

1. Agenda Document

Documents:

- 0. 2-11-26 EDA WORKSHOP AGENDA.PDF
- 3. INDUSTRIAL DEVELOPMENT IN OCBP.PDF
- 4. 7TH ST WEST AND CEDAR FAIR DVPT INQUIRIES DISCUSSION.PDF

**AGENDA**  
**WORKSHOP - ECONOMIC DEVELOPMENT AUTHORITY (EDA)**  
**Wednesday, February 11, 2026 – 4:45 p.m.**  
**Academy Room, Monticello Community Center**

Commissioners: President Steve Johnson, Vice President Jon Morphew, Treasurer Hali Sittig, Rick Barger, Clinton Berglof, Councilmember Tracy Hinz, Mayor Lloyd Hilgart

Staff: Executive Director Jim Thares, Angela Schumann, Tyler Bevier

1. Call to order
2. Roll Call
3. Industrial Development in Otter Creek Business Park (OCBP)
4. 7<sup>th</sup> Street West and Cedar Fair Development Inquiries Discussion
5. Adjournment

**3. Consideration of Otter Creek Business Park (OCBP) Industrial Development Updates**

<b>Prepared by:</b> Economic Development Manager	<b>Meeting Date:</b> 02/11/26	<input checked="" type="checkbox"/> <b>Regular Agenda Item</b> <input type="checkbox"/> <b>Consent Agenda Item</b>
<b>Reviewed by:</b> Development Services Administrative Assistant	<b>Approved by:</b> Economic Development Manager	

**ACTION REQUESTED**

No Motion; information and direction only.

**REFERENCE AND BACKGROUND**

Staff would like to engage the EDA in a discussion on potential development proposals in Otter Creek Business Park (OCBP) with a goal of building awareness, seeking feedback and/or guidance on proposals and the available parcels and potential next steps related to these proposals. As you will recall from the January 14, 2026 Workshop meeting, Peter Stalland, a Twin Cities developer and former manufacturing firm owner, is interested in obtaining an option on a parcel in OCBP to allow him to approach the Twin Cities brokerage community with the hopes of attracting a manufacturing firm into a new 70,000 sq. ft. building, through a lease with a potential future purchase option. The EDA consensus was to move forward with next steps which will involve a staff scheduling a future closed meeting to discuss Option pricing, terms, and length of term related to Mr. Stalland's proposal. Staff feel the concept idea has merit despite no identified building occupant-tenant as of this date. Staff feel this idea is a possible path toward getting an additional industrial building developed in OCBP, though there are no guarantees that it will occur. There are also several other potential proposals that may come forward for sites in OCBP based on recent meetings with developers-firms. There are approximately 52.50 acres remaining in OCBP in several platted parcels and Outlots. So, it will be prudent to be careful in the use of the industrial sites and ensure they are appropriately matched with the potential proposals. They are listed below:

1. Proj Firefly = 25,000-30,000 Ind-Wareh development – 15-to-20-acres - 25 to 45 jobs
2. Project Pezzo = 30,000-45,000 Ind Prod-Mfg Bldg – 4 to 5.25 acres – 20 to 35 jobs
3. Proj RBD = 20,000-30,000 sq. ft. Ind-Prod-Mfg Bldg – 2.25 to 3.10 acres – 15 to 20 jobs
4. Proj SP-60-80 = 60,000-65,000 sq. ft. Wareh-Proc Bldg – 6.35 to 7.0 acres – 70 to 85 jobs
5. Project EMMA-2-40-7 – 40,000-50,000 sq. ft. Wareh-Assem Bldg – 4.85 to 5.10 acres – 7 jobs

6. Project PSLW-70-50 – 70,000 sq. ft. Mfg-Prod Bldg. – 6.15 to 6.75 acres – 50 jobs

An illustration of OCBP is attached to this report with some of the potential proposals identified as well. It is included as Exhibit A.

- I. **Budget Impact:** The budget impact is very minimal at this time. Staff time consists of activities involving early concept discussions and EDA report preparation.
- II. **Staff Workload Impact:** The staff involved in this effort include the Community Development Director, Community and Economic Development Coordinator, and Economic Development Manager. Those tasks include discussions with the various developers-firms and review of OCBP sites for potential involvement in the proposed development concept.
- III. **Comprehensive Plan Impact: The Comprehensive Plan:** The Monticello 2040 + Comprehensive Plan includes economic development goals of expanding the tax base and business recruitment and retention. Both of those goals are potential outcomes of the concept industrial development proposal.

