



AGENDA
ECONOMIC DEVELOPMENT COMMISSION

February 27, 2024 - 4:00 PM
Lakeville Water Treatment Facility

1. Call to order
2. Approval of Minutes
 - a. 1/23/24 EDC DRAFT minutes
3. Agenda Items
 - a. Open to Business
 - b. Board Portal Training
 - c. Envision Lakeville
4. Marketing Efforts
 - a. Outreach
 - b. Events
 - c. Other
5. Adjourn

**CITY OF LAKEVILLE
ECONOMIC DEVELOPMENT COMMISSION
MEETING MINUTES
January 23, 2024**

1. Chair Seiler called the meeting to order at 4:01 p.m. in the Water Treatment Facility Conference Room.

Members Present: Comms. Jessica Christiansen, Lowell Collman, Joe Eykyn, Don Seiler, Glenn Starfield

Ex-officio Members Present: City Administrator Justin Miller, Chamber President Krista Jech

Members Absent: Comm. Rick Bjorklund, Bob Gillen, Sara Lundberg, Jack Matasosky, Andrew Phillips

Staff Present: Tina Goodroad, Community Development Director; Kati Bachmayer, Economic Development Manager

2. **Approval of December 12, 2023, Meeting Minutes**

Comms. Starfield / Collman moved to approve the minutes of the December 12 meeting. **Motion carried unanimously.**

3. **Envision Lakeville Update 2023 – Justin Miller, City Administrator**

City Administrator Miller presented the Envision Lakeville Update 2023, which was approved by Lakeville City Council during the December 18, 2023, meeting. Rapp Consulting Group facilitated the 2023 update, which included the City Council appointing a taskforce to conduct the review and recommend changes. Community and stakeholder feedback was gathered to inform the process and the taskforce examined a wide variety of reports and background data before developing a set of recommendations. Changes were made to simplify the vision statement, restructure the plan to emphasize the strategic priorities as the primary focus and included concepts of welcoming and inclusion to the ‘sense of community’ priority and value.

Members asked to review and discuss the Envision Lakeville recommended owner list during the next meeting to answer questions such as “What priorities fall directly under the EDC?” and “What priorities are of interest, but the EDC is in a supporting role?”

4. 2024 Work Plan

Ms. Bachmayer reviewed the work and accomplishments that city staff and EDC members completed in 2023 as compared to the 2023 Work Plan. Ms. Goodroad requested feedback from EDC members on the 2024 Work Plan which is focused on updating the economic development strategic plan, creating a business, retention and expansion plan and exploring economic development financing tools. Discussion was held and members were in approval of the 2024 Work Plan as presented.

Members provided ideas for future EDC speakers and encouraged joint work session meetings with the City Council and Planning Commission when applicable.

5. 2023 Economic Development Annual Report

Ms. Goodroad presented the 2023 Economic Development Annual Report. Building permit activity was strong, though slower than previous years due to the economy. Lakeville had healthy commercial activity in 2023, including specialty medical, restaurant and senior living projects. The Sweet Harvest Foods project had the largest permit valuation of the year at \$16.2 million.

6. Marketing Efforts

- a. **Outreach** – Ms. Bachmayer will be presenting at the 2024 EDAM Winter Conference in Bloomington on January 25, 2024, along with Chamber President Jech, on the Lakeville Works program.
- b. **Events** – Lakeville is sponsoring the MN Real Estate Journal Land Development Summit on March 15, 2024, and Ms. Goodroad will be speaking on a panel with other city economic development representatives.
- c. **Other** – City staff continues to look for ways to market Lakeville as a great place to do business, including obtaining information from site selector groups and industry publications.

7. Adjourn

Meeting adjourned at 5:07 p.m.

Respectively submitted by:

Kati Bachmayer, Economic Development Manager



Memorandum

To: Economic Development Commission
From: Kati Bachmayer, Economic Development Manager
Copy: Tina Goodroad, Community Development Director
Justin Miller, City Administrator
Date: February 27, 2024
Subject: Dakota County's Open to Business Program

The Open to Business program is a partnership between the Dakota County Community Development Agency (CDA), cities in Dakota County (including Lakeville), and the Metropolitan Consortium of Community Developers (MCCD). Our MCCD representative is Natalie Mouilso, who provides confidential business counseling to current and prospective entrepreneurs on an individual basis. Thanks to this partnership, Open to Business services are provided at no-cost to entrepreneurs and small businesses located in Lakeville and throughout Dakota County.

