

Memorandum

TO: Economic Development Authority

FROM: Tom Simonson , Assistant City Manager and Community Development Director

DATE: January 6, 2025

SUBJECT: EDA Goals and Work Plan Priorities for 2025-2026

ITEM NUMBER: 6.b

SECTION: GENERAL BUSINESS

REQUESTED MOTION

No formal action is required at this time - staff is recommending the EDA board begin discussion of the strategic goals and priorities to incorporate into the work plan for 2025-2026.

INTRODUCTION

Typically each year, the economic development authority reviews and updates their major goals and work plan priorities for the coming two-year cycle. Staff has provided the most recent work plan and other background materials to assist with the board discussion.

DISCUSSION

The goals and work plan priorities of the EDA encompasses all areas that fall within the mission and role of the board including business and economic development, redevelopment, business outreach, partnerships, housing programs and initiatives, and financial resources. The overall strategies and actions are done under the approval of the city council and in collaboration with the economic development commission. Below is a summary of the discussion and outcomes of the previous strategic goal-setting from January 2, 2024:

Previous EDA Goals and Priorities – Economic Development:

- Rice Street Crossing - plans are close to moving ahead with development. Enclave has presented a new purchase agreement that incorporates the appraisal from the Metropolitan Council. The city will make a formal proposal to the Metropolitan Council on a fair value to repay the loan of \$5.2 million. The strategy is to use the Metropolitan Council appraisal and take into account the per unit cost and number of units. The appraisal was based on 365 units on the site. What is proposed is approximately 260 units, 100 units less. Taking that into account would bring the property value amount close to the city's appraisal.
- Scannell Property is moving forward on the Seven Lakes plan
- Shoreview Corporate Center is completed with Phase 3 being constructed and 4100 office building fully leased.
- Business Retention and Expansion - includes expansions at Mead Metals, Schoonover Bodyworks, and Wells Fargo. The city continues to work with PAR Systems.
- Business Attraction - city assisted Eagle Ridge and Scannell to attract office, high tech/med tech users, and good paying jobs; new businesses at 4100 Lexington include

PTC software, Progressive, and two financial firms, and is fully occupied; city is working hard with Scannell on attracting good companies to the Seven Lakes development.

Previous EDA Goals and Priorities - Housing:

- Purchase of forfeited property at 5931 Lexington and partnering with CAPRAW on an affordable housing renovation project
- Rondo/Habitat for Humanity affordable housing project making progress
- Adoption of Inclusionary Housing Policy which addresses increasing affordable units in market rate development
- Continue to work on Housing Study strategies
- Home Improvement Loans improved market further
- Continue to work with land trust model
- Preserve natural affordable housing - some language has been adopted to protect tenants, but more work is needed with Shoreview Hills
- Augmenting financial capacity for advancing housing related goals with adoption of a Written Spending Plan to pool resources and set aside \$500,000 for additional housing programs and initiatives.

Other EDA Accomplishments:

- Added new full-time position splitting Housing Code Enforcement Officer into a Property Maintenance Specialist and Housing Program Specialist
- Increased rental licensing fees for 2024
- Rental licensing revenue moved from General Fund to HRA Fund to offset personnel costs
- Funded supplemental code enforcement services through contract with WSB
- Continued support for EDA intern program
- Adopted Shoreview Housing Improvement Area Policy (HIA) to support housing reinvestment and maintenance of common area improvements
- Approved revised loan administrator agreement with NeighborWorks Home Partners for the Shoreview home loan program
- EDA and city council earmarked additional \$500,000 for new housing programs and affordable housing projects fund
- Adoption of Written Spending Plan and established Temporary TIF Authority to support economic development and job creation
- Provided financial assistance to support improvements to The Lex 4100 building and tear down of vacant 1050 building
- Provided financial assistance for third phase 200-unit apartment by Eagle Ridge with 20 affordable units
- Selected Enclave Companies and approved Letter of Intent and multiple grant applications for Rice Street Crossings
- Approved master plan for Seven Lakes by Scannell Properties and created TIF District 14 to assist with Phase One redevelopment
- Approved a DEED MIF application and city assistance for Mozarc Medical to locate world headquarters operations in Shoreview
- EDA approved city joining a SAC deferment program through the Metropolitan Council to assist small businesses including Vino Veritas

Feedback on Future Goals

The board identified the following as future goals for 2024-2025:

- See how to position the city to be an effective partner with redevelopment of the Shoreview Mall
- Multifamily/townhome ownership opportunities
- Higher priority of providing information on non-profits for people in the community who are looking for help
- Explore offering financing packages to help with rehabilitation of housing
- Options to own affordable homes through land trusts or declaration format
- Awareness of legislative interest in increasing density that would impact neighborhoods
- Housing Study identified zoning changes should be considered
- Information article in newsletter on housing demand and where all the people have lived who have moved to the new housing in Shoreview

The economic development commission will also begin updating their work plan over the next few months, so staff would encourage the scheduling of another joint meeting of the EDA, City Council, and EDC in the spring. The groups last met in April of 2024.

RECOMMENDATION

No action is required at this time - staff is seeking board discussion of updating the goals and priorities to incorporate into EDA work plan for 2025-2026.

ATTACHMENTS

[Community Development - Annual Report Summary 2024 UPDATED](#)