**STAFF RECOMMENDATION**

No recommendation is offered; this is a workshop discussion with the goal of seeking feedback from the EDA about the best use of the various OCBP sites related to the concept development proposals identified in this report.




**SUPPORTING DATA**

- A. OCBP Illustration with potential proposals identified

# Otter Creek Business Park Updates



<b>A1- A3</b>	<p><i>Project :</i></p> <p><i>Building Size:</i></p> <p><i>Notes: Outdoor storage</i></p>
<b>B1- B2</b>	<p><b>Project : RBD</b></p> <p><b>Building Size: 20,000 Sq. Foot Building</b></p>
<b>C</b>	<p><i>Project :</i></p> <p><i>Building Size:</i></p> <p><i>Notes:</i></p>
<b>D</b>	<p><i>Project :</i></p> <p><b>Building Size: 65,000 Sq. Foot Building</b></p> <p><i>Notes:</i></p>
<b>E</b>	<p><i>Project :</i></p> <p><i>Building Size:</i></p> <p><i>Notes:</i></p>
<b>F</b>	<p><i>Project :</i></p> <p><i>Building Size:</i></p> <p><i>Notes:</i></p>

-  New stormwater ponds and updated wetland delineation required
-  New roadway extension to serve lots A1-A3 and B1 & B2
-  Potential lot split, for illustrative purposes only

**4. Consideration of Discussion of Development Inquiries – 7<sup>th</sup> Street West Parcel and Cedar Fair Parcel**

<b>Prepared by:</b> Economic Development Manager	<b>Meeting Date:</b> 02/11/26	<input checked="" type="checkbox"/> <b>Regular Agenda Item</b>  <input type="checkbox"/> <b>Consent Agenda Item</b>
<b>Reviewed by:</b> Development Services Administrative Assistant	<b>Approved by:</b> Economic Development Manager	

**ACTION REQUESTED**

No Motion; information and direction only.

**REFERENCE AND BACKGROUND**

Staff would like to engage the EDA in a discussion on recent development inquiries for two EDA owned sites, the 14.16-acre 7<sup>th</sup> Street West parcel and the 1.37-acre Cedar Fair parcel along Broadway East in the core downtown area. Staff have informed the inquiring parties that the EDA will discuss these potential developments-uses at these sites in this workshop and follow up as appropriate after the meeting. The inquirer for the 7<sup>th</sup> Street West parcel asked about a potential auto-body repair facility being located on this property. The inquiry for the Cedar Fair parcel asked about potential interest in affordable housing multi-family development at this site.

