

PROCEEDINGS OF THE ST. CLOUD ECONOMIC DEVELOPMENT AUTHORITY BOARD

A special meeting of the St. Cloud Economic Development Authority Board was held on January 14, 2013, at 11:30 a.m. in City Hall Conference Room 1. Members present were Euerle, Gruenes, Lawson, Libert, and Siyad. Lenzmeier was absent. Staff present were Cathy Mehelich, Tammy Campion and Matt Glaesman.

Authorize EDA budgeted funds for contract with The Lakota Group for a city branding project: Tammy Campion, Senior Planner, reminded members that on January 2, 2013, the EDA considered authorizing EDA budgeted funds for a contract with The Lakota Group for professional services associated with placemaking and city branding. A revised contract was received and will replace the contract attached to the meeting packet. There will be a separate contract for branding, but the community engagement between placemaking and branding will serve as one. The EDA tabled further action until the January 14 special meeting.

Euerle asked the reason for separating the contracts. Campion stated the contracts were separated for logistical reasons as they are two separate projects. Euerle stated he believed the EDA was asked to contribute because there was a piece that was already planned to be completed. The task was simply an addendum to the contract already in place and not a separate EDA project. Campion stated it was suggested to separate the contracts because there was confusion whether the EDA was involved in the placemaking portion. Euerle asked if it would make sense for the contract to be signed by the City with the EDA contributing to the cost.

Matt Glaesman, Community Development Director, stated that another challenging part of a singular contract is the fact that there are a number of organizations that are already contributing to the placemaking project. The placemaking concept came from the Community Priorities as a physical connection between the river, downtown and Lake George. It is important to show respect for the organizations that have already committed funds to the placemaking project. For the placemaking

portion, there will be meetings held around the area, such as Sartell and Sauk Rapids, to have a discussion about what the regional identity is. There is potential for each individual city to hire The Lakota Group to advance the general theme into brands for each city. Euerle clarified that only the EDA will contribute to the branding project even though other city departments and organizations will utilize the brand. Lawson asked how other units in the City of St. Cloud will be required to use this branding. Mehelich stated any representation of the City of St. Cloud as an organization would be asked by the Mayor to follow the brand identity. Lawson clarified that Glaesman is the point-person for the placemaking project. She asked if Glaesman would serve on behalf of the EDA for the branding project. Glaesman stated that, at the staff level, it is a team approach. As the project gets into the details, there will be unique meetings of the separate entities. Mehelich added that Economic Development will be the lead staff on the branding project but will work closely with the other departments. Lawson asked what the deliverables of the project will be. Mehelich stated the deliverables include development of a brand message and brandmark. The \$20,000 figure does not include the guidelines for logos, such as font and color, or the implementation plan. Brand guidelines and final presentation will be added to the project for an additional \$10,000. She stated, in her experience, it is very important to have guidelines for consistency in its use in a large organization.

Gruenes asked where the River's Edge Convention Center fits in with the branding piece. Mehelich stated that a copy of all branding materials used by the City, including the River's Edge Convention Center has been provided to Lakota for review and the goal would be to create a brand that is complementary to recent brand efforts. Gruenes clarified that the cost of the total scope of projects is a minimum of \$60,000, of which \$50,000 of non-EDA funds are dedicated to placemaking. A contribution of \$20,000 from the EDA is for the branding project and will brand for the City and its departments. He asked how much time the EDA will work on this project, and if the EDA will have the authority to manage the branding in departments. He suggested the project may be more effective as a directive from the City Administrator's Office or the Mayor's Office. Glaesman stated he would hope the decision, whichever body makes it, is informed by a process of community input. There are formal

steps that will be taken by other authorities, and there will be discussions on the authority of departments. Lawson commented that the concern is of the organizational structure and the EDA's ability to manage it. She asked how the branding is mandated throughout the City. Glaesman stated it is the decision of the Mayor. Lawson asked if the EDA will recommend to City Council to approve the branding and centrally adopt it. Libert commented that discussions of branding and a City logo were taking place before the EDA was in existence and he believes the Council will be on board. Gruenes stated he does not have an issue with the idea of City branding or with the EDA contributing, but he is concerned with the structure and crossing with the placemaking project. He suggested having one central point to manage the two contracts so there are not any misunderstandings down the road. Glaesman stated he is not concerned with two contracts. Lawson commented that there will be overlap in the activities because The Lakota Group will be collecting information for both contracts at the same time. Gruenes stated there would be two different leaders. Mehelich stated the projects have two different purposes, and the community engagement is what binds the projects together. After the community engagement, the separate but complementary placemaking and branding recommendations are formed. From a governance standpoint, most everyone at the Leadership Team meetings agrees that the brand is outdated. They will also be involved in the engagement process with an internal committee of representatives from different departments.

