

## Stearns County Comprehensive Plan

### Economic Development Plan

#### Appendix 7A: Community Development and Business Park Survey

During the Comprehensive Plan process, two surveys were sent to Stearns County communities to assess economic and community development issues and assets. The first survey focused on community development issues and assets. This survey was sent to every municipality in Stearns County, and County staff followed up with visits or phone calls to ensure that the survey was received. Fifteen communities returned completed surveys.

The second survey focused on those communities with designated business or industrial parks. The County Housing and Redevelopment Authority took the lead in getting the surveys to the appropriate city or economic development staff. Eleven communities received the survey, five communities returned completed surveys.

The results of the Community Development and Business Park surveys are presented below:

#### **Community Development Survey**

The results of the community development survey are presented in two ways:

- 1) A summary of responses for each question on the survey
- 2) A summary of responses by each community

#### **Question 1 – Demographic Trends**

The most common demographic trend reported by communities was an aging population base. Ten out of the 15 completed surveys reported this as a major demographic issue for their city. Six communities reported out-migration of younger population as a demographic issue, and five communities reported an increase in immigrant population (with language barriers or skills needed) as a demographic issue. None of the cities reported an increase in chronic unemployment or poverty as a major demographic change. Eight communities listed two to three demographic issues. Albany, Avon, Kimball, New Munich and St. Anthony reported no major demographic changes.

**Table A.1. Demographic trends reported by communities**

<b>Trend</b>	<b>Communities</b>	<b>Number</b>
Aging population base	Belgrade, Brooten, Cold Spring, Eden Valley, Elrosa, Holdingford, Roscoe, Sartell, Sauk Centre, St. Martin	10
Out-migration of younger population	Belgrade, Brooten, Elrosa, Holdingford, Sauk Centre, St. Martin	6
Increase in chronic unemployment or poverty	none	0
Increase in immigrant population with language barriers or skills needed	Brooten, Cold Spring, Rockville, Sauk Centre, St. Martin	5

**Question 2 – Business Infrastructure and Challenges to Economic Development**

Communities reported three different types of infrastructure improvements that would allow for continued economic growth: (1) information technology; (2) transportation; and (3) other infrastructure needs for future development. Information technology infrastructure improvements needed or planned include wireless internet, cable, and wider cell phone coverage. Needed transportation improvements include road widening, upgrading gravel roads, bypasses, and road reconstruction. Other needed infrastructure improvements include a new water tower, housing expansion, sewer system expansion, and upgrades to existing buildings.

Communities also reported other challenges to economic development. These include competition with other communities, lack of land for expansion, strict DNR regulations, need for industrial park funding, bedroom community status, distance from I-94, the tax rate, and providing a high quality of life for residents. Only three communities reported a lack of space for business growth and expansion – St. Anthony, Avon and Cold Spring.

**Planned/Needed Technological Improvements**

- Wireless internet
- Cell phone
- Cable television

# Stearns County Comprehensive Plan

## Needed Transportation Improvements

- Road reconstruction
- Road widening
- Natural gas
- Upgrade gravel roads
- Bypass

## Challenges to Economic Growth and Development

- Competition with neighboring communities for industry
- New water tower
- Lack of land
- Strict DNR regulations
- St. Cloud
- Lack of housing
- Need industrial park funding
- Inadequate sewer to industrial park
- Bedroom community status
- No access to land around city
- Too far from I-94
- Sewer extension costs make development expensive
- Retail competition with surrounding communities
- Tax rate
- Existing buildings need upgrades
- Providing quality of life for residents

## Is there adequate space for business growth and expansion?

**Yes:** 13

**No:** 3 (St. Anthony, Avon, Cold Spring)

## Economic Development: Appendix 7A

### Question 3 – Business Types and Number Reported

Each community was asked to report all the businesses in their community and the number of people employed through each business. Businesses were then categorized and the number of people working for each business type was quantified. The five most commonly reported types of businesses include manufacturing, service, restaurant, retail, and agriculture. The top five employers included manufacturing, medical (including clinics, hospitals and nursing homes), education, quarries, and service.

