Economic Development Commission Meeting Agenda
March 29, 2022 | 7:30 a.m.
Ash Conference Rooms

Questions regarding this meeting will be taken between the hours of 8:00 a.m. and 4:30 p.m. via planning@woodburymn.gov or by calling 651-714-3533 and leaving a voicemail message.

Please note that the times listed below are estimates and are subject to change.

1. 7:30 – Call to order
2. 7:35 – Approval of January 25, 2022 EDC meeting minutes
3. 7:40 – Review of draft 2022 Economic Development Strategic Plan
4. 8:00 – Review of draft 2021 Community Development Annual Report
5. 8:40 – Discussion of 2022 city-sponsored economic development events
6. 8:55 – Project updates
7. 9:00 – Adjourn

Attachments:
1. EDC Memo 22-03
2. January 25, 2022 EDC meeting minutes
3. Draft 2022 Economic Development Strategic Plan
4. Draft 2021 Community Development Annual Report

The City of Woodbury is subject to Title II of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability by public entities. The City is committed to full implementation of the Act to our services, programs and activities. Information regarding the provisions of the Americans with Disabilities Act is available from the City Administrator’s office at 651-714-3523. Auxiliary aids for disabled persons are available upon request at least 72 hours in advance of an event. Please call the ADA Coordinator at 651-714-3523 (TDD 651-714-3568) to make arrangements.
Economic Development Commission Memorandum 22-03

To: EDC Members
From: Karl Batalden, Housing and Economic Development Manager
Date: March 25, 2022
Re: March 29, 2022 EDC Meeting

The Economic Development Commission (EDC) is scheduled to hold a meeting on March 29, 2022, at 7:30 a.m. in the Ash Conference Rooms of City Hall.

1. Call to order

2. Approval of January 25, 2022 EDC meeting minutes

3. Review of draft 2022 Economic Development Strategic Plan

Given that the February 22, 2022 EDC meeting was cancelled, the below narrative regarding the draft 2022 Economic Development Strategic Plan (EDSP) is unchanged from EDC Memo 22-02 other than updating the anticipated date for review by the City Council.

Based on review and feedback of the draft 2022 Economic Development Strategic Plan (EDSP) at the EDC’s January 25, 2022 meeting, the document has been clarified and edited for formatting and content. Areas of change include but are not limited to:

- Selected use of bold text to highlight important sections;
- Re-wording the purpose section to be more positive and less ordinance-based;
- Splitting the green graphics connected to the Economic Development chapter of the 2040 Comprehensive Plan into two sections both to improve visual aspects and more directly tie the EDSP to the 2040 Comprehensive Plan; and
- Re-ordering the strategies and tactics to better reflect the EDC’s priorities as discussed at the November 30, 2021 EDC meeting

Staff considers the EDSP to substantially complete and welcomes final commentary and suggestions. The intention of staff is to present the EDSP to the City Council for adoption at the April 13, 2022 City Council Meeting.

4. Review of draft 2021 Community Development Annual Report

Given that the February 22, 2022 EDC meeting was cancelled, the below narrative regarding the draft 2022 Economic Development Strategic Plan (EDSP) is unchanged from EDC Memo 22-02 other than updating the anticipated date for review by the City Council.

Following a review of year-end trends at the December 14, 2021 EDC workshop and a brief overview of potential topics and graphics at the January 25, 2022 EDC meeting, the 2021 Community Development Annual Report has been drafted for review by the EDC. Staff will also present the 2021 Community Development Annual Report to the Planning Commission. Based
on feedback from both advisory commissions, staff intends to present the 2021 Community Development Annual Report to the City Council as a special order of business at the April 13, 2022 City Council Meeting.

5. **Discussion of 2022 city-sponsored economic development events**

As the health and safety conditions connected to the COVID-19 pandemic have improved, the City anticipates the ability to once again hold in-person economic development events. In the near-term, the primary city-sponsored economic development event that will require the attention and input from the EDC is the annual Woodbury Business Celebration scheduled for 7:30 a.m. on May 5, 2022 at the City’s Central Park Amphitheater. City staff will present a verbal update regarding the May 5th event to help coordinate the planning and logistics of this event which will celebrate the 2021 achievements of the Woodbury business community. The Woodbury Business Celebration is a long-standing event that is a partnership with the Woodbury Area Chamber of Commerce.

Staff will also provide EDC members with an update regarding two other events that will be held this spring focusing on the residential real estate community and the small business banking community.

6. **Project updates**

Staff will provide verbal project updates, if time allows.

7. **Adjourn**

Respectfully submitted,

/s/

Karl Batalden
Housing and Economic Development Manager

cc: Mayor and Councilmembers
Clint Gridley, City Administrator
Angela Gorall, Assistant City Administrator
Janelle Schmitz, Community Development Director
Eric Searles, Assistant Community Development Director/City Planner
Brad Scheib, HKGi
Grant Martin, LOCi
Pursuant to due call and notice thereof, a meeting of the Economic Development Commission was held at Woodbury City Hall, 8301 Valley Creek Road, on the 25th day of January, 2022.

ITEM 1. CALL TO ORDER
Chair Craig Johnson called the meeting to order at 7:30 a.m.

ITEM 2. ROLL CALL
Upon roll call the following members of the EDC were present: Craig Johnson; Chair, Kimberly Moore, Emanuel Ekstrom, Jenny DeMaria, Ruth Godfrey, Michael Zoladkiewicz, Bill Routt, Eric Schurr, and Joseph Ward.

Absent: Pam Morke and Katie Westfall

Also present: Anne Burt, Mayor; Janelle Schmitz, Community Development Director; Karl Batalden, Housing and Economic Development Manager; Eric Searles, Assistant Community Development Director/City Planner; Jamie Thoen, Administrative Assistant; Brad Scheib, HKGi; and Grant Martin, LOCi.

ITEM 3. OATH OF OFFICE

Mayor Anne Burt administered the Oath of Office to the new members Ruth Godfrey and Jenny DeMaria.

ITEM 4. APPROVAL OF MINUTES

MOTION: Bill Routt moved to approve the minutes from the November 30, 2021 meeting.
SECOND: Eric Schurr
VOTE: All in favor: Craig Johnson; Chair, Kimberly Moore, Emanuel Ekstrom, Ruth Godfrey, Jenny DeMaria, Michael Zoladkiewicz, Bill Routt, Eric Schurr, and Joseph Ward.
Against: None
ABSENT: Pam Morke and Katie Westfall

ITEM 5. ECONOMIC DEVELOPMENT STRATEGIC PLAN (EDSP) DISCUSSIONS

Karl Batalden gave a brief overview of the Economic Development Strategic Plan provided in a handout to the Commissioners. He opened the discussion to the Commissioners asking for feedback on the format, layout and aesthetic. Commissioners had the following feedback:

- Additional graphics needed and less text
- Ensure that links to other documents are live links
- Requested to highlight key terms or phrases in the report which would make it easier to discuss at each meeting without having to read through text. This would be helpful for Commissioners and Staff.
- The use of color is something Commissioners thought was nice
Economic Development Commission Meeting Minutes
January 25, 2022 Meeting
Page 2

Karl Batalden then took a deeper dive regarding the content of the EDSP. Commissioner comments included:

- There should be an online copy on our website.
- How will we discuss whether we met or didn’t meet the Strategic Plan objectives especially when we report on implementation?
- The first paragraph should be restructured to affirmatively state the purpose rather than leading with the City Code requirement.
- Acknowledge the prioritization of the strategies and tactics, perhaps a re-ordering is required.
- The reference to the Comprehensive Plan hierarchy and organization was part of the report that was well received.
- Goal 1 should be changed to natural resources versus park.
- At what level are the metrics attached- objective, goal, strategy? To be defined at the time we implement the item.
- The project charter approach to implementation was specifically appreciated by several Commissioners.
- Identify risks and contingencies when the implementation steps are launched.
- KPI are unique to specific implementation steps and there is a need to identify quickly what is working and what is not.

