

AGENDA
INDUSTRIAL & ECONOMIC DEVELOPMENT COMMITTEE (IEDC)
Tuesday, April 6, 2021 – 7:00 a.m.
North Mississippi Room, Monticello Community Center

In keeping with safe practices and minimizing contact and potential community spread of the COVID-19 virus, the IEDC meeting will be conducted as a virtual online meeting.

Participants can attend remotely via Go-To:

Web Link: <https://global.gotomeeting.com/join/294416277>

Phone Dial In #: United States: +1 (571) 317-3112

Access Code: 294-416-277

Members: Chairperson-Randy Skarphol, Vice Chairperson Liz Calpas, Joni Pawelk, Brian Hudgins, Darek Vetsch, Kevin Steffensmeier, Steve Johnson, Wayne Elam, Luke Dahlheimer, Dick Van Allen, Don Roberts, Andrew Tapper, Mike Carr, Meghan Hanson, Thomas Conboy, Sarah Kortmansky

Liaisons: Rachel Leonard, Angela Schumann, Jim Thares, Jacob Thunander, Marcy Anderson, Jolene Foss, Dave Tombers, Tim Zipoy

1. Call to Order
2. Approve Minutes:
 - a. March 2, 2021 meeting minutes
3. Consideration of Adding Items to the Agenda
4. Table Topic – #1. Wright Tech Center (WTC) Presentation – Brian Koslofsky, Executive Director
#2. Monticello High School – Mike Carr, High School Principal
5. Reports (Verbal Reports):
 - a. Economic Development
 - Projects Update
 - Prospects List
 - b. Planning Commission Agenda (attached)
 - c. City Council
 - d. Chamber of Commerce
6. Adjournment (8:00am)

MINUTES
INDUSTRIAL & ECONOMIC DEVELOPMENT COMMITTEE (IEDC)
Tuesday, March 2, 2021 – 7:00 a.m.
North Mississippi Room, Monticello Community Center

Participants attended remotely.

Members Present: Chair Randy Skarphol, Vice-Chair Liz Calpas, Joni Pawelk, Brian Hudgens, Mike Carr, Thomas Conboy, Luke Dahlheimer, Meghan Hanson, Steve Johnson, Sarah Kortmansky, Kevin Steffensmeier, Andrew Tapper, Dick Van Allen

Members Absent: Wayne Elam, Darek Vetsch, Don Roberts

Liaisons Present: Marcy Anderson, Jolene Foss, Rachel Leonard, Jim Thares

1. **Call to Order**

Chair Randy Skarphol called the regular meeting of the IEDC to order at 7 a.m.

2. **Approve Minutes:**

a. **February 2, 2021 meeting minutes**

KEVIN STEFFENSMEIER MOVED TO APPROVE THE FEBRUARY 2, 2021 MEETING MINUTES. MOTION SECONDED BY THOMAS CONBOY. MOTION CARRIED UNANIMOUSLY, 13-0.

3. **Consideration of Adding Items to the Agenda**

None.

4. **Consideration of update regarding IEDC Letter of Support for Xcel Energy's Integrated Resource Plan (IRP) Filing with the MN Public Utilities Commission (PUC).** (Scott Johnson and Thomas Conboy, Xcel Energy)

Rachel Leonard said that the city submitted two separate letters of support to the Minnesota Public Utilities Commission (PUC) for the IRP (Integrated Resource Plan), one specifically from the city and a mirroring letter from the IEDC. The letters were submitted in advance of the IEDC meeting to meet the public comment cutoff timeframe which was through February 11, 2021. The letter was modeled after the correspondence that was crafted by the Coalition of Utilities Cities (CUC) which specifically called out support for the extending the operating license of the Monticello Nuclear Generating Plant (MNGP). The letter also included language showing support for being a partner in a clean energy transition while also advocating for the PUC to support to local communities as they move through that process.

Jim Thares noted that he asked Tom Conboy and Scott Johnson, Xcel Energy, to follow up with a brief summary of significance of the letters and to give a quick timeline schedule about what else is left with the PUC process and its final review of the IRP. Both said they would be happy to provide comments. It was noted that Wright County also provided a letter of support, as did the Monticello Chamber of Commerce.

