



AGENDA

Port Authority Regular Meeting

Tuesday, February 20, 2024

6:00 PM

Council Chambers, City Hall

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- 2. ADDITIONS OR CORRECTIONS TO AGENDA**
- 3. CONSENT AGENDA**
 - a. Minutes of the January 16, 2024 Regular Meeting
- 4. CHAIRPERSON'S REPORT**
- 5. REPORTS FROM PORT AUTHORITY COMMISSIONERS**
- 6. NEW BUSINESS**
 - a. Hotel Market Dynamics
 - b. Minnesota MedTech Hub
- 7. OLD BUSINESS**
 - a. Project Updates
- 8. DISCUSSION**
- 9. ADJOURNMENT**

**ROSEMOUNT PORT AUTHORITY
REGULAR MEETING PROCEEDINGS
JANUARY 16, 2024**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pursuant to due call and notice thereof, a regular meeting of the Rosemount Port Authority was held on Tuesday, January 16, 2024, at 6:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

Chairperson Essler called the meeting to order with Commissioners Weisensel, Ober, Freske, Beaudette and Theisen. Commissioner Klimpel was absent.

ADDITIONS OR CORRECTIONS TO AGENDA

Motion by Essler **Second by** Ober

Motion to approve the agenda

Ayes: 6.

Nays: None. Motion Carried .

CONSENT AGENDA

Motion by Theisen **Second by** Freske

Motion to approve consent agenda

Ayes: 6.

Nays: None. Motion Carried.

a. Minutes of November 21, 2023 Regular Meeting

CHAIRPERSON'S REPORT

None

REPORTS FROM PORT AUTHORITY COMMISSIONERS

Commissioner Beaudette questioned staff whether a potential vendor currently at Mall of America had reached out to staff yet for opportunities to open a store in the area. Staff confirmed no discussions have taken place yet.

Commissioner Freske noted Tops Tavern shared a social media post that the restaurant would be closing. Staff confirmed there will be new ownership taking over soon.

Commissioner Ober shared an article that was published in December regarding Lakeville North students and the positive article regarding youth.

Commissioner Weisensel mentioned current superintendent Mary Krueger will be retiring at

the end of the school year.

NEW BUSINESS

a. Willy McCoy's of Shakopee, LLC Spending Plan TIF Agreement

Economic Development Coordinator Van Oss; On October 17th, 2023 the Rosemount Port Authority held a public hearing and approved a business subsidy for Willy McCoy's of Shakopee, LLC. The developer requested \$500,000 in excess, for unobligated tax increment to pay for site improvement costs associated with a 7,500 square foot restaurant with a roof top patio and banquet area. This TIF Agreement is similar to several other TIF agreements.

Willy McCoy's representative was present and discussed the current plans for the project. Currently, in the process for a development agreement to be signed and will continue to move forward with the Lifetime timeline as Lifetime is the master developer and Willy McCoy's is following their lead on timelines. The intent it to have the restaurant complete as quickly as possible.

Motion by Theisen Second by Beaudette

Motion to approve the TIF Spending Plan for Willy McCoy's of Shakopee, LLC subject to minor revisions as approved by staff and the city attorney.

Ayes: 6.

Nays: None. Motion Carried.

b. 2024 Expo Updates

Community Development Technician Grant provided an overview of the Rosemount Expo on March 2nd from 9:30-2:30 at the Rosemount Community Center highlighting the shift to focus on more of the community and promoting more businesses, organizations, etc.

Ms. Grant shared a few details the public can expect, i.e. classes, bingo cards, food and beverages.

Commissioner Weisensel agreed this change is a good pivot and a good foundation to expand on in the future. Commissioner Freske suggested to add more to the city booths highlighting new development, PD/PW Campus, etc.

c. 2024 Community Development Block Grant (CDBG) Allocation

Community Development Director Kienberger discuss the annual the City receives federal Community Development Block Grant (CDBG) funds which are distributed by the Dakota County CDA. The City was recently informed by the Dakota County Community Development Agency (CDA) that our estimated allocation for Program Year 2024 (July 1, 2024 – June 30, 2025) is approximately \$50,026. To secure the grant

money that is available, the city must prepare and submit an application that specifies eligible activities or projects to which the city intends to allocate the available funding.