Karl Batalden then discussed the next steps for the EDSP. The following bullets show the discussion and feedback of the Commission:

- Appreciative of an opportunity in February to review final edits and updates prior to potential March adoption by City Council.
- Question regarding the methodology to reach out to businesses forming an LLC.
- While we are measuring new businesses that are opening, how are we measuring sustained success for businesses and are we tracking businesses that are closing?

ITEM 6. BRIEF REVIEW OF THE DRAFT 2021 COMMUNITY DEVELOPMENT ANNUAL REPORT

Janelle Schmitz presented an overview of the information that will be highlighted in the 2021 Annual Report. There was a brief discussion among members regarding the Annual Report. A final draft of the report will be presented to the Commission at the February 22 meeting.

ITEM 7: UPDATES

Eric Searles offered project updates regarding four industry sectors that staff are tracking closely:

**Housing** - significant activity across multiple sub-sectors – various single-family and multi-family projects underway, two apartments underway, and a new senior project (Amira) in the
devlopment pipeline. Council has recently approved three additional subdivisions.

**Retail:** Doing well in our community. Based on conversations with our larger property owners, store traffic and activity is in a good place. Famous Dave’s was torn down, and a new commercial development was approved for this site. The hospitality and dining world continues to experience a range of challenges.

**Office:** Pretty static. The office world continues to try to understand the impacts of working from home and what the post-pandemic world will look like.

**Light industrial:** Project Belle, warehouse in our northeast area, is under construction. The project, along with the 2040 Comp Plan, really lay the foundation for this area to get development in this area going.

Responses to questions from members included:
- Specifics on the retail pad by Super Target (Commerce Hill) – fast casual dining, fitness users.
- Timing of Hudson Road- This is a major public improvement project which is being facilitated and financed privately. Makes much of the rest of the land in the NE Area pad-ready and much more streamlined for companies to invest in our community. Should open in July.
- 50-50 alcohol-food ordinance- City clerk is working on ordinance updates to the food-to-alcohol requirements and anticipates taking the update to Council in the first quarter of 2022.

**ITEM 9. ADJOURN**

The meeting of the EDC adjourned at 9:05 a.m.

Respectfully submitted,

Karl Batalden, Housing and Economic Development Manager
Approved by the Woodbury Economic Development Commission on February 22, 2022
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Purpose of the Economic Development Strategic Plan (EDSP)

A model of carefully managed growth, Woodbury will be known for its vibrant residential neighborhoods, thriving business community, diverse employment opportunities, and exceptional municipal services. Expanding employment opportunities while growing and diversifying the community’s tax base creates more choices for residents to both live and work in Woodbury. A key strategic tool to aid in the economic development planning needed to fulfill the vision of the community is an economic development strategic plan that should be updated every three-to-five years.

This Economic Development Strategic Plan (the “EDSP”) also in part fulfills the function of the Economic Development Commission as required by Section 2-370 of the City Code. Specifically, this EDSP identifies economic development goals that guide long-term strategies emphasizing the importance of promoting the city both to attract new economic growth and development and retain existing businesses.

The City has been committed to economic growth since its first comprehensive planning efforts in the late 1970s. The 2040 Comprehensive Plan continues that tradition with one of its guiding principles stating that:

“Woodbury will be stronger if its residents have ample opportunities to both live and work in the community. As such, the City shall continue its efforts to attract, retain, and expand a diversified business sector which will provide a variety of jobs and strengthen the community’s tax base. Woodbury must have the infrastructure and supporting services to support these efforts.”

This EDSP—and its implementation—is a primary economic development implementation step of Woodbury’s 2040 Comprehensive Plan.

Furthermore, this EDSP recognizes the important link between the City’s diverse housing stock and the varied employment base in the community. This EDSP provides economic development policy guidance both to the City of Woodbury as well as the Woodbury Economic Development Authority (the “EDA”). The EDSP was adopted by the City Council on XXXX. Previous EDSPs may continue to be used as a reference regarding specific programs, definitions and benchmarks for achieving goals, but this EDSP builds off of and replaces all previous EDSPs.
Background and Historical Context

Woodbury’s approach to economic development has long been a facilitative one that centered around a “three-pronged approach.” Specifically, Woodbury attempted to complement its high quality and diverse places to live by adding places to shop and places to work. Early economic development efforts focused on infrastructure. The 1980 Comprehensive Plan noted that “I-94 will provide prime locations for a range of business developments within the City... which will help to provide for a healthy economic outlook.” In addition to the construction of I-94, the City later championed the construction of I-494 and invested local resources to secure the development of both the Lake Road and the Tamarack Road interchanges.

In addition to a focus on infrastructure, early economic development efforts led to the creation of the EDA in 1989. One of the first actions of the EDA was to develop the Carver Lake Business Park. The EDA’s focus on land development and infrastructure set the stage for the construction of Woodwinds Hospital. Following this large medical investment, Woodbury began marketing to the healthcare industry and Woodbury is now home to more than 300 healthcare businesses.

The Woodbury Economic Development Commission (EDC) was created in 1996 by the City Council, replacing the former Economic Development Board. The general purpose of the EDC is to act as a coordinating body and resource agency for economic development activities and to study, review and make recommendations to the City Council regarding economic development policy.

While the 1990s and 2000s saw the City use a wide range of economic development financial tools such as tax increment financing and the former Woodbury Growth Fund I and Woodbury Growth Fund II, Woodbury’s economic development approach today focuses on facilitating development through strategic delivery of infrastructure, marketing, and relationship-building.

In the last three EDSPs, the City of Woodbury focused on positioning itself as a premier business location (2010), securing its status as a premier business destination (2014), and building off of the positive momentum of the previous plans to leverage a strong economy to optimize Woodbury’s development and redevelopment potential (2018). This EDSP will focus on the nine economic development guiding principles of the 2040 Comprehensive Plan’s economic development chapter as identified on the following page.

Square Feet of New Commercial Construction over the Past Decade
**Basis for the Plan**

This EDSP provides goals, objectives, strategies, and tactics to implement the economic development vision of the community. Later in this EDSP, individual goals will be specifically tied to the guiding principles of the 2040 Comprehensive Plan’s economic development chapter. Finally, the EDC will work with City staff to ensure that the community’s approach to economic development remains relevant, focused and results-driven.

**Vision**

*A model of carefully managed growth, Woodbury will be known for its vibrant residential neighborhoods, thriving business community, diverse employment opportunities and exceptional municipal services. Woodbury will demonstrate sustainability through preservation of its resources and responsible environmental stewardship.*

Guiding Principles from the 2040 Comprehensive Plan relate directly to economic development.

**2040 Comprehensive Plan Guiding Principles related to Economic Development:**

- Provide for Planned and Orderly Growth
- Encourage Business Growth and Retention
- Manage Financial Resources
- Plan for Investment and Reinvestment

This EDSP recognizes the importance of and need to use data and performance measurement to gauge success which will be both quantitative and qualitative. Additionally, this EDSP also recognizes that there are external factors (political, climate, market shifts, and economic) that will prevent the City from reaching all goals and will require the community to reevaluate and/or update this EDSP from time-to-time.
ECONOMIC DEVELOPMENT CHAPTER IMPLEMENTATION STRATEGIES

1. Encourage landowners in areas guided Places to Work to consolidate land and develop a master plan for business park-type development rather than piecemeal industrial/office developments.

