

Village of Cottage Grove  
Meeting

Notice of Public

## COMMUNITY DEVELOPMENT AUTHORITY

Monday, January 13, 2020  
Hall

5:30 p.m.

Village

221 E Cottage

Grove Rd.

1. Call To Order
2. Determination Of Quorum And That The Agenda Was Properly Posted.
3. PUBLIC APPEARANCES- Public's Opportunity To Speak About Any Subject That Is Not A Specific Agenda Item.
4. Discuss And Consider Approval Of Minutes Of The December 12, 2019 CDA Meeting.

Documents:

[12-12-19 CDA MINUTES.PDF](#)

5. Overview Of Mid-America Economic Development Corp. Annual Site Selector Conference.

Documents:

[MID AMERICA EDC.PDF](#)

6. Discuss And Consider Goals For Marketing Project.

Documents:

[CDA\\_MARKETING\\_2020-01-08.PDF](#)

7. Future Agenda Items

8. Adjournment

This agenda has been prepared by Staff and approved by the Chair of the Community Development Authority for use at the meeting as listed above. Any item on the agenda is subject to final action. Notice: Persons needing special accommodations should call 608-839-4704 at least 24 hours prior to the meeting. It is possible that members of and possibly a quorum of members of other governmental bodies may be in attendance at the above stated meeting to gather information; no action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

**VILLAGE OF COTTAGE GROVE  
COMMUNITY DEVELOPMENT AUTHORITY  
Thursday, December 12, 2019**

**MINUTES**

**1. Call to order**

The December 12, 2019 regular meeting of the Community Development Authority was called to order at 5:32 p.m. by Lennberg.

**2. Determination of quorum and that the agenda was properly posted.**

It was determined that there was a quorum of members present and that the agenda was properly posted. In attendance were Jeff Lennberg, John Hogan, Mike Millage, Jerrud Rossing, Kim Sale. Absent and excused was Sarah Valencia and Mike Elder. Also, in attendance were Planning Director Erin Ruth, Village Clerk Lisa Kalata, and Kyle Adams from Ruedebusch.

**3. PUBLIC APPEARANCES – *Public’s opportunity to speak about any subject that is not a specific agenda item.***  
None

**4. Discuss and Consider approval of minutes of the November 11, 2019 CDA meeting.**

**Motion** by Hogan to approve the minutes from the November 11, 2019, seconded by Rossing. **Motion** carried with a voice vote of 5-0-0.

**5. Presentation by LH Capital Holdings regarding potential project in TID #8.**

They will be at the January meeting.

**6. Discuss and consider goals for marketing project.**

Ruth discussed the current Economic Development goals in the Comprehensive Plan and indicated that reviewing them and making changes would be beneficial to developing a marketing plan. Ruth will continue to update and bring back to the next meeting for review.

**7. Discuss and consider design for MADREP Guide ad.**

Ruth explained the two options for the MADREP ad, and the committee liked option one. Motion by Rossing to use option one in the MADREP ad, seconded by Millage. Motion carried with a voice vote of 5-0-0.

**8. Overview of Mid-America Economic Development Corp. Annual Site Selector Conference.**

Ruth reported that Kyle Adams was elected as President of the organization for 2020. Ruth handed out the notes from the conference and will discuss them at the next meeting.

**9. Future agenda items**

Overview Mid-America Economic Development Conference  
LH Capital Holdings  
Marketing project

**10. Adjournment**

**Motion** by Hogan to adjourn at 6:11 pm, seconded by Millage. Motion carried with a voice vote of 5-0-0.

**Lisa Kalata, Clerk  
Village of Cottage Grove  
Approved:**

**These minutes represent the general subject matter discussed in this meeting but do not reflect a verbatim documentation of the subjects and conversations that took place.**

