communities needing additional housing options. Staff has a next steps phone call set up with Unique Opportunities on 12/18/2019 to discuss opportunities for a project in Faribault.

Other Projects/Initiatives:

The following is a summary of some other initiatives and projects underway that may be of interest to the EDA:

HOUSING DEVELOPMENTS

- There is a shortage of housing in the City of Faribault – as evidence by a vacancy rate analysis conducted by Maxfield Research. Per this report, the City's vacancy rate is less than 1-percent (0.8%). Staff has been diligently working to attract multi-family housing developers to the city. A

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combination of these efforts and the EDA's marketing efforts (City of Faribault Micro Summit) – a number of housing developments are moving forward and are in various stages of the Planning and Zoning, and City Council approval processes. Included area:

- Hillside Apartments – Hamilton Real Estate, Inc. – 44-unit market rate apartment, located across from the Community Center. Construction is underway.
 - MWF – planned 76 unit affordable/workforce housing apartments, located on R-4 zoned land on Western Ave. This project received the Tax Credits through MN Housing Finance Awards announced in early December.
 - Straight River Apartments – Fisher Group Development – planned 99-unit market rate apartment located on the Old Public Works site. The Response Action Plan (RAP) has been submitted to the MPCA, planning and zoning actions are underway, and a DEED Redevelopment Grant was submitted to aid in clean-up costs of the contaminated site. The project is expected to begin construction in early 2020.
 - Roers – Lockerby land. This project did not receive Tax Credits through MN Housing Finance Awards.
- Manufactured Home / Park Development
 - City Council authorized Staff to explore the development of an additional manufactured home park as an alternative means of affordable housing. Discussions are underway with different interested parties familiar with this type of housing development.
 - Staff will also start targeted recruitment efforts focusing on Single Family (SF) home developers to increase the new SF housing starts.

WORKFORCE STRATEGY

- Staff is working with DEED to develop a specific workforce development strategy for a local industry. This project will provide best practices that can be shared with other local industries.
- Staff has continued to look for ways through our Sustainable Industries Cohort, which is comprised of our large employers (Daikin, Jennie-O, Sage Glass, and Faribault Foods) to explore private transit initiatives from the South Metro to Faribault to address workforce and hiring concerns.

Marketing:

ECONOMIC DEVELOPMENT WEBSITE UPDATE

- Staff has been working internally with the City's Communications Coordinator to update the economic development webpages to make this more navigable for Site Selectors and potential business prospects. We intend to roll out the new webpages by the end of the year.

TPT MARKETING VIDEO

- The Marketing Team of TP reached out to Faribault to discuss the possibility of partnering through their TPT Partnerships program which is a direct 50/50 cost share between TPT and partners to produce content beneficial to both parties. These content features include short video segments that can be played on TPT and complete rights are granted to the partners to use as they wish – mostly marketing opportunities. The details are as follows:
 - The current media options include a range of product (mostly small 1-2 minute clips) ranging in price from \$15,500 to \$29,500 – the would be the EDA's share, TPT would match this financially for a total product cost of approximately \$30,000 to 60,000.

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- Understanding this partnership requires a substantial buy-in to participate options to help offset the cost to participate could include partnerships (i.e., leveraging funds from our economic development partners to highlight in the short clips).

At this time, Staff is seeking input from the EDA regarding this opportunity and its impact to the marketing budget. Currently the SelectUSA Summit is seeking video contributions to use throughout the Summit and unfortunately, we currently do not have any video content to share and market our community through this type of media.

Ongoing Projects:

Here is a list of projects Staff will be and/or continues to work on moving into 2020:

- BRE Program – develop and implement
- Revised economic development webpages
- Marketing/branding materials – including Community Profile, etc.
- Available land inventory / annexation / acquisition