2. Optimize the capacity and flexibility of public infrastructure to serve business needs.

3. Encourage and facilitate infill commercial, industrial and retail development on remaining vacant parcels to optimize redevelopment opportunities.

4. Monitor status of vacant commercial buildings in order to encourage and facilitate redevelopment of underutilized or distressed properties into viable commercial, industrial and retail developments by working with property owners and interested developers.

5. Identify any barriers to redevelopment due to City code, development, review requirements or market conditions.

6. Work with local businesses and industry leaders to ensure needs for expansion and development are adequately met, and maintain an open line of communication with the business sector through participation in the local Chamber of Commerce.

7. Partner with MnDOT, Washington County, Gold Line Partners, Metro Transit, and other stakeholders to improve transportation and transit systems.

8. Facilitate the consideration of environmentally sensitive development that includes resource and energy conservation, waste reduction and recycling.

9. Evaluate the fiscal implications of facilitating development through investment in site readiness.

10. Facilitate entrepreneurial opportunities within the community to spur growth of small businesses.

11. Promote county, regional and state financing programs for local energy efficiency and solar energy projects on commercial and industrial buildings.
Process for Creation of the EDSP

The EDC initiated the strategic planning process in June of 2021. The planning process began with the review and analysis of the City’s existing strategic plan, which was approved in 2018. Through four meetings and two workshop sessions in 2021 as well as two meetings in 2022, the EDC members:

» reviewed perceptions of Woodbury’s economic strengths and weaknesses;
» received an update on market trends in the community;
» explored three case studies of historical development projects and how they were guided by previous EDSPs; and
» developed EDSP goals, objectives, strategies and tactics.

With this information in hand, the EDC drafted the strategic goals and action strategies for this EDSP, which were presented to the City Council on XXXXX.

Approach and Organization

Goals

The EDSP is structured around three key goals. These goals are intended to be more aspirational in nature. They define the desired end state or what successful economic development might look or feel like. The goals respond to one or more of the nine guiding principles in the 2040 Comprehensive Plan’s Economic Development Chapter, as illustrated on page 3.

Objectives

Each goal is then supported by a set of objectives. Objectives provide a more specific achievable or measurable goal where appropriate.

Strategies and Tactics

Strategies and tactics are then used to provide a more specific game plan describing what the City will do to carry out the goal. Strategies are more action-oriented statements and qualitative in nature, while tactics are more specific task-oriented statements and more quantitative in nature. Strategies and tactics will respond to the 11 Implementation strategies identified in the 2040 Comprehensive Plan’s Economic Development Chapter, as illustrated on page 4.
Strategic Plan

This section includes EDSP goals and supporting narratives. Each goal is tied to one or more of the nine guiding principles from the 2040 Comprehensive Plan’s economic development chapter. Each goal includes supporting objectives, strategies and tactics. While the EDC reviewed the strategies and tactics and evaluated priorities for implementation, this EDSP acknowledges that the implementation of these strategies and tactics will be worked on and accomplished according to different timelines and not all at once or immediately.

Goal 1

Woodbury will be seen as a community of choice and be known as strong collaborators, innovators, and problem solvers to the business and development community.

Woodbury will be seen as a community of choice by employers due to its strong and diverse labor pool supported by robust residential growth, a desirable and enduring built environment, and a coherent and navigable regulatory system. Woodbury has a strong reputation as a community that finds ways to take innovative ideas from initial concepts to proven business models. The city, staff, and policy makers are able to align the necessary resources to make great projects happen.


Objectives

O1-1. Maintain and continue to grow a strong and diverse labor pool as supported by robust residential growth.

O1-2. Offer a desirable and enduring built environment which promotes business investment, architectural standards, and quality of life.

O1-3. Provide a clear, transparent and navigable regulatory framework. The City should complement rather than duplicate other layers of government.

O1-4. Identify and respond to the needs of the business community through the continuance and enhancement of engagement strategies. This includes working with all types of businesses ranging from start-up to fully established businesses, across all industry sectors.

O1-5. Align economic development resources with infrastructure and finance needs of the business community.

O1-6. Enhance awareness of development opportunities in Woodbury through comprehensive and coordinated communications and marketing strategies.

Strategies and Tactics

ST1-1. Develop key messages regarding the economic potential of Woodbury, and promote through social media, website, video and other tools targeting real estate and business development audiences.

ST1-2. Connect with the business community at the time of LLC establishment or incorporation, in order to serve as a resource for startups and other new businesses.

ST1-3. Determine what resources, financial and non-financial, may be available to facilitate development and analyze the fiscal implications of doing so.

ST1-4. Re-energize the Mayor’s Business Outreach Program.
ST1-5. Explore a new economic development event targeting bankers and groups that finance small business investments.

ST1-6. Acknowledge and celebrate the achievements of local businesses.

ST1-7. Continue to facilitate residential development as identified in the 2040 Comprehensive Plan.

ST1-8. Ensure a Planning project manager is provided for all new development to assist in navigating the regulatory process.

**Goal 2**

**Woodbury will have sufficient and desirable development and redevelopment opportunities.**

As land resources on the edge diminish, new growth turns to areas of the community that are revitalizing and redeveloping. Availability of development or redevelopment opportunities depends on many factors including proper land use guidance and zoning, available infrastructure capacity, market demand and forces, property owner willingness to sell or develop, community context, and the right economies of scale. By aligning the factors that the City has control over, Woodbury will continue to have desirable future opportunities for growth.


**Objectives**

O2-1. Enhance development readiness of vacant and/or underutilized parcels.

O2-2. Encourage economic reinvestment in underutilized or under-performing parcels.

O2-3. Evaluate policies, regulations and tools to understand early indicators of property maintenance decline to identify opportunities for and encourage timely reinvestment.

O2-4. Identify and remove unintended barriers to real estate investment within the City while ensuring that community standards are maintained.

**Strategies and Tactics**

ST2-1. Review ordinance requirements, plans, policies and processes to identify and remove unintended barriers to private redevelopment efforts while ensuring that community standards are maintained.

ST2-2. Explore the public policy topic surrounding teardowns vs. reuse of buildings to deeply understand the amount of space re-used within the community versus rebuilt.

ST2-3. Collect and analyze data regarding lease rates, occupancy rates, and other data points to recognize potential signs of decline or economic fatigue.

ST2-4. Actively work with site selectors to identify and promote development and redevelopment opportunities.

ST2-5. Monitor empty commercial real estate spaces to ensure properties are maintained and to track absorption back into the commercial marketplace.
Goal 3

**Woodbury will be a resilient community where business thrives.**

Diversity of and versatility of services and businesses has been and will continue to be a strength for Woodbury's economy. A strong infrastructure system, diverse commercial base, variety of housing stock and livable neighborhoods, and a robust park and natural resource system will enable the City to proactively protect businesses from various disruptions (market, climate, technology, etc.)


**Objectives**

O3-1. Identify and manage long-term data sources to monitor the health of market sectors and to recognize industry trends, identify sectors with growth opportunity, and leverage or realign resources as appropriate to adapt to economic changes.

O3-2. Encourage a diverse commercial property tax base with a wide range of business types.

O3-3. Ensure that an economic development lens is included in the City’s forthcoming resilience action plan.

O3-4. Connect businesses to local programs to support energy efficiency, water conservation, renewable energy, waste reduction and recycling which can improve economic competitiveness for businesses.

O3-5. Support transit and other multi-modal improvements to improve transit and transportation systems within the community.

