

**ECONOMIC DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA**

Monday, November 18, 2024  
12:00 AM

Page

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. APPROVE AGENDA

5. CITIZEN COMMENTS

6. CONSENT AGENDA

6.1. Monthly Financial Report

3 - 4

Accept the monthly Financial Report for November 2024.

[Agenda Item: Monthly Financial Report - Pdf](#)

7. PUBLIC HEARINGS

8. DISCUSSION ITEMS

8.1. Final EDA Levy - FY 2025

5 - 7

Adopt Resolution 2024-03 Approving Final 2025 Economic Development Authority Levy Request.

[Agenda Item: Final EDA Levy - FY 2025 - Pdf](#)

8.2. Approve Agreement and Funding for Grocery Market Study by ROIC Analytics, LLC

8 - 30

Approve Executive Director Kuennen execute the agreement with ROIC Analytics. This allows city staff to work with ROIC to complete a grocery market study as described in the "Statement of Work" and authorizes up to \$10,000 in cost and expenses from the FY2025 EDA budget.

[Agenda Item: Approve Agreement and Funding for Grocery Market](#)

9. DIRECTOR'S REPORT

9.1. Director's Report

31 - 34

No action requested. This item is informational and is provided to communicate how the EDA time and money resources are allocated, and to track and measure the impact of initiatives.

[11-2024 meeting](#)

10. ADJOURN

## ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

**To:** Economic Development Authority  
**From:** Deanna Kuennen, Community & Economic Development Director  
**Department:** EDA  
**Subject:** Monthly Financial Report  
**Meeting:** Economic Development Authority - Nov 18 2024

### INTRODUCTION:

Attached is a monthly Financial Report for November 2024.

### DISCUSSION:

Attached is the monthly Financial Report for November 2024, including a summary of the year-to-date expenditures. The expenditures are consistent with the approved EDA work plan and 2024 budget.

Items to note: The 2024 budget included \$51,000 of "remaining proposed revenue" that was unprogrammed and was intended to be used for items such as "site readiness, implementation of the community vision, etc." Of these funds:

- \$39,9000 has been designated to fund the Alternative Urban Areawide Review (EDA Resolution 2024-01)

The remaining available funds for 2024 total \$82,000 - with the majority of these dollars (\$50,000) originally earmarked for new program development. The micro grant program was not re-authorized in 2024 due to lack of interest. A replacement program is in the development stage with the goal to propose the program next month.

### ACTION REQUESTED:

Accept the monthly Financial Report for November 2024.

### ATTACHMENTS:

[11YTD Budget Report for EDA](#)

NOV EDA MEETING - Budget - YTD					ADJUSTED BUDGET (per Finance)	REMAINING FUNDS	SUMMARY OF EXPENDITURES & COMMENTS
Business Unit	Object Account	Account Description	YTD SPENT	APPROVED 2024 BUDGET			
<b>REVENUE</b>							
2000 - HRA/ECONOMIC DEVELOP	3510	12/31/2023 FUND BALANCE	-274,949.46				
2000 - HRA/ECONOMIC DEVELOPMENT		EDA Levy		-150,000.00			
2000 - HRA/ECONOMIC DEVELOP	4955	INTEREST ON INVESTMENTS		-1,000.00			
2000 - HRA/ECONOMIC DEVELOP	5205	OPERATING TRANSFERS		-50,000.00			
<b>EXPENSES</b>							
2000 - HRA/ECONOMIC DEVELOP	6280	BOOKS & SUBSCRIPTIONS	0.00	150.00	150.00	150.00	
2000 - HRA/ECONOMIC DEVELOP	6401	PROFESSIONAL SERVICES	43,500.00	5,000.00	42,500.00	-1,000.00	My Town (\$25,000), SLP (\$12,500) **ORIGINALLY INCLUDED IN OTHER CATEGORY - plus \$6000 for Structural Analysis
2000 - HRA/ECONOMIC DEVELOP	6403	LEGAL	1,156.50	3,000.00	3,000.00	1,843.50	
2000 - HRA/ECONOMIC DEVELOP	6426	INSURANCE	313.90	600.00	600.00	286.10	
2000 - HRA/ECONOMIC DEVELOP	6445	POSTAGE/SHIPPING FEES	37.66	1,000.00	1,000.00	962.34	
2000 - HRA/ECONOMIC DEVELOP	6450	OUTSIDE PRINTING	2,567.62	2,500.00	2,500.00	-67.62	Marketing Materials, Business Cards, Notebooks
2000 - HRA/ECONOMIC DEVELOP	6455	LEGAL NOTICES	0.00	500.00	500.00	500.00	
2000 - HRA/ECONOMIC DEVELOP	6460	MEMBER DUES & LICENSURE	8,260.05	3,500.00	8,000.00	-260.05	Chamber Dues (\$2500), CVN Membership (\$4500), EDAM Membership (\$550), MMP **CVN ORIGINALLY INCLUDED IN OTHER CATEGORY
2000 - HRA/ECONOMIC DEVELOP	6470	TRAINING & SUBSISTANCE	1,983.57	5,000.00	5,000.00	3,016.43	EDAM Events, MMP Events, Dakota Regional Chamber Events, MAGi Awards, Various Mtgs
2000 - HRA/ECONOMIC DEVELOP	6480	MEETING EXPENSE	429.36		0.00	-429.36	Chamber Coffee hosted by Farmington
2000 - HRA/ECONOMIC DEVELOP	6485	MILEAGE REIMBURSEMENT	2,315.70	3,000.00	3,000.00	684.30	
2000 - HRA/ECONOMIC DEVELOP	6505	EQUIPMENT REPAIR/MAINTENANCE	0.00	1,000.00	1,000.00	1,000.00	
2000 - HRA/ECONOMIC DEVELOP	6550	DEVELOPER PAYMENTS	0.00	50,000.00	50,000.00	50,000.00	
2000 - HRA/ECONOMIC DEVELOP	6570	PROGRAMMING EXPENSE	5,500.00	10,000.00	10,000.00	4,500.00	Open to Business
2000 - HRA/ECONOMIC DEVELOP	7310	OPERATING TRANSFERS	0.00	0.00			
2000 - HRA/ECONOMIC DEVELOP	7420	OTHER	12,950.00	64,750.00	22,750.00	9,800.00	MREJ Marketing Contract & Awards Sponsorship
<b>Total 2000 - HRA/ECONOMIC DEVELOPMENT</b>			<b>0.00</b>	<b>-51,000.00</b>	<b>150,000.00</b>	<b>70,985.64</b>	
			<b>0.00</b>	<b>-51,000.00</b>	<b>51,000.00</b>	<b>11,100.00</b>	UNALLOCATED - for TBD associated with land, revolving loans, comp plan. \$39,900 reallocated to Gen Fund for AUAR consultant,
			<b>0.00</b>	<b>-51,000.00</b>	<b>201,000.00</b>	<b>82,085.64</b>	
					Budget	Available Funds	

## ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

**To:** Economic Development Authority  
**From:** Deanna Kuennen, Community & Economic Development Director  
**Department:** EDA  
**Subject:** Final EDA Levy - FY 2025  
**Meeting:** Economic Development Authority - Nov 18 2024

### INTRODUCTION:

Last year, the EDA passed a resolution requesting that an EDA levy be established to provide a dedicated funding source for economic development purposes in the amount of \$150,000. Now that the levy is established, the EDA must pass a resolution annually requesting an EDA levy stating the proposed maximum amount, which is submitted to City Council to be included with the City's proposed levy. This preliminary request must be done prior to the city adopting and certifying a proposed levy in September. Similarly, a final levy request must also be requested via resolution, to be included in the final levy that the city adopts and certifies in December.

