

CHAPTER 7: ECONOMIC DEVELOPMENT PLAN

The Economic Development Plan describes the City of Savage's efforts to plan and implement economic development in response to market changes, demographics and other changes experienced by cities as they go through their "life cycle."

Up until the mid-1990s, the City of Savage spent considerable time managing residential development and ensuring the provision of adequate City services. Recognizing the need to broaden the community's tax base, the City engaged in the development of a strategic Economic Development Plan. Annually, this plan is reviewed and modified to reflect emerging opportunities.

ECONOMIC DEVELOPMENT ORGANIZATIONAL STRUCTURE

In anticipation of new economic development growth within the community, the Savage City Council established an Economic Development Commission in 1995. This action led to the creation of a full-time Economic Development Director position in the summer of 1997. The position was eliminated in 2005 and the work tasks associated with economic development programming were split between the Planning Manager and the Assistant City Administrator. The Economic Development Commission and City staff work together to attract new businesses to the community, retain existing retail businesses, assist with business expansions within the city, and rehabilitate and/or redevelop blighted areas.

ECONOMIC DEVELOPMENT COMMISSION

The seven-member Economic Development Commission, appointed by the City Council, advises the City Council and Economic Development Authority on all matters relating to the economic development of the community. The Commission was created specifically to support the efforts in pursuit of the following economic development goals:

- Recruitment of new businesses and industry
- Retention and expansion of existing businesses and industry
- Diversification of the community's economy
- Job creation
- Increase community tax base
- Planning and coordination of the community's economic development resources and efforts

The Commission is also responsible for developing objectives and work tasks that are consistent with the Envision Savage Guiding Principles adopted the City Council in

2005. The guiding principles frame the basis for the Economic Development Commission work plan.

ECONOMIC DEVELOPMENT AUTHORITY

The Savage City Council authorized the creation of an Economic Development Authority in June 1995, consistent with the powers conferred by Minnesota Statutes, Section 469.090 to 469.108. The purpose of the Authority is to coordinate and administer economic development and redevelopment and redevelopment programs of the City. The EDA is governed by a Board of Commissioners that is composed of the Mayor and members of the City Council.

FIVE-YEAR WORK PLAN

Savage's excellent geographical location, quality education system, and natural resource amenities have led to significant resident growth over the last twenty years. This residential base, as well as growth in nearby communities, has played an instrumental role in facilitating a significant increase in commercial/industrial growth over the last decade.

Over the next decade, emphasis will be placed on developing innovative strategies to support the continued rehabilitation of the TH 13/TH 101 corridor. Several other large tracts will require the city's attention as the property owners pursue development or redevelopment. The parcels include the following:

- Allen/Van Zee parcel (remaining 5 acres) on the northwest corner of County Road 42 and Dakota Avenue
- Bohn parcels (125 acres) north of Dakota Avenue and McColl Drive
- The Continental Machines parcels (23.5 acres) located at 123rd Street and Quentin Avenue.
- Loftus parcel (11.6 acres) on the northwest corner of County Road 42 and County Road 27.

The City of Savage is committed to the redevelopment of sites within the community that have unique development considerations. These conditions may include one or more of the following development constraints: contamination, blight, tax forfeited parcels, areas experiencing declining property values, polluted sites, poor soil conditions, and any other categories of underutilized land where there is a clear public purpose in reuse and/or redevelopment.

Key factors to be evaluated by the City prior to engaging in redevelopment or revitalization efforts include the following:

- Creation and location of jobs

- Market demand
- Need for recreation or open space
- Cost of redevelopment relative to anticipated community benefit
- Responsiveness to changing demographic and market forces
- Improvement or traffic circulation, access, and/or goods and pedestrian movement
- Improved public safety measures
- Ability to establish partnerships with other jurisdictions, property owners or business prospects that will result in meeting community needs, cost savings and/or enhanced tax base.

To assist in providing direction for the Economic Development activities of the city, a five-year work plan has been developed. The plan outlines specific objectives that are intended to serve as a guide in promoting the economic goals and envision Savage guiding principles.

