

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. (For more information about affordable housing policy in the community, please refer to Woodbury’s 2021 Housing Action Plan). This EDSP provides economic development policy guidance to Woodbury City Council as well as the community at large. The EDSP was adopted by the City Council on April 13, 2022. 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 Woodbury Economic Development Authority (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.
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. As the economic development chapter’s guiding principle number 6 (illustrated to the right) notes, housing opportunities are critical to support the laborshed needed for economic development. Policy guidance directly connected to affordable housing may be viewed in the City’s 2021 Housing Action Plan.

ECONOMIC DEVELOPMENT CHAPTER GUIDING PRINCIPLES
1. Optimize development and redevelopment opportunities by ensuring there is an adequate supply of sites and buildings to meet the demand for commercial and industrial development, redevelopment, and reinvestment
2. Retain existing industrial and commercial businesses and assist companies with their expansion needs where appropriate
3. Attract quality businesses to further expand employment opportunities and tax base in the City
4. Increase awareness of Woodbury as a premier destination for businesses
5. Support reinvestment in and redevelopment of properties including the reuse or removal of vacant buildings to spur investment in the community
6. Encourage a variety of housing opportunities to support the workforce needs of existing businesses and attract new industry to the community
7. Identify and prioritize infrastructure improvements to prepare for and accommodate economic growth
8. Utilize a context-sensitive, solutions-based approach to providing infrastructure to meet the needs of current businesses and provide for future growth opportunities
9. Serve as a resource to businesses and commercial property owners on local programs to support energy efficiency, renewable energy, waste reduction and recycling
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 April 13, 2022.

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.

<table>
<thead>
<tr>
<th>Project Information</th>
<th>Project Management Team</th>
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<tbody>
<tr>
<td>Project Name:</td>
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<tr>
<td>Author &amp; Rev. Date:</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

<table>
<thead>
<tr>
<th>KPI</th>
<th>Operational Definition:</th>
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<tbody>
<tr>
<td></td>
<td>Defines the KPI in order to ensure common clarity around what is being counted or measured.</td>
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**Funding & Dependencies**

- Budget Requirements
- Budget Assumptions
- Project Dependencies

**Anticipated Capital:** $ 0
**Anticipated Expense:** $

**Project Planning**

- What functions should be communicated with regularly?
- Who are the team members and where are they from?
- What is the time frame?

<table>
<thead>
<tr>
<th>Team Member &amp; Work Area</th>
<th>Stakeholder Group</th>
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<tr>
<td>(Id-ed by Sponsor &amp; Project Manager)</td>
<td>% of Time</td>
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**Milestones**

- Project Start
- Project Complete

**Planned Date**

**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