



AGENDA
Port Authority Regular Meeting
Tuesday, December 16, 2025
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 November 18, 2025 Meeting
- 4. OLD BUSINESS**
 - a. Strategic Plan for Economic Development
- 5. NEW BUSINESS**
 - a. 2026 Community Development Block Grant Allocation (CDBG)
- 6. EXECUTIVE DIRECTOR'S REPORT**
 - a. Project Updates
- 7. CHAIRPERSON'S REPORT**
- 8. ADJOURNMENT**

**ROSEMOUNT PORT AUTHORITY
REGULAR MEETING PROCEEDINGS
NOVEMBER 18, 2025**

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, November 18, 2025, at 6:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

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

Staff present included the following; Eric Van Oss, Adam Kienberger, Logan Martin and Sarah Saunders.

ADDITIONS OR CORRECTIONS TO AGENDA

Motion by Klimpel Second by Essler

Motion to Approve the Agenda.

Ayes: 5.

Nays: None. Motion carried.

CONSENT AGENDA

Motion by Ober Second by Theisen

Motion to Approve the Consent Agenda.

Ayes: 5.

Nays: None. Motion carried.

OLD BUSINESS

None.

NEW BUSINESS

Eric Van Oss, Economic Development Manager for the City of Rosemount spoke regarding the amended and restated TIF Spending Plan. He stated that the Legislature has given a one-year extension. There is no action needed regarding Port Authority this evening as it will be acted upon by City Council. Mr. Van Oss suggested it's a good time to discuss this topic with Port Authority Commissioners. Removing the cap from the spending plan is the only update we'd have, pending item 5. a..

Commissioner Ober asked what other cities do regarding this topic. Schane Rudlang with Ehlers said this is not an uncommon issue, and he is familiar with other cities taking action. Mr. Rudlang explained that this adds to the flexibility of the program as the State of Minnesota doesn't require this be identified in the Spending Plan, rather it can be addressed through City policy.

Per Mr. Van Oss, the next step is a public hearing at City Council and approval.

Eric Van Oss, Economic Development Manager spoke regarding the business subsidy request. The new request is \$900,000.00 to D & D Holdings, LLC as compared to the previous \$500,000.00 approved plan.

Schane Rudlang with Ehler's approached the podium to present and answer questions from Commissioners. Per Mr. Rudlang, construction numbers have gone up 50% since June 2025. Essler questioned why so high? Mr. Rudlang explained that construction inflation is up 39.7% from 2020.

Paul Dzubnar of D & D Holdings, LLC shared updates on the modifications he's made to the Rosemount project to help bring it to fruition. Modeled after his Copperfield restaurant in Mendota Heights, the Rosemount location will feature additional seating and an expanded kitchen. Mr. Dzubnar noted that he has invested an additional \$800,000 into the project, citing both the potential he sees in the area and a personal connection and support received in Rosemount.

Commissioners asked Schane Rudlang of Ehlers for his perspective on whether the request was reasonable. He affirmed that it was an economically supported request, and still came in under a best practice threshold of 20%. He noted that he has seen similar situations in other cities.

Chairperson Klimpel opened the floor for the Public Hearing.

No one stepped forward to speak.

Motion by Ober Second by Theisen

Motion to close the Public Hearing.

Ayes: 5.

Nays: None. Motion carried.

Commissioners Essler and Theisen both expressed their support for bringing this project to Rosemount. While acknowledging the increased financial commitment, they believe residents will genuinely appreciate having a new dining option in town—one that offers breakfast, lunch, and dinner, and is backed by a strong reputation and the experience of Mr. Dzubnar.

Motion by Essler Second by Theisen

Motion to approve the Contract for Private Development between Rosemount Port Authority and D & D Holdings, LLC, contingent upon City Council approval of the Amended and Restarted TIF Spending Plan.

Ayes: 3.

Nays: Klimpel and Ober. Motion Carried.

EXECUTIVE DIRECTOR'S REPORT

Economic Development Manager Eric Van Oss spoke regarding the Minnesota aerospace complex.

He also found out earlier in the day that the new appraisal valuation for the Speedway is \$610,000.00 so the next steps will be putting together a request for proposal (RFP). The RFP will be soliciting development proposals for the former Speedway site.

Adam Kienberger, Community Development Director, took the opportunity to introduce a Strategic Plan for Economic Development, using it as a way to transition and connect the related documents cohesively.

He also highlighted the diversity of Rosemount's economic programs and addressed a common question from prospective businesses: "Does Rosemount want me?"—emphasizing that the city's initiatives are designed to be welcoming and supportive of business growth.

CHAIRPERSON'S REPORT

None.

ADJOURNMENT

There being no further business to come before the Port Authority at the regular meeting, and upon a motion by Essler and a second by Ober the meeting was adjourned at 6:54 p.m.