Euerle commented that the brand is a city-wide item and should be a City project that the EDA contributes to rather than an EDA project that everyone else uses. Mehelich stated it is typical in communities that a branding project is initiated by the EDA for its community marketing goals. The EDA was going to do a branding project either way; the process in why The Lakota Group was selected was with the placemaking portion. Lawson commented that some non-Economic Development departments may ask why the EDA is taking over the brand of the City. However, the Economic Development programs are not the only important factors in deciding to locate or expand in St. Cloud; therefore it makes sense to have the EDA take the lead on creating a brand position and identity for the City as long as there is a good community engagement process. Libert stated this

process would not be this far along without the support of the Mayor and Administration. Gruenes stated that legally the EDA is a separate entity from the City, and the EDA needs to protect that authority to do things within the realm of what is dictated by statute. He commented he is still concerned with having separate owners for the two projects. Glaesman stated good communication is important in-house and community wide. Although the legal authority of entities exists, it is all a part of the City.

Euerle asked what will take place after the study is complete and how local groups will have a chance to participate. Mehelich stated that The Lakota Group will give the City brand guidelines and an implementation plan, which will then be transformed into print production materials. The local firms will be called upon with the actual collateral materials such as signage, print, graphics, etc. Euerle stated that the EDA is in place to focus on business retention, and he wants to make sure local businesses have the opportunity to fulfill what they are capable of fulfilling. Mehelich pointed out a section of the project scope for brand application and stated the marketing tools listed will be implemented by local businesses.

Gruenes stated he was concerned with the funding of implementation and asked who will be providing those funds. Mehelich stated the implementation plan will help the most effective and efficient approach given the limited resources. There will be an initial cost consumed and will be a part of annual marketing budgets thereafter. Lawson suggested having a segment of the implementation plan include an estimate of the cost for changeover. It would also be beneficial to alert departments to place orders incrementally so the transition can begin before the branding is completed. She also suggested the implementation plan have ideas for additional marketing to help reinforce the new brand identity.

Mehelich stated the recommendation is to approve the \$30,000 request. Gruenes made a motion to contribute to implementation of the branding portion with The Lakota Group and the Community Development Director delegate the division of duties to the Economic Development department. The motion was seconded by Libert. Euerle clarified that this project satisfies the EDA's

objective for branding. Mehelich stated this project does not get a marketing strategy specific to Economic Development. The brand and message is shared among the City organization and does not tell the EDA where and how to market for its specific purposes or audiences. Gruenes called for a vote and the motion carried unanimously.

Resolution Recommending to the City Council to Approve an Application to the MN Investment Fund and JOBZ Benefits for a Proposed Project by Geringhoff Manufacturing LLC and Related Companies: Cathy Mehelich, Economic Development Director, explained the financing assistance package offered to Geringhoff, including a \$500,000 MN Investment Fund forgivable loan from the MN Department of Employment & Economic Development (DEED) and JOBZ Benefits. Applications are required from the City on behalf of the project in order for DEED to approve the funding. The estimated JOBZ combined local property tax exemption over the three year period totals \$198,000. The former Donlin property has been in JOBZ status and tax exempt since the initial building was constructed and occupied in 2005.

Libert made a motion to adopt the resolution recommending to the City Council to approve an application to the MN Investment Fund and JOBZ Benefits for a proposed project by Geringhoff Manufacturing LLC and related companies. The motion was seconded by Euerle and carried unanimously.

Adjournment: There being no further business, the meeting was adjourned at 12:24 p.m.

Ashley Skaggs, EDA Secretary