<i>Business Type</i>	<i>Number of businesses reported</i>	<i>Number of people employed</i>
Agriculture	10	143
Cabinetry	4	182
Construction	5	209
Earthmoving	1	
Education	8	1004
Food Processing	3	795
Financial	9	238
Freight	3	245
Government	2	66
Lumber supply	6	86
Manufacturing	24	2096
Medical	11	1313
Newspaper	1	15
Quarry	1	885
Restaurant	15	252
Retail	14	671
Service	19	811
Telecommunications	1	12
Technology	2	70
<b>Total</b>	<b>139</b>	<b>9093</b>

# Stearns County Comprehensive Plan

## Question 4 – Housing Strengths and Weaknesses

Each community was asked to report on their strengths and weaknesses in terms of housing. Common strengths included having: space available for new development, high income housing, new housing developments, and growing and diverse housing opportunities. Albany also reported receiving a DEED Housing Community Grant as one of their strengths. Most communities report their weaknesses in terms of types of housing that they lack. Specifically, most responses listed a lack of affordable housing and single and multifamily homes as a weakness. Some communities also reported a need to rehab older homes. The communities were also asked to report populations underserved by their housing market. Populations commonly underserved included seniors, low-income and first-time home buyers and the rental housing market.

### Strengths

- Lots available
- DEED Housing Community Grant
- Growing and diverse
- New housing developments
- Space available for single-family residences
- High income housing

### Weaknesses

- Need for affordable housing
- Need to rehab older homes
- Need for single and multi-family homes

### Underserved Populations

- Seniors
- Low-income and 1st time home buyers
- Rental housing market

**Question 5 – Retail Facilities**

Eight communities report that they do not have adequate basic retail facilities such as grocery stores, medical and social services, or pharmacies.

*The following is a list of facilities that respondents specifically noted as lacking in their community:*

*Grocery:* Avon, Eden Valley, Holdingford, Rockville, Roscoe, St. Martin **(6)**

*Medical:* Kimball, Rockville, Roscoe **(3)**

*Pharmacy:* Avon, Brooten, Eden Valley, Roscoe, Holdingford, Rockville **(6)**

*Social Services:* Albany, Belgrade, Brooten, Rockville, Roscoe **(5)**

These communities reported that their residents shopped in other cities to meet these missing basic retail needs. The respondents listed a variety of communities where residents filled their basic retail needs. Only one community is on both lists.

- St. Cloud
- Willmar
- Paynesville
- Melrose
- Sauk Centre
- Glenwood
- Alexandria
- Waite Park
- Albany
- Annandale
- Litchfield
- Buffalo
- Monticello
- Cold Spring

Discretionary retail is a term for items that are not considered necessities, such as luxury goods and entertainment-related purchases. Twelve communities also reported that they lack discretionary retail services:

Avon, Belgrade, Brooten, Cold Spring, Eden Valley, Elrosa, Holdingford, Kimball, New Munich, Rockville, Roscoe, St. Martin

These communities reported that their residents travel to the following cities for discretionary retail:

St. Cloud, Willmar, Minneapolis, Alexandria, Waite Park, Paynesville, Litchfield, Hutchinson, Sauk Centre, Melrose, Belgrade and Little Falls.

## Stearns County Comprehensive Plan

Eleven communities reported that outsiders travel to their town for specialty retail, restaurants, or recreation (lakes), or other specialty stores or services. These communities include: Albany, Avon, Belgrade, Brooten, Cold Spring, Eden Valley, Elrosa, Holdingford, New Munich, Richmond, and Sauk Centre.

### Summary of Community Responses

#### **Albany**

Albany reports no major demographic changes. Albany has no rail, air service, or major truck routes. In order to support further development, the intersection at Hwy 238 and 1<sup>st</sup> Street needs to be widened. Other challenges to economic growth include competing with other communities for industrial park businesses, building a new water tower and looping the water main system. Of Albany's 11 employers, the largest is the school district. In terms of housing, one of Albany's greatest strengths is the DEED Community Grant Award that they have received. Moreover, Albany has no populations underserved by its housing market. The city needs a social services office, but its basic retail services are satisfactory.