Tom Conboy and Scott Johnson jointly presented a power point slide show to the IEDC about the MNGP and Xcel's goals of having a diverse mix of power generation sources and its overall goal to reduce greenhouse gasses and add more renewables to its system. They noted that a lot of effort is being put into supporting battery storage technology to help make renewables more effective. Additional information included: Xcel Energy serves eight states with 3.7M electric customers and 2.1M natural gas customers. They are the nationally recognized leader in wind energy, energy efficiency, carbon emissions reductions, innovative technology, and storm restoration. Xcel's Priorities Include:

- Lead the Clean Energy Transition with goals to include:
 - 60% renewal energy by 2030
 - Reduce carbon 80% by 2030
 - 100% carbon-free by 2050
- Enhance the Customer Experience
 - Know the customers needs and interests and deliver meaningful products, services and experiences
- Keep Bills Low
 - Below national average
 - Low-cost renewables
 - Extensive customer efficiency programs

Xcel is serving 1.3M electric customers in Minnesota and 467,000 natural gas customers, with nearly 100% reliability.

There is a 15-year plan for full Upper Midwest service area. Capacity expansion modeling to assess size, type, timing of least-cost resource sets that can serve future load. This balances the four core planning objectives of Reliability, Cost, Risk and Environment.

The carbon-free vision includes:

- Closing coal plants (retraining employees to stay employed locally)
- Add renewables
- Continue carbon-free nuclear
- Enable a carbon-free future with natural gas

Xcel also has an electric vehicle vision to include 1.5M EVs on the road by 2030 in their service area. They plan to offer low off-peak electricity prices as incentives for driving EVs. This effort will contribute towards a goal of eliminating 5M tons of carbon emissions annually by 2030 through clean energy.

The PUC decision is expected by the end of 2021 or early 2022. Representatives from Xcel Energy thanked the IEDC for their support and the opportunity to give the presentation.

5. **Table Topic – Monticello High School Youth Internship Program.** (Ann Runck, Youth Internship Program Coordinator, MHS)

Ann Runck introduced herself and said that she is new to the Monticello School District but has 30+ years' experience running youth apprenticeship programs in high schools and colleges. She said they started at the end of August with the Youth Internship Program (YIP) and connecting with businesses and recruiting youths. Career areas being focused on include information technology, manufacturing, automotive and health care. A \$90,000 grant was received from the Department of Labor to implement this program, and Monticello is one of 17 districts that received this grant. Some companies coming on board include Polaris, Napa, Heartland Tire, WSI, and the NVent Hoffman, and a few other businesses that have been willing to take students in. She shared a power point presentation with the IEDC. The goal is to promote career paths for students in the areas noted above, and to develop strong, positive connections with the business community resulting in enhanced career exploration and opportunities for students. The goal of the program has been to recruit 20 students to enter the program for the year, as well as another 20 students for the 2021-22 school year. Another goal is to have 20 businesses recruited to participate by 2022. She shared and reviewed the grant goals as shown in the presentation. Partnerships and resources were also highlighted in the presentation. The business and education partnership opportunities include:

- Career speakers
- Informational interviews
- Job shadowing
- Business tours
- Internships paid & non-paid

Runck shared a link to volunteer career exploration activities, a google form to fill out and express interest to speak to a class, or willing to have a student shadow you, go on a tour or to offer an internship opportunity. In summary this is a win-win situation. Many industries are looking for quality, trained and key people and by working closely together we can make that happen. Marcy Anderson expressed interest in connecting with Runck to support the program.

6. **Reports (Verbal Reports):**

a. **Economic Development**

- **Project Update:** Jim Thares reviewed.
- **Prospects List:** Jim Thares reviewed.
- **Building Permits Update:** Jim Thares reviewed.

b. **Planning Commission Agenda (attached):** Jim Thares reviewed.

c. **City Council:** Rachel Leonard reviewed:

- City Council held a prioritization workshop.
- City council approved application for local road improvement grant for 7th Street East between the new roundabouts and Highway 25.
- City offered a letter of support to the township for their grant application

for the same funding program for Cahill, 90th and Briarwood near the Bertram Chain of Lakes Regional Park.

- CMRP Group moving on with second round of engagement.

- d. **Chamber of Commerce:** Marcy Anderson said that the March 16th luncheon will be in person but is limited to 50 so they will still be offering the Zoom link, so no one is left out. The March luncheon will be held at River City Extreme, and the April luncheon will be held at the Monticello Community Center. The small business community has been hurt badly by not being able to have the in-person networking opportunities, so this is a really good thing.

Membership have been maintaining and slightly growing and renewals have been strong with December being the largest renewal month. Many new businesses coming in want to be community partners.

Stay tuned on updates for larger community events. She urged those interested to continue to check the website for updates.

7. **Adjournment**

SARAH KORTMANSKY MOVED TO ADJOURN THE MEETING AT 8:02 A.M.
MOTION SECONDED BY KEVIN STEFFENSMEIER. MOTION CARRIED
UNANIMOUSLY, 13-0.