## **MID AMERICA EDC – 2019 COMPETITIVENESS CONFERENCE & SITE SELECTOR FORUM**

Chicago, IL – December 9 to 10

### ***Leading Your Community to Success***

*Presenter: John Longshore (Global Location Strategies – Greenville, NC)*

- Geography is destiny
- Economic development is a means to change the destiny of a particular geography
- Traditional success metrics:
  - Unemployment
  - Jobs created
  - Capital investment
  - College graduates
  - Wage growth
- Alternate success metrics:
  - Divorce rate
  - Happiness
  - Obesity
  - Livability
  - Poverty

### ***Building Development 101***

*Moderator: Clarence Hulse; Panelists: Nate Green (Montrose Group), Scott Kuchta (Haas & Associates), Robin Stolberg (Jones Land Lasalle Americas Inc.), Pete Anderson (Becknell Industrial), Jason Kester (Agracel Inc.), and Tony Creme (Hillwood Development Co.)*

- Trends:
  - Construction costs very high
  - Vacancy rates very low
- Spec. buildings – average 2-1/2 years to fill
- Labor market is very tight – profile of workforce very important
- Cap rates lower
- Good practices:
  - As much site prep as possible
  - Eliminate as many risks as possible
  - Avoid political uncertainty
  - Concierge-style service – one contact point
- Economic slowdown leading up to Presidential election is typical

- Automation – taller buildings, more electricity needed
- Site conditions are the biggest risk
- Site certification – data typically required for certification is very important and worth having, actual certification is less important

### ***Site Selector Survey***

*Presenter: Ron Starner (Site Selection Magazine/Conway Inc.)*

- Most influential site selection factors: 1) workforce skills, 2) transportation infrastructure, 3) state and local tax scheme, 4) ease of permitting/regulatory process, 5) workforce development, 6) land & building prices and supply, 7) utility costs and reliability, 8) right to work state, 9) higher education services, and 10) quality of life
- Most important information on website: 1) contact information, 2) current data, 3) recent projects, 4) available lands and sites, 5) testimonials, 6) 3D tours of industrial/business parks, 7) videos, and 8) annual reports
- Most common deal killers: 1) lack of responsiveness/poor government leadership, 2) lack of buildings/sites, 3) lack of skilled workers, 4) breach of confidentiality, 5) lack of infrastructure, 6) lack of incentives, 7) logistics/transportation barriers, and 8) economics of deal/costs
- Most active sectors: 1) distribution/logistics, 2) advanced manufacturing, 3) food processing, 4) biomedical/health care, 5) data centers, 6) HQ/back of office, 7) call centers, 8) metals/metal fabrication, 9) automotive, and 10) finance, insurance, and real estate

### ***Site Selector Panel***

*Moderator: Chris Strayer; Panelists: Chad Chancellor (Next Move Group), Bob Westover (Colliers), Tracy Hyatt Bosman (Biggins, Lacy, Shapiro & Co.), Shannon O’Hare (Cushman & Wakefield), Don Schjeldahl (DSG Advisors), Sean Ferguson (Clark St. Associates), John Longshore (Global Location Strategies), Joe Pilewski (Pilewski & Associates), Brandon Talbert (Austin Consulting)*

- Expectation for pre-election slowdown
- Tariffs affecting supply chains
- Site readiness is key factor
- Site selectors get bombarded with emails and newsletters – most of which go unread
- Have solutions in search of a problem regarding workforce
- Mall redevelopment – many positive examples of reuse
- Renewables – culture of sustainability
- Midwest developing as a brand

- Incentives:
  - will be regarded as “not worth it” if reporting/accounting/applying are too burdensome
  - specific incentives can be used to address specific issues – example: New Orleans wanted to attract software development so they offered incentives for software jobs created
  - may make a good site better, but won’t make a bad site good
  - flexibility is key
- Create an environment where deals can happen
- Diversity and equity – can be a factor for companies who emphasize it, like sustainability – generally speaking, culture fit is important

### ***Site Selector Roundtable #1***

*Presenter: John Longshore (Global Location Strategies – Greenville, NC)*

- Global Location Strategies tends to work through state economic development agencies – build a relationship with state/regional agencies
- Marketing to site selectors:
  - Know who you are contacting – for example, Global Location Strategies deals in very large sites so they don’t want info about your 20,000 sq. ft. spec. building – however, others might so find the right recipients for your information
  - Send unique information – for example, the State of Mississippi sent a series of products highlighting various aspects of the state which was memorable because it told a story
  - They can only do so many tours – consider going to visit the site selectors instead
- Clients vary, but most will delegate initial elimination of candidate sites to the site selector – client tends to get more involved the fewer sites there are to consider
- Will recent natural disasters or climate change impact some areas more than others? – context is important, tell a story about how issues are being addressed – example: Iowa flooding, acknowledge and discuss levee improvements, etc.

