

Cottage Grove announces 2008 Growth Partners Awards

Since 2003 the Cottage Grove Economic Authority (EDA) has presented Growth Partner Awards at its annual banquet. These awards have been granted to those developers, builders, architects, engineers, contractors and/or owners having completed an economic development project or projects which represent a significant achievement or improvement to the community deserving of special recognition. Over the past five years the EDA has presented 32 such awards recognizing 23 separate entities with some award winners having been recognized in more than one year. This year, for 2007 activity, the EDA recognized four new Growth Partners.

The nominees for the 2008 award were: Custom One Homes, Kingsborough Homes, Lennar, Pulte Homes, K. Hovnanian Homes, Frana Construction, RJ Ryan Construction, The Goldridge Group, Broadview Builders, Presbyterian Homes, Werner Electric Supply, Frattalone Companies, Comforts of Home, Pope Architects, Frisbie Architects, Lampert Architects, and Glendenning Farm.

All 17 of these nominees have contributed an enhancement to this community deserving of recognition. The EDA thanks all of these nominees for their contributions to Cottage Grove.

From these nominees the EDA has selected the four most notable for the 2008 Growth Partner Award. These are:

1. **K. Hovnanian Homes:** K. Hov has been building homes in the Silverwood Subdivision located north of 65th Street and west of Hinton Avenue for the past three years. During 2007 they are the builder responsible for the greatest total single family permit value in town at \$7,393,111. In doing so they are responsible for five of the six highest single family home values built during 2007 with an average permit value of \$353,053. In addition to providing homes for 21 new families in Cottage Grove the resulting market value that they added to the community is over \$10 million.

Cottage Grove is experiencing the same housing market moderation as is occurring throughout the nation. It is gratifying that in the midst of this uncertainty builders such as K. Hov continue to express confidence in the future of our local housing market and the Cottage Grove community generally by bringing their product to town. The EDA is very pleased that K. Hov has made an investment in Cottage Grove and is serving as a Partner in the continued Growth of this community. We look forward to future neighborhoods created by the K. Hov team!

- 2. Glendenning Farm:** Glendenning Farm is the family trust that is the underlying fee owner of Cottage Grove's industrial park. The partnership with Glendenning is certainly emblematic of the EDA Growth Partner moniker as since 1997 the partners have jointly developed the industrial park. The Glendenning Farm role in the partnership is provision of stable below market land pricing ensuring that the Cottage Grove industrial park holds a competitive advantage over other site options available to the development community. The partnership has allowed the City to construct infrastructure and to provide for grading and storm pond construction for the end user in a "just in time" process reducing overhead costs that would otherwise exist.

Due to this partnership the development team has been able to provide parcels to end users well in advance of what most other communities and industrial park owners could. As a result, the partners have jointly developed parcels now home to: USPS Annex, CCE Technologies, Schmid Packaging, Innovative Chemical Company, Plastic Resources Inc., Tradehome Shoes, Advance Corporation, American Logistics and American Logistics II, Resorts & Lodges, ICHOR Creative Stone, the Hemingway Business Center, Zitzloff Auto Body, Renewal by Andersen and Werner Electric Supply representing over 1 million square feet of facility with over \$60 million in market value and almost 1,000 jobs. Glendenning Farm has been our Growth Partner for ten years and we are pleased to officially

introduce them to the community as a partner in bringing new jobs and tax base to this community.

- 3. Presbyterian Homes:** In 2002 the City of Cottage Grove had as a goal to bring a senior housing community to town. The City sent out a request for proposals to the development community and Presbyterian Homes (PHS) was one of the responders. Among the site options was the former 12 acre Cottage Square shopping center which included 84,000 square feet of retail and service bays much of which had significant deferred maintenance. At the time the property had a taxable market value of only \$1.9 million. PHS took on the responsibility to acquire the property, provide for tenant relocation, and conduct contamination remediation. In order to improve the development site they added the acquisition of two additional parcels containing a gas station and tire store. What they have created out of this site, so far, is a 146 unit 226,205 square foot senior housing community with 86 independent homes, 42 assisted living apartments, and 18 memory care units with a total permit value of \$16,391,000. Additionally, they have reserved about 6.5 acres for future commercial construction in front of the senior housing community located at the intersection of Hadley Avenue and 80th Street in our Gateway Redevelopment District.

Presbyterian Homes is a wonderful example of a developer, owner, and operator having gone well above and beyond in order to deliver a quality product to this community. Further, PHS has provided the opportunity to create an amenity as great as the first on the front half of their site which is in and ready to go. For taking on this very complicated five year project from initial discussions through their 2004 property acquisition to a 2007 building permit for the senior housing project the EDA sincerely thanks Presbyterian Homes for becoming a Cottage Grove Growth Partner.

- 4. Werner Electric Supply Minnesota:** In January, 2007 Werner Electric Supply was conducting a site search for a new branch, their corporate offices, and regional distribution center. Werner reviewed

sites around the Twin Cities, ultimately choosing the site at 7450 95th Street in Cottage Grove. The EDA entered a development and purchase agreement in September 2007. Werner held a ground breaking on October 2, 2007, was issued a building permit on October 26, 2007, and the certificate of occupancy on June 13, 2008. The ribbon cutting for the new facility was held on August 4, 2008.

In addition to bringing a quality employer to the community this development allowed the City to acquire a 50 acre parcel from Glendenning Farm. From the larger parcel 20.12 acres were resold to Werner for their new 116,496 square foot facility. The City retained the remaining 30 acres to attach to Hamlet Park which is now its largest City owned park at 158 acres. Portions of this Park are located on three sides of the Werner parcel. Upon completion of planned for park improvements the park will provide a nice amenity to the Werner employees, community residents, and employees from throughout the industrial park.

Werner is an Electrical and Automation Distributor with 2007 revenues of \$114 million, having experienced several years of industry leading growth. Werner Minnesota has seven branches serving Minnesota and Wisconsin (including St. Cloud, Owatonna, Rochester, Mankato, LaCrescent in Minnesota and Eau Claire Wisconsin. Their mission is to be their customer's competitive advantage by providing premier products, service and support to contractor, commercial and industrial customers. Werner Minnesota has approximately 190 employees, 110 of whom are at the Cottage Grove Branch and Corporate Center.

Werner espouses a commitment to not only their customers and employees but to their adopted communities as well. Cottage Grove began experiencing this commitment as soon as Werner made the decision to come to Cottage Grove. Already, a Werner representative serves on the Cottage Grove Area Chamber of Commerce Board; they have donated to many local causes and they have been a very visible presence at several community events. The

EDA is very pleased to welcome Werner Electric Supply to Cottage Grove.