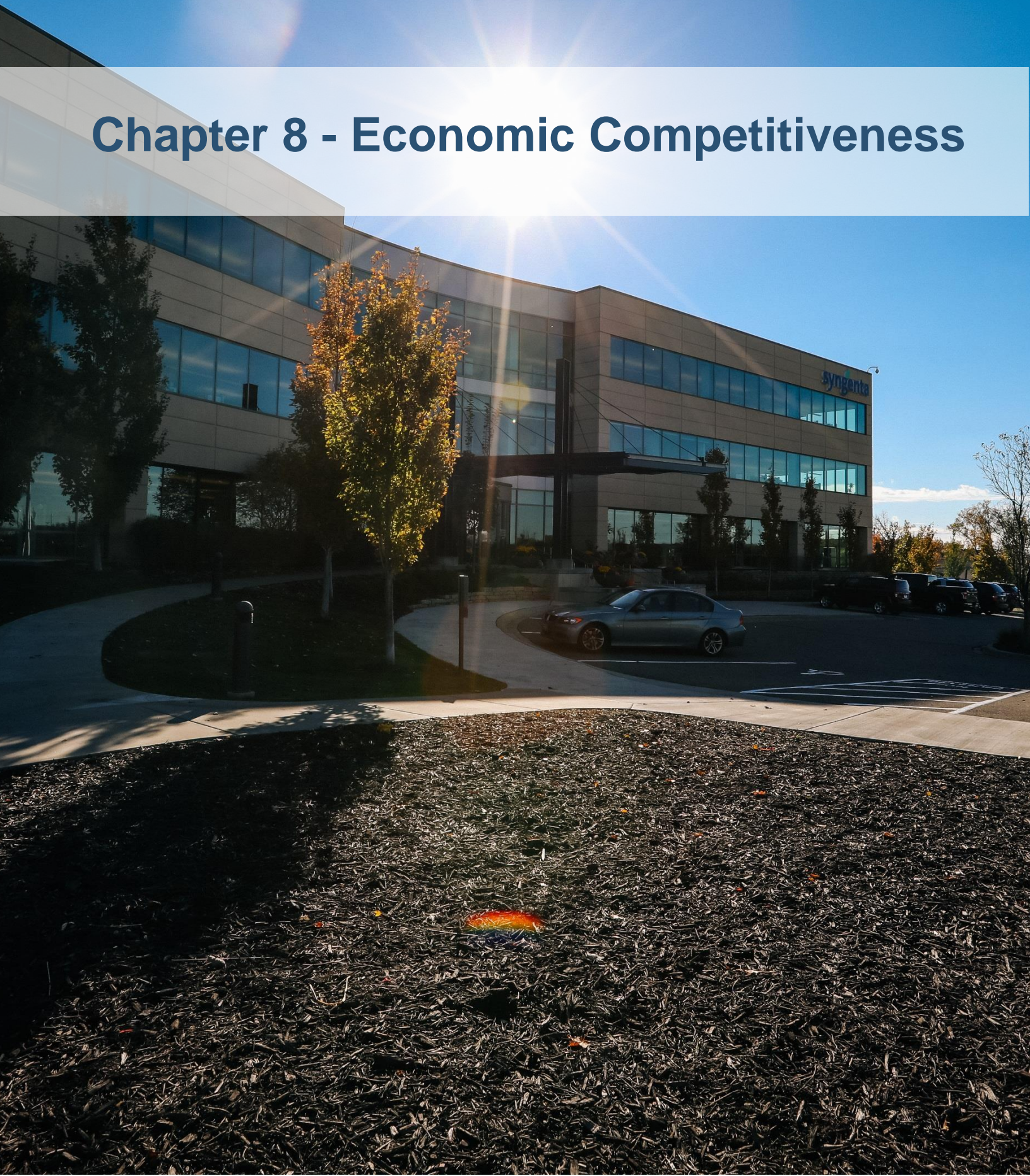


Chapter 8 - Economic Competitiveness



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Economic Competitiveness

Recommended Chapter Elements:

Key Industries/Centers of Employment

- » Consider an analysis of the number and character of jobs and industries within your community. [The U.S. Cluster Mapping Project](#) can be a useful tool for examining traded and local industry clusters down to a countywide level, while [American Fact Finder](#) provides 2012 Economic Census data to a place and zip code level (to be released by June 2016).
- » Utilize your community's Employment Forecasts to help characterize and guide the future development of employment areas in your community.
- » Local plans can identify where, when, and how new employment areas will be guided to most effectively remain accessible to the regional workforce and leverage public and private investment in infrastructure.
- » Many communities use the comprehensive plan to identify the proportion of housing opportunities that are accessible to employees in your community using a jobs-housing ratio.