Open to Business can help with business and strategic planning; marketing and communications planning; regulatory, tax, licensing and accounting training; financial assessment; and referrals to critical professional services. The Open to Business program staff also assist entrepreneurs to identify borrowing needs and accessing financing options to meet their needs. When applicable, MCCD offers direct financing and loans in partnership with banks and nonprofit lenders.

Ms. Mouilso will be sharing information about the Open to Business program, the work MCCD staff accomplished in Lakeville in 2023 and plans for 2024.

Action Requested: No action is requested. Ms. Mouilso's presentation is informational in order to grow the Open to Business client base and number of Lakeville residents and businesses that receive free consulting services. Questions from EDC members are encouraged.



Business Advisor for Dakota County: Natalie Moulso, nmoulso@mccdmn.org, 952-451-6390
Q4 2023 ending 12.31.2023

Clients Served YTD

Client Inquiry	4
Existing - Challenged	19
Existing - Opportunity	45
Pre-start planning	57
Start-up	43
Total	168

Business Owner Demographics YTD

Low-Income Owned	63
BIPOC or Immigrant Owned	86
Woman Owned	82

Financing & Access to Capital YTD

Approved	(YRLY Total)	\$ 604,855.00
Equity	(YRLY Total)	\$ 751,362.00
Facilitated	(YRLY Total)	\$3,166,022.00

Program Hours

	TA	Program HRS
1 st QTR	382.00	159
2 nd QTR	299.75	213
3 rd QTR	293.25	223
4 th QTR	290.25	179
Total	1,265.25	774

TA: Client Meetings, Providing Resources, Client Calls, Client Deliverables, Loan Packaging

Program HRS: City Initiatives, Program Outreach, Public Events, City Meetings, Research, Data/Admin, General Inquiries

Industry Segment YTD

Construction / Real Estate	5
Food	27
Health/Fitness	16
Manufacturing	2
Consulting	11
Retail	32
Service	39
Technology	3
Wholesale / Distribution	3
Other/TBD	13
Total	168

Referral Source YTD

Bank Referral	21
Entrepreneur	8
Friends and Family	20
Municipality	50
MCCD Partner/Staff	14
Other	48
Web	7
Total	168

City YTD	Business	Resident
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Apple Valley	22	15
Burnsville	20	18
Eagan	22	23
Farmington	13	16
Hastings	15	11
Inver Grove Heights	10	10
Lakeville	19	26
Mendota Heights	1	1
Rosemount	12	13
South St. Paul	6	7
West St. Paul	9	7
Other Dakota Co.	0	2
Other/ No Data	19	19

Direct Financing & Access to Capital**Business Type: Thai Grocery Store – Updated Q3**

Business Locations: Burnsville & South Saint Paul

Owner Residence: Woodbury

Referred by: Bank Partner & City of South Saint Paul

MCCD Financing: \$125,000

Owner Equity: \$196,391

Other Financing: \$2,455,472

Overview: MCCD approved gap financing for a BIPOC-owned business expansion. The owners currently operate a Thai grocery store in Burnsville and are expanding the business to include a new wholesale and distribution business line with a second location in South Saint Paul to include extra storage for the grocery inventory as well as a deli walk up window. The project is the development of a multitenant building which will include space for two additional tenants. MCCD financing will be utilized for construction costs. **Update: After this loan was initially approved in Q1 2023 an adjustment to the total project costs increased the project size from \$1,920,000 to \$2,455,472. The loan was reapproved by MCCD in August and closed in September 2023.**

Business Type: Financial Advisory

Business Location: Hastings & Lakeville

Owner Residence: Lakeville

Referred by: Bank Partner

MCCD Financing: \$204,000

Owner Equity: \$46,000

Other Financing: \$255,000

Overview: MCCD approved permanent term financing for a commercial real estate purchase by a growing financial advisory business based in Lakeville with a second location in Hastings. The project was brought to MCCD via a bank partner and the real estate transaction is part of a larger business expansion plan and ownership transition for the Hastings location. The real estate purchase and eventual business purchase will retain 6 full-time jobs and create 1 new full-time position.

Business Type: Hair Braiding Salon

Business Location: Eagan

Owner Residence: Eagan

Referred by: MCCD Community Partner

MCCD Financing: \$25,000

Owner Equity: \$21,000

Overview: MCCD approved financing for this immigrant owned start-up hair braiding salon business. The owner has been working in the industry for nearly 10 years, always renting chairs at other salons, and splitting her profits with the salon owner. With startup capital provided by MCCD she will be able to open her own space in Eagan, expand her clientele, and build wealth for herself and her family. In addition to braiding services, the salon will have two rental chairs available and will sell high-quality products that cater to the Black and African community in the area.