### ***Site Selector Roundtable #2***

*Presenter: Sean Ferguson (Clark Street Associates – Mountain View, CA)*

- Clark Street Associates specializes in high-tech and advanced manufacturing
- Tend to be research labs and manufacturing for government contracts
- They assist companies that have developed a prototyped product, but don’t know how to transition to mass producing the product – including site selection
- Need a high volume of electricity with high reliability

- Cutting edge manufacturing, 3D printing, AI, material science
- Interested in community character and history – things that don't show up on a spread sheet – site selector needs to tell that story to the clients

### ***Impact of Public-Private Partnerships on Success of Emerging Technology Companies***

*Presenter: Sean Ferguson (Clark Street Associates – Mountain View, CA)*

- Provided historical overview of public-private partnerships including specific examples from different eras
- Age of Exploration: longitude problem – sailors could easily determine latitude, but could not accurately determine longitude – calculations needed to determine longitude required very precise time keeping
- England sponsored a contest for design of the necessary timepiece – John Harrison invented several versions of a highly accurate marine chronometer – competitors on the jury prevented awarding the prize – king intervened to provide the prize money, but Harrison was never formally declared the winner – device came into widespread use
- Industrial Revolution: major problems with animal-based transportation (waste, speed, etc.) – London developed first subway, but it was coal powered and smoke was too problematic for widespread use
- Frank Sprague, a former Edison employee, designed an electric motor in 1886 and designed an electric trolley system for Richmond, VA in 1888
- Boston had a major blizzard in 1888 that shut down transportation – worked with Sprague to create an electric subway system, the first in the United States
- Looking forward, there are more opportunities for public-private partnership than ever before
- Emerging tech companies tend to be highly focused/specialized and don't understand land development, but typically need to build quickly – removing obstacles is often more important than incentives
- Have a vision – provide clarity (example: permitting timelines) – provide support by removing obstacles
- Be able to go beyond fact sheets and explain why you live in your community

### ***Keys to Success in Rural Economic Development***

*Presenter: Janet Ady (Ady & Associates - Madison, WI)*

- Economic development becoming more talent driven and more integrated

- Trend: people are more particular about where they want to live (often choose place then find job); implication for rural areas: market advantages to overcome misperceptions and be welcoming
- Trend: housing is a pervasive barrier to talent relocation; implication for rural areas: housing now an economic development issue, consider a housing study, incentives for housing more common
- Trend: working remotely is feasible for more people; implication for rural areas: some work can be done from anywhere, expanding opportunities (in areas with broadband)
- Trend: broadband has become an urgent and critical need in rural areas; implications: need has surpassed many other types of infrastructure, lack of broadband takes an area out of consideration for many projects
- Trend: Millennial and Gen Z attitudes and values are driving changes with employers and communities; implications: rural areas must be welcoming and inclusive, economic performance metrics starting to include economic mobility and equity
- Trend: talent shortages and increased automation; implications: community branding, support existing businesses, consider employee retention when reviewing projects, be aware of job segments in community that may become obsolete
- Trend: site selectors have more data than ever; implications: be aware how community is viewed, build relationships
- Trend: shift away from public support for incentives; implications: be transparent and communicate



# CDA STAFF REPORT

**MEMO DATE:** January 8, 2020  
**MEETING DATE:** **JANUARY 13, 2020**

**TO:** Village of Cottage Grove Community Development Authority  
**CC:** Matt Giese – Village Administrator  
Lee Boushea – Village Attorney

**FROM:** [Erin Ruth, AICP – Village Planning Director](#)

**RE:** **Marketing Goals Discussion**

## BACKGROUND

Stemming from discussion regarding a 2020 marketing project, the CDA is examining its marketing goals.