See Exhibit A

Redevelopment

- » Identify the presence of brownfield challenges in your community through mapping and characterizing these issues, and setting objectives and policies that position brownfield properties as an economic opportunity. [MPCA's "What's in My Neighborhood" application can be useful in locating perceived and confirmed brownfields.](#)
- » Municipalities and counties in Minnesota have the authority to enact several programs and strategies towards the redevelopment of declining properties and neighborhoods, and there are examples throughout the region of special authorities, districts, and financial tools that have been put in place to do just that. Identify those resources within your community and determine how local policies and programs can be directed to support those resources. Land that is underutilized and potentially contaminated contributes to blight, loss of property values and may adversely affect public health ([Minnesota Healthy Planning: How-To Guide](#), page 47).

Education and Workforce

- » Investigate local data related to educational attainment and match your strengths and weaknesses to economic goals, policies, issues, and opportunities.
- » Integrate data and trends on employment and unemployment that help to reveal the need for policies and programs that can help to keep unemployment rates low.
- » Strengthen your plan by integrating an assessment of your community's workforce. Indicate program and resource opportunities for education and workforce development to provide insights into housing choice, public services, and other key considerations.
- » Workforce productivity can be a telling indicator of the strength and quality of the workforce, as it measures the output (for example, gross metropolitan product) per a specific input measure (such as hours worked).
- » In the context of the comprehensive plan, your community will benefit from a better understanding of the local workforce's level of compensation.
- » Identify programs that currently operate in your community and, where needed, support and strengthen the community's workforce development network through local policy and goal-setting.

See Exhibit A

Business Development

- » Gather and analyze information on the mix of businesses in the community.
- » Identify and assess the effectiveness of your community's existing business recruitment, attraction, retention, and expansion efforts, and set goals and priorities for the efforts moving forward.
- » Cultivate small business stability and growth by identifying resources, partnerships, networks, and programs that assist small businesses and entrepreneurs with issues such as management, accounting, financing, real estate, and marketing that the small business may not have the background or capacity to tackle without assistance.
- » Assess existing incentive policies and programs in relation to your community's current character and future growth, as well as to identify opportunities to create, revisit or restructure your community's approach to business incentives.
- » Identify appropriate areas where economic and land use conditions exist that might be strengthened through exploration of a special service district.
- » Local food production and sales can improve community assets and provide fresh produce and healthy foods to nearby neighborhoods

([Minnesota Healthy Planning: How-To Guide](#), page 72). For more information, please visit the [Minnesota Department of Health Healthy Places website](#).

See further in report.

Economic Information, Monitoring and Strategic Initiatives:

- » Identify the key indicators that are important to your community and establish a methodology for tracking and reporting on that information.
- » Prepare an Economic Development Strategic Plan that directly addresses the community’s short- and long-term economic development agenda. The Comprehensive Plan may help to set the framework for such an effort and allow for the strategic plan to remain adaptable and attainable through the setting of strategic goals and actions for enhancing the local business climate.

[See Economic Improvement Program Document](#) starting at page 433

Overview:

Following is an outline of business development services that are currently available or could be utilized by the City of Minnetonka to enhance business development within the community.

These services include a variety of tools, resources and activities that are being proposed to support Minnetonka’s business community and achieve the goals of the Economic Development Advisory Committee, Economic Development Authority and City Council.

Elements of the strategy include the Business Retention and Expansion Program, Marketing and Communications, Small Business Development Resources, Financing Programs, and Partnerships. The following is a summary of those elements:

Business Retention and Expansion Program (BR&E)

A BR&E program is a tool to help identify barriers local businesses face as they work to survive and grow. A successful BR&E Program develops and maintains strong relationships with local business leaders to assess business concerns, understand the structure of the local economy, set priorities, and implement programs or projects that will help make the business community thrive.