### DISCUSSION:

Last year, the EDA and City Council went through the process to establish an EDA levy. This provided a dedicated funding source for the EDA in the amount of \$150,000 for 2024. Now that the levy is established, the EDA will be required to annually adopt a preliminary maximum levy request and submit the request to City Council to be included with the City's proposed levy, and a final levy request. State Statutes require the City to certify its proposed property tax amounts to the County Auditor in September and final in December.

Per State Statues, the maximum EDA levy allowed is 0.01813% of the taxable market value. The proposed maximum levy request for FY 2025 is \$250,000 - which is well below the maximum levy amount allowed as show on the table below:

**ESTIMATED AND TAXABLE MARKETVALUES - INCLUDES REAL ESTATE AND PERSONAL PROPERTY**  
Parameters: Tax Year: 2024 Payable Year: 2025

DIST NAME	ESTIMATED	TAXABLE
	MKTVALUE	MKTVALUE
14 Farmington	3,210,076,600	3,055,710,462
	0.01813000%	0.01813000%
	\$ 581,987	\$ 554,000

These levy funds will be used to support broad economic development initiatives and the City's priority of "quality business growth and retention."

- Year 2024 - \$150,000
- Year 2025 - \$250,000 *net increase of \$50,000 in levy due to elimination of General Fund transfer*

**BUDGET IMPACT:**

\$250,000 to be included in the 2025 budget if approved by City Council.

**ACTION REQUESTED:**

Adopt Resolution 2024-03 Approving Final 2025 Economic Development Authority Levy Request.

**ATTACHMENTS:**

[2024-03 Approving Final EDA Levy Request for 2025](#)

**ECONOMIC DEVELOPMENT AUTHORITY  
OF THE CITY OF FARMINGTON  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2024-03**

**A RESOLUTION APPROVING  
FINAL EDA LEVY REQUEST FOR 2025**

**WHEREAS**, Minnesota Statutes section 469.107, subdivision 1, provides that a City may, at the request of its Economic Development Authority (“EDA”), levy a tax each year upon all taxable property within the taxing district for the benefit of the EDA; and

**WHEREAS**, Minnesota Statutes section 469.107, subdivision 1, also limits this levy to no more than 0.01813 percent of the estimated market value of the taxing district; and

**WHEREAS**, the EDA desires the City of Farmington to include a levy in the proposed 2025 budget.

**NOW, THEREFORE, BE IT RESOLVED**, by the Economic Development Authority of the City of Farmington that it approves and recommends a 2025 final tax levy of \$250,000.00 for EDA purposes.

Adopted by the Economic Development Authority of the City of Farmington, Minnesota, this 18<sup>th</sup> day of November 2024.

ATTEST:

\_\_\_\_\_  
Steve Wilson, Chair

\_\_\_\_\_  
Deanna Kuennen, Executive Director

## ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

**To:** Economic Development Authority  
**From:** Stephanie Aman, Economic Development Coordinator  
**Department:** EDA  
**Subject:** Approve Agreement and Funding for Grocery Market Study by ROIC Analytics, LLC  
**Meeting:** Economic Development Authority - Nov 18 2024

### INTRODUCTION:

Farmington's local grocery store, Family Fresh, closed their doors on December 20, 2019. Staff recognize the desire and need for a local grocery store and staff have been actively initiating conversations and following leads that might bring a store to fruition in Farmington.

### DISCUSSION:

Staff has had numerous connections and conversations with various brokers, builders, construction companies, grocery stores and wholesalers in an effort to attract a grocery store to Farmington. A request has been made by a reputable construction company that the city complete a grocery market study that the city would then own. This company has significant grocery wholesaler connections and having this market study would allow the city to have the data that would show the grocery store need and also allow this staff connections to 'shop' their clients to see if there is interest in the Farmington market.

ROIC is the industry standard for several of the grocery wholesalers. The market study, if approved, would be conducted in January 2025 with the completed reports from ROIC Analytics expected by mid-late February 2025.

For reference, a sample market study is attached.

### BUDGET IMPACT:

\$8000 for completion of the market study and report with up to \$2000 in travel costs. These expenditures would come from FY 2025 budget.

### ACTION REQUESTED:

Approve Executive Director Kuennen execute the agreement with ROIC Analytics. This allows city staff to work with ROIC to complete a grocery market study as described in the "Statement of Work" and authorizes up to \$10,000 in cost and expenses from the FY2025 EDA budget.

### ATTACHMENTS:

[Statement of Work\\_Farmington MN 102024  
Grocery Sales Forecast Example \(002\)](#)



# Statement of Work

Grocery Market Study

October 2024

Prepared by

ROIC analytics, LLC

For

City of Farmington, Minnesota

## Scope of Services

### Models & Analytics, ROIC analytics, LLC

The following sets forth the Service(s) to be provided upon your signed acceptance, together with Cost and Timing for each Service.

Services	Cost	Timing***
<p><b>Grocery Sales Forecasting Field Study.</b> A gravity-based analysis and write up that provides a sales forecast for a site to be defined by the City of Farmington (for a site in west Farmington). The study will evaluate the sales potential for the site for a format to be determined by the city. Alternate formats can be tested as well.</p> <p>This project includes fieldwork (a visit to the site and surrounding existing grocery stores by an ROIC analytics analyst) and a full written report including an overview of the demographic composition of the trade area, competition, site evaluation, sales forecast and relevant maps. A Zoom presentation of the findings will also be available.</p>	<p>\$8,000 for a write up of one format. If additional formats are written up, the cost will be an additional \$500 per format. (travel costs will be billed separately but will not exceed \$2000)</p>	<p>Estimated delivery date 45 days after the start of fieldwork.</p>
<p>Total</p>	<p>\$8,000</p>	<p>-</p>

## Scope of Services and Signatures Page

The total cost for the scheduled Services is due as follows. 100% of the project cost will be billed at the completion of the study. This Scope of Services supersedes all previous contracts except where indicated on the previous pages. Any additional Services will be quoted and/or agreed to and billed separately.

The Services herein are governed by the terms of the Professional Services Master Agreement (PSMA) on file. If no PSMA is on file, the City of Farmington will be required to agree to the terms of service in writing of this statement of work before any work will begin. Timing is an estimate of project duration only, and the project officially starts after all the City of Farmington contractual and data obligations are met. If this statement of work includes licensing of products or services not provided directly by ROIC analytics, including software or data, the City of Farmington will be required to agree to the provider's terms of service.

This proposal is for the City of Farmington only and should not be shared without the express written consent of ROIC analytics, LLC. This proposal expires 30 days from the date on page one if not signed.

### **Agreed and Accepted:**

#### **City of Farmington**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

#### **ROIC ANALYTICS, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Please return signed agreement to ROIC analytics via e-mail to [danielle.yanskey@siteseer.com](mailto:danielle.yanskey@siteseer.com)

## Appendix A: About ROIC analytics

ROIC analytics, LLC provides analytic services and partner solutions to help corporate-owned and franchised chain businesses of all sizes expand confidently, grow sales, and compete more effectively. We empower decision-makers with real-time customer and competitive intelligence, predictive models for accurate site selection and sales forecasting, and powerful and easy to use tools that fit one's needs and budget.

