



4646 Dakota St. SE  
Prior Lake, MN 55372

April 7, 2011

## A Message from the Mayor

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### Tough Times Present a Unique Opportunity

When I became Prior Lake Mayor 14 months ago the economy was in pretty bad shape. Today, despite some encouraging signs, it isn't much better. And in many ways things are worse. According to the federal government, the US Inflation rate was 1.64% in 2010, and the Financial Forecast Center states inflation could grow to around 3.1% this fall. Also, the Department of Labor says the unemployment rate is 8.8% nationally, and oil prices have increased more than 30% in just over a year.

But instead of being discouraged, it is important to lay the foundation for growth for the future of Prior Lake. I believe that a strong, diversified tax base is essential to ensuring the community's long-term economic vitality. New businesses are starting everyday and growing businesses are looking for new homes. That is why as a council and city we are assembling and focusing our resources to help us assure that some of these businesses start and grow in Prior Lake.

According to the U.S. Census, only 31.3% of Scott County residents work in the county, and Prior Lake has even fewer citizens working locally. But we are putting plans in place to change that. Scott County and the Scott County Association for Leadership and Efficiency (SCALE) have set a goal to have 50% of our residents working right here.

#### Laying the Foundation

Many City organizations are focused on bringing economic development to Prior Lake. The City Council, the Economic Development Authority (EDA), the Economic Development Advisory Committee (EDAC) and our customer-friendly City staff are working together to broaden the City's tax base, lower the taxes we all pay, bring jobs for our residents and grow businesses.

In an effort to be more business friendly, recent changes in our sign ordinance allow banner permits that advertise special sales or promotional events for the entire year. And banners can be utilized without time restrictions. The Council also amended its C-2 business zoning ordinance to allow for more conditional uses and attract more restaurants.

Last year, the City Council reauthorized the EDA which now includes City Councilmember Ken Hedberg and myself, and three residents with business expertise in the private sector: Bob Morris, Terry Hitchcock, and Michelle Choudek. These knowledgeable and experienced individuals are committed to our economic development efforts.

Already the EDA is working on an overall strategy and plan for improving economic development through debate and discussion. Creative ideas like establishing incubators that support new business formation are being considered. These programs can:

1. Accelerate the successful development of startup companies,
2. Target high-growth businesses,
3. Give businesses a great chance of success (87% stay in business),
4. Influence a business to become established in Prior Lake.

The EDA is also looking at how to get some of the estimated 300-400 in-home businesses to open a facility here, or convince some of the local CEOs, CFOs, and VPs to move their businesses to Prior Lake.

The EDA is also looking at non-traditional financing tools – such as RAIN Source Capital – that build community-based systems of private investors, capital and expertise that help evaluate, mentor and grow private companies and create good jobs in Prior Lake. The growing RAIN Fund Network of 23 angel investor funds has \$20 million in committed capital currently spanning six states.

Our economic development efforts are being assisted by an 11-person EDAC that will focus on advising the EDA of the best steps to take to promote business retention. They conducted a meet and greet to learn business concerns and interviewed more than 40 business owners to identify things that can be done to keep them here.

The EDAC has also interviewed 44 downtown businesses to better understand local business issues, prioritize needed changes and address them. The committee is now working on six priorities to improve the business climate in Prior Lake.

### **The 2030 Vision and Strategic Plan**

The Council's most recent update of our 2030 Vision and Strategic Plan added a goal to expand and diversify the City's business tax base through current business retention and new business developments. Some objectives of this goal are to identify what the City has to offer that is unique.

We can market and leverage our lakes and other wonderful recreational activities. County Rd. 21 gives businesses easy access to 35W in the east and Hwy. 169 in the north. A Maxfield Research Economic Development Study recently examined the impact of proposed County Rd. 21 improvements on the market potential of downtown Prior Lake. The study shows how we can make transportation a better tool to improve existing businesses and encourage new businesses to call Prior Lake home. We can also market Scott County's 90-mile fiber-optic ring, the largest government-owned high-speed network in the state and one of the nation's biggest.

### **A Wonderful Place to Have a Business**

We've done a great job making Prior Lake a wonderful place to call home for residents. Now we want to build on that success and concentrate harder on making it a wonderful place to call home for businesses, too. This will not be easy or fast, but a solid foundation will take shape as the investment of work and time is made.

### **But We Need Your Help**

You can also be a resource as a member of the Long-range Planning Committee that updates our 2030 Vision and Strategic Plan. On Saturday, May 21 from 8 a.m. - 5 p.m. you can make sure that the prospect for improved economic development and the future of our community remains bright. Watch for announcements about the strategic plan updates in the local paper, in the City's e-newsletters and on the City's website. You can also email Charlotte Green at [cgreen@cityofpriorlake.com](mailto:cgreen@cityofpriorlake.com) and let her know you want to be on the 2030 Vision Long-range Planning Committee this May 21.

**Sincerely,  
Mayor Mike Myser**