



## MINUTES

February 11, 2025

### **COTTAGE GROVE ECONOMIC DEVELOPMENT AUTHORITY (EDA) & CONVENTION AND VISITORS BUREAU (CVB) JOINT MEETING**

12800 Ravine Parkway South  
Cottage Grove, MN 55016

**TRAINING ROOM - 7:30 A.M.**

Pursuant to due call and notice thereof, a joint meeting of the Economic Development Authority and the Convention and Visitors Bureau was held on the 11th day of February, 2025, at 7:30 a.m.

#### **1. CALL TO ORDER**

The joint meeting between the Cottage Grove Economic Development Authority and the Cottage Grove Convention and Visitors Bureau was called to order at 7:30 a.m. by EDA President Myron Bailey.

#### **2. PLEDGE OF ALLEGIANCE**

EDA President Bailey asked everyone to please stand and join in reciting the Pledge of Allegiance.

#### **3. ROLL CALL**

Gretchen Larson, Economic Development Director, called the roll:

Convention and Visitors Bureau: Chairman Justin Olsen-Here; Director Grecula-Absent; Director Khambata-Here; Director Levine-Here; Director Olson-Here; Director Reese-Absent.

Economic Development Authority: EDA President Bailey-Here; EDA Vice President Olsen-Here; EDA Member Jean-Baptiste-Absent; EDA Member Khambata-Here; EDA Member Latack-Here; EDA Member Scott-Here; EDA Member Tschida-Here.

Staff Present: Jennifer Levitt, City Administrator  
Gretchen Larson, Economic Development Director  
Phil Jents, Communications Manager  
Brenda Malinowski, Finance Director

Others Present: Steve Chandler, Owner/Brand Strategist, Chandlerthinks

#### **4. APPROVAL OF MINUTES**

A. *Staff Recommendation: Approve the December 3, 2024 EDA Regular Meeting Minutes.*

**EDA Member Scott made a motion to approve the December 3, 2024 EDA Regular Meeting Minutes. Motion was seconded by EDA Member Khambata. Motion passed unanimously (6-to-0 vote).**

#### **5. BUSINESS ITEMS**

A. Chandlerthinks Strategic Plan Final Review  
*Staff Recommendation: Receive the Chandlerthinks Strategic Plan Final Report.*

Phil Jents, Communications Manager, stated we're here this morning to talk about the Chandlerthinks CVB Strategic Plan. Our consultant, Steve Chandler, is here this morning, and thanked him for coming in person to Cottage Grove for this meeting. Jents also reviewed the process that we had engaged in to date:

- October 7 and 8, 2024: There was a site visit to the City where the City arranged in-person meetings with members of the City Council, EDA, CVB Board Members, River Oaks Golf Course and Event Center staff, Parks and Recreation staff, area hoteliers, business managers, and many others were also present.
- November 26, 2024: There was a general update provided to the CVB Board about where we were at in that process, some of the feedback we had heard and were considering incorporating into our tourism strategies.

# Economic Development Authority & Convention and Visitors Bureau Joint Meeting Minutes

February 11, 2025

Page 2 of 17

- January 9, 2025: Many of you were present for a joint meeting of the CVB and EDA Board Members to conduct a SWOT Analysis.

In addition, any feedback that we have heard to date, throughout this process, we are already considering, which we have incorporated, and also any more feedback we hear today, of course will be incorporated into a final plan. That's just a little bit of background of what brought us here today, and I'll turn it over to our consultant, Steve Chandler.

Steve Chandler, Chandlerthinks, said it's great to be here. I'd like to set up as far as the plan, so we'll be on the same page here. I mean, we're making recommendations, and we get the credit for it, right? Because we're from so far away, but we also don't have to live with the recommendations. We get to make them, you should do this, and we walk away; the reality is this is your plan. Our approach to this is always this is your plan, and so, there's kind of been some messaging going on to get to today, but that doesn't mean that it's even finished yet. We still have to finish the plan. There will be a written, printed plan that you'll be able to have and touch, hoping someone's going to follow it, and monitor it and measure it, but it's very important. The worst thing is that we do work with consultants, they come in and make their recommendations and leave, and it's like, I don't know if we want to do what they told us. You have to embrace it to be yours, which means its not a tablet in stone, its something that you adopt as you mature. Hopefully, what you see is the big picture of where you need to go, and that's definitely going to be the emphasis today.

That being said, I'm not going to go over this, I know it's in your packet, so you can read it. You'll notice we stated some goals, but the authoritative voice, you'll notice some pattern in the language and the direction, and it's very deliberate. So, I hope you pick up on that to become the authoritative voice for managing, promoting, and growing tourism in Cottage Grove. That takes time, it takes commitment, it's the very single most important thing that you all could do; it's not marketing and advertising, it is actually to establish the culture of the community and the leadership of you all and others. Tourism is a serious economic development opportunity for us. This isn't party planning, this is about bringing money into our community, that's what this is for. So, yeah, we want to increase funding for tourism by bringing more dollars in, and there are ways of doing that, of course. It talks about revenue to increase because you all get such a little bit out here in Minnesota, I'm still trying to pitch myself on that, but nonetheless, we can increase it and mainly, let's get visitors spending, and I think a lot more than 3% is possible.

Now, I'm just going to elaborate a little bit more of the work that was done. We did meet with a lot of folks, for sure, and yes, there was a site visit. Yes, there was a tourism audit and a marketing assessment. There was actually a little bit of a business survey that was done, and it was kind of impromptu because we saw an opportunity or at least we wanted a little bit more information, I'll come back to that in a second. We wanted more information, so, we decided let's do a quick little business survey to find out some elementary information, and it turned out to be pretty insightful, by the way. We also did some human movement data; we subscribe to Placer AI, if you're familiar with it, that allows us to look at visitor habits to Hope Glen and The Madison and the *Cottage Grove Journal*, where do people come from? What are they doing? Are they staying overnight, or do they come straight from somewhere else? So, we were looking at what visitors look like now. We conducted about six focus groups, so, over 40 people participated in that, and 50 one-on-one interviews, a Gap analysis, a SWOT Analysis, a lot of work was done. A lot of people were included, and I think that's important. For a plan, you can't have just a person come in and look around and give you their opinion. It has to be the input engagement of your tourism community is super important. So, I just wanted to state that before we get going.

That being said, briefly, your SWOT Analysis, you've all seen it, so I'll try to be brief here; I'm not one to read every word, no one likes it anyway. So, I'll copy what I want you to see, for the most part. So, we're going to hit them quick, and you all should know this by now:

## STRENGTHS

- Access to the Mississippi River: Obviously is a great strength and a big possibility ahead.
- Well Maintained and Beautiful City: You are clean, it's safe, it's a very family-friendly environment, that was very evident in everything that we saw.
- Wedding Venue Appeal: You have a little collection of places for wedding venues, which is a nice opportunity.
- Sports Tournaments: Your Ice Arena obviously is a huge asset and could we tap more? That's a big question, we were talking about it even more so last night.
- Positive Attitude: There's an optimism about truism right now; it's very, very new, but there's optimism, it's not real tourism overall, there is not much yet here, you all know that. But there's this outlook of yeah, let's do something, and that is a tremendous opportunity to bring everyone together and kind of march together. So, I applaud you, you just passed the tax two years ago, if that, and then immediately like, okay, now let's get a plan together and move. I mean, you're doing the right things.
- Events: You've got some nice events, particularly, Strawberry Festival, as your big strength, I'm sorry your list isn't longer.