ROIC analytics offers our clients:

- Experience. Your project team members are all seasoned professionals with proven experience delivering results. We understand the “science” of retail analytics and continually develop the “art” necessary to make it effective in the real world. All of our professional services staff members honed their craft as senior-level analysts and management at major retailers including Albertsons before joining our team as consultants. Since then we have worked with Fortune 100 corporations and the smallest startups across all classes of retail and service. When we aren't helping our clients expand their business, we are found walking the aisles of our clients' stores and competition in markets across the country. We live retail analytics.
- Partnership. We understand the risks involved in trusting an outside company to assist with important strategic and tactical decisions. We take your need for confidentiality seriously and work closely with you throughout our relationship to ensure that you are in control and your executive team is empowered to make better decisions.
- Proven Solutions. Analytics is all we do. We leverage the best tools available for retail research as well as build our own software and models from the ground up to ensure that your results are accurate as possible and flexible to your unique requirements. We partner with software companies that share our values.
- Trusted Data. Our data sources are the same ones trusted by the nation's top retailers. When needed, we supplement this data with intelligence gathered in the field to ensure our research is based on accurate and up-to-date facts.
- Commitment. Most of our business comes from word of mouth and recommendations from our existing clients. Many of our clients have been with us for years and look to us first when a new challenge comes their way. We appreciate this loyalty and try to never take it for granted. We believe in continuously earning your business.

**CLIENT LOGO HERE**

SWC West Blvd & Clanton Rd  
Charlotte, North Carolina

## Sales Forecast

Date

Prepared by  
ROIC analytics, LLC

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# Study Overview

At the request of **CLIENT**, ROIC analytics has evaluated a site at SWC West Blvd & Clanton Rd in Charlotte, North Carolina. A 12,500 square foot food store is assumed here.

## Trade Area Overview

This trade area was designed to encompass both primary shopping areas for the proposed store as well as shoppers who might more infrequently pass through the area to shop. The trade area extends just over two miles in every direction which is considered a standard distance shoppers typically travel for grocery purchases. *Other relevant detail will be noted here as well which might include a discussion of Military or Colleges/Universities in the area that might influence shopping habits.*

## Image Assignment

Gravity models like the one used for sales projections here use each market competitor's size, sales, and location relative to competition and sister stores to assign an "image" or acceptance rating to each store in the model during the balancing phase of analysis to set up a picture of today's market. Images here range from 81 to 128 with 100 considered average. Images assigned by the model and analyst to existing competitors in the market during the balance phase are then used as a guideline for projecting new sites and remodels during the sales projection phase of the analysis. Images will vary throughout a trade area, with some clusters of stores imaging lower than their counterparts elsewhere in the trade area.

*Discussion of how image was chosen. This section can be deleted and replaced with an enhanced discussion of the site intersection itself.*

## Note

Because estimated sales (or volume) in the grocery industry are frequently quoted in weekly numbers for internal reporting purposes, any reference to grocery stores sales (for the site or the competition) are noted as weekly. For annual sales, multiply the sales by 52 weeks.

# Executive Summary

**Site Detail**

Address SWC West Blvd & Clanton Rd  
 City Charlotte  
 State North Carolina

**Store Characteristics**

Size (grocery store) 9,000 SF  
 General Merchandise No  
 Pharmacy No  
 Liquor No

**Trade Area Overview**

**2022\***

Population 32,127  
 Average Per Capita Expenditure \$ 57.28  
 Available Grocery Dollars \$ 1,840,262

**Market Assumptions**

- No competitive changes are assumed during the period of the estimates.

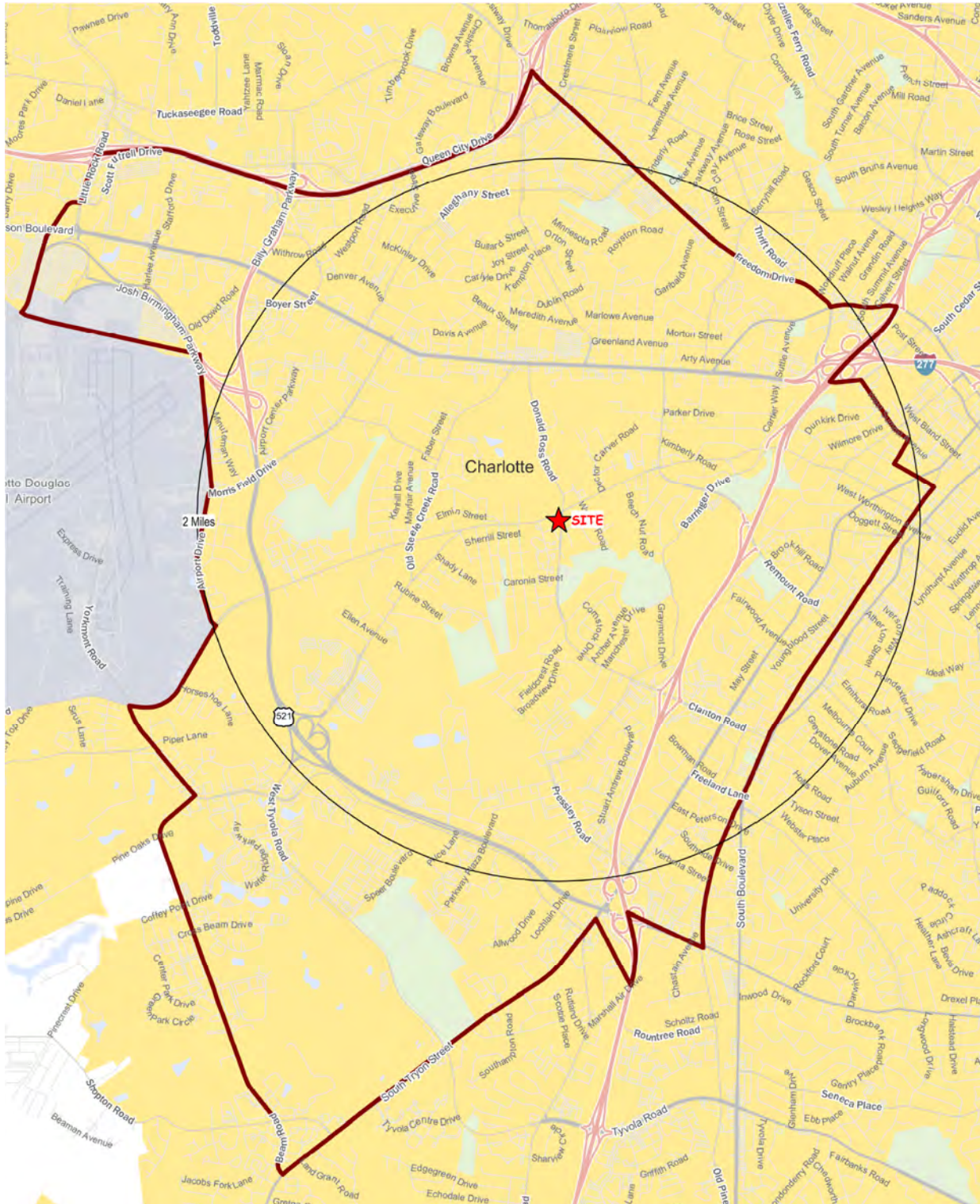
**Sales Forecast**

	<b><u>1st Year</u></b>	<b><u>2nd Year</u></b>	<b><u>3rd Year</u></b>
Total Weekly Estimated Sales	\$ 100,000	\$ 125,000	\$ 140,000