#### **Avon**

Avon has not experienced any recent demographic changes. In terms of transportation access, Avon is conveniently located within the I-94 corridor. However, the city reports that reconstruction of 80% of the area roads is necessary. The major factor inhibiting economic growth in Avon is lack of land for expansion. The city is constricted by a large number of lakes and strict DNR regulations. Nonetheless, two of the city's four businesses are expanding and three new restaurants are opening. Avon reports that it has a growing and diverse housing market, but it needs more senior and affordable housing. The city also needs a grocery store and pharmacy.

#### **Belgrade**

Belgrade has an aging population base. The city's transportation infrastructure includes heavy rail and truck routes. More housing within city limits and an industrial park would encourage economic growth. Also, natural gas access could attract industry. The city lacks sufficient affordable housing and senior housing. Of Belgrade's ten employers, Bayer Built is the largest, employing 245 people. The city lacks social services and discretionary retail services.

#### **Brooten**

Brooten is experiencing a number of demographic changes including an aging population base, an out-migration of younger people, and an increase in its immigrant population with language barriers. The city hopes to improve its technology infrastructure by expanding access to the internet, cable TV, and cell phone reception. Its transportation infrastructure is sufficient, with access to heavy rail,

## Economic Development: Appendix 7A

truck routes and a municipal airport. However, County Roads 18 and 58 need to be repaved and sewer lines need to be improved in order to attract business to the industrial park. Brooten currently has nine employers and an additional four businesses are opening soon. In terms of housing, the city sees a need for rehabilitating some of its older housing stock and providing more affordable, single-family homes. The city lacks a pharmacy, a hardware store, social services and discretionary retail services.

### **Cold Spring**

Cold Spring has an aging population base and is experiencing an influx of immigrants with language barriers. The city has good transportation routes, although rail is slow and underutilized. The city's major economic challenge is competition with neighboring communities. Nonetheless, Cold Spring's economy is expanding rapidly; 30% of the city's commercial square footage was added in the last three years. Home values have also increased recently in Cold Spring, leaving some populations underserved. The city has basic retail services, but would like more commercial diversity and more discretionary retail services.

### **Eden Valley**

Eden Valley is experiencing an aging population base. The city has rail access and two state highways, but MN Hwy 22 needs to be repaved. The community's greatest economic challenge is its bedroom community status. Two new housing developments and rental complexes were recently built. The city lacks a pharmacy and needs a bigger grocery store as well as discretionary retail services.

### **Elrosa**

Elrosa has an aging population base and is experiencing an out-migration of its younger population. The city has heavy truck routes, but lacks space for expansion. Elrosa has basic retail services including a grocery store and gas station, but lacks clothing stores or other discretionary retail services.

### **Holdingsford**

Holdingsford has an aging population base and is experiencing an out-migration of its younger population. The city has heavy truck routes, but County Road 9 needs improvements. The community's greatest economic challenge is its distance from I-94. The areas greatest strengths are the Lake Wobegon Trail and a stainless steel tanker manufacturer. Holdingsford has land annexed and platted for single family houses, but lacks sufficient affordable housing. The city also lacks a pharmacy and a grocery store, but does have restaurants, social services and an assisted living facility.

### **Kimball**

Kimball reported no major demographic changes. The city has rail access and a truck route through town on Hwy 15. Basic retail

## Stearns County Comprehensive Plan

services available in Kimball include a grocery store, a café, a restaurant, gas station, and a car dealership. Residents travel to other towns for additional shopping.

### **New Munich**

New Munich has not experienced any recent demographic changes. New Munich reports that it is a small city that is losing more businesses than it is gaining. Its biggest challenge is expanding its wastewater system. The city has a grocery store, a gas station, a lumber yard, bars and restaurants. For other needs, residents must travel to neighboring towns.