#### WEAKNESSES

- Limited Lodging: You all know this, as we've talked in the past already. It's your biggest, it's the big thing. A huge drain is we need more hotel rooms and that accounts for a lot, right? Can we do anything to get an extra hotel built? Yes, but we have to be resourceful and a little bit creative.
- Absence of a Tourism Culture: That doesn't mean you don't like tourism, it just means you're not used to tourism, you're not even in agreement of what it is, probably, right? Some people think that its fanny packs, and they're scared to death we're going to put a rollercoaster around here, they don't want that. Not in a clean, nice, little family-friendly community, it'd be get that out of here! What is a strong tourism culture? Is it Chamber of Commerce stuff? What exactly is it? So, this absence of tourism culture, that foreshadowing is something we have to create, it's not an accident, right?
- No Major Attraction or Driver: There's no real reason why people from out of town visit Cottage Grove as there's nowhere to stay, really. There's one place, kind of two, right? But people are coming here because they have to, not because they want to, and it's true; I have to come here for work, you have a lot of businesses around here that are bringing a lot of tourists, and we need to redefine what tourists are. They don't always wear fanny packs, sometimes they were Carhartt's and they go to work and they go to training, and they're working at 3M and they're working at Andersen, right? If they're from out of town, they're a tourist. You don't have to be Clark Griswold to be a tourist; in fact, these kind of tourists that you all could get don't mess up your community as much. They don't want to, right? They come here and then leave; they spend some money, by the way, but you don't have any real attraction, there's no driver for it.
- No Central Gathering Space in Cottage Grove: There's no place where people can just walk around and spend money on accident, like downtown Hastings, for example. But you don't have that gathering spot, you're talking about it, which is good, but that density of things to do creates an attraction; that's one thing you should look at for tourism, you don't have it.
- Location Challenges: You're not on a major Interstate, and you have Highway 61/10, which is nice, but there's not a lot of action, I just happen to be driving through and maybe they're going to Woodbury, I guess, a little bit.
- Low Awareness: Now, what you've all been doing for the last three years and we're past this now, so, the staff doesn't get mad at me anymore, I think, and they've already been working on it. I should hope people haven't been sitting there, twiddling their thumbs, waiting for the consultant; staff's already made adjustments, they're doing things, by the way, very well. This is one of those, but when we first looked at you, we're like they're all over the place. Like why the heck, I remember I looked at the Visitors Guide, and I'm like what's the Chamber of Commerce ad doing on the inside. If I'm a visitor, I want to visit, I don't want to join the Chamber, I'm using that as just an example; it's a well-done ad, by the way. But why do I want Chamber of Commerce messaging? And there was messaging throughout our website and our Visitors Guide that was like community-minded stuff, which is nice, it feels good, but it didn't make me want to visit. It didn't attract me any, I don't want to join your community, I'm just wanting to come and check it out, right? Now, if I have a good time I might come back and join it, right? So, we felt like you were really distracted on a lot of non-tourism content, I won't go into more detail than that. Low awareness, when we did a digital audit, over 80% of all travel planning, as you all do, is done online, that's not a surprise. So, if you really want to see how we're going to be competitive, you kind of need to look at the online world, just find out what we look like. Well, what we found out is nobody's searching for you. The most common thing we all do is name of city where I'm going, hotels. And name of city where I'm going, things to do. You're all practically goose eggs on both of those things, nobody is actually searching for those things; it means you're not the destination. I have to go there because 3M's making me, or my boss is sending me there, right? Some of the, a lot of the businesses I think are really doing that. Or, I have a wedding, your weddings are really regional, because I first met with you all, you're all like weddings, weddings, weddings; you've got some really cool wedding venues, but the data shows most of them, over 80% of everybody who comes to your weddings, live in the Minneapolis area. That shouldn't be a big surprise. Uncle Ned and Betty, they're from Indiana, they come in, so you might get a couple people at the wedding that are from out of town, but for the most part, they're local, right? So, everybody has to come here. If you look at Trip Advisor, the #1 travel website in the world, you're nonexistent; it looks worse, the reality is there's nothing in Cottage Grove, you might as well be up north somewhere. So, we have a real low awareness; that takes a little bit of time, it takes somebody doing stuff there. Creating an online presence is a lot of work and the most important thing you could be doing from a marketing perspective. Somebody's got to do it, all right?

#### OPPORTUNITIES

- Additional Lodging: You all know that. It's the biggest one, I'm just not going to push it because you know it so well, but it's obviously big.
- Packaging Your Assets Together: Partnering and packaging is one of the best things we can do because you don't have to create a new product, you just group things together. We went through an exercise with some of our groups, and we're like, what is there to do? And they're like nothing, your own people, and they're telling me there's nothing to do here. I

don't know why I keep fighting with this, Cottage Grove, I like living here, but I'm not going to visit. And, so, we challenged them and had them put together itineraries, okay, well then you three people, you're part of a girls' getaway weekend, and you have to put two days of what you're going to do. And that's kind of the exercise we did around the room. And everyone immediately did it. They're like oh, well, I'd go eat at this one place, and we'd go have pottery here and this activity, and then they all put together the little itineraries; that's what we have to do. We have to package what assets we have and make it sound attractive, and when we do that, we actually have a lot, it's actually pretty nice.

- Weddings: Is a big opportunity for us.
- Old Cottage Grove: That seemed to be a sensitive topic for you all, just in my observation. I don't know why, it's got a lot of baggage with it, I think that's why, I get that. And I know some of the stories, right? I'm just playing dumb. But there is also a sense of pride for some people in the community about Old Cottage Grove, it does exist, and you don't have much historical assets and gathering spots. I get it, and you hold on to what you got. So, there does seem to be an opportunity there, a little bit. I'd do something with it, and I know half the room disagrees with me. I don't care, I would do something with it. I think there's something, there's an opportunity there.

#### THREATS

- Lodging Shortfalls: Again, your lodging shortfalls are ripe for other people because it teaches your partners, your partners being your business community, how many people in your Business Park? Like 20 something? You know what we're teaching them right now? Not on purpose, go to Woodbury; they're bringing guests to town for work, contractors, things like that, and they're sending them to Woodbury; every single week this is happening, we talked to a handful of them, and overwhelmingly, that's what they do, right? And they would like something here, they told us that, but the more they do it, the more those relationships are being built, the conference hotel, wherever it is, right? And Woodbury loves it, and by the way, you know, they're attacking tourism right now, you know that. I think that's what led to this project, they're ready, so, they are a threat. I know you ought to get competitive against them anyway.

#### LOCAL AUDIENCES

I won't get too deep into this, but we also looked at audiences. I just want to remind us, again, there's a little bit of theme of education of what tourism is, I think is as important as anything. It's not the fanny pack stuff, right? That's not even on our radar screen, right? We're not looking for that kind of leisure tourism.