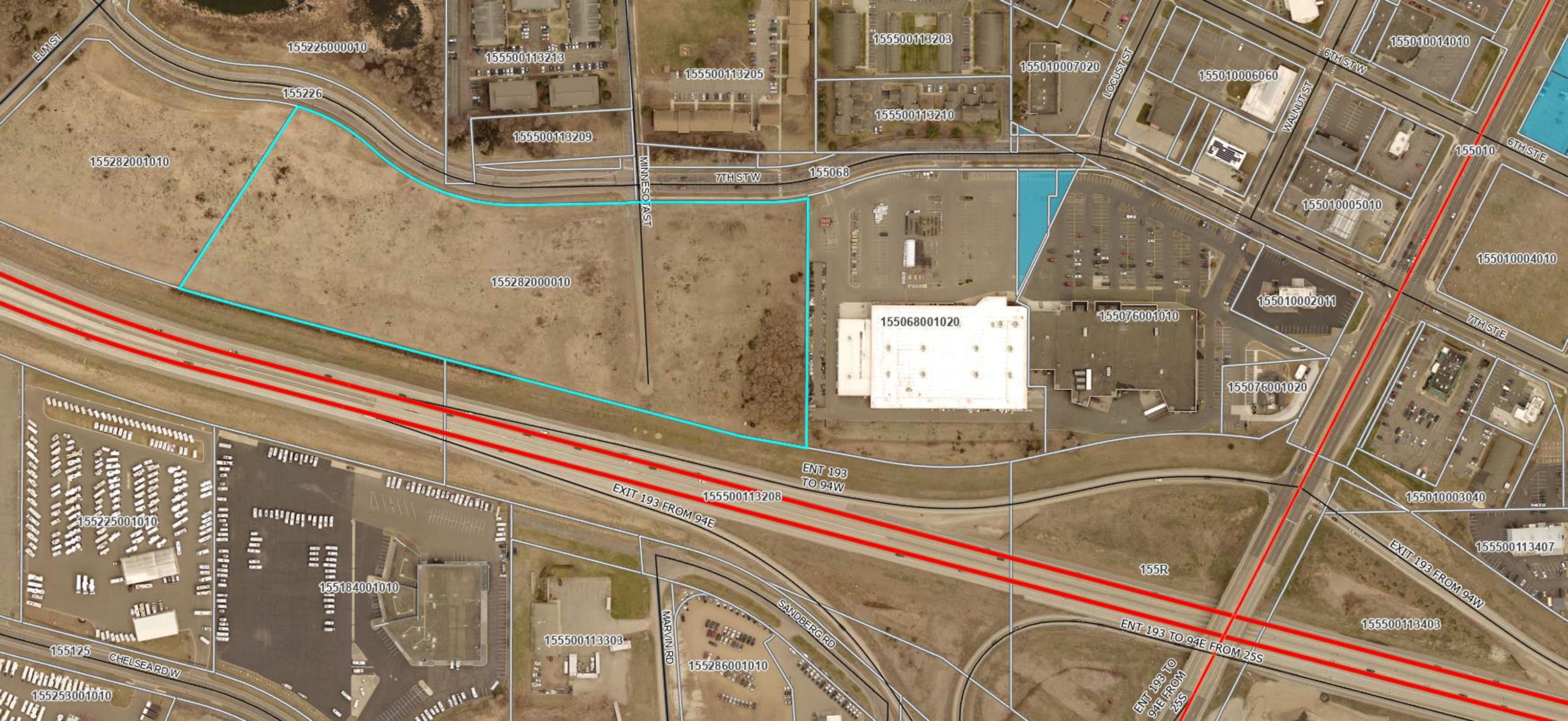
- I. **Budget Impact:** The budget impact is very minimal currently. Staff time consists of activities involving EDA report preparation.
- II. **Staff Workload Impact:** The staff involved in this effort include the Community Development Director, Community and Economic Development Coordinator, and Economic Development Manager. Those tasks include discussions with the various developers-firms and review of the sites.
- III. **Comprehensive Plan Impact: The Comprehensive Plan:** The Monticello 2040 + Comprehensive Plan includes economic development goals of expanding the tax base and business recruitment and retention.