Respectfully submitted,

Sarah Saunders
Deputy Clerk

Port Authority Regular Meeting: December 16, 2025

AGENDA ITEM: Strategic Plan for Economic Development	AGENDA SECTION: OLD BUSINESS
PREPARED BY: Adam Kienberger, Community Development Director	AGENDA NO. 4.a.
ATTACHMENTS:	APPROVED BY: AK
RECOMMENDED ACTION: Continue the discussion on Rosemount's economic development goals and priorities.	

BACKGROUND

This item is continued from the Port Authority’s last meeting and is meant to build on the conversations and information shared over the past few months.

Strategic planning is a key component of a successful organization. A strategic plan can be a valuable tool for both elected and appointed officials, as well as staff to provide work direction and prioritization of new initiatives. Over the past several years, we have launched a variety of new economic development programs, seen unprecedented growth and development, and won multiple awards for the progress occurring in Rosemount.

The City Council, as part of their five-year plan, has identified several goals related to growth and development:

- Rosemount has a vibrant and welcoming downtown that attracts residents and visitors.
- Rosemount’s business parks showcase a varied and resilient local economy.
- Rosemount redevelops key corridors intentionally to foster functionality and visual appeal.
- Rosemount offers well-rounded neighborhoods and housing for residents in all stages of life.

The Port initially discussed this item at their August meeting and provided direction to continue outlining a process for a more detailed planning session. This continuation of the topic starts with an overview of current economic development strategies and programs currently in place, and builds upon identifying existing partnerships and plans on the horizon.

Within the Community Development Department’s Strategic Plan, Economic Development highlights the following:

Economic Development

- Create jobs, tax base, private investment, and quality of life
- Business retention and expansion programs
- Business assistance including technical and financial resources
- Business attraction and marketing
- Administers grants, Port Authority budget, CDBG funding
- Liaison to the business community and related entities (DCR Chamber, CDA, DEED, commercial broker community etc.)

Over the past several years, staff has worked with the Port Authority to develop a “toolbox” of programs to assist with some of the key desires of the community.

Development Programs and Incentives:

Sewer Availability Charge (SAC) deferral and Port-funded discount on city SAC fees for new restaurants
 Façade Improvement microgrants for eligible downtown business improvements
 TIF Spending Plan grants – eligible high priority business projects (restaurants) that demonstrate need
 Community Development Block Grant (CDBG) – typically used to leverage housing programs administered by the Dakota County CDA
 Tax Increment Financing
 Tax Abatement

One other important component of economic development is forming and maintaining partnerships to help achieve development goals and successful project initiatives. These relationships exist in partner agencies, the broker and development community, industry-specific segments, landowners, and development support and advocacy groups.

Recent and upcoming partnerships and plans to note:

2050 Comp Plan Update
 County Road 42 Commercial Visioning Update
 Partnership with U of M on UMore vision
 Redevelopment of former Speedway site

As part of this step towards a written 3-year plan, staff would like to hear from each Port member on their goals and objectives related to economic development and growth in Rosemount. This is meant to be an informal discussion, yet important to hear individual perspectives that can be utilized to find common language and build consensus.

Staff will use a recent presentation on current and upcoming developments to help facilitate the discussion and highlight specific areas of the community.

RECOMMENDATION

Continue the discussion on Rosemount's economic development goals and priorities.

Port Authority Regular Meeting: December 16, 2025

AGENDA ITEM: 2026 Community Development Block Grant Allocation (CDBG)	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Adam Kienberger, Community Development Director	AGENDA NO. 5.a.
ATTACHMENTS: Estimated FY 2026 funds letter_RM	APPROVED BY: AK
RECOMMENDED ACTION: Motion to recommend City Council adopt a resolution approving Rosemount’s 2026 CDBG application as presented.	

BACKGROUND

Annually, 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 2026 (July 1, 2026 – June 30, 2027) is approximately \$48,867. In 2025 our estimated amount was \$41,778 in Community Development Block Grant (CDBG) funds, which were allocated to the Home Improvement Loan Program and a Downtown Framework Update activity.

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. A completed application is due in January accompanied by an approved City Council resolution.

The final allocation amount may change as HUD finalizes their budget process over the next several months.

Proposed Activities

City staff is proposing that the estimated \$48,867 be allocated across a single activity for 2025 – Home Improvement Grant Program.

Home Improvement Loan Program (\$48,867)

The Home Improvement Loan Program is a program administered by the CDA to benefit low/moderate income households in Rosemount making eligible improvements to their homes. This program was funded last year and grants us the maximum opportunity to benefit a wide audience in Rosemount and meet HUD’s spend down requirements in a timely manner. Some program details include:

The Home Improvement Loan Program assists low- and moderate-income homeowners with making repairs and improvements to their homes.

Home Improvement Loans are commonly used for:

- Roof replacement
- Furnace replacement
- Electrical and plumbing repairs
- Insulation
- Improvements for special needs, such as ramps, bathroom or kitchen modifications

Home Improvement Loans feature:

- Zero percent interest
- No monthly payments
- Repayable when ownership changes or you move from the property. You may be required to repay the loan if you refinance your home or take out a home equity loan.
- \$15,000 loan minimum; \$35,000 loan limit

In order to ensure we continue to receive our allocation, cities are required to spend down these funds within four years or they can revert to the CDA for reallocation to active programs.