**Strategies and Tactics**

ST3-1. Utilize the comprehensive plan process to diversify the tax base.

ST3-2. Create a dashboard tool to review and track economic development metrics such as vacancy rates.

ST3-3. Connect with the business community at the time of LLC establishment or incorporation, in order to serve as a resource.

ST3-4. Promote energy efficiency-related rebates and tools from Xcel Energy and other providers.

ST3-5. Review ordinance requirements, plans, policies and processes to identify and remove unintended barriers to private redevelopment efforts while ensuring that community standards are maintained.

ST3-6. Promote WasteWise and other commercial recycling opportunities.

ST3-7. Partner with MnDOT, Washington County, and Metro Transit and other stakeholders to improve transportation and transit systems.
EDSP Metrics and Implementation

This EDSP identifies twenty strategies and tactics for the City to implement over the course of the coming years. These strategies and tactics are both qualitative and quantitative and are supplementary in nature of the City-wide annual performance measures that overlap with economic development.

Following the adoption of this EDSP, City staff and the Economic Development Commission will use the attached project management charter template to identify the unique set of metrics and implementation steps for the prioritized strategies and tactics identified within the annual work plan. As the template identifies, each implementation step will have its own identified project sponsor, project manager, list of stakeholders, identification of project deliverables, and key performance indicators. Rather than attempt to identify specific metrics and timelines in advance of implementation steps as part of this plan, this EDSP identifies that a more effective project management strategy is to identify the project-specific metrics and timelines at the time of implementation.

This EDSP identifies that economic conditions will vary into the future, and while some strategies and tactics will be implemented immediately upon adoption of the EDSP, others may be implemented in future years or perhaps redefined. A hallmark of Woodbury’s economic development strategy has been to combine facilitation with patience and the ability to act opportunistically. As such, this EDSP continues to promote Woodbury’s economic development strategy as one that is flexible and adaptable into the future.

Implementation of the EDSP comes in many forms. Staff undertake a wide range of day-to-day functions and operational duties with regard to economic development. This includes managing budgets, exploring financial tools, implementing regulations or policy, and networking to build relationships and promote the City of Woodbury. Implementation also requires continued collaboration with key partners who have common missions at the local, regional, and state levels.
**Purpose:**
To describe the project and establish a living “contract” between the project sponsor and the team.

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<thead>
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<th><strong>Project Information</strong></th>
<th><strong>Project Management Team</strong></th>
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<tr>
<td><strong>Project Name:</strong></td>
<td><strong>Project Sponsor:</strong></td>
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<tr>
<td><strong>Author &amp; Rev. Date:</strong></td>
<td><strong>Project Manager:</strong></td>
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**Project Definition:** Describes the project in enough definition to establish metrics and begin planning

**Problem / Opportunity Statement:**
Paragraph(s) describing current state: when, what, where and how much.

**Supporting Facts**
Bullet facts that quantify and further explain the problem/opportunity.

**Objectives:**
Levels of performance or achievement the project must obtain.

**Deliverables:**
Outcomes the project will produce (tangible or intangible)

**Describe Link to Organization Strategy:**

**Project Scope:**
What are the boundaries?

**Key Performance Indicators (KPIs)** should tie to Objectives

**Operational Definition:**
Defines the KPI in order to ensure common clarity around what is being counted or measured.

**Funding & Dependencies**

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**Project Planning**

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<th>What functions should be communicated with regularly?</th>
<th>Team Member &amp; Work Area (Id-ed by Sponsor &amp; Project Manager)</th>
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<td>Who are the team members and where are they from?</td>
<td>% of Time</td>
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**Milestones**

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**Risks and Contingencies:**
What must go right, and what can’t go wrong if we are to achieve the project objectives?
2022 Economic Development Strategic Plan Key Participants

Economic Development Commission
Craig Johnson, Chair
Kimberly Moore, Vice-Chair
Kwadwo Adutwum*
    Jenny DeMaria
Emanuel Ekstrom
    Ruth Godfrey
David Hoelzel*
Pamela Morke
    Bill Routt
    Eric Schurr
Katie Westfall
    Joseph Ward
Michael Zoladkiewicz
*Former EDC members’ terms expired before adoption of EDSP

City Council
Anne Burt, Mayor
    Andrea Date
    Steve Morris
    Jennifer Santini
    Kim Wilson

Staff & Consultants
Karl Batalden, Housing & Economic Development Manager
    Clint Gridley, City Administrator
    Janelle Schmitz, Community Development Director
    Eric Searles, Assistant Community Development Director/City Planner
    Jamie Thoen, Administrative Assistant
    Brad Scheib, HKGi
    Grant Martin, LOCi
Community Development Annual Report

The Community Development Department provides for planned development that supports a thriving community and a safe, healthy environment, now and in the future. Our professional and experienced staff is dedicated to achieving the city’s vision of being a leading community where citizens, businesses and government work together to create a welcoming community where people and businesses thrive.

Janelle Schmitz, Community Development Director

Inspections Division
Pam Christiansen
Kimberly Coulter
Brian Crask
Elissa Golden
Chuck Gustner
Andy Hank
Troy Houn
Rick Hughes
Rich Munson
John Nobles
Scott Richardson
Nate Thompson (Temp)
Casey Underdahl
Cathy Wiederich (Temp)

Planning Division
Karl Batalden
Scott Gay
Dan Krumwiede
Gina McCormack
Matt Novak
Eric Searles
Jamie Thoen

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<td>Implementing the Comprehensive Plan</td>
<td>13-14</td>
</tr>
<tr>
<td>Robust Housing Market, Housing Loan Programs</td>
<td>15-16</td>
</tr>
<tr>
<td>Commitment to Community Standards</td>
<td>17</td>
</tr>
<tr>
<td>Growth and the Tax Base</td>
<td>18</td>
</tr>
</tbody>
</table>
Advisory Commissions

Woodbury is fortunate to have committed residents who volunteer on the Planning Commission and Economic Development Commission, helping to guide the city’s future.

Economic Development Commission

The general purpose of the Economic Development Commission is to study, review and prepare recommendations for the City Council regarding matters of economic development policy. The Commission acts as a coordinating body and resource agency for economic development matters, including the creation of an economic development strategic plan.

<table>
<thead>
<tr>
<th>2021 Economic Development Commissioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craig Johnson, Chair</td>
</tr>
<tr>
<td>Kimberly Moore, Vice Chair</td>
</tr>
<tr>
<td>Kwadwo Adutwum</td>
</tr>
<tr>
<td>Emanuel Ekstrom</td>
</tr>
<tr>
<td>David Hoelzel</td>
</tr>
<tr>
<td>Pam Morke</td>
</tr>
<tr>
<td>Bill Routt</td>
</tr>
<tr>
<td>Michael Zoladkiewicz</td>
</tr>
<tr>
<td>Eric Schurr</td>
</tr>
<tr>
<td>Joseph Ward</td>
</tr>
<tr>
<td>Katie Westfall</td>
</tr>
</tbody>
</table>

Planning Commission

The Planning Commission supports the City Council by making recommendations regarding subdivision applications, zoning amendments, rezonings, variances, conditional use permits, interim conditional use permits and site and building plans, consistent with the Comprehensive Plan. The Commission also recommends a Comprehensive Plan for the city.