City staff is proposing that the estimated \$50,026 be allocated to a single activity; a Home Improvement Loan Program. The program would be administered through the CDA as they are the experts for the program. Rosemount however, will make the decision as to who gets access to the loans.

Motion by Theisen Second by Ober

Motion to recommend City Council adopt a resolution approving Rosemount 2024 Community Development Block Grant application.

Ayes: 6.

Nays: None. Motion Carried.

OLD BUSINESS

a. Project Updates

Economic Development coordinator highlighted the upcoming Ribbon Cutting at J&J Sweets.

DISCUSSION

None

ADJOURNMENT

There being no further business to come before the Port Authority at the regular council meeting and upon a motion by Essler and a second by Beaudette the meeting was adjourned at 6:53 p.m.

Respectfully submitted,

Erin Fasbender
City Clerk

Port Authority Regular Meeting: February 20, 2024

AGENDA ITEM: Hotel Market Dynamics	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	AGENDA NO. 6.a.
ATTACHMENTS:	APPROVED BY: LJM
RECOMMENDED ACTION: None	

BACKGROUND

Development of a hotel has been an ongoing discussion item over the past several years. The site most often explored for a hotel is in the northeast quadrant of the intersection of County Road 42 and State Highway 3, just east of the railroad tracks in Rosemount. In 2015, the City commissioned a Comprehensive Market Study for the City. In 2020 the Council approved concept plans that included a hotel as part of a larger 30-acre development. As of this time, there are not currently any hotel proposals for this site. Since 2019, staff has made regular inquiries to hotels and developers that have been met with tepid responses. Due to the ongoing interest in a hotel, staff thought it would be prudent to invite a local expert to present a market overview of the hotel industry in Dakota County and how Rosemount fits into the larger service area.

Chris Flagg works for TPI Hospitality, Minnesota's largest hospitality company. TPI develops and operates hotels, restaurants, and conference centers throughout Minnesota and Florida. Chris Flagg focuses on the company's growth objectives, while overseeing all investment and asset management for TPI Hospitality. In his role, Flagg is responsible for leading all strategic business development, capital partnerships and acquisition activity. Chris has over 15 years of experience in lodging and hospitality real estate transactions. His role also includes the oversight of all project management, as well as future capital investment planning.

RECOMMENDATION

Information Item

Port Authority Regular Meeting: February 20, 2024

AGENDA ITEM: Minnesota MedTech Hub	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	AGENDA NO. 6.b.
ATTACHMENTS: 2.12.2024 GREATER MSP Investor Briefing	APPROVED BY: LJM
RECOMMENDED ACTION: None	

BACKGROUND

The Greater MSP region was designated as one of the leading technology hubs in the U.S. through a national competition run by the U.S. Department of Commerce. The “Minnesota MedTech 3.0” effort builds on existing strengths to create a medical device ecosystem that is even more connected, more strategic and “smarter” by incorporating cutting-edge technologies, such as artificial intelligence, machine learning and data science. It will deliver results that matter to patients, hospitals, insurers, and medical-device manufacturers, such as faster innovation, new products and better health outcomes, in ways that manage rising costs.

Historically, Minnesota has been home to globally leading companies and institutions that helped establish a strong MedTech ecosystem. What’s different with MedTech 3.0 is that the leaders of all these organizations are aligning around a shared strategy. This hub now connects the region’s medical-device manufacturers with other parts of healthcare system, such as healthcare providers, insurers, information technology firms, private capital, research institutions and government. The coalition will also incorporate existing programs and solutions to speed up and improve the innovation process. Proposed actions include:

1. New data exchanges that enable organizations across the healthcare system to share insight on specific disease and technology areas
2. Startup incubators and accelerators that are scaled to support entrepreneurs working across different stages of the journey to build new products and solutions
3. Expanded access to lab spaces, private equity, supply chains and other key infrastructure that fosters greater medical-technology innovation
4. Next-generation talent strategies that address workforce gaps through the enhancement of training programs and career pathways, such as apprenticeships
5. Comprehensive approaches to advancing equity to better connect underrepresented populations and rural and tribal areas to Minnesota’s MedTech growth

The federal government’s Tech Hubs initiative was authorized with \$10 billion in the CHIPS and Science Act. The EDA designated 31 Tech Hubs from nearly 400 applications. Those regions will now begin competing for \$500 million in initial funds received by EDA. The City of Rosemount and Dakota County

are partners with Greater MSP. Staff regularly works with Greater MSP to market and promote sites in Rosemount. Staff has been engaged with several inquiries related to site selectors utilizing new federal funding programs, and expects this designation will lead to continued inquiries from new strategic industries. On February 12th, staff joined a meeting with Greater MSP specifically for City/County investors. Staff was given updates on high-priority regional strategic initiatives, including the role of local government in Minnesota MedTech 3.0 as our region prepares to apply for Phase 2 of the Federal TechHubs competition.

RECOMMENDATION

Information Item

Minnesota MedTech 3.0

GREATER MSP – Public sector investor briefing



What is Minnesota MedTech 3.0?

This is a bold, new and collaboratively owned strategy to:

- Grow Minnesota's global market share of products & firms in the medical technology industry
- Build an ecosystem that is even more connected, more strategic, and "smarter"
- Accelerate the pace of "Smart MedTech" innovation from Minnesota
- Achieve inclusive economic growth of good jobs and investment in our region
- Move beyond pairwise partnerships to collaboration against shared outcomes in specific areas
- Improve health outcomes for the world while lowering cost

To learn more, [visit this link on the GREATER MSP website.](#)

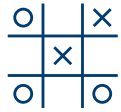
How did we get here?

- **Itasca Task Force:** Effort to outline the region and state's next major MedTech opportunity began in spring 2023 with a task force of Itasca Project, led by Allina, HealthPartners, Medica, Medtronic, and the University of Minnesota
- **Tech Hubs program:** Tech Hubs competition was authorized in the CHIPS and Science Act; aims to strengthen U.S. economic and national security with investments in regions across the country in key technology areas
- **Decision to pursue:** The federal Tech Hubs opportunity was spotted, and GREATER MSP acted quickly to assemble the federally required coalition from industry, higher education, government, economic development, and workforce
- **Technology focus:** Emphasis for Greater MSP region on Smart MedTech market opportunities across three areas: (1) AI-powered devices, (2) enabling technologies, and (3) smart engagement and access, enabled by data collaboration
- **Designation victory:** 31 designated Tech Hubs from nearly 200 applications, including Minnesota MedTech 3.0, making us eligible to pursue funding from first \$500M of \$10B federal authorization

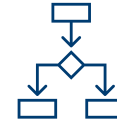
We are now competing for federal resources

\$500 million will be awarded this summer in the first wave of funding

What it will take to win Phase 2 of Tech Hubs



- 1** Co-ownership of transformational **strategy** that expands our leadership in technology & commercialization



- 2** Strong **operating model** including a flexible governance structure and a clear plan for sustainability beyond federal funds



- 3** Clear and exciting **projects** that meet EDA scoring to accelerate economic & national competitiveness



- 4** Demonstrated **equitable process and outcomes** across all areas of work



- 5** Very strong **private sector commitments** to the plan (e.g., leadership, funding, people)



- 6** **State government leadership** including matching support and alignment of programs

How we are organized this winter

Phase 2 application is due on February 29

More than 160 people at 30 committed organizations: data scientists and engineers, healthcare professionals, investors, academic researchers, entrepreneurs, government officials, workforce development experts, and many others have been working to build out our Phase 2 proposal.

