

**AGENDA**  
**MAPLEWOOD CITY COUNCIL**  
**SPECIAL CITY COUNCIL MEETING**  
5:00 P.M. Monday, July 18, 2016  
City Hall, Council Chambers

- A. CALL TO ORDER**
- B. PLEDGE OF ALLEGIANCE**
- C. ROLL CALL**
- D. APPROVAL OF AGENDA**
- E. UNFINISHED BUSINESS**  
None
- F. NEW BUSINESS**
  - 1. Consider Selection of Business Engagement Program  
(A quorum of the Housing and Economic Development Commission may be present)
- G. ADJOURNMENT**

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## MEMORANDUM

**TO:** Melinda Coleman, City Manager  
**FROM:** Michael Martin, AICP, Economic Development Coordinator  
**DATE:** July 14, 2016  
**SUBJECT:** Consider Selection of a Business Engagement Program

### Introduction

At the July 18, 2016 city council workshop meeting, staff will provide an overview of its plan to implement the core pillars of business engagement as communicated by the University of Minnesota Extension's course. In developing the program, staff used the following principles as a guide to what the program should include:

- Demonstrate to businesses that the community appreciates their presence
- Help existing businesses solve immediate problems
- Increase businesses' ability to compete in regional, national, and global markets
- Establish a strategic plan for economic development
- Build community capacity to sustain growth and development over the long term

These principles and the resulting recommendations build off of the University of Minnesota Extension's course that was taken by staff members, council members and housing and economic development commission (HEDC) members. The coursework focused on what to consider when building a program, how to implement the program, who to involve, how to respond to concerns and how to sustain initiatives over time.

### Discussion

#### *Program Overview*

At previous city council and HEDC meetings, potential options on how to facilitate a program have been discussed – city-led, work with the Extension office or partner with local chambers. For those who have taken the business engagement course, you now know it takes a good amount of effort and many people to make a program successful. Because of this, staff recommends the city partner with its chamber groups, who have experience and staff dedicated to seeing this effort through. The city does not have available staff that can give this program the type of effort that is needed. The city will benefit from working with groups who have conducted engagement visits for many years with several area cities. Staff looked to neighboring cities to look for models that worked elsewhere and could be incorporated into Maplewood. Staff recommends the Saint Paul Area Chamber of Commerce (SPACC) be the lead party guiding the city through this effort while the White Bear Area Chamber of Commerce (WBACC) also conduct visits within its focus area of north Maplewood.

Since it is impossible to visit every business in the city, staff and the chambers have developed a strategy to prioritize visits with the intent of gathering data and building relationships with companies poised for growth. As reinforced in the Extension course, the most successful business engagement and expansion efforts occur when cities focus on companies already in the community. As they have done in other communities, the chamber groups recommend the city work to conduct 25 total visits over the next year. This typically means 50-75 businesses will have to be identified and contacted to find 25 willing businesses. Five of those visits will be conducted by WBACC in the north Maplewood area and SPACC will conduct the other 20 visits throughout the rest of Maplewood.

Working with the SPACC, the city will use Minnesota Department of Employment and Economic Development's data on employment and wages to identify companies experiencing the highest growth and prioritize those for visits. In addition to leveraging localized growth, the SPACC will use Greater MSP's definition of "Key Industries" and include those businesses. Key industries include headquarters, agriculture and water technology, health and life sciences, innovation and technology and financial services. It is also known that certain companies are so important to overall health of Maplewood that annual visits will be established – these companies include 3M, HealthEast and Washington Prime Group (owner of Maplewood Mall). The city manager will also work to setup annual meetings with the city's school districts.

These visits will be setup up by the chamber groups and there will be an online component used for signing up to go out for visits. Each business visit will include a chamber staff member, a member of the city's senior management team, a city councilmember and a HEDC member. As mentioned in the Extension course, there should be no more than four individuals attending each visit. The visits will be conducted on site at each business and the same survey of questions will be used.

At the conclusion of the visits, the SPACC will aggregate the data, to maintain anonymity of the companies visited, and provide analysis of the results to help guide potential policy decisions by the city council to better foster an environment for business growth. As stated in the Extension course, studies have shown that as much as 80 percent of new jobs created are by existing businesses rather than by new businesses attracted to a community. Retaining and facilitating the expansion of existing businesses is an important component of any city's plan for economic development. With the increasing scarcity of resources at the local level, focusing on the growth of existing businesses is more efficient than enticing a new business to move into a community.