- Local Tourism Stakeholders: Are your #1 audience, the most important. Getting people that are in the tourism business that actually provide the product, a place to stay, things to do, places to eat, things to buy, isn't that the goal is to make those cash registers ring? So, your tourism stakeholders are your #1 audience; you can package them together and sell it. That's what our itinerary does, and you want them on board with every single thing you're doing because they're the ones who are going to make it happen. You're just going to promote it.
- Elected Leadership: Obviously, there's an education of what tourism is and what it's not for Cottage Grove is super, super important. We have to make sure they're always, I talked last night about regularly dropping you updates of here's what's going on in tourism, and I mean numbers, and here's what's happened since last time. Showing them results, showing them that it actually is making an economic impact in our community. Do they know that now, do they believe in it now? A little bit, or they wouldn't have made some decisions the past couple years, but it's still down here, we've got to continue to grow it, we have to constantly merchandise what it means and the impact we have on it. I'm putting this emphasis because you're going to see that's going to be our #1 recommendation; the most important thing you need to be doing is in this ballpark.
- Residents: Need to know a little bit, some of them know; reality is if 50% of them know what's going on, we'll be happy, that's the way it is.
- Existing Business Owners: We spoke to St. Paul Tourism, we spoke to Minneapolis Tourism, they're excited that you're doing something. Why? Because they already bought in a long time ago to a regional tourism effect, they've already bought into it; not everybody wants the big metro of Minneapolis, they know that. So, it's going to spill out, we provide something that a lot of big people in Minneapolis can't deliver, it's too expensive or intimidating. So, they want to have an arsenal of opportunities that they can sell, so, of course, they're excited that you all are doing this.
- Industry Peers: Include Woodbury and Hastings, our neighbors. Our hotels that are on our fringe for now, believe it or not, right? I can't put groups here, we got all this big Ice Arena. How many days open do we have? That's one of the first questions I'd ask. How many days open do we have, and what sells? There's nowhere for them to stay. Well, there's hotels around here, and I'm going to go to these hotels and negotiate; so, I'll tell you what, we're going to bring a block of rooms to your community, and for the rooms that I bring you, give me 1% of your 3%, is that a deal? I'll go out and sell it, and bring all these people, overnight, to stay in your community, but you've got to give me 1% of your 3%. I'm using that as an example, but for now, we can't just sit here and twiddle our thumbs until we have more hotels, can we? So, that's the kind of, being a little creative, but also I'm controlling the teams because I'm the one selling the groups to come to our arena, as

an example. So, with your industry peers, right now, we can easily say our competitors are our partners, too, when you think of them that way.

#### VISITOR AUDIENCES

- Corporate Travelers: Business travel, this kind of seems like your #1, in my opinion. If I could only do one thing, I'm putting all my efforts on making the business traveler's experience to Cottage Grove great because those are important partnerships that you already have. You've already the relationships, so, to me, is the #1.
- Sports Teams: This is #2, for sure, because you do have the Ice Arena, but granted, it's how many days open do you have? Can you actually sell it?
- Weddings: Are nice, for sure.
- Surrounding Communities: You are a regional draw; we don't need to be spending money outside, we don't need to spend money at the Minneapolis airport telling people to come to Cottage Grove. No, we don't need to be doing that. We need to be getting people, you know, within 100 miles or less of the community.

#### FUNDAMENTALS OF TOURISM

We'll review Fundamentals 101 real quick, and then we'll get to our recommendations, and then we'll fly, okay?

First of all, remember this:

- For tourism to be real, it has to be real. This isn't make believe, this isn't party planning, right?
- You must have somebody to own it.
- Must have the organizational structure to be accountable and provide direction, which you do.
- It must have a revenue source and funding; you've put that in place, so you're doing the right fundamental things. But I'll pause you on that, it must have a revenue source and it must have funding; I think the thing with this number is, cool, we can market outside, but that's the least important thing you all need to be doing right now is spending money. I'm not saying don't spend it, I'm just saying it is a priority, you're going to see, it's just not the top of the list, all right? Because you've got to pay somebody here, and it takes time to do a lot of the things that you need to do.

#### Keys to Tourism Success

- Promotion: How do we promote? What do we promote? Where do we promote?
- Ownership: Person, Organization, Accountability.
- Product: Food, Shopping, Lodging, Entertainment, Amenities.
- Funding: Occupancy Tax, Tourism Special District, Grants (State & Federal), Sponsorships, Private.

When people get to stay overnight, they spend three-to-five times more money in a community if they stay overnight. Right now, we'll bend the rules. Why? Because we don't have a place for them to stay, but I can make those kind of partnerships with neighboring hotels, hopefully I can do something with our restaurants as a part of that package, right? We'll bid it that we just go one step for right now, right? If no one's spending their money here, on shopping and restaurants. So, if you have to leave in the next five minutes, no worries, here's the recommendations.

#### RECOMMENDATIONS

Recommended Key Initiatives:

1. Develop a Culture of Tourism  
We have to educate ourselves and decide what tourism is all about and what our plan for success is today, so that's the first thing we have to do. But, again, whoever is owning this thing, you're going to be like, why are you doing this? You're going to point to one of these.
2. Partnering and Packaging with Existing Assets  
I mentioned this a while ago, there are some ideas that we're going to have on how to do that.
3. Facilitate Product Development (Long Term)  
Of course, product is a big part of this. This one is where you have to be careful; you want to always be looking for opportunities, but if you're trying to chase too many things at once, you'll get distracted. The one part of product development that you really need to focus on right now is a hotel, no doubt about it. There are other options out there, of course, especially if you're doing a lot of partnering and packaging, the product may reveal itself to some of your existing partners, long term.
4. Ongoing Marketing  
We do want to promote ourselves a little bit, and we have some suggestions of where you should put your dollars.
5. Tracking and Reporting  
We can't accomplish this if we don't do this. We have to be accountable, right? We have to show, okay, here's what we're doing with our \$90,000 to 100,000 that we're getting for now, where it's going, and are we moving

that needle? If so, we need to adjust ourselves a little bit to what's going on, right? That's how you build or earn respect and trust that tourism is a real thing, and that we're doing the right stuff.

So, those are the five key initiatives; we have some suggestions of how you can build those and where your priorities need to be.

#### **Key Initiative #1, Develop a Culture of Tourism**

Yes, developing a culture of tourism, that's priority #1, it's probably more than anything else, as I mentioned. It's even more priority over developing another hotel, as big as that is; we have to, as tourism is a word that sometimes just gets bent to different agendas and it means different things to different people. So, we've got to define what it is, literally.

**WHAT IS A CULTURE OF TOURISM?** So, creating a culture of tourism must happen in order for it to develop into a real economic driver, and that's why you're doing this for Cottage Grove. It means...

- It's viewed as economic development.
- It's viewed as a viable new business opportunity.
- Businesses expect new faces and willing to help, this is what tourism culture means. Businesses are used to visitors being here; oh, yeah, where are you from? What's going on? I mean, right now, the hotel that happens, but outside of that, it's teaching people that when we have visitors and guests, we greet them, and there's a level of hospitality training that occurs.
- Tourism businesses are connected to one another.
- Unified understanding of what tourism creates.

#### **ESTABLISH THE STRUCTURE FOR TOURISM:**

- Accountability to leadership AND tourism professionals: Tourism board-steering is crucial. When stakeholders are a part of creating the direction, they will also make sure their business aligns.
- Tourism Management: For now, Tourism should continue as a department of the City, and it can stay that way, but at some point, it may be necessary to create a separate Tourism Department or consider branding it out as a 501(c)(6). That's pretty common; the challenge is always when Tourism and Chambers are together, they often get messaging and the purpose are different, they should be. Serving membership in a Chamber and serving visitors are just two different agendas, but shared resources are very tempting, so I would imagine that's why that was probably done, to some degree. I don't know the details of that. But, mostly, Tourism, keep it in the department, and at some point in the future, if your Lodging Tax gets large enough, you may want to push it up; this is more about how people see a source of revenue coming in. Taxpayers are not used to tourism, and when they see revenue coming in, they think it's their money being spent, and it's not, right? Tourism revenues are visitors' money being spent, that's the beauty of it, it's self funding. So, keeping those revenues separate from the rest of your budget, your finances, is super important, and residents will not get confused. So, that's why you just want to see the separation, just remember that, and I've talked to Jennifer about that, too.
- As tourism grows, you may want to hire a Tourism Director, Manager, or Coordinator; what the title is, specifically doesn't matter, walk before you run, would be my recommendation, but you want ownership, you want someone whose job it is. Right now, it's split probably between three-ish people, I think, right? And their #1 priority is City communications; hey, snow removal. I mean, a visitor kind of cares about snow removal, I guess, but not in the same way, you know? Again, they don't care about Easter Egg Hunts, they don't care about the utilities, and the things that you care about as a resident, and so, it's tough to do that, and the Communications Team are going to have to balance both right now. So, at some point, I think your use of revenue is better spent on more focus of a person than advertising outside. And that's just one piece of it, they have to get training, they need to go to conferences. What? Yeah, if we're going to elevate tourism, to be serious, shouldn't there be an expert in the room? Shouldn't there be someone who lives and breathes, every day wakes up and goes man, I've got to go do tourism in Cottage Grove? And they know the latest things that are going on, they understand how the latest trends that are happening, what's affecting Minneapolis and CVBs around the State. They don't just wake up and know it, they have to train themselves, they have to do ongoing training. All right, that's what you need, it's what serious industry would do, and so should this person; that takes time, and money, and travel, and all that good stuff.