**Sister Store Sales Impacts**

None

# Primary Trade Area

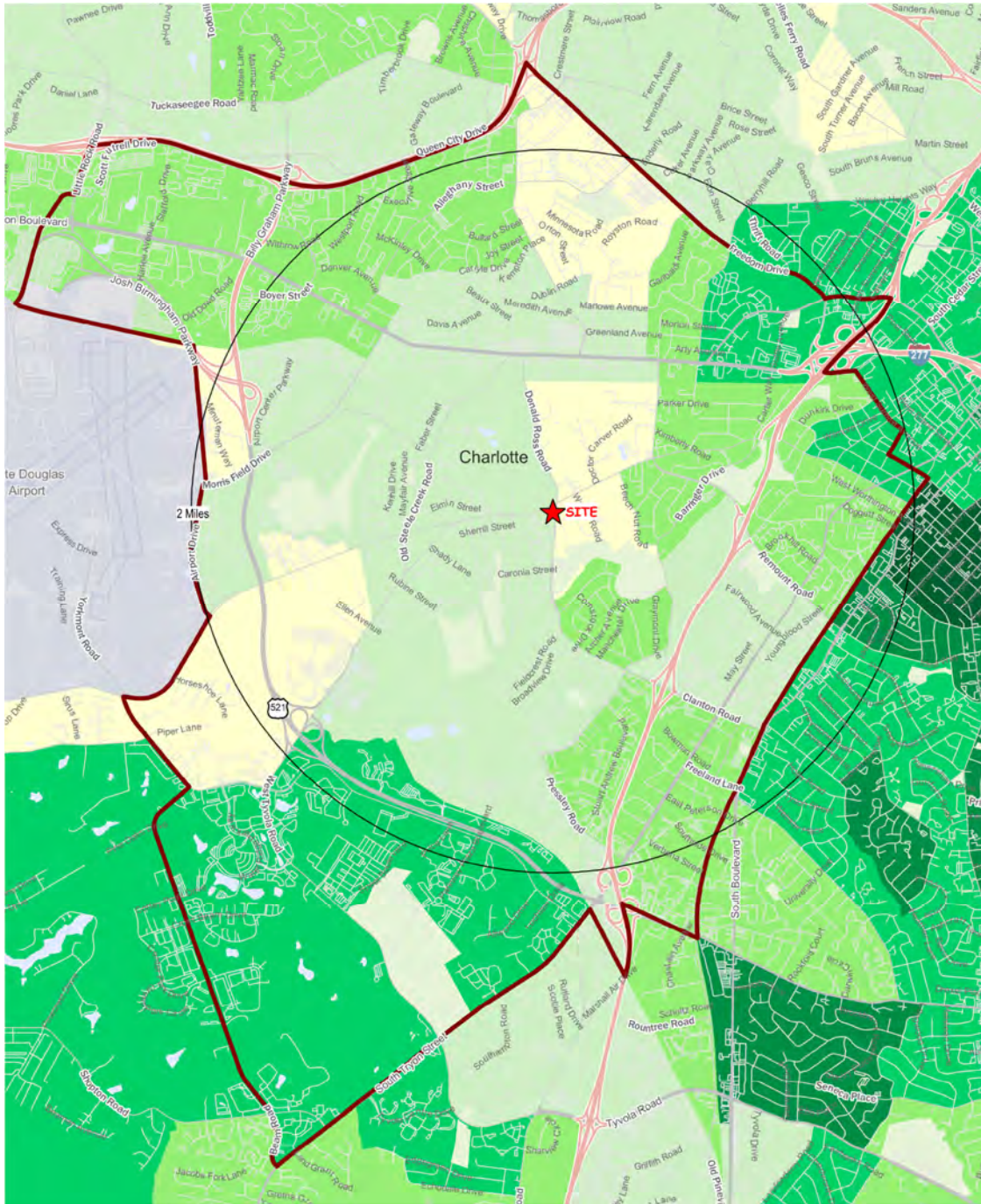


# Trade Area Demographics

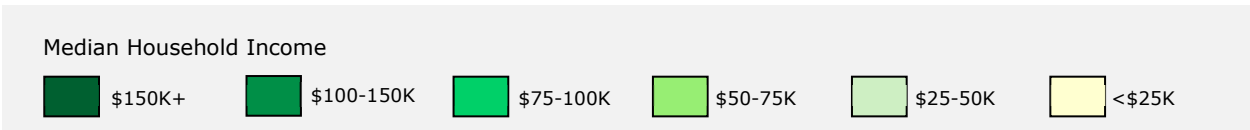
	<u>Trade Area</u>		<u>Trade Area</u>
<b>Population</b>		<b>Household Income</b>	
2022 Population (estimate)	32,447	Under \$25,000	28.0%
Group Quarters Population	320	Inc \$25000 TO \$50000	23.4%
Total Non-Institutional Population	32,127	Inc \$50000 TO \$75000	16.1%
		Inc \$75000 TO \$100000	11.3%
2027 Population (projected)	35,346	Inc \$100000 TO \$150000	11.2%
Estimated % Growth per year	1.8%	Inc \$150000+	<u>10.0%</u>
		<b>TOTAL</b>	<b>100.0%</b>
<b>Households</b>			
2022 Households (estimate)	13,342	Median Household Income (\$)	\$52,398
2027 Households (projected)	14,339		
Estimated % Growth per year	1.5%	<b>Education</b>	
		Under 9th Grade	5.1%
Persons per HH	2.47	Some High School	14.3%
1 Person HH	32.7%	High School Graduate	25.3%
2 Person HH	31.1%	Some College / Associate Degree	25.5%
3-4 Person HH	26.5%	Bachelor's Degree	20.2%
5+ Person HH	<u>9.6%</u>	Master's Degree	7.8%
<b>TOTAL</b>	<b>100.0%</b>	Doctoral / Professional Degree	<u>1.8%</u>
		<b>TOTAL</b>	<b>100.0%</b>
<b>Ethnicity</b>		<b>Age</b>	
White	18.5%	Median Age	36.0
Black	65.9%		
Asian	5.9%	Age 0-5	7.7%
Hispanic	7.0%	Age 6-13	13.8%
Other	<u>2.8%</u>	Age 14-17	5.9%
<b>TOTAL</b>	<b>100.0%</b>	Age 18-24	8.3%
		Age 25-34	12.9%
<b>Lifestyle Index (100 = U.S. Average)</b>		Age 35-44	16.1%
"Eat your Veggies" (eats healthy)	98	Age 45-64	22.2%
"Power Brokers" (social causes)	25	% Over 65	<u>13.1%</u>
"Socially Liberal" (political viewpoint)	177	<b>TOTAL</b>	<b>100.0%</b>
"Gay Chic" (LGBT lifestyles)	99		
"Urban Views" (pop/business density)	68		

Source: Q1 2022 STI: PopStats and STI: Landscape. Note these demographics include on campus students and other group quarters residents with meal privileges. These institutional residents are not included in the population in the study because they do not purchase a significant amount of food from grocery stores.