<table>
<thead>
<tr>
<th>2021 Planning Commissioners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shannon Olsen, Chair</td>
</tr>
<tr>
<td>Jennifer Nowacki, Vice Chair</td>
</tr>
<tr>
<td>Ryan Christenson</td>
</tr>
<tr>
<td>Avin Kallenbach</td>
</tr>
<tr>
<td>Richard Johnson</td>
</tr>
<tr>
<td>John Jarrett</td>
</tr>
<tr>
<td>Kay Kern</td>
</tr>
<tr>
<td>Francisco Andruet, Student Member</td>
</tr>
<tr>
<td>Jefferson McGough, Student Member</td>
</tr>
</tbody>
</table>

Craig Johnson, Chair
Kimberly Moore, Vice Chair
Kwadwo Adutwum
Emanuel Ekstrom
David Hoelzel
Pam Morke
Bill Routt
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Katie Westfall

Economic Development Commission

Shannon Olsen, Chair
Jennifer Nowacki, Vice Chair
Ryan Christenson
Avin Kallenbach
Richard Johnson
John Jarrett
Kay Kern
Francisco Andruet, Student Member
Jefferson McGough, Student Member
Executve Summary

The Community Development Department is pleased to present the 2021 Annual Report which highlights the activities of the past year. Looking back on 2021, it was a year marked by robust construction activity in both the residential and commercial sectors, which added new residents, tax base and employment opportunities to Woodbury. It was also a year of transition from the planning and policy work that embodied much of the past few years, to one of implementation of those plans and policies.

• With an estimated 2022 population of 78,920, Woodbury is the 8th largest city in Minnesota.
• Woodbury was home to 25,543 jobs as of the second quarter of 2021 representing nearly 29 percent of all jobs in Washington County;
• A record number of building permits (7,386) were issued in 2021, representing a 33 percent increase over the previous year. The permit activity spread across all sectors, both residential and commercial and both new construction and reinvestment, signaling the strength of the Woodbury market.
• 927 new housing units were permitted in 2021 including 374 units of market rate apartments; adding to the city’s diversity of housing stock;
• 7 new commercial buildings began construction in 2021, adding more than 579,000 square feet to the city’s commercial tax base. Of this new development, 96 percent was categorized as non-retail uses.
• The Northeast Area saw two new businesses. Kindeva Drug Delivery, opened their doors in the fall of 2021, and Project Belle, a 517,000 square foot warehouse distribution center with Amazon as their tenant, began construction. These two projects form the “bookends” of the Northeast Area and set the stage for future economic development.
• The HRA issued 19 low-interest loans to income-qualified households, including several loans to first generation homebuyers.
• Progress was made on several major implementation steps of the 2040 Comprehensive Plan in 2021:
  • The 2021 Housing Action Plan was adopted on April 14, 2021.
  • The South of Dale Master Plan was adopted on September 29, 2021.
  • The METRO Gold Line Station Area Master Plan is expected to be completed in the first half of 2022.
  • The Economic Development Strategic Plan is expected to be completed in the first half of 2022.
Woodbury is known for its strong demographic profile, with both a growing population and an unemployment rate that is significantly less than the regional and state average. Data from the 2020 Census shows that Woodbury’s racial demographics have diversified significantly over the past twenty years. Specifically, 95 percent of Woodbury residents self-identified as White alone in 1990, whereas 71 percent of Woodbury residents self-identified as White alone in 2020. Not reflected in the chart below is the fact that 40 percent of Census respondents younger than 18 self-identify as Black, Indigenous, or People of color (BIPOC).

**Demographics, Data and More**

**Racial Identity in Woodbury**

- White alone: 71%
- Asian alone: 11%
- Black/African American alone: 7%
- Hispanic or Latino: 5%
- More than one race: 5%
- Other: 5%

**Population 2022, est.**

- 78,920

**Median Age:** 37.1

**Over 65:** 9,570 (12.5%)

**Language other than English spoken at home:** 14.7%

**Unemployment Rate in Woodbury, by month**

<table>
<thead>
<tr>
<th>Month</th>
<th>Woodbury</th>
<th>7-County Metropolitan Area</th>
<th>Minnesota</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul-19</td>
<td>3.7%</td>
<td>4.9%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Aug-19</td>
<td>3.5%</td>
<td>4.1%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Sep-19</td>
<td>3.3%</td>
<td>2.5%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Oct-19</td>
<td>3.1%</td>
<td>2.5%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Nov-19</td>
<td>2.9%</td>
<td>2.4%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Dec-19</td>
<td>2.7%</td>
<td>2.3%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Jan-20</td>
<td>2.4%</td>
<td>2.2%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Feb-20</td>
<td>2.2%</td>
<td>2.2%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Mar-20</td>
<td>2.1%</td>
<td>2.1%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Apr-20</td>
<td>2.0%</td>
<td>2.1%</td>
<td>2.1%</td>
</tr>
<tr>
<td>May-20</td>
<td>2.1%</td>
<td>2.3%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Jun-20</td>
<td>2.5%</td>
<td>2.4%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Jul-20</td>
<td>3.2%</td>
<td>2.5%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Aug-20</td>
<td>1.7%</td>
<td>1.7%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Sep-20</td>
<td>3.2%</td>
<td>2.5%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Oct-20</td>
<td>3.0%</td>
<td>2.3%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Nov-20</td>
<td>3.0%</td>
<td>2.4%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Dec-20</td>
<td>2.7%</td>
<td>2.3%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Jan-21</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Feb-21</td>
<td>2.5%</td>
<td>2.6%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Mar-21</td>
<td>2.4%</td>
<td>2.5%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Apr-21</td>
<td>2.4%</td>
<td>2.5%</td>
<td>2.6%</td>
</tr>
<tr>
<td>May-21</td>
<td>2.1%</td>
<td>2.3%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Jun-21</td>
<td>2.3%</td>
<td>2.4%</td>
<td>2.4%</td>
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<tr>
<td>Jul-21</td>
<td>2.4%</td>
<td>2.5%</td>
<td>2.4%</td>
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<tr>
<td>Aug-21</td>
<td>2.2%</td>
<td>2.5%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Sep-21</td>
<td>2.0%</td>
<td>2.5%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Oct-21</td>
<td>1.7%</td>
<td>2.5%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Nov-21</td>
<td>1.5%</td>
<td>2.3%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Dec-21</td>
<td>1.4%</td>
<td>2.1%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

**Unemployment Rate Comparison, by month of December**

Sources: US Census Bureau and MN DEED
Employment

Home to 25,543 jobs, Woodbury has more than a quarter of the jobs in Washington County, and continues to be the economic engine of the east metro. The number of jobs in Woodbury has grown substantially, by more than 5,000 jobs, over the past decade. The pie chart below illustrates the makeup of the Woodbury’s business community in 2021. The largest employment sectors continue to be education and health services; trade, transportation and utilities; and leisure and hospitality. Additionally, while the data from the State of Minnesota is only current through mid-2021, additional jobs have been added since.

![Pie chart showing employment sectors]

**Source:** MN DEED Quarterly Census of Employment and Wages

The growth and diversity of the business community continues to be one of Woodbury's strengths. As the pandemic restrictions eased, and more businesses were able to reopen or increase capacity, the number of jobs correspondingly increased. Between Q3 2020 and Q2 2021, more than 2,000 jobs were added in Woodbury, an increase of 8.7 percent. The number of business entities in Woodbury also increased, with 1,740 businesses now calling the city their home. Fifty-four new businesses opened their doors in 2021, and are listed on page 6.