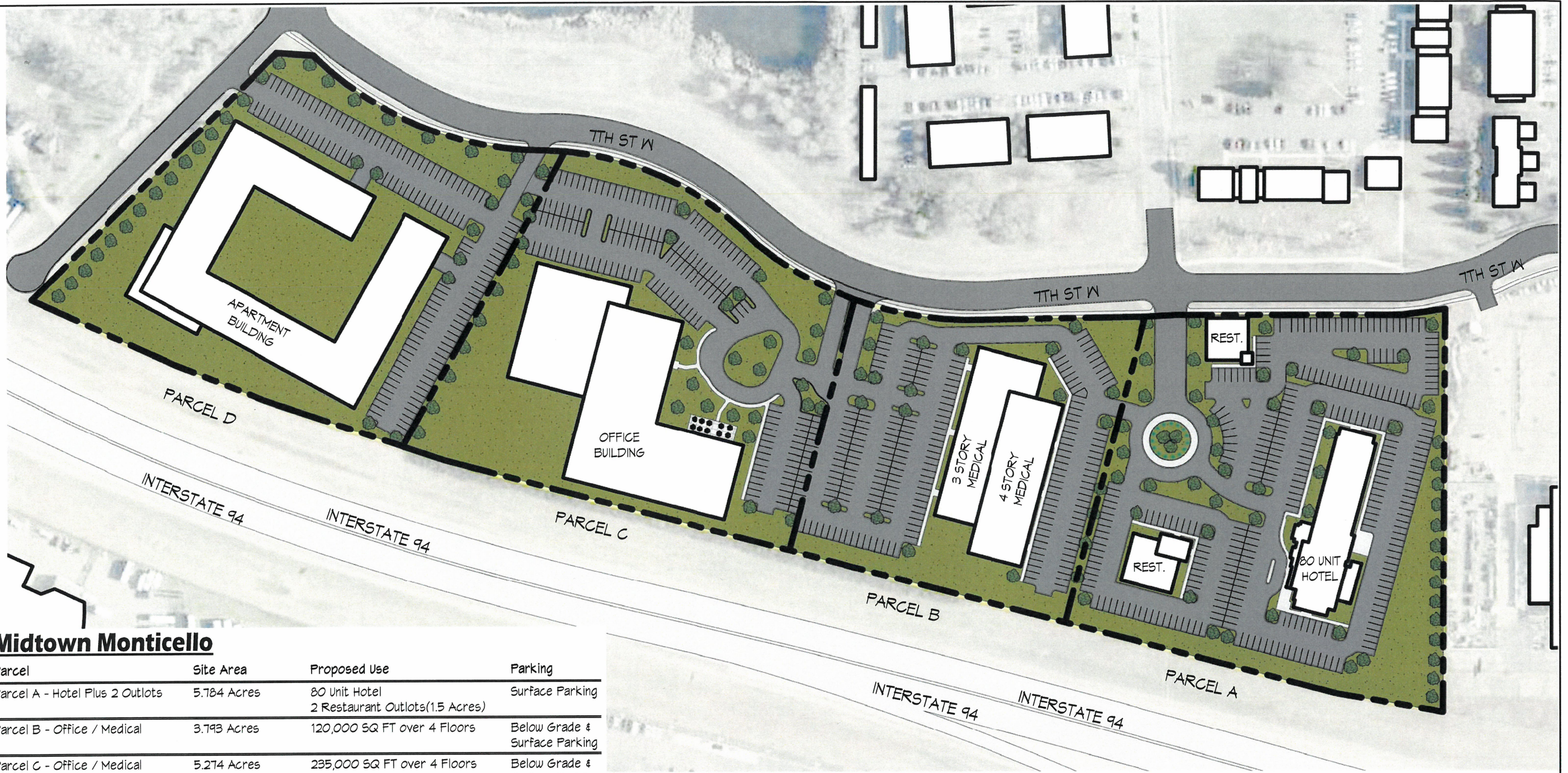
**STAFF RECOMMENDATION**

No recommendation is offered; this is a workshop discussion with the goal of seeking feedback and/or reaffirming the EDA’s preferred use of the parcels related to the recent inquiries of potential development at the two noted EDA owned sites.

**SUPPORTING DATA**

- A. Aerial Photo – 7<sup>th</sup> Street West Parcel
- B. Mixed Use Development Concept Development -7<sup>th</sup> Street West Parcel
- C. Aerial Photo – Cedar Fair Parcel
- D. EDA Land-Properties Discussion Notes-Summary – May 2025 Workshop Mtg.





**Midtown Monticello**

Parcel	Site Area	Proposed Use	Parking
Parcel A - Hotel Plus 2 Outlots	5.784 Acres	80 Unit Hotel 2 Restaurant Outlots(1.5 Acres)	Surface Parking
Parcel B - Office / Medical	3.793 Acres	120,000 SQ FT over 4 Floors	Below Grade & Surface Parking
Parcel C - Office / Medical	5.274 Acres	235,000 SQ FT over 4 Floors	Below Grade & Surface Parking
Parcel D - Upscale Apartments	5.331 Acres	275 Units With Clubhouse	Below Grade & Surface Parking

# Midtown Monticello Proposed Development

206 CHELSEA RD.  
MONTICELLO, MN 55362  
(763)314-0222 FAX:(763)314-0354

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155040001021

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155010067010

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155010069080

155010069020

155010068041

155010034040

75

RIVER STE

RIVER STE

CEDAR ST

PALM ST

PALM ST

NEW ST

3RD ST W

3RD STE

# EDA-HELD PROPERTY WORKSHOP | NOVEMBER 8, 2023

## SUMMARY

### PROGRESS REPORT: May, 2025

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#### 1. RIVER STREET

- a. **2040 Economic Development Goals:** Depending on the use of the property both Downtown Vitality, Life-cycle Housing
- b. **Priority:** LOW (5-10 years)
- c. **Notes/Discussion:**
  - Hold for possible integration with a larger redevelopment project in the area, including townhomes similar to those to the north.
  - Proximity to the river is an advantage for higher amenity housing, less likely for affordable housing.
  - Location makes it ideal to support/work outward from downtown activities.
  - Located in Mississippi Wild Scenic and Recreational River District, which limits impervious and height, some uses.
- d. **Next Steps:**
  - Continue to illustrate on available property maps.
  - Monitor acquisition opportunity and private development interest.
- e. **Marketing/Development Strategies:**
  - Continue to illustrate on available property maps.