Recorder: Beth Green _____

Approved: April 6, 2021

Attest: _____

Jim Thares, Economic Development Director

5. Project Update (JT)

A. Community Energy Transition (CET) Grant Program: City staff is in the beginning phase of executing the scope of work related to the \$500,000 Grant, The City work-scope is proposed as the following items:

- ✓ Strategic Transition Planning and research efforts that support goals of further developing strategies to address infrastructure needs that are crucial in attracting new employers as well as pursuing activities to increase the City’s tax base and employment levels
- ✓ Site planning initiatives including environmental studies, road networks study and design and **municipal infrastructure service design**
- ✓ Financial modeling related to appropriate adjustments in fee schedules and tax levy changes
- ✓ Marketing and economic development materials
- ✓ Legislative affairs and messaging regarding the City’s need for infrastructure development and installation funding and other community needs.

The City work-scope was formed based on the intended objectives of the CET Grant Program which are shown below:

The CET grant program assists eligible communities with developing a plan to address the economic and social impact associated with the closing of a local electric generating plant.

Plans may include, but are not limited to, researching, planning, and implementing activities designed to:

1. Assist workers at the plant find new employment, including worker retraining and developing small business start-up skills;
2. Increase the eligible community’s property tax base; and
3. Develop alternative economic development strategies to attract new employers to the eligible community.

B. UMC Expansion Project Update: UMC continues to finalize its financing arrangements with its private sector lenders for the \$10,831,000 development project (58,000 square foot building). It is hoping to begin construction at the site in early April 2021. UMC is committed to adding 47 new FTE position over the next two years. There current headcount is 200 +/-

C. Project Gia-Saurus Update: City staff continue to monitor the company’s efforts to understand potential funding through the recently approved American Rescue Plan (ARP) set aside for PPE production.

D. Housing Projects: The Deephaven Phase 1 market rate apartment development is currently under construction. The 55-unit building is expected to open in July or August 2021. Deephaven’s Phase 2 and 3 buildings (total of 110 units) are expected to built in succession as each apartment reaches full occupancy. Several other multi-family developers are also considering proposals in the City at this time. Additional concepted unit totals could be about 350 +/- . This total does not factor in Block 52 development goals outlined by the EDA. Duffy Development’s 53-unit multi-family Tax Credit Affordable Housing proposal is

included in the above total. Duffy will be presenting its concept to the EDA at the April 14, 2021 meeting.

Active single family housing development projects consist of the following:

- ❖ Haven Ridge = total number homes expected to reach 335 +/- (build out to occur over the next 6 or 7 years)
- ❖ Featherstone = 48 lots +/-
- ❖ Edmunson Ridge = 56 lots +/-

E. Block 52 Update: The EDA continues to discuss concept ideas for a nearly full block redevelopment with property owners and encourage their participation. Several developers also have expressed interest in reviewing the EDA's objectives and collaborating on the mixed use commercial and residential redevelopment project. This project is a top 2021 EDA Workplan goal.