<table>
<thead>
<tr>
<th>Ten Largest Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>M Health Fairview</td>
</tr>
<tr>
<td>South Washington County Schools</td>
</tr>
<tr>
<td>Target.com</td>
</tr>
<tr>
<td>Self Esteem Brands</td>
</tr>
<tr>
<td>Summit Orthopedics</td>
</tr>
<tr>
<td>HealthPartners (includes TRIA)</td>
</tr>
<tr>
<td>Long Term Care Group</td>
</tr>
<tr>
<td>Harvey Vogel Manufacturing</td>
</tr>
<tr>
<td>Kindeva</td>
</tr>
<tr>
<td>City of Woodbury</td>
</tr>
</tbody>
</table>

**Source:** City of Woodbury phone survey
## New Businesses

<table>
<thead>
<tr>
<th>All Cares Inc.</th>
<th>KreativHQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aurora Dentistry</td>
<td>Leela &amp; Lavender</td>
</tr>
<tr>
<td>Blue Moon Estate Sales</td>
<td>Lululemon</td>
</tr>
<tr>
<td>Bob’s Discount Furniture</td>
<td>Lumitas Wealth Strategies</td>
</tr>
<tr>
<td>Care Aparent</td>
<td>Mindset Chiropractic</td>
</tr>
<tr>
<td>Chick-fil-A</td>
<td>Nautical Bowls</td>
</tr>
<tr>
<td>Creations Cabinets</td>
<td>Northwest Eye</td>
</tr>
<tr>
<td>CRM Advisors</td>
<td>Nutritional Weight &amp; Wellness</td>
</tr>
<tr>
<td>Crumbl Cookies</td>
<td>Peters Orthodontics Specialists</td>
</tr>
<tr>
<td>Cub Wine and Spirits</td>
<td>PetSuites of America</td>
</tr>
<tr>
<td>Cynful Beauty</td>
<td>Pizza Man</td>
</tr>
<tr>
<td>Erskine’s</td>
<td>Power of Change</td>
</tr>
<tr>
<td>Exeter Wealth Management</td>
<td>Prairie Farms</td>
</tr>
<tr>
<td>Face Foundrie</td>
<td>Pure Hockey</td>
</tr>
<tr>
<td>Fur the Love of Pets</td>
<td>Rayus Radiology</td>
</tr>
<tr>
<td>Genesis Financial &amp; Tax Solutions</td>
<td>Resilient PT and Performance</td>
</tr>
<tr>
<td>Goodfella’s Barber Studio</td>
<td>RG Realty Group</td>
</tr>
<tr>
<td>Green Goods</td>
<td>Rio Brazilian Steak House</td>
</tr>
<tr>
<td>Health Junkie</td>
<td>Rock U Music School</td>
</tr>
<tr>
<td>Holiday Station-Woodlane</td>
<td>Sky Nails</td>
</tr>
<tr>
<td>Hotworx Woodbury</td>
<td>Stantec</td>
</tr>
<tr>
<td>HydroVerge</td>
<td>The Beauty Palace</td>
</tr>
<tr>
<td>Independent Pet Partners</td>
<td>The Dental Specialists</td>
</tr>
<tr>
<td>iRepair Smartphones LLC</td>
<td>The Med Spa</td>
</tr>
<tr>
<td>JP Morgan Chase Bank</td>
<td>The Mix</td>
</tr>
<tr>
<td>Justin Films LLC</td>
<td>Vantage Point Eyes PLLC</td>
</tr>
<tr>
<td>KinderCare</td>
<td>Woodbury Pediatric Eye Clinic</td>
</tr>
</tbody>
</table>

**Source:** City of Woodbury permit records

**54 New Businesses in 2021**
Record Permit Activity

As the chart to the right illustrates, Woodbury’s Inspections Division issued a record number of building permits in 2021 with a total of 7,386 permits issued over the course of the year.

This volume of construction activity demonstrates the overall health of the Woodbury economy. More than 90 percent of the building permits issued in 2021 were connected to reinvestments (work done on existing buildings), with 561 permits connected to new residential and commercial projects and the remainder being spread across a wide range of construction types.

Woodbury experienced record conditions for permit and inspections volumes, which is a strong indicator of the overall health of the Woodbury economy.
Residential Growth

New residents are attracted to Woodbury’s well-planned neighborhoods, parks and trails, schools and overall quality of life. The continued growth in new housing starts certainly supports that claim. Woodbury’s housing market remains strong, with permits issued for 927 new housing units.

The number of new single family and attached units has remained relatively steady, averaging 300 new single family units per year over the past ten years. The number of new single family units increased to 502 in 2021, in large part because of the development of the Canvas at Woodbury, which generated 82 units in a single year due to its construction model as a rental community. These units, as well as a significant number of detached townhomes, are considered single family units in the chart below. Construction of both of these types of homes further diversifies Woodbury’s housing stock as addressed in greater detail on the next page.

Woodbury continues to be an attractive market for apartment projects. Over the last ten years, the split between new single family and new attached housing units (townhomes and apartments) has been relatively even, with 51 percent of the units being single family and 49 percent being attached.

The city has long supported a variety of housing types to accommodate people of all ages, income levels and family status. Adding to the diversity of housing stock, Talamore at Woodbury and Edison Apartments commenced construction in 2021. This trend is anticipated to continue in the future as the city implements the 2040 Comprehensive Plan which includes a guiding principle of delivering a diversity of housing options within the community.

#### New Housing Units by Type

<table>
<thead>
<tr>
<th>Year</th>
<th>Single Family Units</th>
<th>Attached Units</th>
<th>Apartment Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>253</td>
<td>346</td>
<td>64</td>
</tr>
<tr>
<td>2013</td>
<td>374</td>
<td>41</td>
<td>45</td>
</tr>
<tr>
<td>2014</td>
<td>380</td>
<td>37</td>
<td>76</td>
</tr>
<tr>
<td>2015</td>
<td>417</td>
<td>36</td>
<td>77</td>
</tr>
<tr>
<td>2016</td>
<td>393</td>
<td>160</td>
<td>133</td>
</tr>
<tr>
<td>2017</td>
<td>646</td>
<td>77</td>
<td>105</td>
</tr>
<tr>
<td>2018</td>
<td>675</td>
<td>258</td>
<td>284</td>
</tr>
<tr>
<td>2019</td>
<td>695</td>
<td>218</td>
<td>355</td>
</tr>
<tr>
<td>2020</td>
<td>891</td>
<td>508</td>
<td>285</td>
</tr>
<tr>
<td>2021</td>
<td>927</td>
<td>374</td>
<td>502</td>
</tr>
</tbody>
</table>

5 year average: 767 units  
10 year average: 579 units
Diversity in Housing Choice

As identified on the previous page, the city has issued a building permit for at least one new rental housing (apartment) development for nine of the past ten years, and this trend and demand for multi-family residential continues to be strong. As Woodbury’s 2040 Comprehensive Plan notes, “a housing trend has developed that indicates an increase in the number of households who will inhabit higher density housing options as a lifestyle choice”. In addition, the 2040 Plan references a commitment to providing a balance between single family and multifamily homes.

The City of Woodbury has long had a goal of achieving a 50-50 split between single-family and multi-family. Since the year 2000, for example, Woodbury has issued permits for 6,300 new single-family units and 6,237 multi-family housing units, an almost exact 50-50 split.

Housing preferences change with time, and Woodbury’s long-term commitment to housing choice will continue to evolve along with these preferences. Over the past several years, the new multifamily residential options have been delivered to the Woodbury marketplace that represent a diverse array of housing options. One particular new housing option that has emerged is a new kind of rental living experience, the single family rental project.

The single-family rental homes are meant to provide an alternative to traditional homeownership. Renters enjoy the flexibility of a lease, with the lifestyle of a detached single family home, including attached garage and individual backyard, but without the burden of housing maintenance or lawn care. Within the business model, all buildings (exterior) and grounds are owned and maintained by one entity. All homes are designed as traditional single family homes but are leased similar to apartment units. The units contain multiple bedrooms and have access to an amenity package, which includes a pool and clubhouse. Proposed rents range from $2,400 to $4,150 per month. The following single family rental projects were approved in 2020 and 2021 respectively:

- **Canvas at Woodbury** was approved in 2020 and offers 82 single-family rental homes. The development is nearing full construction, and enjoys a healthy occupancy rate.