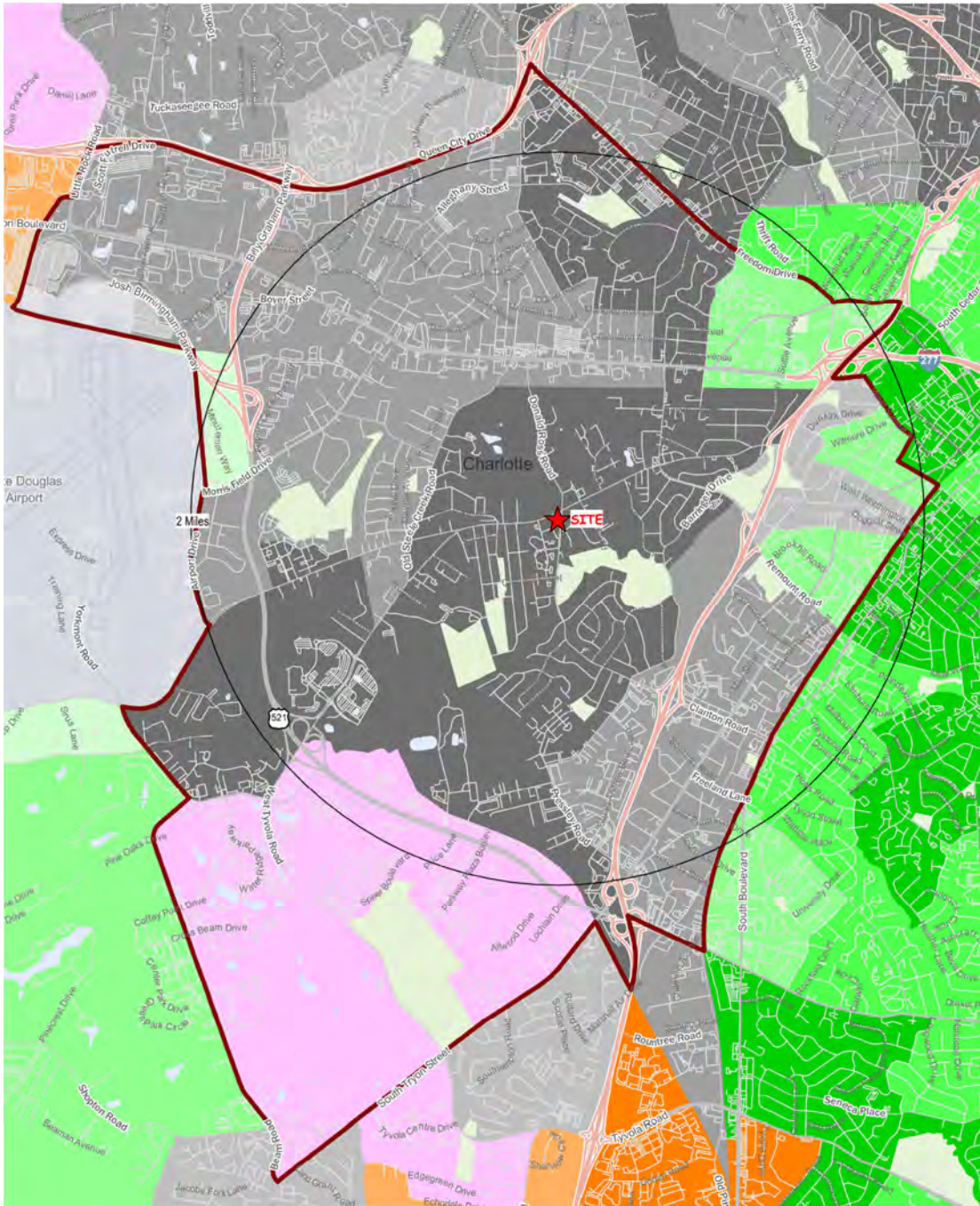
# Trade Area Demographics: Household Income



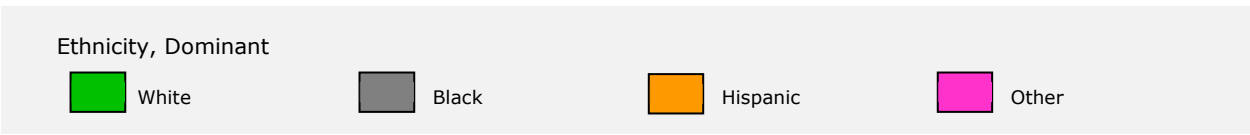
Source: STI PopStats Q1 2022



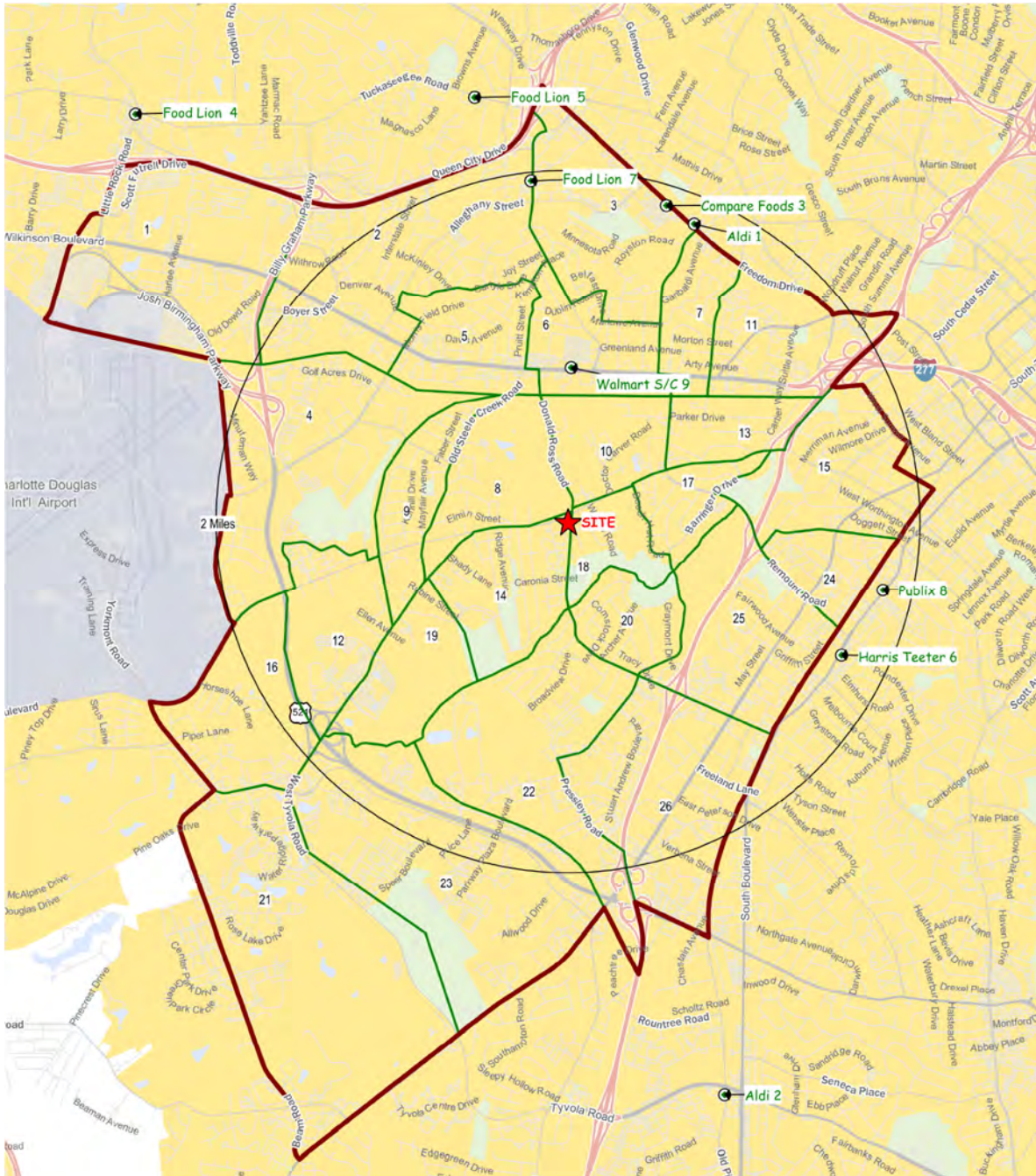
# Trade Area Demographics: Race/Ethnicity