#### **CHANGE THE DEPARTMENT NAME:**

- Since you are not involved in "conventions" and won't be anytime soon; we're not in the convention business. We recommend changing the name of the organization to Cottage Grove Tourism or Cottage Grove Tourism & Sports.
- You can keep [discovercottagegrove.com](http://discovercottagegrove.com); add MN in your URL, [discovercottagegrovemn.com](http://discovercottagegrovemn.com), might be advantageous for search engine results. Even your consultant a few days ago, when I went to book a hotel in Cottage Grove, because remember the first thing everyone does, where you're going and hotels. I entered Cottage Grove hotels, and I almost booked it, but it was in Wisconsin, right? So, you need to add MN in your URL.

**EDUCATE AND EVANGELIZE YOUR TOURISM BOARD:**

- Your Board should represent tourism in some form and should be educated on tourism today. The person who owns tourism, whoever that person may be, needs to be the expert in the room in the community, but the next level are you all; you all need to know what's going on, and it takes a person to keep you all educated.
- They need to be aware of the latest trends and local-regional tourism, it's super important data because you're going to get out in the community, and you're going to talk about it. We need people to spread the word that tourism is awesome, right?
- Always provide some level of ongoing education to the Board.
- We recommend you use the newly formed Mission-Vision-Values as guiding lights for tourism, including how the Board works with others and one another.

**ESTABLISH YOUR MISSION/VISION/VALUES:**

- Proposed Mission Statement: Stimulate the Cottage Grove economy for residents and businesses through the thoughtful promotion, coordination, and preservation of tourism. The Mission Statement is who we are, why we exist, and who we serve. Preservation's in your Mission Statement because tourism isn't just about promoting, it's about maintaining the quality of life that's important to our community and it obviously is, right? You will be voting on that to make that official, and if you want to tweak it, fine.
- Proposed Vision Statement: Vision Statement is more aspirational, of what do we want to become? We want: To be seen as a desired community to visit, an economic catalyst into the local economy, and a trusted community partner. I'm not sure about this, if anyone has brought tourism in, they need to be in this meeting, that's what that means.
- Proposed Values: Passion, Expertise, Resiliency, Collaborative, Authentic, Hospitality, Pride; how are we going to treat each other, how are we going to work together? As a new member of the Tourism Board, you need to know this is how we treat each other, this is how we work together, this is what we're about, right?

**DEFINE TOURISM:** Create an agreed-upon definition of tourism so everyone knows our purpose and focus.

Our Recommended Definition of Tourism: Tourism is the new tax revenue and direct spending generated by those not living in Cottage Grove (ideally more than 50 miles away). This includes overnight stays and day trippers, it includes recreational, leisure, or business purposes. For now, Cottage Grove Tourism marketing efforts will be regional and will include the Twin Cities area. This is actually your biggest market because it's so close and you'll get a lot of day trippers from there, you're not going to get a lot of overnights, but that's okay for now.

**DEFINE COTTAGE GROVE'S TOURISM ROLE:** The role of a tourism agency is...

- Destination Marketing: Be the voice for why visitors should want to and should come here.
- Destination Leadership: That's all the hard work, actually; that's bringing partners and stakeholders together under a shared vision and destination strategy.
- In-Destination Management: We want to influence how visitors experience the destination and support sustainable development. So, we've got our nose in things that actually work well for the City and others, like is it clean or is there blight? I don't want people getting off that exit if it looks like rats, no way. Are our front-desk workers at our restaurants and hotels friendly? Do they have the hospitality training that we need? Those are things that we can bring to the table; hospitality training is a very common thing that DMOs (Destination Marketing Organization) do. Hospitality training is very typical of a DMO, once you have a collection of people, of stakeholders together. Because their biggest challenge is keeping their people trained, right? They know how to use their systems and stuff, but basic customer service, believe it or not, is an art, and it's not natural for a lot of people and it's the biggest challenge that our industry has.

This is so you understand the building block that we're creating here, okay?

**HOST AN INTRODUCTORY STAKEHOLDER SUMMIT:** I'm just going to barely touch on this, but we've got to start beating our chest at least once a year that says hey, here's what tourism's doing. Do we really need to have a Tourism Annual Meeting? It seems a little bit big right now for us; well, maybe it's not a big meeting, but I'd have it. Once a year, I'd beat your chest and say here's what tourism's done. Why? Because it's serious, I'm trying to elevate the role of tourism here. I recognize frontline workers, do some work; you know, we only have a couple hotels. Well, fine, but I'm going to establish the Frontline Worker of the Year, and anybody can nominate who they are, restaurants are included in that; Partner of the Year, Elected Leader, Tourism Ambassador of the Year. Let's recognize our champions so we facilitate the idea of working together, right? And it's an opportunity to show the results of everything that we do. When would I do it? I don't know, how about National Travel and Tourism Week, which is usually the first or second week of May, maybe not this year, but you get my point? Use it whenever tourism's elevated.

**ONGOING PROFESSIONAL DEVELOPMENT:** I mentioned this, it's necessary.

- Tourism Director/Manager/Coordinator must develop into the local expert, somebody has to be bringing knowledge into the community about what's going on now in tourism. Short-term rentals are the big thing going on, like what's happening

with Airbnb and VRBO? Are we collecting the taxes the right way? Are there resources (and there are) that allow us to monitor the short-term rental and tell whether they're lying to us or not, which they do. Who's keeping up with the trends?

- Seek industry training and ongoing learning. You've got to invest time to go to the State Tourism Conferences and even Regional Tourism Conferences when they have some. Destination International is international, but it's really U.S. based, but it's kind of the industry authority of tourism; U.S. Travel is another one, they have an annual conference, but they have regional ones, which would be more appropriate for you all. Annual would be too big for you right now; to be honest with you, it'd be overwhelming. But you have to go to those things, and that costs money, and that's time, travel, and budgeting for that.
- Require each Tourism Board Member to attend at least one tourism-related educational event or class annually.
- Constantly share industry trends, other examples and initiatives.

**REGULAR STAKEHOLDER COMMUNICATIONS:** We can't just ask people to come to a meeting like this all the time, so we need to have...

- A Cottage Grove Tourism newsletter for the stakeholders, for the business of tourism, and that needs to go out every other month, probably. Here's what we're doing, here's where we're going.
- Celebrate the successes of tourism efforts in Cottage Grove, highlight upcoming events, and provide insights into current projects and initiatives. We just got a plan, we're finishing that now, we're actually assembling the group to help us with this, whatever it may be.
- Present short top-line overview of Cottage Grove Tourism Activity-report the numbers, any significant milestones or accomplishments, and upcoming opportunities. It's the opportunity to brag about people in your industry, brag about what you're doing, but you need to keep in touch with them on an ongoing basis. Some places have a whole dedicated portion of their website just for the stakeholders; that way, you can keep kind of a little bulletin board of everything going on, that's not a bad idea, by the way.