- **Dundalk Green** (also known as Canvas at Woodbury North) was approved in 2021, and will provide 89 units of rental single family homes in the northeast part of Woodbury, near Brookview Elementary School. Construction is underway, with occupancy expected in 2022.

![Example Elevations of Canvas at Woodbury](image)
New Commercial Construction

Woodbury continues to experience strong demand for new commercial construction. In 2021, building permits were issued for seven new commercial buildings with a cumulative permit value of approximately $100 million. These seven new commercial buildings added 579,474 square feet of space to the city’s commercial tax base. The city’s total cumulative square footage of commercial space now surpasses 12 million square feet.

As the chart below shows, more than ninety-six percent of the new commercial space constructed in 2021 is non-retail, consistent with the City’s goal of creating more employment opportunities (places to work) in Woodbury. This is consistent with the trend over the past decade, in which more than 70 percent of the new commercial construction was non-retail. Cumulatively, Woodbury’s commercial space is comprised of 58.5 percent non-retail uses such as office, medical or industrial/other and 41.5 percent retail.
Commercial Reinvestment

The same factors that attract new development also strengthen Woodbury’s existing commercial inventory, promoting continued growth and investment. Commercial property owners continued to reinvest in Woodbury, pulling 119 permits for leasehold/tenant improvements and commercial building additions, as well as electrical, plumbing and mechanical permits with a $5,000 permit value or higher. In 2021, the cumulative permit value of this reinvestment was $44 million, the highest level ever.

The chart above shows a rebound in commercial reinvestment activity in Woodbury in 2021, following a sizable dip in business investment in 2020 due to the COVID pandemic. While several businesses paused or delayed decisions to reinvest or expand in 2020 due to the economic uncertainty, 2021 saw a resurgence of commercial reinvestment activity, due in part to the strength of the Woodbury market, its convenient location, sustained growth, and well maintained commercial stock.

The list below highlights the ten largest reinvestments of 2021, ranked in order of value, with each of these projects having a building permit value of $600,000 or more. The city is appreciative of these ongoing investments in our community, and will recognize these businesses, as well as the new construction projects listed on page 10, at its annual Business Celebration on May 5, 2022.

<table>
<thead>
<tr>
<th>Top 10 Commercial Alterations and Additions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindeva tenant improvement</td>
</tr>
<tr>
<td>Aris Clinic Expansion</td>
</tr>
<tr>
<td>Woodbury Dental Care</td>
</tr>
<tr>
<td>Caliber Collision</td>
</tr>
<tr>
<td>Golf Galaxy</td>
</tr>
</tbody>
</table>
“Bookends” of the Northeast Area

The Northeast Area saw two major commercial/industrial developments in 2021. These two projects form the “bookends” so to speak of the Northeast Area, and are important first steps toward implementing the economic vision outlined in the 2040 Comprehensive Plan for this area. The development also aligns with the 2018 Economic Development Strategic Plan, which prioritized job growth in the community. Located adjacent to I-94, land uses in the Northeast Area will likely include businesses that benefit from proximity and access to a major freeway distribution corridor, representing a new development pattern for the city, with a focus on light industrial, manufacturing and distribution uses.

On the western side of the Northeast Area, Kindeva Drug Delivery became the first business to located in this prime business park location. Kindeva is a pharmaceutical contract development and manufacturing organization, specializing in complex drug delivery systems such as inhalers, transdermal patches and micro-needle based delivery systems. Kindeva broke ground on their new 137,000 square foot global headquarters in the fall of 2020.

The City worked closely with the State of Minnesota, Department of Employment and Economic Development, to secure roughly $1.3 million in State grants and forgivable loans for the Kindeva project, which employs approximately 200 people at the Woodbury facility.

In August, 2021 the City approved 517,000 square foot warehouse distribution building on 76 acres, called Project Belle, located at the far east end of the Northeast Area. The tenant for this building will be Amazon. The facility will employ between 500 and 1000 people, depending on the time of year, and they are expected to open in the summer of 2022.

It is important to note that there were no public subsidies provided for the Project Belle development. In fact, Project Belle is constructing more than $10 million of privately-funded public infrastructure to serve and enhance their site and the entire Northeast Area.
Implementing the Comprehensive Plan

The 2040 Comprehensive Plan is the most significant document for guiding the development of Woodbury and achieving the community’s vision through its plans, policies and actions. The plan is used by the city in its day to day operations, and its goals and policies are referenced in making key decisions relative to public investments, plans and studies, growth and redevelopment.

The 2040 Comprehensive Plan was adopted in August of 2019 and since that time implementation activities have occurred as highlighted on the next page.

Requests for land use applications and development projects are evaluated based on consistency with the comprehensive plan. The chart below provides details regarding the residential platting activity in 2021, which is consistent with the city’s land use and phasing plan.

<table>
<thead>
<tr>
<th>2021 Final Plat Development Name</th>
<th>Number of Lots Platted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single Family</td>
</tr>
<tr>
<td>Arbor Ridge 2nd</td>
<td>93</td>
</tr>
<tr>
<td>Aster Landing</td>
<td>25</td>
</tr>
<tr>
<td>Bridlewood 6th</td>
<td>63</td>
</tr>
<tr>
<td>Dundalk Green</td>
<td>90</td>
</tr>
<tr>
<td>Edison Apartments</td>
<td>207</td>
</tr>
<tr>
<td>Hartung Farm</td>
<td>26</td>
</tr>
<tr>
<td>Meadowood Villas</td>
<td>13</td>
</tr>
<tr>
<td>Nystedt</td>
<td>2</td>
</tr>
<tr>
<td>Oak Hill 2nd</td>
<td>29</td>
</tr>
<tr>
<td>Sham’s Place</td>
<td>3</td>
</tr>
<tr>
<td>Talamore</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>344</strong></td>
</tr>
</tbody>
</table>

A model of carefully managed growth, Woodbury will be known for its vibrant residential neighborhoods, thriving business community, diverse employment opportunities and exceptional municipal services. Woodbury will demonstrate sustainability through preservation of its resources and responsible environmental stewardship.
Implementing the Comprehensive Plan

Work continued on several major implementation steps of the 2040 Comprehensive Plan in 2021.

**Housing Action Plan**
One of the first housing-related implementation steps of the 2040 Comprehensive Plan was the creation of the 2021 Housing Action Plan which provides direction for tactical-level housing operations in the coming decade. The plan includes policy and regulatory sections connected to the HRA loan programs, an HRA fund balance policy, the potential for greater utilization of housing choice vouchers, the potential for land banking, updates to the TIF and Tax Abatement policies, additional rental licensure in the community, TOD-based density bonuses, compliance with the Livable Communities Act, and fair housing. The Housing Action Plan was adopted on April 14, 2021, and several key action steps have already been completed.

**South of Dale Master Plan**
A master plan was developed for the approximately 600 acres guided for residential development south of Dale Road between Radio Drive and Woodbury Drive. The master plan will help guide decisions regarding several infrastructure needs, including transportation (roads, trails, greenways), stormwater management, trunk utility planning, parks and open space. The master plan will facilitate increased continuity between subdivisions and evaluate opportunities to better interconnect parks, roads and stormwater management features. It also included a detailed analysis of site topography, geological conditions and market conditions and establishes the framework for future development patterns and allows for infrastructure and parks planning in advance of private development activity. The South of Dale Master Plan was adopted on September 29, 2021. Since adoption, the first subdivision, Copper Hills, was approved by the City Council in December, 2021.