Source: STI PopStats Q1 2022



# Trade Area Competition Map

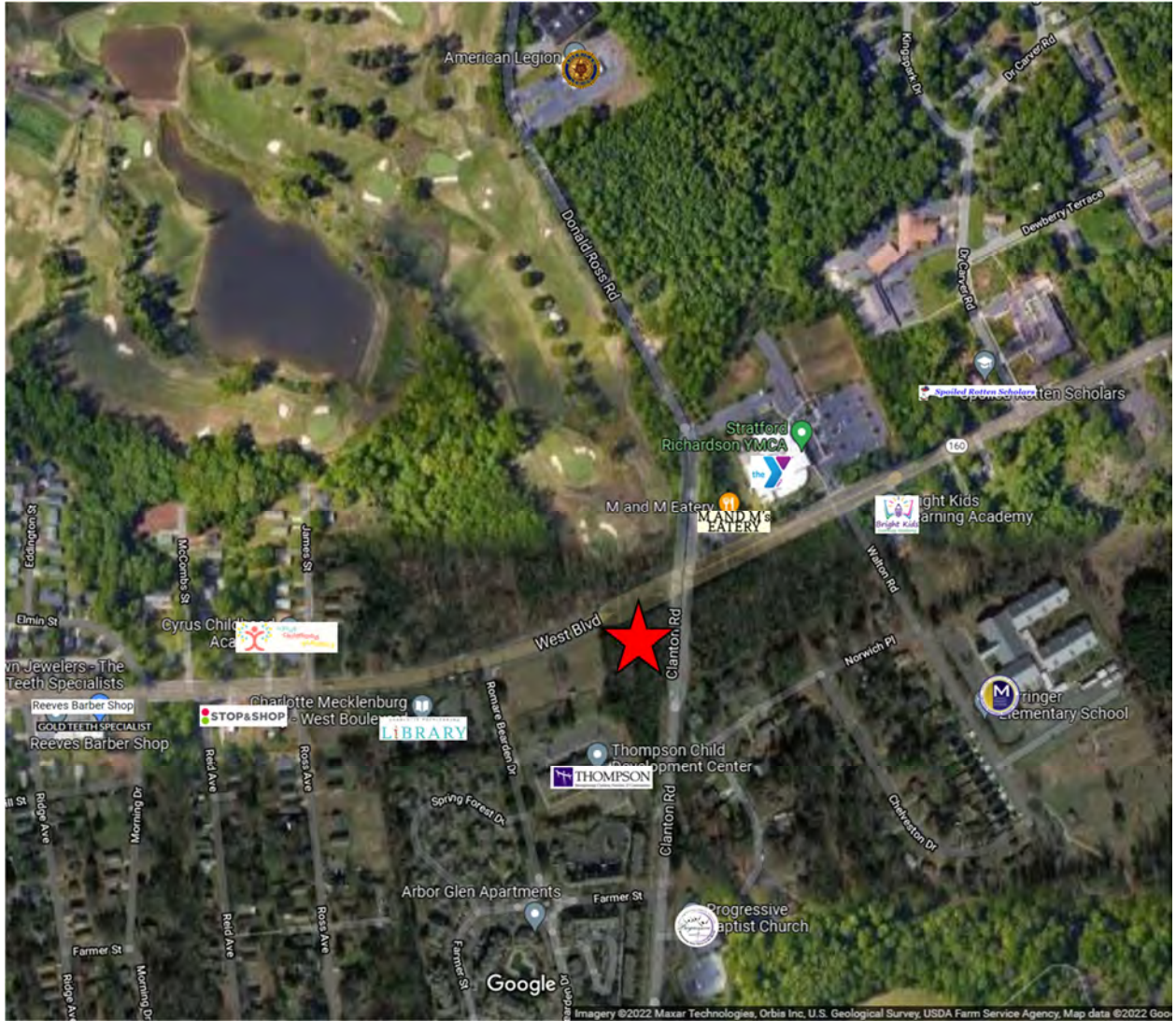


# Primary Trade Area Competition

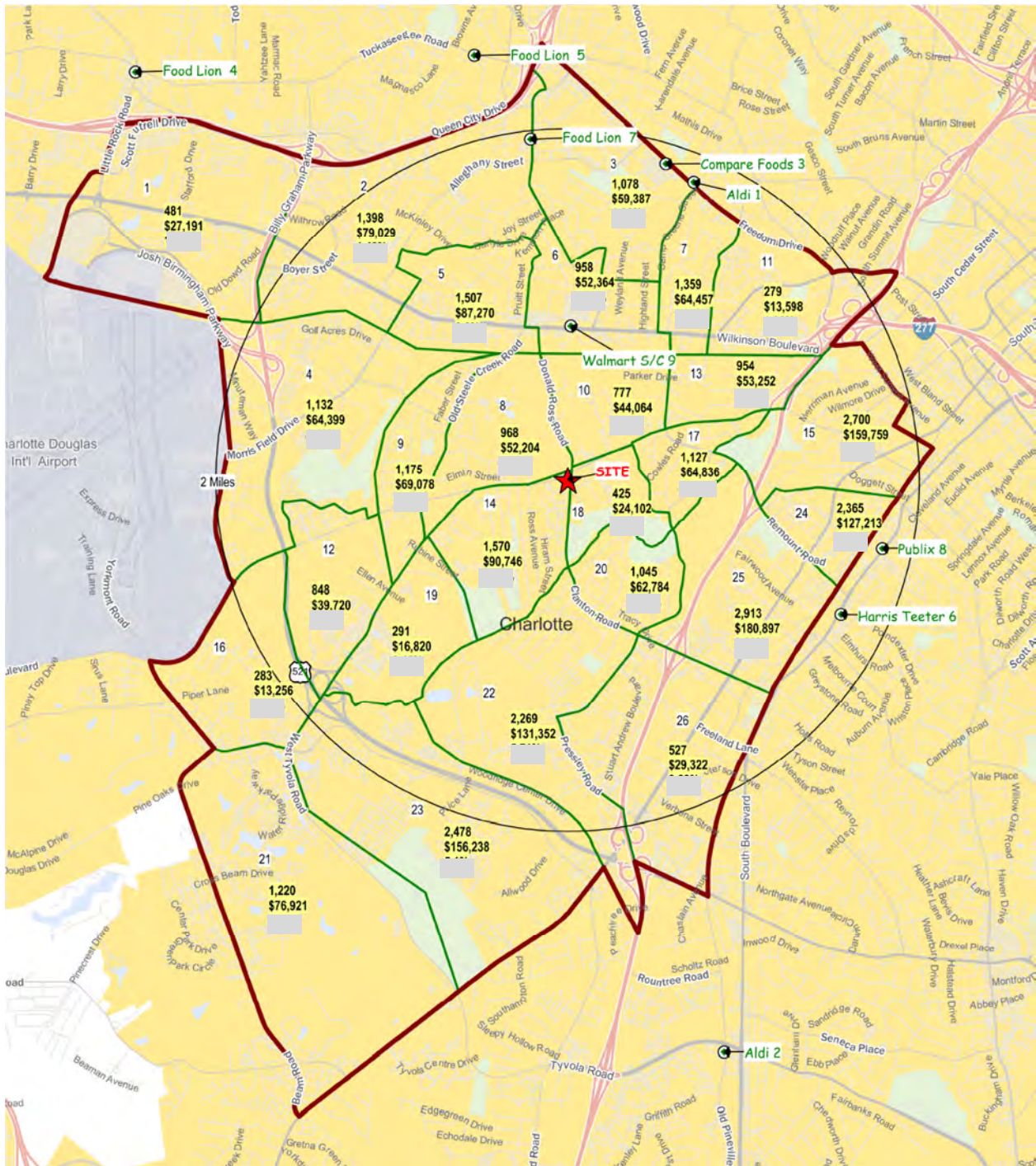
Map						Total	
Sector	Store Name	Address	City	State	Area	Volume	Format
1	Aldi	2526 Freedom Dr	Charlotte	NC	Edited for confidentiality – actual study will have size and sales from field casing		Limited Assortment
2	Aldi	5550 Old Pineville Rd	Charlotte	NC			Limited Assortment
3	Compare Foods	2701 Freedom Dr	Charlotte	NC			Hispanic
4	Food Lion	2526 Little Rock Rd	Charlotte	NC			Conventional
5	Food Lion	4709 Tuckaseegee Rd	Charlotte	NC			Conventional
6	Harris Teeter	2717 South Blvd	Charlotte	NC			Conventional
7	Food Lion	1620 Ashley Rd	Charlotte	NC			Conventional
8	Publix	2222 South Blvd	Charlotte	NC			Conventional
9	Walmart Supercenter	3240 Wilkinson Blvd	Charlotte	NC			Supercenter