F. Prospect List Update: Please see the updated Prospect List

PROSPECT LIST

4/2/2021

Date of Contact	Company Name	Business Category	Project Description	Building-Facility	Retained Jobs	New Jobs	Total Investment	Project Status
11/12/2016	MN DEED Prospect	Metal Mfg.	Exist Facility + Equip	65,000 sq. ft.	0	55 - 100	\$2,500,000	Active Search
11/17/2016	Project Novus v2	Precision Machining	New Facility Constr. + Equip	52,000 sq. ft.	205	60	\$10,831,000	Construction
6/22/2017	Project #6580	Metal Mfg.	New Facility Constr.	70,000 sq. ft.	0	49	\$5,480,000	On Hold
10/4/2017	Project Shepherd	Tool Mfg.	New Construction	70,000 sq. ft.	60	50	\$5,900,000	On-Hold
10/17/2017	Project Ted	Equipment Mfg.	New Equipment	N/A	45	?	\$650,000	Concept Stag
5/22/2018	Karlsburger Foods	Food Products Mfg.	Facility Expansion	20,000 sq. ft.	49	3 +/-	\$2,500,000	Act-Plan-Fin
7/3/2018	Project Synergy	Office	New Construction	15,000 to 20,000 sq. ft.		15	\$3,000,000	Concept Stag
7/30/2018	Project Saturn	Plastic Products Mfg.	New Construction	5,000 +/- sq. ft.		4 +/-	\$830,000	Active Search
8/10/2018	Project Jupiter	Metal Mfg.	New Construction	5,000 sq. ft. +/-		3	\$800,000	Active Search
11/29/2018	Project Blitzzen	Precision Machining	Exist Bldg or New Const.	12,000 sq. ft.		10	\$1,200,000	Concept Stag
12/14/2018	Project Comet	Commercial Bus	New Const.	1,700 sq. ft. +/-		7	\$700,000	Active Search
3/28/2019	Project Nutt	Co-Working Space	Existing Building	?	?	?	?	Concept Stag
5/9/2019	Project FSJP	Light Mfg-Res. Lab	New Construction	20,000 sq. ft.	0	20 +/-	\$1,400,000	Act Search
8/16/2019	Project Jaguar	Office	New Construction	22,000 sq. ft.	22	4	\$2,700,000	Act Search
8/25/2019	Ausco Design	Service-Lt Prod.	Existing Building	8,000 sq. ft.	4	3	\$665,000	Concept Stag
9/19/2019	Project Kata	Service	New Construction	22,000 to 35,000 sq. ft.	0	25	\$7,900,000	Concept Stag
1/20/2020	Project Panda v3	Service-Child Care	New Construction	10,500 sq. ft.	0	21	\$4,100,000	Active Search
3/31/2020	Project GiaSaurus	Medical Prod. Mfg.	New Construction	175,000 sq. ft.	0	75	\$50,000,000	Active Search
4/7/2020	Project Copperhead	Utility Locating Prod. Mfg.	Expansion of Existing Bldg.	7,360 sq. ft.	11	7	\$630,000	Construction
5/21/2020	Verde Plus Lawn Care	Service	Existing or New Construction	4,000 to 6,000 sq. ft.	0	3	\$550,000	Active Search
8/27/2020	Project Nuss	Combo Service-sale	New Construction	20,000 sq. ft.	0	20 to 30	\$3,500,000	Concept Stag
12/23/2020	Project TD	Industrial	Existing or New Construction	10,000 to 15,000 sq. ft.	0	5 to 7	\$800,000	Concept Stag
11/5/2020	Project Flower	Office	Existing	7,000-8,000 sq. ft.	0	12	\$750,000	Concept Stage
2/16/2021	Project Cold	Industrial-Warehouse-Distri	New Construction	80,000 sq. ft.	0	21	\$12,000,000	Concept Stage
2/18/2021	Project Shay	Lounge-Restaurant	Existing Bldg.	2,200	0	4	\$150,000	Concept Stage
2/18/2021	Project Counsel	Office-Service	New Construction	5,600 sq. ft.	24	3	\$1,120,000	Concept Stage
3/19/2021	Project Orion	Warehouse-Distribution	New Construction	832,500 sq. ft.	0	500	\$125,000,000	Active Search

Contacts: M = 01 YTD = 08

AGENDA
SPECIAL MEETING - MONTICELLO PLANNING COMMISSION
Tuesday, April 6th, 2021 - 5:00 p.m.
Bridge Room, Monticello Community Center

Commissioners: Paul Konsor, John Alstad, Andrew Tapper, Alison Zimpfer, and Eric Hagen
Council Liaison: Charlotte Gabler
Staff: Angela Schumann, Steve Grittman (NAC), and Ron Hackenmueller

1. General Business

A. Call to Order

2. Workshop Agenda

A. Land Use Basics

B. 2021 Planning Commission Workplan

3. Adjournment

AGENDA
REGULAR MEETING - MONTICELLO PLANNING COMMISSION
Tuesday, April 6th, 2021 - 6:00 p.m.
Mississippi Room, Monticello Community Center

Commissioners: Paul Konsor, John Alstad, Andrew Tapper, Alison Zimpfer, and Eric Hagen
Council Liaison: Charlotte Gabler
Staff: Angela Schumann, Steve Grittman (NAC), and Ron Hackenmueller

1. General Business

- A. Call to Order
- B. Consideration of approving minutes
 - a. Workshop Meeting Minutes – March 2nd, 2021
 - b. Regular Meeting Minutes – March 2nd, 2021
- C. Citizen Comments
- D. Consideration of adding items to the agenda
- E. Consideration to approve agenda

2. Public Hearings

- A. Public Hearing – Consideration of a Rezoning to Planned Unit Development, Development and Final Stage Planned Unit Development and Preliminary and Final Plat, for Commercial Self Storage in the B-3 (Highway Business) District
Applicant: Byron Bjorklund

3. Regular Agenda

- A. Consideration of an Administrative Appeal to Monticello Zoning Ordinance Chapter 3.4 Residential Base Zoning Districts, Subsection (E) R-1: Single Family Residence District
Applicant: Capstone Homes
- B. Consideration of Adopting 2021 Planning Commission Workplan
- C. Consideration of the Community Development Director's Report

4. Added Items

5. Adjournment