

7. **Consideration of WSB Economic Development Assistance Update (JT)**

A. **REFERENCE AND BACKGROUND:**

WSB & Associates Economic Development Coordinator has provided a summary of assistance activities that he is currently engaged in at this time. Mr. Gromberg will also attend the EDA meeting to discuss the summary and answer questions of the EDA.

A1. Budget Impact: None

A2: Staff Impact: None

**ALTERNATIVE ACTIONS:**

1. No action required

2. Action as determined by the EDA

B. **STAFF RECOMMENDATION:**

No recommendation. Informational update only.

C. **SUPPORTING DATA:**

A. WSB Summary Report

## Memorandum

To: Jim Thares, Economic Development Manager

From: Jim Gromberg, Economic Development Coordinator

Date: August 5, 2022

Re: Project Updates  
WSB Project No. 013322-00

Thank you for the opportunity to continue to assist the City of Monticello in their continued efforts to provide economic vitality for the community and the residents. Below are updates on some of the projects and insights to the trends currently facing the city.

The city currently has several projects in progress for the continued growth the commercial-industrial tax base. In addition to the tax base growth these projects will allow for the continued availability of employment opportunities in Monticello.

### Project Updates:

#### Washburn Manufacturing:

- The company has currently suspended the project until a later date to allow for a longer history of successful operation from the new ownership group.
- The city continues to work with the company on the acquisition of the property to the south for the expansion.
- The retention of the property for the expansion will require involvement from the EDA to allow for the use of TIF assistance in the future when the project moves forward.
- The availability of the site continues to be tied to the Moon Motors expansion project and the navigating of that relationship.

#### Project Emma/Moon Motors:

- The company is currently working with the city on the development of a facility in the OCBP.
- The city is working with the company on the size and the design to maximize the site that has been identified by the company for the project.
- As the process moves forward the city will need to accommodate the relationship with the site to the south of Washburn POS site.
- The city is continuing to encourage the company to maximize the size of the facility to meet the needs of the potential TIF generation to meet the value of the lot for the project.

#### Willi Hahn Project:

- The project is moving forward with the company receiving \$660,000 in JCF assistance from DEED.
- The company has received an award letter from DEED confirming the assistance for the project.
- The project will include the creation of 41 new jobs for the new facility.
- The project will be completed in the next 2 years to gain the full amount of the award.

**CEDS Update:**

- The Comprehensive Economic Development Strategy (CEDS) for Benton, Stearns, Sherburne, and Wright Counties is currently being reviewed and updated.
- This update is being led by Sherburne County (available staffing) to meet the deadline.
- The first meeting was conducted in late July to review and develop a new SWOT analysis that will serve as a basis for the update of the CEDS.
- The CEDS needs to be updated by the end of 2022 to allow for the region to receive any potential federal funding for projects.
- The accelerated timeline is due primarily to the issues created by the recent pandemic.

**Shovel Ready Site Update:**

- The information for the Shovel Ready Sites is nearing completion.
- The final piece of information is the completion of the ALTA survey which cannot be completed until the final plat is recorded by Wright County.
- Upon completion of the ALTA survey, the information will be submitted to DEED for their review.
- Upon their preliminary review, the city will formally submit the information for the sites including the application fee for certification.

**Outlook:**

- National job report shows the creation of 528,000 non-farm jobs created in July.
- Average hourly wages increased 5.2% continuing the trend of growing wages.
- Minnesota's unemployment rate is hovering around 2% compared to the national rate of 3.5%.
- Federal Reserve has increased their rate by 150 basis points since the start of the year to slow the economy and keep inflation under control.
- GDP has contracted over the last 2 months.
- Residential real estate market remains strong; however, the Federal Reserve rate increases are having the desired effect.
- Inflation rate is currently between 8.6% -9.1%.

Please let me know if you have any questions concerning the above projects or require additional information on the projects. In addition, let me know if you have additional projects that should be reviewed and included.