**BE THE REGIONAL TOURISM HUB:** You can work with your neighbors right now, you can work with Woodbury, and I mean, it's in the case of hosting some things. There are other communities in the same situation as you are, so, maybe regionally, we work together and we develop the relationships; relationships take time, it takes a person to do it, who's going to do it? But with Hastings and Woodbury or whatnot and many others. So, you can work together, maybe it's not we do all of our marketing by ourselves, maybe we work together. I gave you an example earlier about bringing groups to town and using the hotel in a nearby community.

- Position *Discover Cottage Grove* as a central connector for tourism in the region.
- Develop strong partnerships with neighboring communities through regular collaboration, such as a quarterly breakfast hosted by *Discover Cottage Grove*.
- Explore joint marketing campaigns and multi-country travel packages.

**VISITORS GUIDE:** I'm not going to talk about it, we made some recommendations, and your new Visitors Guides just came out like last week or two weeks ago, and a lot of the changes that we recommended are already incorporated. So, again, staff is already moving on a lot of things, which is fantastic.

The primary goal of the Visitors Guide is to inspire visitation. Focus is better. Create itineraries and easy listings of things to do and places to visit.

- More concise Visitors Guide-streamlined page count-add a dedicated section for "Paddle Sports."
- Create a standalone Wedding Guide.

**A WEBSITE BUILT FOR TOURISM:** Your website is undergoing some changes right now, from a lot of the recommendations that we're making. The one thing I'll say that's super, super important is developing an inquiry database, believe it or not, so we can email people about things and things going on; but when we talk about measurement later on, we don't have a way to measure it. How am I going to do that? How am I going to survey people? You can't walk up to them on the street; well, you can, but that's just not a good sample method to do it because you'd have to do that almost every week for a whole year to make that justifiable. But if we have a database of people who ask for a Visitors Guide, I can follow up with them; because what's the point of a Visitors Guide? Inspire travel, inspire a visit. So, if I have their email address because I know I sent them one, then everybody here has, I've got like 3,000 people that I've sent them to, and I can still survey, and I can ask them the really important question: Did you visit? Hey, goodness gracious, we have a ROI. Now I can tell that for every dollar we spent on marketing Cottage Grove, we're generating \$20 for our community; because I'm not just going to ask if they visit, because of the 25-to-30% that say they did, which is usually what it is, by the way, then I'm going to follow up and ask, oh, really, when? What did you do? Who did you come with? Why'd you visit? Where did you stay? And including, how much money did you spend on those things? Research has shown even six months after the fact or even a year after the fact, it's pretty accurate; people have an idea of how much they spend when they go to a community, it averages out. So, now, I can generate an economic impact of our budget; that's called measuring, being accountable, right?

- The website should have some similar connections to the Visitors Guide (of course it has more fun content).
- Make updates similar to the template of the Guide, but with more options and connections to partners.

- Section dedicated to *Wedding Venues*, which should include information on the Explore Cottage Grove's website before linking to the venue or other websites.
- Include reference to Weddings in Twin Cities, St. Paul, Minneapolis; all of this helps with search engine optimization.

**LOOK TO INCREASE FUNDING:** At some point, we'll have to increase funding. Right now, you don't need to be raising taxes, I don't care if it's visitors' money, you just passed one two years ago, you don't need to be asking for it right now. But a hotel is going to double your funding, one hotel will double your funding, which is fantastic.

- Annual budget needs to be \$150K-\$300K for marketing tourism.
- Apply for State tourism grants, also, many Federal grant opportunities; it takes time for someone to search for grants.
- Near future: Increase Lodging Tax to 5%, additional 2% allocated to tourism.

*It's important to highlight that this tax is a non-resident tax, collected from visitors, ensuring that local residents are not burdened.*

Below are potential grant programs available through the Minnesota Division of Tourism:

<https://mn.gov/tourism-industry/industry-opportunities/grant-programs/>

### **KEY INITIATIVE #2: PARTNERING/PACKAGING WITH EXISTING ASSETS**

The goal is to package and promote existing assets, because we have work to do now; we've got to bring our partners together right now, that's really the idea of this. By packaging these experiences into marketable products, Cottage Grove can attract more visitors and increase tourism revenue.

**CONNECT WITH TOURISM STAKEHOLDERS:** The best ideas for connecting partners do not come from the consultant, they come from the partners. Bring them together for the purpose of developing ideas on how the community can work together to create tourism programs and events.

So, the best ideas for Packaging and Partners don't come from us, we have some, and they're going to be in your plan, the best ideas are going to come from your tourism partners. Hey, our tourism consultant said that we should do this, it ain't gonna happen. You know any small business out there, they're going to have their ideas, and it's going to be focused on what they should focus on; they want to make money, so, the most important thing we can do in creating a partnership is set a meeting and go, hey, how can we work together? How can we get this restaurant and this restaurant and this restaurant and this restaurant together? I don't know. Well, some communities have a Food Week; oh, that's a good idea. Why don't we do a food week? Let's do it right. The ideas you need to move forward on, on partnering, are with your partners. So, again, we have some, and that's fine, but I've never seen anyone execute them because they want to make money and they're letting them come up with it; that's a true partnership, okay?

**HIGHLIGHTING FAMILY AND FRIENDS GATHERINGS:** Many visitors come to Cottage Grove to reconnect with loved ones. However, our research shows that residents often take their guests to destinations outside of Cottage Grove. To encourage locals to explore and enjoy what the area has to offer, we propose creating a brochure featuring the top five must-do activities in Cottage Grove. This will serve as a guide for residents, helping them to discover great spots to take their family and friends right within their own community.

You are a family and friends community, it's probably, other than business workers, although they stay at your houses, you do bring friends and family to visit your community from time to time. So, you can create programs that are friendly to that; if you think about it, it's really tourism focused, but you could create a program to residents that says hey, when your friend or family member comes to town, you can create a little passport or something like that, that's creative. But it's the Cottage Grove Friends and Family Week or Month, or whatever; you can put together promotions with your partners. Like, there's an idea there; again, I don't want to get down to details because it's worthless, but the point is you've got to work with what you have right now. And you could do something around Friends and Family, no doubt about it.

**WEDDING FAIR EVENT:** Thinking of weddings, you've got really smart wedding venue people that know exactly what they should be doing more than we do. You all have some great wedding assets.

- Host an annual Wedding Fair, designed to showcase Cottage Grove as a premier wedding destination.
- Highlight your beautiful, unique wedding venues: The Madison and Hope Glen and even your golf course does fantastic weddings, too.
- A variety of local vendors, include booths from local dress shops, florists, photographers, caterers, makeup artists, and entertainment services, creating a one-stop experience for couples planning their weddings.

If you go to the Meet Minneapolis website, they don't any of you all listed on there for weddings, and barn weddings have never been more popular; that's the reason why that young couple just bought it. It's super, super popular, and take your niche where you can do it, right? And, so, how can you take what you already have and make it something bigger, like a Wedding Fair, and you're bringing flowers and florists from all over the Twin Cities, all over; it's just you happen to be the hub where you host them all for a long weekend or something like that. So, those types of ideas are the point of using what you have.

**STRAWBERRY FESTIVAL - "BRING A FRIEND":** The Annual Strawberry Festival is a beloved event in Cottage Grove, celebrating the community's rich agricultural heritage and small-town charm. To make this festival even more impactful, we suggest launching a

“Bring a Friend” initiative, encouraging locals to invite friends and family from outside the area to experience the festival and discover the charm of Cottage Grove firsthand. This initiative can foster a sense of community pride while also introducing visitors to the town’s unique attractions and local businesses, driving tourism and economic growth.