At the December meeting the CDA reviewed the overall economic development goals in the Comprehensive Plan. It was determined that the goals in the plan were still applicable and did not need to be changed. Those goals are:

1. Expand the commercial tax base in the Village of Cottage Grove to ease the tax burden on local residential property owners.
2. Support and enhance the local Cottage Grove business community.
3. Encourage employment growth with the Cottage Grove community to provide sufficient income and opportunities for residents, to provide quality employees for local businesses, and to attract commuters who may patronize local businesses.
4. Encourage the provision of necessary and desired goods, services, facilities, and establishments for the convenience of local residents, and to maximize the share of resident spending that remains in the community.

Also, at the December meeting the CDA reviewed the strengths, weaknesses, opportunities, and threats (SWOT) list from the Comprehensive Plan. This list was originally compiled in 2016 and the CDA felt that some elements could be updated for the purpose of developing the marketing program.



Staff's proposed updated list is below (note the lists are not intended to be rankings and are numbered only to more easily identify them during discussions):

### Strengths

1. Location provides flexibility for businesses and workforce – near Madison and commuting distance to Milwaukee metro area
2. Interchange at I-94 and visibility from freeway
3. Quality school district
4. Village municipal tax rate among the lowest in Dane County
5. Pending completion of bike trail to Madison and beyond
6. Established TIF districts and demonstrated willingness to provide impactful incentives
7. Quality recreation facilities – golf courses, athletic fields, ball parks, dream park, rugby facility
8. Efficient approval process for development projects
9. Newer housing stock
10. Residents have high levels of education and income

### Weaknesses

1. Lack of distinctive natural feature such as a lake or river
2. Perception in Madison region that Cottage Grove is smaller and farther away than it really is
3. Web searches may direct to other Cottage Groves (the Town, Minnesota, Oregon)
4. Lack of identity or brand

### Opportunities

1. Large amount of land being prepared for development north of I-94
2. Village owned land remaining in Commerce Park
3. Recent large projects attract attention and improve perception of the local business climate
4. Expanding variety of dining and entertainment options
5. As population grows, Village may become an option for businesses that have required more rooftops
6. Increase in housing options may attract new demographics



### Threats

1. Possible encroachment by Madison
2. Large inventory of land available in Dane County

### **NEXT STEPS**

Ultimately the CDA will use this information to formulate a marketing plan that the CDA can execute.

The next decision to make is whether the CDA should pursue a focused marketing plan (focusing on one goal) or a broader program that addresses multiple goals. Staff feels a focused plan would be clearer and it would be easier to gauge the efficacy of such a program compared to a plan that addresses multiple fronts, but the CDA should discuss and decide.

If the plan is to focus on one goal, the CDA will next need to determine which of the general economic development goals above will be the focus. While all the goals are important, staff recommends focusing on goal #1, expanding the commercial tax base. This goal most directly affects the Village's bottom line and has the potential for spin-off effects that address the other goals. For example, bringing Summit to the Village directly provided additional commercial tax base, but it has indirectly helped with each of the other goals by attracting additional businesses and bringing additional customers to the Village. Again, the CDA should discuss and decide if that is the appropriate goal to work on (or which multiple goals if a broader scheme is chosen).

Presumably, any messaging in support of that goal would build upon the Village's strengths and opportunities or work to counteract the Village's weaknesses and threats. The CDA should review the SWOT analysis above to select the elements that relate to the selected goal. For example, strength #1 (location provides flexibility) is related to goal #1 (expand commercial tax base). There are likely several items from the list that relate to any goal, or goals, that are selected.

The final effort for this meeting would be to rank or categorize the selected items from the SWOT analysis. Those determined to be the most important would then form the basis of future messaging in support of the chosen goal.

At the next meeting the CDA can begin to discuss the various ways the messaging could be presented.