DEVELOPMENT INCENTIVES

The City of Savage supports the use of public financing assistance in the form of tax increment financing only in those cases where development costs have been adversely impacted as a result of poor soil conditions, pollution or to eliminate blight. The City also supports financing assistance in accordance with the provisions set forth in State Statute providing for Tax Abatement.

STATISTICAL INFORMATION

An Appendix to this chapter, which is available from the City, also illustrates the socioeconomic and growth management statistics from 2009 to 2040 and includes the following statistics.

- Population
- Number of Jobs
- Estimated Median Income
- Total Number of Single-Family Dwelling Units
- Total Number of Permits Issued for Single Family Dwellings
- Value of Single-Family Permits Issued
- Median Single-Family Home Permit Value
- Total Number of Commercial/Industrial Units
- Total Number of Permits Issued for Commercial/Industrial
- Value of Commercial/Industrial Permits Issued

City of Savage											
5-Year Work Plan											
3/28/19											
Activity/Objective: To implement an ongoing economic development program for the City of Savage stressing job retention, job creation, tax base											
Envision Savage Guiding Principles											
1. Savage will preserve and enhance our natural amenities and maximize recreational opportunities for our community.											
2. Savage will provide high quality, innovative City services to meet changing needs											
3. Savage will foster a pride of place that capitalizes on the unique qualities and history of our community.											
4. Savage will maintain and promote a high level of public safety to meet the demands of a changing community.											
5. Savage will facilitate the development of efficient and effective transportation systems that provide for both local and regional needs.											
6. Savage will facilitate thoughtfully planned, balance and diverse development.											
Project Funding Source List:											
A. Gen. Fund Budget		H. Street Collector Fund		O. Bridge Bonding		V. Street Reconstruction Bonds					
B. G.O. Bonds		I. Sewer Fund		P. Scott Co. CDA		W. County Funds					
C. Revenue Bonds		J. Water Fund		Q. Econ. Dev. Fund		X. Park Improvement Fund					
D. TIF		K. Storm Drainage Fund		R. Comm. Inv. Fund							
E. Assessments		L. Grants		S. Tax Abatement							
F. MSA Funds		M. State Bonding		T. EDA Lease Rev. Bonds							
G. Park Ded. Fund		N. MnDot Coop. Funding		U. Liquor Fund							
Undertake development and revitalization of the Hamilton District.											
Assigned To 2018 2019 2020 2021 2022 Funding Options Guiding Principle											
- Consider proposal and identify site for crisis bed center possibly to be located on the former bowling alley site (124th and Ottawa)				EDC/PC/CC	X	X				P,W	6
- Secure acquisition of downtown properties that fit into overall master plan as they become available.				EDA/EDC	X	X	X	X	X	LPQR	6
- Work with owners of old mall (124th Street) to rehab consistent with new design standards.				EDA/EDC			X			PQR	6
- Redevelop Windmill/Allen Station Site (5367 Highway 13)				EDA/EDC	X	X				DS	6
- Support conversion of Amoco service station to a convenience gas station.				EDC/CC	X						6
- Work with developer to facilitate redevelopment and/or active use of site occupied by Continental Machines.				EDC/EDA/CC	X	X				DS	6
- Work with developer to facilitate development of the vacant parcel of land owned by Continental Machines adjacent to TH 13.				EDC/EDA/CC	X	X				DS	6
- Work with owner of Buffalo Tap to pave parking area including a portion of former fire station site and/or enhance landscaping in that area.				EDC/CC	X	X				R	6
- Continue to market vacant land owned by City for development purposes.				EDC/CC	X	X	X	X	X		6
- Secure purchase option to acquire single family home on Ottawa adjacent to Doebel site				EDC/CC		X	X			R	6
- Consider pursuing a Certified Letter of Map revision to flood plain to assist in developing parcels impacted by flood plain.				CC		X	X	X			6
- Complete redevelopment plan for area east of Dakota Ave and west of Dan Patch line.				EDC/CC			X				6
- Continue efforts to remove Dan Patch Line gag order.				CC	X	X					5,6
- Continue efforts that will provide for trail connection to MN River and/or the securement of land for river overlook.				PRNC/CC	X	X	X	X	X		1,3
- Identify parcels to be secured for long term redevelopment and affordable housing projects.				EDC/EDA	X	X					6
- Continue efforts to fill vacant space within the Hamilton Building.				EDC/CC	X	X	X				6
- Identify a destination community use for the Hamilton Area				EDC/CC		X					123456
- Work with property owner to rehabilitate retail center on 123rd. St. east of Lynn.				EDC/EDA/CC					X		6
Develop programs and policies that will enhance the City's Economic Development potential.											
Assigned To 2018 2019 2020 2021 2022 Funding Options Guiding Principle											
- Adopt Hwy 13 Corridor Zoning amendments to facilitate office/showroom/display uses.				EDC/PC/CC	X						6
- Develop a financing plan and programs for targeted acquisitions				EDC/EDA		X					2,6
- Consider development of housing maintenance ordinance and rehab incentive program.				EDC/CC				X			6
- Develop incentive program that encourages private reinvestment of existing housing stock particularly in vulnerable residential areas.								X			6
- Consider development of rental housing inspection program.				EDC/CC					X		6
- Partner with and financially contribute to support work force housing development projects. Develop incentive program that will promote this type of development.				EDC/CC							6