This is where you all deliver the best, where you like hit it out of the park, so I’d double down on it; that’s the one that you make a big deal of, it’s when the community is showcased the best, it’s when your residents are loving it and they’re bragging about it. So, I think that’s an opportunity to use programs like the “Bring a Friend,” or something like that, come up with a pass for it.

**COTTAGE GROVE DINING WEEK:** Launch Cottage Grove Dining Week, a weeklong celebration of the vibrant local food scene, designed to encourage both locals and visitors to explore the area’s restaurants.

Event Structure: Special Menus and Pricing, Burger Week feature.

Marketing & PR: Targeted PR Campaign, Engage with Social Media.

Bonus Events at the Farmers’ Market: Cooking Demonstrations, Live Music & Entertainment, Pop-Up Food Tastings.

**KEY INITIATIVE #3: FACILITATE PRODUCT DEVELOPMENT (LONG TERM)**

**EXPAND LODGING CAPACITY:** The City understands the need for a hotel. Currently, Cottage Grove is missing potential for additional revenue. For example, if a new hotel with 90 rooms, with an average room rate of \$135 and a 60% occupancy rate, with a 3% Lodging Tax, can generate over \$80,000 annually in revenue for the City.

The hotel I left this morning is at 90%+ occupancy, and the 3% Lodging Tax, that’s going to generate \$80,000 or \$90,000. Right now, you basically have one-ish hotels, they’re generating about \$90,000, right? So, you double that with one hotel.

But more than hotels, you can also attract other types of lodging, by the way, I just want to throw that out there: Tiny homes, cabins, or glamping, etc. You have a treehouse, and you can see how popular that is to attract nature enthusiasts.

The short-term rental market is exploding; people are building communities of tiny homes, and communities of cabins, and those become the attraction. So, that’s just another thing to open your mind a little bit.

Hotels are the one you want, especially for business travelers, but there are other types of lodging that’s available. There’s another way to look at it, too, that I’m going to emphasize:

**NEW HOTEL POTENTIAL**

Number of Rooms:	90
Total Rooms’ Nights:	32,850
Occupancy Rate:	65% (National Average, but you’re actually over that)
Rooms’ Nights Sold:	21,353
Avg Daily Rate (ADR):	\$125
Overall Hotel Revenue Generated:	\$2,669,063
MN Sales Tax Generated (6.85%):	\$ 182,831
Cottage Grove City Tax (.28%):	\$ 7,473
Lodging Tax Generated (3%):	\$ 80,072

So, these numbers are cool; that’s another \$80,000 for marketing, and that would pay for somebody, how about that? But the City is losing approximately \$5 million in hotel revenue and \$4 million in direct spending.

If you think about the other part of it, it’s not just the money that they’re paying to stay at the room, it’s the money that could be spent in our community. They’ve got to eat, they shop, those are the two things people do when they visit anywhere; that’s what everybody does. And we project that you’re losing about \$4 million a year right now; so, it’s not just about the hotel revenue, although whoever wants to put a hotel here, we want you to be successful and we have it waiting for us. It’s also our businesses that are out there and the money that’s not going into the community, and right now, it’s going somewhere else. We’re one of the best business development products that Woodbury could ask for, as long as we don’t put any more hotels here.

**WINTER WONDERLAND - A MAGICAL HOLIDAY EXPERIENCE:**

- Look for opportunities to take existing winter events and create a “Winter Wonderland”, a magical and festive atmosphere that delights locals and draws visitors.
- Multi-week event with holiday markets, family-friendly activities, and eye-catching decorations that encourage spending, dining, and even overnight stays at local accommodations. Could include: Christmas Market; Ice Skating Rink; Christmas Lights Tour; Tree Lighting Ceremony; Santa’s Village & Workshops.

This is a partner idea, but again, we can come up with ideas all day long, but a Christmas Market is because you have these venues that are great and you have some neat little shops; like, you can create an experience over a holiday season, and there’s countless numbers of examples of communities that do this. It’s just a commitment to lights; if you want a good example, there’s a place

where they call themselves Christmas Town U.S.A., they change their name literally one day a year or one month a year or something, it's McAdenville, North Carolina. And it's actually a Statute that you have to participate; as a business owner, you have to, and I don't know the details of it, but I'll look it up if you really want to know. But everyone in the community participates in Christmas with lights, so, it's this little bitty town, there's nothing to do there the rest of the year, but when Christmas comes, everybody goes there. It's just outside of Charlotte, about 35 miles west. And it's a completely different community during Christmas because everybody participates; that means they bought their own lights, they did their own stuff, it just became something that the community bought into, like let's have some fun, let's generate some short-term tourism. So, there are examples out there of how if we work together, we can kind of create a short-term experience without bringing in a big investor at all. We like the investors, but we can still do something, you've got the people who can do most of these things, and in this Minneapolis area, you've all seen ice skating rinks.

**BENEFITS OF CEDARHURST MANSION RESTORATION:** Preserving a community asset and story-telling venue could open doors for many opportunities:

- Corporate events.
- Community and social events.
- Live concerts.
- Festivals.
- Attracting locals and visitors!

That's a big discussion that I won't get into, but it's definitely something, it seems like it's worth stating as a product development opportunity for you all, you don't have a lot of heritage assets in Cottage Grove, but you do have that one. And it is a source of pride, it's a lot of work, it's intimidating because it's so big, but the potential of what that could do seems pretty strong and worthy for all of those reasons that are listed.

**A TOWN CENTER ATTRACTS PEOPLE:** By creating a town center or gathering place in Cottage Grove, MN, the community can experience enhanced cohesion, economic growth, and a stronger sense of identity, making it an even more attractive place to live, work, and visit. Advantages to a town center:

- Foster community engagement.
- Support local economy.
- Enhance walkability and sustainability.
- Cultural and civic identity.
- Attracting visitors.

I know you all have been talking about that, so I won't go deeper into that, but having a gathering spot is great tourism because people know they can go do something there. Like, I don't know what we're going to do in Hastings tonight, but let's go, Lori, let's go to Hastings. What, where are we going to? I don't know, we'll figure out something. We can walk around, we'll have a beer, go shop, go to the tavern, right? Density creates attraction, especially for residents, and if they're bringing friends and family, they're going to go there. So, I'd just encourage you all, it's not as easy as the consultant saying you do it, there's a lot of numbers to make all that happen, or course, but it's a tremendous opportunity for you.

**DEVELOP MORE FAMILY-FRIENDLY ATTRACTIONS:** Cottage Grove lacks entertainment options, especially for families and children. We recommend working with private investors to develop additional family-friendly attractions, such as:

- Indoor arcade with games, laser-tag, and mini golf
- Outdoor adventure park offering zip-lining, obstacle courses, and climbing walls
- Big Swing

Things like Big Swing, family-friendly attraction like things, especially outdoors, seems like it would be a good fit for you. Because you're looking for how can we develop tourism, things to do, I think in the natural, outdoor space makes a lot of sense.

**LEVERAGE NATURAL AND RECREATIONAL ASSETS:**

- Outdoor Adventure Promotion: Cottage Grove's parks and trails could be marketed as a destination for outdoor recreation, including hiking, biking, kayaking, and bird-watching. Host outdoor events, like 5Ks or nature walks to draw enthusiasts.
- Mississippi River Access: You've got opportunity to develop waterfront activities with the Mississippi River, like kayaking and paddle boats to capitalize on the scenic beauty and calm backwaters of the Mississippi River.
- Winter Tourism: Promote winter sports, like cross-country skiing, ice fishing, and snowshoeing. Consider hosting winter festivals or sporting events to bring tourists during the colder months.

**WINERY/BREWERY:** If possible, pitch to investors to develop/invest in a local winery, brewery, or distillery. These venues could host events like tastings, live music nights, or craft beer festivals. Just think about that, but I don't want to go too far on that.