### *Next Steps*

As proposed, this program would be kicked off at the city's community engagement breakfast in October. The annual breakfast program will focus on business engagement topics and demographic trends. Staff will invite speakers from these fields and will facilitate a discussion amongst the panelists and attendees. The breakfast will serve as a notable kickoff point for the engagement program and the visits will continue into and conclude in 2017.

**Commission Review**

On July 13, 2016, the housing and economic development commission (HEDC) discussed the business engagement program and recommended working with the SPACC and WBACC on developing a business engagement program. The HEDC also recommended the city explore the potential of partnering with the Oakdale Area Chamber of Commerce in either participating in the facilitation of the program or if there are any other ways to include the group in engagement opportunities.

**Recommendation**

Staff will be requesting feedback and direction from the city council regarding staff's outline for the business engagement program.

**Attachment**

1. Example of Survey of Questions



**Business Retention & Expansion Survey**

City of Arden Hills Survey Reporting Form (rev 2.23.15)

**COMPANY NAME/CONTACT INFORMATION**

Company Contact:

Company:

Parent Company:

County:

City:

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**OVERVIEW INFORMATION**

Visit Date:

Interview Name:

Interviewer Email Address:

Organization Type (select one):

- City
- County
- Chamber
- MNSCU
- Port Authority
- BSR
- Non Profit
- Other

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**BUSINESS DETAILS**

Primary Business Sector (select one):

- Accommodation/Food Services
- Administration/Support/Waste Management/Remediation Services
- Agriculture/Forestry/Fishing/Hunting
- Arts/Entertainment/Recreation
- Construction
- Educational Services
- Finance/Insurance
- Health Care/Social Assistance
- Information
- Management of Companies & Enterprises
- Manufacturing
- Manufacturing - Food/Candy
- Mining
- Professional/Scientific/Technical Services
- Real Estate/Rental and Leasing
- Retail Trade
- Transportation/Warehousing
- Utilities
- Wholesale Trade
- Non Profit
- Other

Primary Sector Other:

Does Company have a succession plan?	YES	NO
Has the company ownership changed?	YES	NO
Or is change imminent?	YES	NO
Explanation:		
Over the past year, have company sales (select one):		
<input type="checkbox"/> Increased <input type="checkbox"/> Decreased <input type="checkbox"/> Been relatively stable <input type="checkbox"/> Fluctuated widely <input type="checkbox"/> Not identified		

**FACILITIES**

Type of facility (select all that apply):

- Branch
- Distribution
- Franchise
- Headquarters
- Home-based business
- Manufacturing
- Office-operation (non HQ)
- R&D
- Sales Office

Is there room for expansion at site?	YES	NO
Is this facility owned or leased?	Owned	Leased

**PRODUCTS/SERVICES**

Company's major products/services:

Has this company introduced new products? YES NO

Briefly describe new products:

**LOCAL EMPLOYMENT AND WORKFORCE**

Number of Full Time Employees at facility:

Number of jobs at this facility changed (select one):

- Increased
- Decreased
- Stayed the same

If increased, was it hard to fill jobs?	YES	NO
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Why are openings hard to fill? (select all that apply):

- Poor work ethic
- Lack of basic education
- Lack of technical skills
- Lack of candidates
- Challenging location
- Competition
- Other

Expect the number of jobs at facility (select one):

- Increase
- Decrease
- Be relatively stable
- Unsure

Types of jobs do you expect to hire:

Anticipate need to train employees:                    YES    NO

What kind of training will be needed?

**TRANSIT/TRANSPORTATION**

How well does existing transportation infrastructure serve your business (select one)?

- Exceeds needs
- Meets needs
- Needs improvement

Please explain:

Do your employees use transit (i.e. bus/rail) ?    YES    NO

Do you think more employees would use transit if it were more readily available?    YES    NO

**MARKET INFORMATION**

Company's primary market (select one):

- International
- United States
- Midwest (including MN)
- Minnesota
- Local
- Not identified

Company's fastest growing geographic market (select one):

- International
- United States
- Midwest (including MN)
- Minnesota
- Local
- Not identified