**PROGRESS TO-DATE: Evaluation for possible addition of diagonal public parking along River Street at direction of City Council. May require discussion with the EDA on additional easement/ROW.**

**Listed on Publicly Owned Properties for Sale - Downtown map. No inquiries to-date.**

#### 2. 349 WEST BROADWAY (FORMER FRED'S AUTO)

- a. **2040 Economic Development Goals:** Downtown Vitality, Redevelopment & reinvestment, Opportunity Area
- b. **Priority:** LOW (5-10 years)
- c. **Notes/Discussion:**
  - Hold for potential combination with redevelopment/revitalization of adjacent former post office site.
  - EDA would consider additional land acquisition in the area depending on timing and price.
  - Would consider re-use of existing site depending on the use and surrounding revitalization opportunity.
- d. **Next Steps:**
  - Monitor acquisition opportunity and private development interest.

- Concept development rendering; clearly depicting private properties (discussion with adjacent property owner).
- EDA should define desired users, if any. (Refer to zoning ordinance.)
- e. **Marketing/Development Strategies:**
  - Continue to illustrate on available property maps.

**PROGRESS TO-DATE: Current lease with MontiArts valid until August 31, 2025**

**Listed on Publicly Owned Properties for Sale - Downtown map. No inquires to-date.**

### **3. BLOCK 36**

- a. **2040 Economic Development Goals:** Downtown Vitality, Promotion & Partnerships
- b. **Priority:** LOW (5-10 YEARS+)
- c. **Notes/Discussion:**
  - Utilize as a connection between existing parking and Broadway – small improvements on the parcel with that function as the focus.
  - Involve PARC in concept development.
- d. **Next Steps:**
  - Discuss priority for parklet improvements as part of current PAR Master Planning for specific concepts and initiatives.
  - Staff to research and advise EDA on funding opportunities and restrictions for improvements to/on property.
  - Budget for improvements in EDA CIP request.
- e. **Marketing/Development Strategies:**
  - Continue to illustrate on available property maps.

**PROGRESS TO-DATE: No change. EDA continues to pay CAM for parking lot maintenance.**

**Listed on Publicly Owned Properties for Sale - Downtown map. No inquiries to-date.**

### **4. CEDAR STREET SITE**

- a. **2040 Economic Development Goals:** Downtown Vitality, Life-Cycle Housing, Redevelopment & Reinvestment
- b. **Priority:** HIGH (1-3 YEARS)
- c. **Notes/Discussion:**
  - Ideal use is two-story “brownstone” townhomes, fronting Broadway, deck over rear-load garages.
  - Market rate housing with affordable component preferred.
  - Continue to look for opportunities to manage traffic and safe access across both Hwy. 25 and CR75; look at alternative traffic control at River and Cedar.
  - More environmental review needed; review DEED, MPCA or other state assistance.
  - No additional acquisition is likely needed for successful development.

- Zoning currently allows townhouses and multi-family units of 4-12 units by CUP in this sub-district of the CCD.
- d. **Next Steps:**
- Obtain quote for additional environmental work, complete work.
  - Determine priority and eligibility for remediation grants.
  - Contract for debris and fence removal; understand snow storage.
  - Discuss desired housing program/projects at Housing Workshop in 2024.
- e. **Marketing/Development Strategies:**
- Continue to illustrate on available property maps.
  - Design, construct and place “for sale” sign.
  - Develop a concept rendering of intended product and other development parameters.
  - Develop a list of possible developers and/or contractors.
  - Prepare RFP.