Business Type: Adult Daycare Homes and Services

Business Locations: Business Office in Burnsville with homes owned in Inver Grove Heights (2), Apple Valley (1), Farmington (1), Crystal (1), and newest location in New Hope (1)

Owners Residences: Eagan & Prior Lake

Referred by: Bank Partner

MCCD Financing: \$37,200

Owner Equity: \$37,200

Bank Financing: \$297,600

Overview: MCCD partnered with Amplio and a local bank on this real estate transaction for a growing adult daycare and homecare business. Our participation (which is considered equity by the SBA) at 10% of the total project costs allowed the business owners to meet Amplio's 20% equity requirement and retain much needed working capital in the business. Through the real estate purchase, the owners are adding a new residential home in New Hope, MN to the existing roster of home care facilities where the business operates throughout the Twin Cities region. One of the business's owners is Native American and the new location will create new opportunities for the community of New Hope.

Business Type: Trucking

Business Location: Hastings

Owner Residence: Hastings

Referred by: Bank Partner

MCCD Financing: \$25,000

Bank Financing: \$44,450

Owner Equity: \$16,545

Overview: MCCD approved financing for this startup transportation business. This industry veteran has worked for decades driving trucks for other businesses. He finally took the leap to establish himself as an owner operator in January 2023 when he approached his bank about his business idea. The bank referred him to OTB to help with a business plan and financial projections. After a few months of planning the project was ready to move forward in July. This new business will create one job for the business owner, who is a low-income individual, and allow him the opportunity to build wealth for himself and his family.

Business Type: Restaurant

Business Location & Owner Residence: Inver Grove Heights

Referred by: Community Outreach

MCCD Financing: \$110,000

Partner Financing: \$110,000

Owner Equity: \$129,490

Overview: MCCD approved financing for this immigrant owned business expansion in Inver Grove Heights in July 2023. This full-service, family-owned Mexican restaurant has been a community staple in IGH since 2015 with a solid local following. The business embarked on an expansion to a larger location in 2021 but due to unforeseen costs and logistics, the project had been stalled for quite a while. Having exhausted their available funds, the owners were stuck paying rent at both locations with a partially completed renovation. The business connected with MCCD advisor Vicky Gonzalez in summer of 2022 at a community event and she worked tirelessly to find a path forward for this family business. MCCD brought in a non-profit lending partner and together the organizations collaborated on the final funding package. The business has three existing employees and when the expansion is complete, three new jobs will be created.

Business Type: Restaurant

Business Location: Apple Valley
 Owner Residence: Rosemount
 Referred by: Municipality
 MCCD Financing: \$67,935
 Owner Equity: \$290,000

Overview: This husband-and-wife team of seasoned entrepreneurs contacted OTB for startup financing to complete leasehold improvements and provide working capital. After years of successfully operating a sushi franchise, the business owners decided to start a new food business which could appeal to a wider variety of customers. The new restaurant is in a prime retail and commercial area of Apple Valley and will serve fried fish, seafood, and chicken, as well as sandwiches, fried fish tacos, and freshly hand cut fries. This immigrant owned business opened January 11, 2024, and created two full time jobs for the owners and two part time jobs for kitchen helpers.

Business Type: Hair Braiding Salon

Business Location: Apple Valley
 Owner Residence: Lakeville
 Referred by: Bank Partner
 MCCD Financing: \$10,000
 Owner Equity: \$5,500

Overview: This business owner was referred to OTB by Royal Credit Union, Apple Valley. The business was poised for growth although the owner did not have the working capital on hand to bring in new products and make important equipment upgrades. With a loan from MCCD the business will be able to book new services and raise prices, increasing income for the owner and her family. As a single parent of four children, this hard-working and dedicated business owner is now set up for success in 2024.

Credit Builder Loans

In collaboration with nonprofit partners who provide credit building & financial awareness counseling, MCCD provides \$240 Credit Builder Loans (CBLs) to qualified applicants seeking to improve their personal credit. Credit Builder applicants complete financial training through MCCD's partners and are then referred to MCCD for a CBL. MCCD generates and services the CBLs in-house.

2023 Credit Builder Loans YTD	
Resident City	Loan Amount
Rosemount	\$240
West Saint Paul	\$240
West Saint Paul	\$240
TOTAL	\$720

Business Grants**Business Type: Driving School Business**

Location: Apple Valley
 Referred by: Google Search
 MicroGrant: \$3,500 (Grant Application Facilitated by MCCD)
 Owner Equity: ~\$10,000

Overview: This low-income, women business owner learned of the Open to Business program by searching online for resources. After working as a driving instructor for a few years and falling in love with the work, this entrepreneur recognized the opportunity to establish her own school. After pouring every spare dollar into the startup costs, the business owner had a gap of ~\$3,000 which MCCD was able to fill through a MicroGrant. The grant covered the remaining costs for equipment, supplies, and technology. With the additional funding the business owner opened her doors in June with a fully equipped classroom space. As the head of a household with 6 children, this business owner is on the path to building a strong business and a successful future.

