



SCALE
Scott County Association For Leadership And Efficiency

Transportation &
Economic
Development
Committee

Report of the SCALE Economic Development Strategy Group

June 20, 2011

"The goal of the UNIFIED ECONOMIC DEVELOPMENT, LAND USE AND TRANSPORTATION PLAN is to develop and implement a county-wide economic development strategy and integrated land-use and transportation plan that helps achieve the vision of providing enough employment in Scott County by 2030 to support 50% of the county's labor force, while respecting the authority of the cities and townships within to make planning decisions on the local level."

SCALE Unified Plan Charter, July 17, 2009

Prepared by:

FOSTER REAL ESTATE
ADVISORY SERVICES LLC

Project Background

This report is the culmination of the work of the Economic Development Strategy Group, established by the Transportation and Economic Development (TED) Committee of the Scott County Association for Leadership and Efficiency (SCALE). The Group was comprised of representatives from TED, the commercial real estate industry, the business community, St. Francis Regional Medical Center, and school districts. The purpose of the group was to identify specific economic development strategies which would further the County's goal of "providing enough employment in Scott County by 2030 to support 50% of the county's labor force."

Strategy Group members were as follows:

Michele Foster- Foster Real Estate Advisory Services (facilitator)
Burt Dahlberg- retired executive, Kraus Anderson
Ron Jabs- Minnesota Valley Coop.
Sherman Malkerson- C. Chase Company
Michael Baumgartner- St. Francis Regional Medical Center
Sue Ann Gruver- Prior Lake Savage Area School District
Mark Jacobs- Dakota- Scott Workforce Investment Board
Brian Netz- Welsh Companies
Kevin O'Brien- Greystone Construction
Bill Rudnicki- Shakopee Mdewakanton Sioux Community
Gary Sotebeer- B.F. Nelson
Randy Sampson- Canterbury Park
Bob Vogel- New Market Bank

The group met eight times beginning in February 2011. Four meetings were devoted to information gathering regarding SCALE, the Unified Plan Charter and Work Plan, demographics, Grow MN!, the Ordinance Review effort, local economic development tools, the Scott County real estate market, regional and local employment trends, the fiber optic ring, experiences in marketing Scott County, the Shakopee Mdewakanton Sioux Community's development plans, executive housing and regional economic development efforts.

One meeting was devoted to a detailed discussion of Scott County's strengths and weaknesses. Three meetings focused on detailing specific economic development strategies and review of the final report.

The findings and recommendations of the Economic Development Strategy Group are included in this report.

Strategy Group Findings

An overriding influence on the ability of Scott County to attract additional job growth is the overall state of the national and regional economy. The most recent recession has affected almost all parts of the economy, and it is generally accepted that job growth will occur at a slower pace than previous recoveries. While Scott County has not been impacted as severely as other parts of the metropolitan area, employment growth in Scott County will also be affected by space availability in adjacent counties and economic growth in general.

The Strategy Group felt that Scott County has numerous outstanding benefits that can be capitalized on, and that specific weaknesses can be addressed through the implementation of the strategies that are identified in this report.

The strengths and weaknesses identified by the Group are as follows:

Scott County Strengths

1. Skilled, educated workforce who want to work in Scott County
2. Strong labor force work ethic
3. Sixth healthiest county in Minnesota
4. Strong population growth
5. Major transportation corridors (I-35W and Hwy 169)
6. Good transportation planning and upgrade implementation
7. Quality of life
8. Excellent K-12 school options plus the MN School of Business
9. Natural environment including parks, wildlife areas, and the river valley
10. Competitive real estate taxes compared to neighboring more developed counties
11. Diverse types of existing businesses
12. Fiber optic initiative
13. Collaborative, creative, county-wide philosophy through SCALE
14. Availability of smaller commercial/industrial lots
15. Open land along major transportation corridors for development
16. Well-maintained infrastructure
17. Sanitary sewer extension to Elko New Market
18. Waste water infrastructure expansion
19. Favorable peak hour travel times
20. Strong entertainment cluster
21. Rail service availability and substantial rail yard
22. Ports of Savage
23. Quality regional medical facilities
24. Excellent access to Flying Cloud and Airlake Airports and easy access to the Minneapolis St. Paul International Airport

Scott County Weaknesses

1. Few large, pad-ready sites
2. Limited existing executive housing
3. South of river perception (including flooding)
4. Limited influence in metropolitan planning
5. Residents work elsewhere
6. Lack of consistent public customer service culture
7. No clearly-defined competitive advantage
8. Underutilized potential for rail service
9. Immature office market
10. Political climate re: annexation and business
11. Limited ability to expand infrastructure – sewer, roads, storm water
12. Under-utilization of entertainment venues
13. Limited post secondary education options
14. Need for improved downtown image
15. Lack of identity within metropolitan area
16. Need for greater economic development leadership
17. Need for jobs that match skills of residents
18. Lack of large corporate headquarters
19. Lack of multi-tenant small bay office/showroom/warehouse space

As a result of these strengths and weaknesses, economic development strategies for the County must be multi-faceted to build on its many unique benefits and address its weaknesses. They must focus on retaining and expanding existing businesses as well as attracting new employers. They should be collaborative with local and regional efforts and incorporate technology when possible.