#### KEY INITIATIVE 4: ONGOING MARKETING

##### MARKETING PRIORITIES:

1. Branding: Tourism doesn't really have a strong brand right now, see what you think about *"More Than You Imagine"* as a tagline. I said you're not, you're not more than I imagined. Actually, what research shows is no one's imagining you, no one imagines you, so, you definitely aren't more than that. And its, you have a nice experience, but its not, you don't walk away and go, wow, that was awesome! Man, Cottage Grove is amazing! I don't see that happening right now. No one's saying anything bad about you, they're just not bragging about you. And not in a visitor world, like, I mean, you need to go check out Cottage Grove. An unidentified person said, how about, "It's everything you want within a 10-minute drive." Everything you want within a 10-minute drive, there you go, yeah, but, I think that's a City thing. I actually would encourage you all to consider branding for tourism, but also for the City economic development, everything. How do we really position ourselves? And you can only be the best you can be. You cannot act like you're someone you're not. You kind of just have a blank slate; there's nothing negative, you just have a, you're like vanilla, and there's an opportunity to tell a stronger story. You do have passionate people in this community that love where they live, and so, I think you need to do a better job harvesting it, to be honest with you. Having that identity, knowing who you are, your voice, the whole thing that goes along with it.
2. Website: If you think about priorities with dollars and time, that goes with that.
3. Visitors Guide
4. Social Media: Is probably the most active, most used, and most valuable; that's the most frequently used volume of work, time, effort of anything that we do in tourism marketing. It's a lot of work, but it pays off because you people in Cottage Grove, you can get a lot of attention without a lot of money.
5. Content Development: Photography, videos. If you're going to do this well and this well and this well, you have to have content, and that's a never-ending process. You can't be talking like, "Whatever your fare, there's something for everyone in Cottage Grove." Please don't say that. Don't say that, you can say it, the Chambers love saying it, the City loves saying it, don't say it for tourism. "We are the friendliest people," don't say that either. Everybody says those things, be very specific. What makes you interesting? And write it down. Don't worry about, well, they're going to get mad because we're promoting them over other people. I don't care, I'm trying to get people interested in this place, so, the fact that the Subway restaurant is mad at me that I've given this unique place attention and not giving it to them, I don't care. I mean, I care that they're mad, but my job is to be marketing for tourism, right? And not to look like everybody else. But we need content, this is an ongoing process.
6. Targeted Paid Promotion (Digital Ad Campaign): By the time you get to this, you're not going to have any money left. You have \$90,000, if you do it right. So, there's not much money left. When you all do advertising, I would put it on Strawberry Festival, and I would target, do digital targeting of people in the Minneapolis, Twin Cities area, and I can work some promotion. I'd have something specific, I mean, you've already got a lot of people there, it's just what the goal would be people have such a good time, they come back, you know, later on. Oh, man, it's 'cause you're on your best at Strawberry Festival, right? "Oh, what a great place, we ought to come back here sometime when it's not as crazy," that would be your desired takeaway, right? So, I would put efforts of an event-based advertising, digital advertising only, and I would target certain ZIP Codes in the Twin City area; that's about all you're going to have the money to do.
7. Build Database (For E-newsletters and future research): So, what marketing dollars you have we agree you're going to be spending them. Make sense?

#### KEY INITIATIVE 5: TRACKING & REPORTING

##### PROVIDE REGULAR UPDATES:

- Be tenacious in measuring and reporting tourism. On a semiannual basis, give a State of Tourism report during a commission meeting or tourism's own Annual Meeting.
- Consider recognizing a Lodging Partner of the Year and a Hospitality Partner of the Year for those who have helped in promoting tourism in Cottage Grove.
- Create marketing materials on the impact of tourism during National Tourism Week.

This is pretty self-explanatory, and I mentioned you need to have an annual State of Tourism report, you need to have a Lodging Partner of the Year, you need to have a Hospitality Partner of the Year. You need to be in front of the City Council a couple times a year, saying here's what's going on, here's the needle that we're moving.

I can't emphasize this enough, and I feel so strongly about it: Many times it's, well, we're going to draw up a plan for tourism; because of the nature of tourism, we always assume that means marketing dollars, and these great, creative ideas of how we're going to spend our money. Let's do that in five years. Right now, let's get the foundation we need, right? We're going to make more things happen by not spending money out there, but investing in ourselves, our time, bringing in partners, and getting the assets we need so we have something to promote.

## Economic Development Authority & Convention and Visitors Bureau Joint Meeting Minutes

February 11, 2025

Page 13 of 17

So, that's kind of the plan, folks. That's just showing examples of being committed to merchandising: This is Delco, Pennsylvania, and they're showing numbers, look where we're at: Here's the economic impact, here's the spending in our county, here's the sales tax generated, or whatever you want to say. And this is Louisiana, and they're pushing the same thing, but it shows you have to work to get your respect at the table.

Steve said, so, that's the plan; I hope it makes a lot of sense.

The goal is after today, in the next 36 hours usually is what happens, there's comments, questions, what about this, what about this? That's fed into Phil and Gretchen, that comes to us, and we make some tweaks and stuff to the plan because, ultimately, it is your plan. And then we're actually, we're going to, no one looks at a presentation after today, and it'll actually be a document. We try not to make it too big, but we'll have an appendix of all background reports and stuff, but I like a plan to be something that's actionable, not a dust catcher, and we all know that, too. So, but that's what we'll be doing the next couple weeks is actually making any revisions and printing up the report and send that to you all. He asked if there were any questions.

EDA President Bailey asked if there were any questions from the EDA or the CVB.

EDA Member Khambata said that was a lot of information to take in; I think, you know, some of it is kind of humbling to kind of admit some of the shortfalls, but I think, you know, everyone kind of knew that they existed. We're finding a way to kind of pull all the pieces of the puzzle, that we do have, together to create more opportunity, and kind of like an organizational structure and how to structure accountability, so we can; because I think right now, and to your point, like we've kind of gone in a lot of directions because the job itself was split up between a handful of people and a handful of stakeholders. I think kind of condensing these ideas and responsibility and accountability into one narrower focus is going to be really beneficial.

EDA President Bailey agreed.

EDA Member Latack said, yeah, you know, that sums up the whole thing perfectly.

EDA Member Khambata replied yeah, so, and it was a good presentation. You have a lot to roll around.

EDA Vice President Olsen said first and foremost, thanks for the in-depth kind of study and suggestions and all of that. I think there was a lot of very good content.

My questions, and I have several, start with: You mentioned that you work with Placer AI, and the mayor and I had a chance to visit with them at the ICSC Convention in Vegas last year, and Myron was asking some questions about the data for our City and how to interpret it and all those sorts of things. And one of the things that we learned is we have an overabundance of grocery stores, like we have way too much for the resident demand; and on the flip side, you know, talked about you don't have enough restaurants, you don't have enough lodging, you don't, all of which sort of ties into that tourism piece. So, I'm wondering how should we consider working with an analytics firm like that for those sort of regular updates, or do you think that may be overkill?

Steve replied Placer, a year of Placer is going to cost you around \$30,000; I say that with great confidence, that's what it is. I'd just say, I mean, that takes off \$30K of your budget right away. But you would have access to it nonstop, and you're not to the place where you probably need it nonstop. You could get it, it's going to be wise for you to make some tactical and some strategic decisions on certain opportunities, and for that, I'd use it; you could probably work with them directly. Their bread and butter, they're working with municipalities right now, and they're getting it, they actually started it through municipalities. Now, they're starting to go, wait a second, tourism's a big deal, too; so, they're starting to buckle up and go that route, but it's actually new for them to look at it that way. So, I think it's incredibly valuable because, you know, I used to have a client that said, "You know, In God We Trust, everyone else bring data." You know, people make big decisions, they need data that's going to give them confidence, and Placer provides data we've never had before. We've just never been able to track things, just been guesses; so, I am a big advocate of it, I think on a very case-by-case scenario is what I would use it, though. I wouldn't subscribe to it, not yet, unless you've got another fund to pay for it outside of tourism.