Highlights, Networking, & Outreach

Funding & Policy Updates

- November 9 – Along with clients and partners, MCCD held our Annual Meeting to celebrate collective community impact. Read the accompanying [Annual Report](#) which summarizes achievements in policy, advocacy, field building, small business development, lending, and shared ownership.
- December 13 – MCCD was recognized as a recipient of [DEED's Small Business Assistance Partnership Grant](#) designed to support organizations dedicated to empowering BIPOC entrepreneurs and small business owners.

Programming, Partnerships, & Trainings

- October 10 – The Open to Business team participated in the first annual teambuilding retreat. The team gathered to reflect on 2023 and look ahead to 2024.
- November 8 – In partnership with accounting firm Tax Actions of Minneapolis, MCCD hosted a bookkeeping and accounting Q&A webinar. The event provided an overview of bookkeeping practices for small businesses as well as a Q&A section.
- November 14 – MCCD, alongside Mni Sota Fund and Shared Capital Cooperative, collaborated with the MN Small Business Administration District Office to organize a Capital Strategies Symposium to discuss constructing a more inclusive finance system. The event featured remarks by Geri Sanchez Aglipay, Regional Administrator, SBA, Neela Mollgaard, Executive Director, DEED Office of Small Business Innovation, and St. Paul Mayor Melvin Carter.
- November 17 – In partnership with the UMN Law School, MCCD hosted a Small Business Law Q&A webinar where legal experts provide transaction-based legal assistance to small businesses on a variety of subject matters including entity formation, owner distributions, and commercial lease review.
- December 1 – MCCD rolled out a [Holiday Shopping Guide](#) which featured clients and businesses in our community.
- January 19 – Join the Open to Business team as we host our first in person Small Business Planning Workshop of 2024 at the MCCD Office. The training is open to entrepreneurs throughout the region and will provide attendees with the tools and resources needed to write a business plan.

Advertising & Outreach

- Banker and lender outreach occurred specifically with Merchants Bank, Minnwest Bank, Northeast Bank, Royal Credit Union, Scale Bank, Sunrise Bank, Think Bank, and US Bank.

- Written or in-person presentations were made and/or networking efforts were made including Minnesota Minority Goods & Services Association on October 3, CMDC Business Financing on October 16, West Saint Paul Workforce Development Center on October 20, St. Thomas Small Business Development Center on November 20, Dakota County Bi-Monthly City/County Meeting on December 14. Regular updates / meetings occurred with the Workforce Development Board's Business Services/Economic Development Committee, the University of MN Law School, Dakota County CDA, the City of Burnsville, the City of Eagan, and the City of Farmington.
- The Open to Business advertisement library is up to date with the most recent ads and flyers for OTB. Access the Ad Library [here](#).

Client Highlight

Meet Mireya Sanchez, owner of El Rincon Mexicano of Inver Grove Heights. This full-service, family-owned Mexican restaurant has been a community staple in IGH since 2015 with a solid local following. The business serves healthy, freshly prepared, and unprocessed food and even has a vegetarian menu! Mireya started the business when she felt called to sell her enchiladas to the community. As the business grew, Mireya looked to expand to accommodate additional dining spaces for both customers as well as her employees during their lunch breaks. The business embarked on an expansion to a larger location in 2021 but due to unforeseen costs and logistics, the project stalled. Having exhausted available funds, she was stuck paying rent at both locations with a partially completed renovation. The business connected with MCCD advisor Vicky Gonzalez in summer of 2022 at a community event and Vicky worked tirelessly to find a path forward providing in-depth technical assistance and sound professional resources. MCCD brought in a non-profit lending partner and together the organizations collaborated on the final funding package. MCCD approved financing in July 2023. The business has three existing employees and when the expansion is complete, three new jobs will be created.