<p>Does this company export? <span style="float: right;">YES   NO</span></p> <p>If so, where (select all that apply):</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Africa &amp; Middle East</li> <li><input type="checkbox"/> Canada</li> <li><input type="checkbox"/> Europe &amp; Russia</li> <li><input type="checkbox"/> Greater China</li> <li><input type="checkbox"/> India, Pakistan, Central/South Asia</li> <li><input type="checkbox"/> Japan &amp; Korea</li> <li><input type="checkbox"/> Southeast Asia</li> <li><input type="checkbox"/> Australia &amp; Pacific Oceania</li> <li><input type="checkbox"/> Latin America &amp; Caribbean</li> <li><input type="checkbox"/> Mexico</li> <li><input type="checkbox"/> Not Identified</li> </ul>
<p>Interested in learning about exporting? <span style="float: right;">YES   NO</span></p> <p>Percent of sales outside US?</p>
<p><b>INVESTMENT PLAN</b></p> <p>Does this company plan to (check all that apply)</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Invest in new facilities</li> <li><input type="checkbox"/> Make major equipment purchases</li> <li><input type="checkbox"/> Renovate/Expand current facilities</li> <li><input type="checkbox"/> None</li> <li><input type="checkbox"/> Not identified</li> </ul> <p>Please explain:</p>  <p>Approximate date of investment (select one):</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Within one year</li> <li><input type="checkbox"/> Within two years</li> <li><input type="checkbox"/> Within three years</li> <li><input type="checkbox"/> Unsure</li> </ul> <p>If investing in new location, why (select all that apply)?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Access to labor</li> <li><input type="checkbox"/> Access to markets</li> <li><input type="checkbox"/> Environmental permit obstacles</li> <li><input type="checkbox"/> High state taxes</li> <li><input type="checkbox"/> High local taxes</li> <li><input type="checkbox"/> Labor costs</li> <li><input type="checkbox"/> Lease expiration</li> <li><input type="checkbox"/> No room at this location</li> <li><input type="checkbox"/> Quality of workforce</li> <li><input type="checkbox"/> Transportation/infrastructure</li> <li><input type="checkbox"/> Other</li> </ul> <p>Explanation: _____</p>

**COMMUNITY**

The City has a revolving loan fund of approximately \$150,000.

Would your business be interested in using this fund?                      YES        NO

If yes, for what purpose?

The City holds a State of the City event every year.

Have you attended this in the past?                      YES        NO

If no, why not?

If yes, how could the event be more useful?

Do you identify your business as being located in:    ARDEN HILLS                      SAINT PAUL

Why?

The Economic Development Commission advises the City Council/Economic Development Authority on issues concerning the business community.

Would you be willing to serve as a Commissioner?                      YES        NO

**POST DISCUSSION VISIT**

Does this company require follow up?                      YES        NO

If yes, what organization(s) should assist (select all that apply):

- City
- Chamber
- College
- State
- Workforce
- Other

**APPENDIX B – FOLLOW-UP SURVEY REPORTING FORM**

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**City of Arden Hills Follow-up Survey Reporting Form (rev 7.31.15)**

<b>Rank the local business climate: Community Rankings</b>						
<b>Education and Training</b>						
K-12	1	2	3	4	5	n/a
Higher education	1	2	3	4	5	n/a
Customized Training Programs	1	2	3	4	5	n/a
Overall Workforce Quality	1	2	3	4	5	n/a
<b>Transportation/Location</b>						
Public Transportation	1	2	3	4	5	n/a
Highway Infrastructure	1	2	3	4	5	n/a
Air Service	1	2	3	4	5	n/a
Proximity to Suppliers	1	2	3	4	5	n/a
<b>Quality of Life</b>						
Recreational Opportunities	1	2	3	4	5	n/a
Cultural Opportunities	1	2	3	4	5	n/a
Crime Rate	1	2	3	4	5	n/a
Social Organizations and Networks	1	2	3	4	5	n/a
Housing Supply for Workforce	1	2	3	4	5	n/a
<b>Local Access to Capital</b>						
Lending by local financial institutions	1	2	3	4	5	n/a
Assistance from local governments and/or non-profits	1	2	3	4	5	n/a
<b>Local Government</b>						
Attitude towards business	1	2	3	4	5	n/a
Permitting/Zoning	1	2	3	4	5	n/a
Local Taxes	1	2	3	4	5	n/a
Local fees	1	2	3	4	5	n/a
<b>Utilities</b>						
Telecommunications/Broadband Service	1	2	3	4	5	n/a
Telecommunications/Broadband Rates	1	2	3	4	5	n/a
Electric Rates	1	2	3	4	5	n/a
Electric Reliability	1	2	3	4	5	n/a