**Economic Development Strategic Plan**
The city has been committed to economic growth since its first comprehensive planning efforts in the late 1970s. The 2040 Comprehensive Plan includes guiding principles that support the city’s continued efforts to attract, retain, and expand a diversified business sector which will provide a variety of jobs and strengthen the community’s tax base. The 2022 Economic Development Strategic Plan will include updated goals, strategies and tactics to achieve the city’s economic vision. The plan is expected to be adopted in the first quarter of 2022.

**Gold Line Station Area Master Plan**
Three stations are planned for Woodbury as part of the METRO Gold Line BRT: the Tamarack Station, Woodbury Theatre Station and the I-494 Park and Ride Station. The city is undertaking a master plan to study and secure the appropriate combination of land uses for each station area based on each area’s unique development opportunities, market conditions and ridership potential. Master planning at the station areas will promote cohesive architectural identity using building materials, landscaping and other architectural or streetscape features to create a unique sense of place. The master plan is expected to be adopted in the second quarter of 2022.
Robust Housing Market

Residential land uses constitute the largest land area of property in Woodbury, and are also a significant portion of the city’s tax base. In addition, residential land uses provide housing for the laborshed that serves Woodbury businesses. As such, the health of the city’s housing economy is critical to the overall economic development of the community.

According to December 2021 data from the Minneapolis Area Association of Realtors, the median sales price of Woodbury residential properties (single family and townhomes) continues to increase, up to $409,950. This amount is roughly 16 percent higher than the pre-pandemic amount of $352,000 as measured in December 2019. Additional data shows that the median price per square foot also continues to increase. Across the 1,663 closed sales in Woodbury during 2021, homes sold for $177 per square foot. The Woodbury housing market continues to be a seller’s market with a very tight 0.7 month’s supply of inventory of existing homes for sale.

Sales data from realtors provides a helpful snapshot into current conditions of the Woodbury housing market. Another way of evaluating the health of the residential market in Woodbury is to examine the data from the Washington County Assessor. Early in each year, a property value is assessed by the County for the purposes of distributing property taxes in the following year. As the charts below show, the median value of residential parcels in Woodbury has been steadily and consistently growing over the past decade. While these increases in value bolster the community’s tax base, they can make it challenging for low- or moderate-income households to get into the market. Information about Woodbury’s first-time homeownership loan program may be seen on page 16.

| $351,100 | 2.9% | 60% |
| 2021 median value of residential parcel in Woodbury for taxes payable in 2022 | Increase in median assessed residential value from 2020 to 2021 | Increase in median assessed residential value from 2012 to 2021 |

![Median Assessed Residential Value](chart.png)
Housing Loan Programs

One of the guiding principles within the city’s Comprehensive Plan is to encourage the development of a diversity of housing to accommodate people of all ages, income levels and family status. The housing loan programs offered through the Woodbury Housing and Redevelopment Authority (HRA) are one way in which the city works to achieve this goal. Originally launched in 2009, the HRA loan programs, include both the Woodbury First-Time Homeownership Program and the Neighborhood Reinvestment Fund.

The chart above reflects the number of HRA loan issuances since 2012. Through the end of 2021, the HRA has issued 277 loans in an aggregate amount of roughly $6,650,000. These HRA loan programs have served roughly 1 out of every 100 households in the community.

The First-Time Homeownership Program is structured as a deferred note in an amount of $25,000. The HRA’s program helps buyers save several hundred dollars per month on their housing payment by reducing or eliminating the need for private mortgage insurance (PMI) and deferring principal payments into the future. New in 2021, the program also included a zero-percent interest rate for first-generation homebuyers providing a powerful housing affordability tool to households who have not otherwise benefitted from the intergenerational transfer of wealth that homeownership can provide.

The Neighborhood Reinvestment Fund is an example of the increasing collaboration between the city’s code enforcement and housing staff. The loan program was designed to ensure that Woodbury ages with grace in the coming years as well as offering the ability to provide a resource to residents working through code enforcement.

The Woodbury housing market continues to be a seller’s market with less than one month’s supply of inventory of existing homes for sale, which has impacted the availability of affordably-priced homes for first-time buyers. In effort to address the housing supply issue, the 2021 Housing Action Plan identifies strategies to enhance the city’s marketing efforts in regard to the HRA loan programs.
Commitment to Community Standards

Ensuring that community standards are met is a critical part of maintaining Woodbury’s high quality of life for its residents and businesses. While managing active code enforcement cases is a critical component of code enforcement, other work priorities include enforcement of the city’s sign ordinance and private swimming pool fencing requirements, new construction escrow administration, and permitting of temporary outdoor events within nonresidential areas.

Code enforcement staff works collaboratively with residents and businesses to achieve compliance and to provide education about why the various rules and standards exist so as to increase understanding of how these standards contribute to the high quality of life in Woodbury. To that end, the city has produced the “Know your Code” video series, which describes the most common code violations and the reasons behind these community standards.

In 2021, due to extenuating circumstances brought on by the pandemic, the approach to code enforcement has required more flexibility and individualized customer service based on property circumstances. While this flexibility often led to delays in compliance, those who were responsible for correcting the code issues were appreciative of the additional time. This flexibility also reduced the number of cases that were sent to court.

As the table above shows, there has been a downward shift in the number of code enforcement cases in the past couple of years. In 2019, the number of code enforcement cases was at its highest level, with just over 900 cases. Approximately 230 of those case were opened due to a pilot program, which looked for similar violations within a certain radius of the initial complaint. There was a significant decrease in cases in 2020, especially in the first half of the year during the early months of the pandemic. In 2021, the number of code enforcement cases more closely resembled the ten-year average of 687 cases per year.
Growth and the Tax Base

Carefully managed and planned growth is a fundamental part of the history and future of Woodbury. From its early days as a city, Woodbury officials anticipated full development of the community and implemented long-term planning strategies that have allowed the city to prudently manage growth over time. The level, type and location of residential and commercial growth that Woodbury is experiencing is consistent with the city’s 2040 Comprehensive Plan.

Residential and commercial growth are interdependent in Woodbury. Residential growth provides both a laborshed for the employers in the city as well as additional clients and patrons. Commercial growth provides residents with a continued vibrant array of consumer choices as well as potential places of employment. This symbiotic relationship between residential and commercial growth also illustrates that Woodbury is a stable and growing community, rather than a contracting one, which has contributed to the city’s ability to achieve and maintain its AAA bond rating since 2009. This independent rating allows the city to issue bonds with the lowest possible interest rate, thereby reducing the impact of long-term debt on the annual tax levy.

Corporate investments like that of Kindeva, Project Belle or the redevelopment activities at I-494 and Valley Creek Road, serve as a proof of concept that growth is seen as a positive factor for the community. Coming out of the pandemic, Woodbury’s strong economic base, both residential and commercial, positioned the city for a faster recovery and for continued investment and reinvestment.

Recent investments in commercial and residential development continue to contribute to the increase in Woodbury’s taxable market value. Woodbury’s commitment to planned and orderly growth has played a significant factor in the steady growth of the city’s tax base. Since 2013, Woodbury’s taxable market value has increased from approximately $6 billion to $11.1 billion. This increase in the tax base helps the city to minimize its reliance on annual tax levy increases. Considering that the full taxable value of a development project isn’t fully realized until a couple years after construction, the full extent of the positive impact of the development from 2020 and 2021 is still forthcoming.

![Annual Taxable Market Value](image)