The Home Improvement Loan Program is currently Rosemount's most effective program for protecting and maintaining existing naturally occurring affordable housing. The city last year entered into an agreement with the Dakota County CDA to utilize a portion of our Local Affordable Housing Aid (LAHA) to further bolster this program.

In 2025 the CDA reported that within Rosemount three projects have been completed (HVAC, bathroom repairs, radon system, siding and windows), and \$76,404.43 has been paid out (\$41,136.13 Countywide CDBG + \$35,268.30 Rosemount CDBG).

There are currently two more projects in process totaling \$68,710 which would utilize the remainder of the city's CDBG allocation along with our committed 2024 LAHA funds.

Full program information along with current household income guidelines can be found on the CDA's website: <https://www.dakotacda.org/housing-resources/homeownership/home-improvement-loan-program/>.

RECOMMENDATION

Staff is requesting Port Authority recommend City Council pass a resolution approving the City's 2026 CDBG allocation funding the Home Improvement Loan Program.



November 21, 2025

Ms. Adam Kienberger
City of Rosemount
2875 145th Street W.
Rosemount, MN 55068

RE: CDBG Fiscal Year 2026 Allocation Estimate

Dear Mr. Kienberger,

Dakota County receives an annual allocation of Community Development Block Grant (CDBG) funds, which is a federal program administered by the Department of Housing and Urban Development (HUD). The program is designed to assist local governments with various community development projects and programs that primarily aid low- and moderate-income residents. Dakota County is considered an “Entitlement County”, and, as such, receives an annual allocation of federal CDBG funds. The Dakota County Board of Commissioners has chosen to allocate the CDBG funds amongst the various cities and townships in the County, as well use the funds for certain County programs. The Dakota County Community Development Agency (CDA) administers this program on behalf of Dakota County.

Each year, the city’s CDBG allocation is rebalanced to account for updated information in the American Community Survey provided by the Census Bureau for each city. Per HUD rules, the CDBG allocation is based on three factors: a community’s population, the number of people in poverty, and the number of overcrowded housing units. Each city receives a percentage of the annual Dakota County CDBG allocation based on the three factors. Because these factors change over time, the allocation each city receives will change over time.

The CDBG allocation Dakota County will receive for Program Year 2026 is not yet known and won’t be known until Congress passes and the President approves the Federal Fiscal Year 2026 federal budget. However, we believe it is prudent for each city to anticipate that the County will receive a similar amount to what was received for Program Year 2025, which was \$1,893,442.

The final Dakota County CDBG allocation affects the amount each city will receive for Program Year 2026. This amount may be more or less than what your city received for 2025. With that in mind, the estimated allocation for Rosemount for Program Year 2026 is **\$48,867**.

Please provide a contingency plan in your CDBG Program Year 2026 application that specifies which program(s) will receive more or less funding based on the final allocation. Please note that funding for any public service activities that the city may choose to fund with CDBG may be further reduced to ensure that the amount used for public services does not exceed 15 percent of the total Dakota County CDBG allocation.

If you have any questions, please feel free to contact me at (651) 675-4464 or mdykes@dakotacda.org.

Best Regards,
DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY

A handwritten signature in cursive script that reads "Margaret M. Dykes".

Margaret M. Dykes
Asst. Director of Community and Economic Development

Port Authority Regular Meeting: December 16, 2025

AGENDA ITEM: Project Updates	AGENDA SECTION: EXECUTIVE DIRECTOR'S REPORT
PREPARED BY: Eric Van Oss, Economic Development Manager	AGENDA NO. 6.a.
ATTACHMENTS:	APPROVED BY: AK
RECOMMENDED ACTION: Information Item	

BACKGROUND

Omni: A ribbon cutting for the Omni expansion will take place on Jan 16th at 3pm.

Project Falcon/North Wind: Project Falcon was awarded funding by the Minnesota Department of Employment and Economic Development through the Forward Fund. Environmental work is currently being done on the site and the company indicated a spring/summer groundbreaking. North Wind closed on the site in late November.

Speedway: The RFP for the site is currently being reviewed by the City's legal counsel and staff expects to have the RFP publicly available within a few weeks.

Commercial Development: Staff has fielded several inquires from commercial users interested in sites on County Road 42. There are not any formal applications yet, but staff will update the Port as projects advance.

Night on the Town: In November, Rosemount had another successful Night on the Town event planned by Danielle Flennikin and kicked off with remarks from Mayor Weisensel. The City sponsored the town Trolley.

Looking to 2026: Staff expects another strong year in 2026. Staff continues to meet and field inquiries/RFIs from developers, companies, and retailers. Rosemount is seen as a strong market for growth, and staff expects to see continued investment, especially in industrial projects.

RECOMMENDATION

None