*Note: Estimated volumes are weekly sales. For Walmart Supercenter, volume is the equivalent of sales at a typical grocery store and does not include extra general merchandise like electronics, toys, automotive, lawn and garden, etc.*

# Site Overview



# Market Share Map (NOTE – we can add volumes to the competitor labels on this map)



Population  
 Available Grocery Dollars  
 Market Share – Edited for confidentiality

Note: all sectors with no data displayed have less than 2% market share

## Appendix A: Glossary of Terms

**Draw:** Percent of a store's business captured within the defined primary trade area (PTA). A draw of 90 represents 90% of the store's business coming from within the PTA with 10% coming from beyond the trade area boundaries (see also "Beyond Sales"). Stores on the edges of the PTA typically have lower draws because they are serving shoppers inside and outside the trade area.

**Beyond Sales:** Sales gained from people living outside the PTA. These shoppers may be frequenting the store because they work nearby but live outside the PTA or are passing by for another reason such as heading to a destination like a beach or tourist attraction or may be visiting the area.

**Curve:** Curve simulates the distribution of market share over distance like the bell-shaped curve from statistics and represents a store's ability to pull shoppers to the facility. Stores with higher curves will have higher market share in the map sectors close to the store and those market shares will taper off quickly as distance from the store increases. A smaller neighborhood grocery might have a curve 10 points higher than a supercenter, for example.

**Image:** Gravity models use draw and curve in conjunction with each market competitor's size, sales, location relative to competition and sister stores to assign an "image" or acceptance rating to each store in the model during the balancing phase of analysis (see also "Balance"). Images typically range from 50 to 150 with 100 considered average. Images assigned by the model and analyst to existing competitors in the market during the balance phase are then used as a guideline for projecting new sites and remodels during the projection phase (see also "Projection") of the analysis.

**Balance:** The beginning phase of gravity modeling is the balance. During balancing, the analyst pulls in information about the PTA residents by map sector (including current and projected population and per capita weekly expenditure), competitor size and sales plus any barriers to travel that may exist throughout the trade area (lakes, rivers, freeways with no places to cross, for example). The analyst assigns draw and curves to each competitor and balances the model to allocate the available dollars in each map sector to the stores in a logical manner. During this balancing process, the model assigns an image to each store. By evaluating the market share distribution for each store and each store's image relative to its sister stores and competitors, the analyst creates a modeled replication of the PTA that simulates the flow of grocery dollars from residents (demand) to market competitors (supply).

**Projection:** The projection phase of gravity modeling follows the balance and allows the analyst to take the simulation of the current market established in the balance and layer in future market changes. Population growth (if applicable) plus store openings, closings and remodels are added to the model to project the future market. During projection, any store added to the model is assigned a draw, curve and image by the analyst using the balanced model as a guide. Once changes are made, the future market is projected.

# Appendix B: Projected Marketplace

Facility Map Key	Name	Forecast 2022		Current		Fcst Total		
		Volume	/SqFt	Volume	/SqFt	Area	Draw	Image
1	Aldi	Edited for confidentiality					32	99
2	Aldi						26	94
3	Compare Foods						31	94
4	Food Lion						12	83
5	Food Lion						20	81
6	Harris Teeter						41	110
7	Food Lion						34	103
8	Publix						34	110
9	Walmart Supercenter						75	128
999	Site						95	85
	Totals *							
	Averages							

The low draw for forecast volumes is 29.99  
 \* Forecast total includes low draw stores whose volumes are not shown

# Appendix C: Chain Summary

Chain Name	# of Facs	Volume	----- Average	Chain Tota Size Average	Vol/ SqFt	Avg Image	Market Share	
* Aldi	2	Edited for confidentiality			\$ 11.23	96	5.8	
Compare Foods	1				\$ 8.34	94	3.1	
* Food Lion	3				\$ 8.04	89	9.3	
Harris Teeter	1				\$ 13.37	110	14.9	
Publix	1				\$ 14.56	110	11.2	
Walmart Supercenter	1				\$ 10.73	128	30.6	
Site	1				\$ 7.70	85	3.6	
Totals	10							78.4
Averages						\$ 10.65	99	

\* Chain includes facilities with draw less than 29.99

## Appendix D: Store Volume by Sector

Facility Map Key = 999

Jan-22

Draw = 95

Sector Map Key	Sector Share	Expected Volume	Pop.	Potential	Float	Miles
1					21.18	2.67
2					22.92	2.21
3					17.9	1.6
4					25.45	1.51
5					18.97	1.22
6					15.71	1.12
7					18.36	1.39
8					20.7	0.44
9					23.16	0.9
10					18.4	0.45
11					20.18	1.54
12					26.59	1.48
13					21.5	1.01
14					22.88	0.38
15		Edited for confidentiality			19.9	1.61
16					27.75	1.88
17					21.7	0.66
18					20.58	0.25
19					25.41	1.02
20					23.21	0.68
21					26.69	2.61
22					25.71	1.17
23					26.4	2.17
24					17.36	1.44
25					17.75	1.3
26					23.67	1.71
TA Total					21.63	
Sales Foreca:						

## Appendix E: Sources and Notes

Population and demographic data are sourced from STI: PopStats from Q1, 2022. STI: PopStats are registered trademarks of Synergos Technologies, Austin, TX. All Rights Reserved.

All competitive data is January 2022 original fieldwork conducted by ROIC analytics and local field knowledge.

This study uses proven methodologies trusted by leading grocers to forecast the performance of a proposed store site. As in any forward-looking analysis, this process can produce highly reliable results in many cases and great variance in others. The accuracy of the result is dependent on numerous factors that cannot be controlled, such as changes in population and competition; store offering, pricing, and operations, and ultimately consumer acceptance of the new store. As such, ROIC analytics provides no warranty to the data or projections in this report. The client of this study assumes all risks associated with using the data or projections herein.