"MCCD has helped where I couldn't and wouldn't. It's important that other Hispanic and other Latin people know about MCCD's existence." - Mireya, Owner of El Rincon



Mireya Sanchez, Owner of El Rincon Mexicano, Inver Grove Heights



Memorandum

To: Economic Development Commission
From: Kati Bachmayer, Economic Development Manager
Copy: Tina Goodroad, Community Development Director
Justin Miller, City Administrator
Ann Orlofsky, City Clerk
Date: February 27, 2024
Subject: Board Portal Training

The City of Lakeville is transitioning all meeting agendas for Boards and Commissions to its new agenda management software, CivicClerk. As part of this process, City Clerk Ann Orlofsky set each Economic Development Commissioner up with a CivicClerk account to access a board portal where members can view the agenda, packets, and minutes. The Economic Development Commission's January meeting used the new software for packet distribution and will continue to do so moving forward.

City Clerk Orlofsky will be present at the February meeting to provide training on CivicClerk's board portal and assist with any issues EDC members are experiencing in using the new software.

Action Requested: Members are encouraged to bring their CivicClerk questions to the meeting.



Memorandum

To: Economic Development Commission
From: Kati Bachmayer, Economic Development Manager
Copy: Tina Goodroad, Community Development Director
Justin Miller, City Administrator
Date: February 27, 2024
Subject: Envision Lakeville Discussion

At the January 2024 meeting, City Administrator Justin Miller presented information on the 2023 Envision Lakeville Final Report that was approved by the City Council in December 2023. During the Q&A portion of that item, EDC members requested additional details about the Envision Lakeville strategic priorities and what groups were recommended to “own” those activities.

We have included an excerpt of the report that includes the Envision Lakeville Taskforce’s recommendations for each strategic priority for reference and discussion. The Economic Development Commission has been recommended as owner of “Increase Economic Sustainability.” The Envision Lakeville Final Report can be found at <https://lakevillemn.portal.civicclerk.com/event/56/files/attachment/321>

Action Requested: Staff encourages members to review the strategic priority recommendations and consider what priorities are of interest to the EDC and how members can play a supporting role.

The **Envision Lakeville Taskforce** recommends the following Priority owners, subject matter experts, city liaison, and supporting initiatives.

STRATEGIC PRIORITY

Increase Economic Sustainability

Suggested Owner:

Lakeville Economic Development Commission

Subject Matter Expert Support:

Dakota County Community Development Agency,
Chamber of Commerce, Convention & Visitors Bureau

City Liaison:

Community Development Director

Suggested Initiatives/Issues:

- Retain and develop affordable and workforce housing
- Expand industrial park and airport to attract business
- Recruit businesses that match the city cost of living
- Plan for infrastructure maintenance and replacement



STRATEGIC PRIORITY

Support Quality Education

Suggested Owner:

Lakeville education community

Subject Matter Expert Support:

Lakeville District 194, Farmington District 192,
Apple Valley District 196, Lakeville private schools

City Liaison:

Parks and Recreation Director

Suggested Initiatives/Issues:

- Manage growth, work with the City to plan
- Encourage State, County, School Districts and City to get together
- Improve District-City partnerships and stakeholder connections
- Address life-long learning
- Improve and leverage asset sharing
- Expand post-secondary institutions
- Expand pre and after-school programs



STRATEGIC PRIORITY

Develop a Community of Choice

Suggested Owner:

Planning Commission

Subject Matter Expert Support:

Chamber of Commerce, Builders and Realtors, Dakota County-Community for a lifetime initiative

City Liaison:

Community Development Director, Parks & Recreation Director

Suggested Initiatives/Issues:

- Provide incentives for development of an array of affordable and workforce housing
- Improve and develop the downtown without losing its character—housing, commercial, retail
- Build upon and promote Lakeville's strengths: parks, safety, downtown, schools



STRATEGIC PRIORITY

Cultivate a Welcoming, Inclusive Community

Suggested Owner:

Communications (city) – may be shifted or require resources

Subject Matter Expert Support:

Pan-O-Prog, schools, places of worship, neighborhood associations, DLBA, Sports, Park & Recreation (events), health clubs, Arts Center, service clubs, festivals/celebrations e.g.-Lakeville Citywide Garage Sale

City Liaison:

Communications Manager

Suggested Initiatives/Issues:

- Develop and expand focal points in the city: community center, community pool, civic center
- More multicultural events
- Multicultural task force
- Implement recommendations of the 'Sense of Community' task force



STRATEGIC PRIORITY

Provide Services that Add Value

Suggested Owner:

City Administration, City Administrator

Subject Matter Expert Support:

Environment, energy, conservation, transportation, Technology workgroup, Friends of the Arts, Public Safety Foundation, Chamber of Commerce

City Liaison:

Assistant City Administrator

Suggested Initiatives/Issues:

- Establish performance measures
- Leverage partnerships with schools and County
- Robust transportation system to support future capabilities and technology
- Internal training for police and fire
- Full time Fire and EMS