In the short-term, a BR&E Program can demonstrate community support for local businesses through enhanced communication and can help solve immediate business concerns. Long term goals of a BR&E Program



include: building community capacity to sustain business growth and development, increasing local businesses' capacity to compete in the global economy, and establishing and implementing a strategic priorities to address businesses' needs.

Business Retention and Expansion Outreach Recommended Approach:

2018-2019 Connect with partnership organizations to explore outreach opportunities

- » Grow Minnesota! – MN Chamber of Commerce
- » TwinWest Chamber of Commerce
- » GreaterMSP
- » Department of Employment and Economic Development
- » Develop and maintain a comprehensive business list
- » Facilitate communication with business community
- » Identify key business leaders
- » Harness community branding efforts to establish an economic development marketing plan to attract and retain residents and businesses
- » Connect with Minnetonka Businesses
- » Develop a template for an annual business newsletter to connect with the business community.
- » Publication will highlight investment updates

Business Development Strategy

- » Available business development and financing opportunities
- » Launch of a business survey with business visit opportunities
- » Highlight single point of contact at the city for business inquiries

2019-2021 Analysis and Implementation

- » Partner with TwinWest, Grow MN, GreaterMSP, and DEED to conduct business outreach visits
- » Analyze business surveys for industry trends and business needs
- » Develop proactive business development strategies to meet the needs of businesses

Marketing and Communications

Economic development marketing and communications are important tools in promoting a community as a promising destination for business expansion and relocation by increasing its visibility and demonstrating its benefits. Following are the examples of tools that can be utilized in marketing and communications efforts:

- » Business Centric Marketing: Marketing aimed at positively positioning the community in the minds of the target audience of business executives, site selection firms, bankers, and commercial brokers.
- » Community Branded Economic Development Resources: A comprehensive package of custom designed economic development resources will be utilized in a variety of applications. Such applications include the presentation of information at special events and meetings with business and development prospects. Tailored information relevant to each use is able to be included, i.e.: housing, business development, and transit.
- » Web Presence: A portion of the website will be dedicated to information about demographics, available land and buildings, financing opportunities, maps, utilities and workforce resources. This information corresponds to that identified by site selection firms and businesses as key data considered when conducting site searches.
- » Media Relations: Public relations staff coordinate the distribution of press releases on important development projects and business-related programs and events.
- » Relationship Building: Staff works to maximize participation in the area chambers of commerce and industry-specific trade organizations and professional associations in order to promote Minnetonka as a strong place to do business.

Business Financing Programs

To help support business expansions and relocations or equipment purchases, a number of general financing programs are available for businesses in Minnetonka. Staff works to establish and promote a range of financial resources to meet the changing needs of businesses. A number of these resources are available on a local, regional or state basis, including the following:

- » The Property Assessed Clean Energy (PACE) Program allows local governments to fund the up-front cost of energy improvements on commercial and residential properties. The funding is paid back over time by the property owner which provides an incentive to invest in energy improvements that might otherwise be cost prohibitive.

- » Hennepin County Common Bond Fund is a loan fund for growing manufacturing companies. Tax-exempt or taxable revenue bonds are issued on behalf of private borrowers to provide lower interest rates on long-term financing. Projects can include land acquisition, new facility construction, additions to existing facilities, purchase and renovation of existing structures, and production equipment purchase.
- » Hennepin County Economic Development Infrastructure Fund is a grant available to support business recruitment and expansion through targeted investments in infrastructure upgrades and extraordinary costs associated with starting a business. Eligible uses include demolition, site clearance, relocating utilities, and replace aging or inadequate water and sanitary sewer systems.
- » The Minnesota Investment Fund is a program through the Minnesota Department of Employment and Economic Development. The program's purpose is to provide low interest loans to create and retain high-quality jobs in industrial, manufacturing, and technology-related industries; increase the local and state tax base; and improve the economic vitality for the state. Eligible loan uses include land, buildings, infrastructure improvement, equipment, and training.
- » The Job Creation Fund is a program through the Minnesota Department of Employment and Economic Development. The program provides financial incentives to new and expanding businesses that meet certain job creation and capital investment targets. Companies deemed eligible to participate may receive up to \$1 million for creating or retaining high-paying jobs and for constructing or renovating facilities or making other property improvements.
- » The Economic Gardening Program provides scholarships to owners of second- stage growth businesses for business research combined with peer learning and business forums.