**PROGRESS TO-DATE: Economic Development Manager continues to actively market the site. New marketing material prepared and used to respond to inquiries. Information provided to Streetfront as a potential developer following**

**Listed on Publicly Owned Properties for Sale - Downtown map. Recent discussion with multi-family housing developer occurred in early March 2025. Previous discussion with a developer was with Main Street Development following the Block 34 RFP submittal interviews.**

## **5. BLOCK 34**

- a. **2040 Economic Development Goals:** Downtown Vitality, Redevelopment & Reinvestment, Business Expansion & Retention
- b. **Priority:** HIGH (1-3 YEARS)
- c. **Notes/Discussion:**
- Quarter to half block redevelopment is an option.
  - Evaluate opportunity to relocate one or both municipal wells, including cost and timeframe.
  - Two-story development design preferred (not 4+ stories).
  - Professional office uses preferred, residential not preferred.
  - Additional acquisition is an opportunity on the block.
  - Parking for existing multi-family will need to be a consideration with redevelopment.
  - Develop the perimeter, leaving the center for parking (and wells if not relocated); small structured parking something to look at in terms of design and cost.
  - More environmental work is likely needed
- d. **Next Steps:**
- Continue to illustrate on available property maps.

- Obtain quote for remaining TIF qualification and environmental work, complete.
  - Determine priority and eligibility for remediation grants.
  - Workshop with City on intended uses, parking and wells.
  - Consider amendment to the Downtown Small Area Plan for intended uses.
  - Zoning allows a mix of commercial and residential uses; block is split between Pine Street and Walnut & Cedar sub-districts.
  - Continue to monitor acquisition opportunity.
- e. **Marketing/Development Strategies:**
- Develop a concept rendering of intended product, site plan incorporating wells and development parameters.

**PROGRESS TO-DATE: Active redevelopment efforts in progress. EDA completed a Request for Proposal process in X. Various environmental and TIF studies complete. Pending preliminary development agreement.**

#### **6. 4<sup>TH</sup> & PALM**

- a. **2040 Economic Development Goals:** Life-Cycle Housing, Tax Base Expansion
- b. **Priority:** MEDIUM (5 YEARS)
- c. **Notes/Discussion:**
- Medium density housing preferred (not apartments).
  - Senior living opportunity.
  - Market rate with affordable housing component preferred.
  - Evaluate well relocation to this site and any development footprint impact.
  - Potential to utilize Palm Street ROW for access.
  - Owner-occupied preferred.
- d. **Next Steps:**
- Work with Engineering/Public Works to understand well relocation.
  - Discuss desired housing program/projects at Housing Workshop in 2024.
- e. **Marketing/Development Strategies:**
- Continue to illustrate on available property maps.

**PROGRESS TO-DATE: Under consideration as possible Block 34 well relocation site. If feasible, EDA and Council to negotiate acquisition/easements and timing of relocation.**

**Listed on Publicly Owned Properties for Sale - Downtown map. No recent inquiries. Several inquiries in 2022 and early 2023.**

#### **7. 7<sup>TH</sup> STREET EAST (FORMER RIVERWOOD BANK PROPERTY)**

- a. **2040 Economic Development Goals:** Tax Base Expansion, Workforce Development, Business Retention & Expansion
- b. **Priority:** HIGH (1-3 YEARS)
- c. **Notes/Discussion:**
- Commercial uses preferred, light industrial or campus opportunity.

- Develop to take advantage of I-94 visibility.
  - Be mindful about competing with private property owners; focus on diversification of business types.
  - No outdoor sales and display uses.
- d. **Next Steps:**
- Consider re-guiding and rezoning property following acquisition.
  - Defer 7<sup>th</sup> Street assessments to development.
- e. **Marketing/Development Strategies:**
- Continue to illustrate on available property maps.
  - Consider developing a concept rendering of intended products and uses.
  - Install a for sale/development sign.

**PROGRESS TO-DATE: Subject of upcoming closed meeting on 5/14/25 for potential next steps.**

**Listed on Available Commercial Inventory map.**

## **8. OTTER CREEK**

- a. **2040 Economic Development Goals:** Business Expansion & Retention, Workforce Development
- b. **Priority:** MEDIUM (3-5 YEARS)
- c. **Notes/Discussion:**
- No additional expansion of park needed at this time given the existing supply; work to develop private industrial properties in the community.
- d. **Next Steps:**
- Complete shovel-ready certification. Site visit is next task (likely spring 2024).
- e. **Marketing/Development Strategies:**
- Implement Integrated Marketing & Communications Plan; prioritize actions from plan.
  - Review site selection marketing opportunities.
  - Partner with Xcel's site selection team to further marketing.

**PROGRESS TO-DATE: Economic Development Manager continues to actively market the site. New marketing material prepared and used to respond to inquiries. Two active inquiries for potential development or expansion are in process.**

**Listed on Available Industrial Inventory map.**