**The ROIC analytics team is happy you have chosen us to be your service provider and thanks you for your patronage. We hope you will continue to think of us when the need arises!**

ROIC analytics, LLC provides innovative and proven solutions to help our clients make strategic market decisions that lead to successful retail stores and vibrant communities. We have assembled a team of the most experienced market analysts in the industry and provided them with the best technology and data available to ensure that our results are both accurate and actionable. Our analysts have completed projects in most major metropolitan areas in the country and numerous small cities and towns and continually expand our local knowledge through frequent market visits.

ROIC analytics has helped our grocery and specialty retail clients with all areas of strategic capital planning from market research through effective site selection and sales forecasting. Additionally, we leverage our deep retail market experience to help communities and shopping center developers position themselves to attract and support successful retail operators.

Reporting Period:

**DIRECTOR'S REPORT** – providing project highlights and a summary of economic development activity.

NOV. 2024

Projects & Initiatives

- Rye Apartments Development

Join us as we celebrate the beginning of an exciting new addition to the Farmington community!

Date: November 19th, 2024

Time: 2:00 PM - 4:00 PM

Location: 21401 Dushane Parkway, Farmington, MN 55024

Come enjoy refreshments, meet the team, and witness the start of construction for the Rye Apartments.

We look forward to celebrating with you!



- Revelation Fitness Ribbon Cutting, Wednesday, November 20.



- Dakota County Technical College/ Inver Hills Community College Update Staff met with leadership at DCTC and Inver to determine how to best collaborate for the benefit of our local businesses. [Staff are working with college leadership teams to develop a survey that will be sent to businesses.](#)

This will allow the technical colleges to see where they might assist in training gaps and also allow City staff to better understand the business landscape.

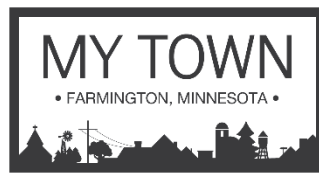
- In addition to the survey, Staff is collaborating with DCTC on a business event where members of DCTC will be able to talk about the different ways that they can serve businesses and provide a demonstration of programming. Currently the discussions are focusing on “AI in Business” – but details for the event are still being vetted.

- MREJ  
Staff moderated a panel the Industrial Development Summit on November 6. Staff are scheduled to attend the Capital Markets Summit on 11/ 14. The 2025 Summit schedule has been released. The proposed plan is to continue the partnership/ contract with MREJ which will include access to all events, sponsorship opportunities, and speaking roles. The 2025 contract will be brought to the EDA at a future meeting.

- My Town – City representatives and staff celebrated Farmington’s My Town episode on the big screen at the Twin Cities Film Festival. [A community showing is tentatively slated for January 9](#) with Cory Hepola in attendance. Details soon!

- My Town S1E5– the public release of the full episode of My Town - Farmington will be on YouTube and Facebook (“My Town Series”) on Sunday, November 24 at 7:07pm. To see the series trailer, please watch here:

<https://www.youtube.com/watch?v=6aG3d9g74Tk>



- BRE – Staff has actively been scheduling and conducting business visits based on the BRE Plan discussed at the May meeting. It has been difficult to get these visits scheduled as many companies are not responding. Staff will keep working to develop relationships with the local businesses big and small.

## Prospects

- Staff worked on more than 40 different proposed/ potential projects in 2023. Some leads and conversations are still ongoing – and Staff continues to engage with many different business prospects, developers, and project teams – with the goal of converting the prospecting into actual projects and keeping Farmington top of mind for these connections.
- [Staff attended the October CVN session and based on the companies that presented - Staff pursued 1 industrial project/ prospect.](#) This company



	<p>ultimately was able to secure a ready-built building in another community that met their needs.</p> <ul style="list-style-type: none"> <li>• Two RFI's were received from DEED. Staff were unable to submit responses to these requests due to lack of available land and buildings. <ul style="list-style-type: none"> <li>○ Project Megawatt – foreign manufacturer of photo-voltaic panels. Seeking 85 acres</li> <li>○ Project Zeus – start-up company looking to become a manufacturer of biodegradable, recyclable, packaging material. Seeking existing R&amp;D facility.</li> </ul> </li> <li>• R&amp;L Carriers – this local business has secured additional property in the industrial park to accommodate a nearly 100,000 SF expansion. They have also received their Planning &amp; Zoning approvals and are moving towards construction in late 2024/ 2025. This logistics company has been in Farmington for 20 years and is growing nationwide. The project will include job creation of approximately 25 new positions in year one, adding by 11-12% to their workforce each year thereafter.</li> <li>• Yellow Tree Apartments – This \$42 million +project is underway! Follow the progress here: <a href="https://youtu.be/b5M_hJyF-7o">https://youtu.be/b5M_hJyF-7o</a></li> <li>• Staff continues to work on various potential projects and have conducted numerous meetings with developers and site selectors already in 2024 – on average meeting with 8 different groups each month. Staff uses the developer/ site selector meetings to share the Farmington story, discuss opportunities, and identify partners who are in alignment with the City's vision and can assist the City in bringing projects forward.</li> <li>• Tract – <ul style="list-style-type: none"> <li>○ The AUAR was finalized and approved by City Council at the November 4, 2024, City Council meeting. This is a planning tool that analyzes the impacts of different development scenarios and identifies mitigation measures. The tool is valid for 5- years.</li> <li>○ The Planning Commission recommended approval and City Council approved the Preliminary PUD and Preliminary Plat.</li> <li>○ The Planning Commission recommended approval of the Final PUD and Final Plat at their November 12 meeting. Between preliminary and final, additional enhancements were incorporated into the PUD in response to comments raised. The City Council will be asked to consider approval of Final PUD and Final Plat at the November 18 City Council meeting.</li> </ul> </li> </ul>
Other	<ul style="list-style-type: none"> <li>• Staff has been appointed to the MidAmerica Economic Development Council to represent Minnesota.</li> </ul>

	<ul style="list-style-type: none"><li>• Staff has submitted a conference session proposal for the Economic Development Association of Minnesota (EDAM) Winter Conference titled “Driving Economic Growth Through Authentic Storytelling”. This session would be open to all levels of economic development professionals and would highlight the work that staff have done, collectively, to tell the story of the City of Farmington. From building upon the organic “Unexpectedly Bold” marketing campaign, to enlisting a local artist who shares our passions and adding in the national stage of a three-time Emmy award winner storyteller in Cory Hepola. All play a role and build upon each other to create a wonderful multi-tiered approach to telling the story of the City of Farmington. The conference selections will be announced in early December.</li><li>• Through a connection made at the October CVN meeting, Staff has worked with KState to determine if resources could be available to the City to conduct a market study or aid in bringing a grocery store to the City of Farmington. From these conversations, connections were revitalized with a grocery expert who works with cooperatives and independent retailers and staff are scheduled to meet with them in November. Additionally, staff have brought forward a proposal to the EDA to engage in a market study to determine the feasibility of a grocery store in Farmington. This study is key to marketing the area to brokers and prospective grocers. Finally, Staff will be building out a “public facing” component to the grocery recruitment efforts. This will likely involve community surveys, a page on the website with market information, etc. utilizing insights from the KState Rural Grocery Initiative.</li><li>• Staff continue to stay connected and engaged with the Minnesota Trade Office, DEED, Greater MSP, and other organizations. Staff is working with GreaterMSP to enhance alignment and increase interaction/ engagement.</li><li>• Over the next few months, Staff will be focusing on updating the economic development content on the city’s website. The purpose will be to make information easily accessible and build out content which is known to be important to site selectors and business representatives.</li></ul>