Strategy Group Recommendations

County Image and Identity

1. As its first priority, create and promote a specific, consistent, positive identity for the County including its unique competitive advantages. Its image and identity should be based on the following:

Scott County provides significant commercial and industrial growth opportunities supported by nurturing communities, a growing population, a quality workforce with a strong work ethic, open land, excellent transportation and public infrastructure. Scott County and its local communities are proactive in planning for, welcoming, and helping business to succeed.

Scott County's **unique** advantages include the following:

1. Rare combination of skilled, highly educated white collar work force and highly motivated blue collar employees
2. Major transportation corridors with available land, good access, and transportation upgrades
3. Favorable reverse commute access
4. Comprehensive, economical, and consistent fiber service
5. Collaborative and innovative SCALE leadership philosophy
6. Blend of rural living and quality public services and amenities

Education

1. Determine the education and training needs of existing Scott County employers and evaluate whether these needs are currently being met.
2. Continue support for quality early childhood and K-12 education for both public and non-public schools.
3. Investigate and pursue additional post secondary education options including satellite campuses and virtual education that integrates the County's fiber infrastructure.

Site Availability

1. Identify and support appropriate locations for more intense industrial uses such as manufacturing and outside storage with specific strategies for timely infrastructure installation and development approvals.
2. Identify and support locations for large sites and new business parks to accommodate office, office/warehouse, and office/showroom buildings with specific strategies for timely infrastructure installation and development approvals.
3. Integrate private sector input into each municipal Comprehensive Plan.
4. Support the creation of a feasible and timely development plan for the vacant land at the I-35 interchange in Elko New Market.

Infrastructure

1. Maximize and promote the use of existing infrastructure to the extent possible.
2. Focus future infrastructure planning and improvements on maximizing opportunities for job creating uses.
3. Expedite the planning, implementation, and benefits of the fiber optic backbone for use as an economic development tool.
4. Evaluate existing rail service and rail yard availability and opportunities for service and provider expansion.
5. Continue focus on transportation improvements which improve access and safety for business needs along Highway 169.
6. Identify the realistic timing and coordination necessary for the implementation of all needed infrastructure for developable land.

Marketing

1. Prepare a marketing plan that builds on the common interests of both public and private sectors to promote and grow the economy and jobs in Scott County.
2. Identify and promote a single point of contact at Scott County and each local community to act as an ombudsman for economic development inquiries and to maintain relationships with existing businesses.
3. Identify one existing information source of available land and buildings to be supplemented as necessary to create an up-to-date, comprehensive resource to be utilized by Scott County and local economic development staff when responding to inquiries.
4. Utilize the County website as an economic development tool for businesses, brokers, and developers looking to locate in Scott County including demographic and labor force data, fiber infrastructure, utility services, transportation improvements, etc.
5. Create links on the County website to other appropriate websites for business assistance and municipal economic development websites.
6. Quantify and promote the County's fiber optic initiative as an economic development tool.
7. Develop a coordinated rapid information response process through SCALE for developer, real estate broker, and business interactions.
8. Hold regular communication, promotional and appreciation events for business, developers, and real estate professionals.
9. Explore opportunities for cooperative marketing efforts promoting entertainment assets within Scott County.

Collaboration/Coordination

1. Participate fully in all aspects of regional economic development efforts including the Regional Economic Development Partnership (GreaterMSP), Accelerate, the Urban Land Institute, MetroMSP, etc.
2. Evaluate and explore the role of the Scott County Community Development Agency for creative opportunities to support local economic development efforts.
3. Support the efforts of GrowMN! to retain and grow existing businesses.
4. Solicit the support of all Chambers of Commerce, Rotaries, and other business service organizations within the County to help retain and address issues of existing businesses and support economic development initiatives.

5. Build influence with the Metropolitan Council to ensure representation of Scott County's best interests.
6. Continue support of the Highway 169 Corridor Coalition.
7. Work with adjoining counties on economic development and job growth.

Public Sector Culture

1. Build and promote a culture in the public sector with a priority for customer service, timeliness, accountability, and creative solutions.
2. Incorporate business understanding and education as part of the SCALE "Legos" educational program.
3. Create a SCALE "Legos" educational program for municipal and county community development and planning staff which focuses on business needs and perspectives.

Amenities

1. Identify locations for expanded executive housing development.
2. Promote existing executive housing development.
3. Identify specific strategies to support a vibrant entertainment industry, including the growth of existing entertainment assets and the addition of new ones.
4. Identify and promote locations for higher end retail services and dining opportunities.

Development Incentives

1. Define and promote the criteria for existing development incentives available to qualified companies.
2. Explore the need for additional development incentives and business assistance programs including those which can be provided at a county-wide level.

Zoning and Land Use Regulations

1. Create separate categories of land use that clearly recognize the differences between commercial, industrial, and office uses.
2. Encourage the inclusion of outlots in new commercial/industrial subdivisions to provide for future development flexibility.
3. Establish development standards which are flexible and appropriate for more intense industrial uses such as heavy manufacturing and outside storage.