Improve Transportation flow and access throughout the community to improve public safety and enhance economic development opportunities.	Assigned To	2018	2019	2020	2021	2022	Funding Options	Guiding Principle	
- Secure CDA corridor readiness grant to complete Chowen/Glenhurst preliminary design study.	EDC/CC	X					P	5	
- Work with Scott Co. and MnDot to secure remaining funds to complete Dakota/TH 13 interchange project.			X	X	X		P	5	
- Work with MnDot to improve intersection at Lynn Ave. and north frontage road connection to Glenhurst/Chowen interchange.	CC			X				5	
- Complete realignment of Hampshire Ave. extending into Credit River Township with new Credit River crossing.					X		F,I, J,K	5,6	
- Complete reconstruction of CR 42 from Boone Ave. to Louisiana Ave.	CC	X					FHW	4,5,6	
- Work with SCALE to revise State Statute which prohibits evaluating Dan Patch Rail Line as a Commuter or Light Rail Corridor	CC	X						4,5	
- Work with MVTA to improve marketing of City Transit Options	CC	X	X					4,5	
- Complete trail connection between Burnsville-Savage on Murphy Hanrehan Rd.				X				1,5	
- Evaluate potential for park-n-ride location in Downtown Area connecting with MVTA.	CC			X				5	
- Complete trail connection on CR 27 between CR 44 and Clearly Lake Park.						X	W	1,4,5	
- Pursue funds to secure bus lanes on TH 13 connecting Burnsville MVTA Station to Scott Co. Station at CR 18.	CC	X	X	X				4,5	
- Pressure Scott County to install signalization at Connelly Parkway/CR 27 intersection.	CC	X	X					5	
- Redesign Quentin Ave. between TH 13 and McColl Dr. as an Arterial Street including removal on one lane RR Bridge. Includes issuance of Bridge Bonding Funds.	CC					X	F,O	5	
Encourage the development of support services which provide for a good free standing growth center and enhance quality of life.	Assigned To	2018	2019	2020	2021	2022	Funding Options	Guiding Principle	
- Replace recreational facility bond debt levy with general fund levy to generate funds for sidewalk and trail maintenance projects									
- Complete extension of South Savage Trunk Phase III - PL Aggregates Ext	CC				X		BCH IJK	2	
- Complete extension of South Savage Trunk Phase IV - 154th. Easterly	CC			X			BCFH IJK	2,6	
- Complete Feasibility Study on expansion of Treatment Plant #3.	CC					X	CJ	2,6	
- Adopt ten year pond maintenance program.	CC		X				K	2,4	
- Adopt ten years sidewalk/trail maintenance plan.	PRNRC/CC	X						1,5	
- In conjunction with Quentin Ave. redesign and RR bridge replacement construct RR trail pedestrian tunnel and river bridge crossing connecting Quentin to Warren Butler Park.	PRNRC/CC					X		1	
- Evaluate development of neighborhood community centers to be placed in each quadrant of the City	PRNRC/CC		X	X				1	
- Evaluate acquisition of Three Rivers Church property for neighborhood community center site if it becomes available.	PRNRC/CC	X	X						
Develop Education Programs that will improve and enhance communications between the City and its residents.	Assigned To	2018	2019	2020	2021	2022	Funding Options	Guiding Principle	
- Biennially schedule a tour of the community for EDC members, Council and the Planning Commission to view Comm./Ind. opportunities and constraints.	CC	X	X	X	X	X		123456	
- Formally review and update two year city work plans.	CC	X	X	X	X	X		2	
- Construct Community Entrance Sign near CR 27/CR 44 intersection.	CC				X		A	3	
- Conduct biennial community survey.	CC	X		X		X		2	
- Undertake Community visioning process. (Driving the next Decade)	CC			X				2	
- Identify methods and programs to engage culturally diverse neighborhoods.	CC							2	
- Evaluate use of public access programming and determine if alternative strategies should be considered.	CC	X	X					2	
- Complete MW Savage/Dan Patch Statue Project	CC	X					R	3	
Facilitate development that will enhance tax base and create jobs.	Assigned To	2018	2019	2020	2021	2022	Funding Options	Guiding Principle	
- Work with Riverland Ag. on Yosemite Ave. to facilitate expansion project.	EDC/CC		X					6	
- Partner with Cargill and Mosaic to certify dike.	CC			X				6	
- Work with Prior Lake Aggregates on mining expansion into Credit River	PC/CC	X						6	
- Work with Prior Lake Aggregates to complete mining operation on the north side of CR 44.	PC/CC	X	X	X				6	
- Complete Valley Oil Site Redevelopment Project	EDC/CC	X	X				D	6	