Temporary structure as we draft long-term model



EDA counts many activities as eligible for funding

Federal funds can address the following areas



Breaking down the Phase 2 proposal to EDA

Nearly 150 pages in application materials are being prepared right now

1

Overarching Strategy led by GREATER MSP and steered by a Minnesota MedTech 3.0 Executive Board

Strategy narrative expands upon the 5-page strategy shared submitted to EDA in August 2023	Risk Assessment documents key cybersecurity, intellectual property, personnel, and other risks	Additional documentation describes the region and other key aspects of the proposal
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2

Component Projects led by GREATER MSP and DEED with dozens of named partners

MMT3.0 Inclusive Growth Engine <i>This project is designed to run the operations of the entire effort, including the formation of a Regional Innovation Office</i>	MMT3.0 MNCubation System <i>This project is designed to comprehensively walk hundreds of startups through a series of regional incubation programs</i>	MMT3.0 Data Docking Services <i>This project is designed to ensure new ventures can access and leverage globally leading health data platforms from MN</i>	MMT3.0 Capital Expansion Campaign <i>This project builds a super team of MedTech investors expanding the overall pie of early-stage capital available to MN-based ventures</i>	MMT3.0 360 Talent Strategy <i>This project establishes the state's first MedTech talent & workforce strategy starting with several key occupation areas</i>	<i>Other executions of the strategy can take the form of many additional projects seeking up to billions in funding from federal, state, private & philanthropic sources</i>
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3

Consortium Section with letters of commitment from investing members & support from affiliated partners

Cross-sector partners will be outlined here								In addition to individual letters, will include a section with partners interested in participating in work

Ways to support before Feb. 29 Deadline

As an investor in the GREATER MSP Partnership, you are already helping support our region in this federal competition. However, there are two additional ways for individual cities and counties to be supportive. We would need to know of your interest in either path by Wednesday February 21.

Be named as an Affiliated Organizational Partner

- We will name individual organizations who are willing to be identified as likely to participate in a specific stream of work in the years to come, such as:
 - Smart MedTech startup incubation
 - Site strategy for growing ventures
 - Comprehensive talent & workforce strategy
 - Regional marketing to the world
 - Generating local awareness

Draft an Organizational Commitment Letter to EDA

- A smaller number of organizations, with an emphasis on private industry, are making commitments to EDA as part of the application. Policy & investment commitments include things like:
 - Financial contributions to a project
 - In-kind personnel
 - Valuable industry data & insight
 - Lab space and physical infrastructure
 - Recruiting and hiring plans

Port Authority Regular Meeting: February 20, 2024

AGENDA ITEM: Project Updates	AGENDA SECTION: OLD BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	AGENDA NO. 7.a.
ATTACHMENTS:	APPROVED BY: LJM
RECOMMENDED ACTION: None	

BACKGROUND

Israelson properties: Staff provided KJ Walk with comments regarding access for the proposed Dunn Brothers Coffee shop. Staff has not heard from the developer since early October. Staff met with a financial services user interested in a portion of this site. The New Horizons daycare facility has started construction.

Akron/42: Staff is meeting with several other users interested in the remaining parcels adjacent to Life Time. Staff is working with a user on a preliminary concept for a portion of the Lennar owned parcel at the northwest quadrant of Akron Avenue and Highway 42.

Schafer Richardson: The building permit for the first building of 164 units was issued in December and the footings have been installed.

Super America/Speedway: Staff spoke with the receivership on February 10th. Carlson McCain has completed the testing required and filed their report with the MPCA in February. Staff is working with the conservator on getting a review timeline.

CA Gear: CA Gear will be at the Council meeting with a minor amendment for their recently approved PUD for a taphouse expansion. The expansion allows for a slightly larger kitchen to align with building codes.

Pine Ridge Hillside: The 3rd building of the "car condos" has started construction.

Rosemount Expo: The Expo is being revamped as a Community Expo as opposed to a Home and Garden specific event. All the booths have been filled with vendors. The event takes place on March 2nd.

March Ribbon Cutting: There will be an event in March. Details to come.

RECOMMENDATION

Information Item.