### **Rockville**

Rockville is experiencing immigration of a population with language barriers and skill needs. The city has rail and heavy truck access, but would like to upgrade its rural and gravel roads. The town's greatest economic challenge is the high cost of expanding sewer and water infrastructure. There is a need for affordable single-family and multi-family housing for first time home owners. Rockville lacks basic retail services, but has three restaurants and four bars.

### **Roscoe**

Roscoe has an aging population base. The town has a heavy truck route but no rail access. Roscoe recently completed the installation of a sewer system. There are three bars but no other retail services.

### **Sartell**

Sartell has an aging population base. The city has bus service and dial-a-ride transit service. Two intersections need improvement. Sartell's greatest economic challenge is retail competition with other communities. The city has room for further expansion, and has an orderly annexation agreement with surrounding townships. Sartell has seen strong growth in terms of residential housing and has no populations underserved by its available housing stock. Residents have limited retail options but basic and discretionary retail services are improving.

### **Sauk Centre**

Sauk Centre is experiencing a number of demographic changes including an aging population base, an out-migration of younger people, and an increase in its immigrant population with language barriers. The city has a diverse transportation infrastructure including truck routes, bus, and air. The city's challenges to economic development include its tax rate and the fact that a number of older buildings need to be upgraded. Sauk Centre's status as the Sinclair Lewis "original Main Street" and its metal fabrication industry are the city's two major economic strengths. However, Sauk Centre lacks adequate affordable housing and rental housing. The city has limited, but improving, retail services.

## Economic Development: Appendix 7A

### **St. Anthony**

St. Anthony reports no major demographic changes. Resurfacing the city's streets may enhance the city's economic growth. Residents travel to neighboring cities for their retail needs.

### **St. Martin**

St. Martin is experiencing a number of demographic changes including an aging population base, an out-migration of younger people, and an increase in its immigrant population with language barriers. The city has adequate transportation infrastructure with one major truck route. St. Martin's major challenge is providing a high quality of life to its residents. The city needs and wants to annex land surrounding the town for future expansion. St. Martin has limited retail services.

# Stearns County Comprehensive Plan

## Business Park Survey

The Stearns County Housing and Redevelopment Authority (HRA) distributed surveys to all communities in Stearns County that have business/industrial parks. City staff, or when present, economic development authority staff, filled out the survey. Out of a total of eleven communities, five communities returned the surveys, one of which indicated that the City did not have an industrial or business park, while one community had two business parks. The purpose of the surveys was to gather information about the industrial parks' age, size, space available for expansion, and types of tenants.

The results of the business/industrial park survey are presented in two ways:

- 1) A summary of responses for each question on the survey
- 2) A summary of responses by each industrial/business park

### Summary by Question

#### Age

Of the five communities that responded, the oldest industrial park (Melrose Eighth Avenue West Industrial Park) had opened in 1995 and the newest in 2006 (Albany Business and Industrial Park). The Melrose I-94 Business Park and the Cold Spring Business Park both opened in 2005. The Prairie Industrial Park in Rockville opened in 2002.

**Table A.2. Age of Industrial Parks**

Industrial Park	Year Open
Melrose I-94 Business Park	2005
Melrose Eighth Avenue West	1995
Cold Spring	2005
Albany Business and Industrial Park	2006
Prairie Industrial Park (Rockville)	2002

#### Size

The size of the five business parks ranges from 15.56 acres (Melrose Eighth Avenue West Industrial Park) to 90 acres (Albany Business and Industrial Park). The Cold Spring Business Park is 40.37 acres. The Prairie Industrial Park is 42.42 acres. The Melrose I-94 Business Park is 60.22 acres, but only 40.04 acres are developable. Other communities did not distinguish between developable and non-developable acreage.