City of Savage Statistical Information

Description	2009	2010	2011	2012	2013	2014	2015
Population	27,567	26,911	27,147	27,552	28,603	29,095	30,024
Number of Jobs	6,878	6,753	6,792	7,007	7,123	7,263	7,403
Est. Median Income	87,477	89,183	89,278	90,916	90,921	94,432	94,620
Total Number of Households	8,971	9,116	9,192	9,307	9,568	9,732	10,069
Total Number of Permits Issued for Single Family Dwellings	61	85	103	195	140	71	85
Value of Single Family Permits Issued	10,173,500	15,871,000	27,342,500	46,511,000	40,536,500	22,097,000	29,146,000
Median Single Family Home Permit Value	NA	NA	NA	NA	384,000	351,500	417,500
Total Number of Permits Issued for Commerical/Industrial	1	2	1	4	1	21	3
Value of Commerical/Industrial Permits Issued	1,740,683	4,587,000	1,200,000	9,227,505	205,000	22,666,512	2,660,000
Description	2016	2017	Est. 2020	Est. 2030	Est. 2040		
Population	30,285	30,713	33,400	37,400	41,100		
Number of Jobs	7,543	7,683	8,100	8,800	9,400		
Est. Median Income	97,584	NA	NA	NA	NA		
Total Number of Households	10,202	10,362	11,600	13,000	14,300		
Total Number of Permits Issued for Single Family Dwellings	151	204	-	-	-		
Value of Single Family Permits Issued	50,229,000	60,905,012	-	-	-		
Median Single Family Home Permit Value	334,500	340,000	-	-	-		
Total Number of Permits Issued for Commerical/Industrial	11	0	-	-	-		
Value of Commerical/Industrial Permits Issued	21,950,000	0	-	-	-		