Small Business Development Resources

Supporting small business development is a continual focus of the Community Development Department. Staff works to guide entrepreneurs through the process of establishing or growing their business in Minnetonka and publicize the availability of resources in Minnetonka. To help direct these small business entrepreneurs to the appropriate resources, staff has established relationships with partner organizations that can provide technical assistance and micro lending options. Following is a listing of some of the organizations:

- » Metropolitan Consortium of Community Developers (MCCD) is an association of nonprofit community development organizations that promote entrepreneurship and small business development by offering access to capital and technical assistance. MCCD also offers more

focused assistance to Minnetonka through monthly office hours at city hall and is named “Open to Business”.

- » Small Business Development Centers provide free consulting, offering assistance with strategic business plans, market research, financial planning and analysis, loan packaging and cash flow management.
- » Service Corp of Retired Executives (SCORE) provides free one-on-one counseling and low-cost workshops in key subject areas critical to small business success.
- » Neighborhood Development Center offers business training, financing, and ongoing support and business incubation to ensure that businesses participating in its programs succeed through the start-up and growth phases of their businesses.
- » University of Minnesota Office for Business and Community Development (OBCED) is a social enterprise whose purpose is to leverage the assets and resources of the university to create programs and services that provide innovative solutions to real-world social-economic problems that impact urban communities.

Partnerships

- » GreaterMSP is the regional economic development organization for the Minneapolis/St. Paul region. They partner to help provide a vision and agenda for regional economic development as well as brand and market the region. GreaterMSP offer services in business retention and expansion, data tools and research, and targeted industry assistance (manufacturing, small business, technology).
- » The Department of Employment and Economic Development (DEED) is a state agency assisting in economic development through programs targeting business recruitment; expansion and retention; workforce development; and community development.
- » Twin West Chamber of Commerce serves ten communities in the western and northwestern metro area, including Minnetonka. It offers relevant, timely programming as well as numerous networking opportunities for area business people. The chamber supports local workforce and high school education through its philanthropic arm, the Twin West Foundation.
- » The primary focus of Grow Minnesota! (Minnesota Chamber of Commerce) is to retain and grow Minnesota’s businesses. Grow Minnesota’s business assistance resources include confidential one-on-one site visits with businesses to identify their specific expansion plans, workforce recruitment and development needs, exporting opportunities, and relevant business financing services.
- » Hennepin County provides assistance to businesses and municipalities through a variety of programs designed to support businesses,

promote economic development, create and retain jobs, and cultivate entrepreneurs.

- » Metropolitan Council provides regional infrastructure, services, and amenities that serve as a foundation for economic growth to support economic development efforts. The council provides grants to help clean up polluted sites for redevelopment, expand affordable housing opportunities and build pedestrian friendly transit-oriented developments.

Administrative Resources

- » Single Point of Contact: Staff acts as a single point of contact by providing a reliable, responsive information source for questions related to business development in Minnetonka. In this role, staff acts as a liaison between various city departments, assists in the coordination of city approvals and researches answers to a wide range of questions. Staff also helps facilitate the creation of public/private partnerships with partner organizations such as the State of Minnesota and Hennepin County as appropriate.
- » Site Location Services: Staff receives requests for information on site options on a regular basis. Requests can be as simple as the availability of a certain square footage of office space to lengthy, complex requests for large corporate users. Staff also provides a key service of promoting available office, retail and industrial locations in Minnetonka that may not be listed with a broker as well as redevelopment opportunities.
- » Development Policies: A number of policies have been established to help guide the use of available resources within the community. These policies indicate development focuses such as targeted industries and redevelopment areas.
- » Property Monitoring: Staff monitors the existing building market.
- » Workforce Development: Staff will participate in workforce development discussions and will continue to stay informed of workforce development opportunities available to Minnetonka businesses.
- » Business List: Staff will develop a comprehensive business list and map of businesses within the community that includes basic information such as employment sector or specialty to assist with visualizing the business climate and sectors within the city.
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