**Table A.3. Industrial Park Acreage**

<b>Industrial Park</b>	<b>Total Acres</b>	<b>Acres Sold</b>	<b>Acres Remaining</b>
Melrose I-94 Business Park	60.22, 40.04 developable	12.38; 6.06 developable	47.84; 33.98 developable
Melrose Eighth Avenue West	15.56	15.56	0
Cold Spring	40.37	18.35	21.98
Albany Business and Industrial Park	90	6	84
Prairie Industrial Park	42.42	25.11	17.31

**Space Available**

The Albany Business and Industrial Park has the most acreage available for development (84 acres). The Melrose Eighth Avenue West Industrial Park has sold all available acreage. Table 2 shows the remaining acreage in each parks.

**Tenants**

The number of tenants per park ranges from one (Albany Business and Industrial Park), to five (Melrose Eighth Avenue West Industrial Park and Prairie Industrial Park). The Cold Spring Industrial Park has 3 tenants and the Melrose I-94 Business Park has 2 tenants. Tenant types include construction, manufacturing, transportation/communication/utilities (T/C/U), wholesale/retail trade, business services, and manufacturing/wholesale/retail trade. None of the business parks reported financial/real estate/insurance type tenants.

Most tenants came from expansion of business already in the community. Some also relocated from other communities to the business park. Very few tenants were new enterprises.

# Stearns County Comprehensive Plan

**Table A.4. Industrial Park Tenant Origin**

Industrial Park	Local Expansion	New Firm	Move to Area	Move from where?
Melrose I-94 Business Park	50%	0%	50%	A business with facilities in New Prague and Elrosa combined and relocated to Melrose.
Melrose Eighth Avenue West	80%	20%	0%	N/A
Cold Spring	90%	0%	10%	St. Joseph
Albany Business and Industrial Park	100%	0%	0%	N/A
Prairie Industrial Park	40%	20%	40%	Cold Spring and Royalton

## Competition

Communities reported certain qualities that make some business parks more competitive than other. These qualities include competitive land prices, proximity to St. Cloud and Alexandria, and proximity to major traffic routes. The Prairie Industrial Park respondent also commented that private industrial parks find competing with city-owned parks to be a significant challenge.

## Individual Park Summaries

### Melrose

Melrose has two industrial parks, the I-94 Industrial Park and the Eighth Avenue West Industrial Park.

The **Eighth Avenue West Park** was founded in 1995 and is 15.56 acres in size. It was city owned but all the lots have been sold. There are five tenants – two in construction, one in manufacturing, and two in wholesale/retail/manufacturing. Of the tenants, four were located in Melrose previously and expanded when they moved into the park, while one is a new firm.

The **I-94 Industrial Park** was founded in 2005. It is a city owned park, and has 40.4 developable acres, of which 33.98 are still available. There are two tenants – one in T/C/U and one in the wholesale/retail trade. One tenant was local to the area and one tenant relocated its facilities in New Prague and Elrosa to the park. Industrial parks in Freeport, Sauk Centre and Albany compete with the I-94 park for business.

### **Cold Spring**

The **Cold Spring Industrial Park** was founded in 2005 and is 40.37 acres in size, although only 21.98 acres are still available. The park currently has three tenants. The survey indicates that 95% of the park's acreage is dedicated to manufacturing, while 5% is devoted to business services. Of these tenants, the majority are reported to be local to the Cold Spring area, while one has relocated to Cold Spring from St. Joseph. There are no competing industrial parks in Cold Spring.

### **Albany**

The **Albany Business and Industrial Park** was founded in 2006 and is 90 acres in size. As of this survey, 6 acres had been sold to one tenant, a local firm that expanded into the industrial park. The survey respondent did not specify the type of business the tenant is involved in.

### **Rockville**

The **Prairie Industrial Park** was founded in 2002 and is privately owned. Of its original 42.42 acres, 17.31 acres remain available. The park has 5 tenants, one of which is involved in manufacturing, one is a T/C/U firm, and the remainder are wholesale/retail trade firms. Of the five tenants, two are local, expanding firms, two relocated to the area, and one is a new firm. The Prairie Industrial Park competes with parks in St. Cloud, St. Joseph and Cold Spring for business.