EDA Vice President Olsen asked EDA Member Khambata, so, did you want to follow up on that?

EDA Member Khambata said, so, I'm a real estate broker, and the go-to resource for housing affordability, for the number of transactions for every sale price is the Association of Realtors because they bill themselves to be the authority on that information. And without having to reinvent the wheel, like where do we go, who's the authority on the type of tourism information that is out there? Like, as you said, in terms of like a semiannual or an annual report, and in an environment or in an ecosystem where everyone's trying to sell you information, and they want, like everyone has the best information; like, again, we can't go chasing around a \$30,000 proposition that we're not going to pay off. And, whereas, like the Association of Realtors sends every one of these Council Members that information at no cost, and you can believe it, you can rely on it. Are there resources out there like that, trade organizations that are willing to share those aspects of tourism with us that we can deem as reliable, without having to kind of go through like a trial and error process?

Steve replied for you, that's going to be Meet Minneapolis or State of Minnesota Tourism. They spend money on research every year, and so, they have knowledge, but it's also to give it to the Cottage Groves. The Minneapolis, St. Pauls of the world, even

## Economic Development Authority & Convention and Visitors Bureau Joint Meeting Minutes

February 11, 2025

Page 14 of 17

Duluth, they might not need it as much, but we do, and there's more people like Cottage Grove than there are Minneapolis. But how come we don't know about it? Whose job is it? Whose job is it to have the relationship and know? I mean, tonight when I get home, I'm going to the winter meeting of the State of Tennessee Tourism, and there are three regional directors for all areas of Tennessee, as well as six sub-directors are going to be there, and they're having meetings with all the little Cottage Groves all over Tennessee. And the state provides the Placer, by the way, and part of their goal is to make sure what are your specific requests, they made a deal with Placer that they can pull their reports for any of their communities and give them their data. So, that's what we've been talking about, right? So, but you've got to have a relationship with the State of Minnesota and maybe even Minneapolis and St. Paul; I mean, you are part of those metros, and they invest a lot of money in research as well. But if you're not there to ask them, and to be aware of what they're providing, that's 100% where I'd go, and I'm also 100% they have resources; every state tourism agency and tourism agencies that watch Minneapolis invest heavily in research or they're partners. We're just not there looking for it. Yep, no doubt about it. There's a couple other larger organizations, but I wouldn't worry about them; Destinations International is the big one, U.S. Travel's a big one, so, if you want to know big travel trends, that's where you get that information. They publish annual reports to make it available for everybody, but the State is where you go right now.

EDA Vice President Olsen said you mentioned rebranding, and sort of in a halfway method about not just tourism, but also the City. We started on this journey, and we took some counsel from some other communities that do tourism and have been for a long time, and we landed on *Discover Cottage Grove* as our tag for our tourism. What do you think? Steve said, which I like. EDA Vice President Olsen said you do?

Steve replied yeah, I mean, the industry; I'm sorry, I almost kind of cut you off, is that what you're wanting to know?

EDA Vice President Olsen said well, I think I know what you're going to say, so continue, and then I'll check and see.

Steve said about 10 years ago, all of a sudden, I don't know who started, it became the thing to do, it's like instead of calling ourselves Convention and Visitors Bureaus or Tourism Authority, which is a very local business name and there's value to that, we're going to tell people what we want them to do. And, so, everybody had visit, discover, explore, tour, in some cases that's a bad one, but everybody started doing it. And my point of view is that's fine, and there's nothing wrong with it. Like, it's good, it's cool, but your brand is actually Cottage Grove, it's the City name. That's the dot on the map that people are going to visit. So, you could say Discover, it gives you that little call to action, that's what I loved about it; oh, we're telling them we want them to discover, and that's exactly what we want them to do. Cool. Is it better than Visit? I don't know. Or Explore? I don't know. They're all great, so that's fine. More importantly, when it comes to branding, no one ever visits a place, I don't care where it is, because they have a cool logo, they don't do it. I'm not saying a great logo's not important and a tagline; like, I'm not going to go, "Hey, honey, we gotta go to Hastings. Why? Look at their tagline, it's amazing." We don't, that's not how we book travel, that's not how we decide to go somewhere; we do it because of, remember the Content Development? That's why. More people are bragging about communities like Cottage Grove because of the food experiences that are there, because of the cool things to do, because the architecture looks great; that's another reason why a town center is so important, right? If I'm going to brag about Cottage Grove, we have to have a true picture of it. All right? People are showing the bridges in Hastings, more to great placemaking is branding. So, branding is more than just, you need the organizational branding, a logo, and a position we're on is fine, some places don't even use it. And what you do, rules of branding that we all know apply. But unlike any company that I've ever seen, a City has a more-challenging job of branding because it's not just an organization, its a place, and you don't own your name. Like, if I were to bad mouth 3M, I'm going to get a lawsuit. Well, who uses the Cottage Grove name? The City, economic development, tourism, Chamber of Commerce; how many businesses have the name Cottage Grove? We don't own our name, everybody uses it on their address. So, anybody can use the name and everybody is your product, your roads, your people, your businesses, good and bad. It's why we'll go, those people are so worried when you have one bad experience. You brand the whole town, oh, they're rude people over there, right? Yeah, I'm making that up, but you know what I'm talking about. Branding a place as a City is tough to do, and it requires everyone be involved, and you want a nice logo, but the role of the logo is ownership, it shows who's talking to you, who owns the building, who's behind that message, and that's about it. So, I think it's super important, but really the goal of branding is to have an edge and have some distinction and a voice and personality of our community.

EDA Vice President Olsen said on that note, you went exactly where I was going, which was *Discover Cottage Grove* when you look in the tourism world, as you mentioned, everybody's using discover this, find that, every business needs that; and I was going to ask you if you felt like we needed to come up with something more unique, something that separates us from the pack, or if that was a waste of time?

Steve replied, I think the City of Cottage Grove is a bigger priority than tourism right now. EDA Vice President Olsen said okay, fair enough.

Steve said and I think they're connected, don't get me wrong, but it's just that we're not going to be spending a ton of time telling the outside world to come to Cottage Grove right now; I mean, but when we do, we want to be presentable and we want to be unique, and why, why should we? I mean, so, the need is there, but right now, you're in such your infancy of tourism, it's the Friends

## Economic Development Authority & Convention and Visitors Bureau Joint Meeting Minutes

February 11, 2025

Page 15 of 17

and Family aspect of it. I think knowing who we are and having some pride and distinction about what Cottage Grove is, in general, is important. I think that's why I mentioned, when I said branding, I said tourism branding is necessary, I don't think it has to be alone without the City, I think they are together for now. And I'm the biggest advocate in the world, actually, that it's okay for tourism and the City to have different looks to them, but for you all, that's not necessary; you're one place right now.

EDA Vice President Olsen said and then the last thing is you mentioned about kind of use what you have, package things, all that, which we've all talked about that for many years, but you showed the picture of Cedarhurst. Now, over time, and many in the room know this already, that facility has served several different purposes. When you think about what we have and packaging what we have and all that, should the City be looking at Cedarhurst as kind of a central draw for concerts, for the arts, and maybe even as a lodging facility? Make it into a historic hotel; because I think about Red Wing, they've got the St. James, which is a nice, old, historic hotel, and they now have The Confluence in Hastings, which is in a little historic building downtown there, etc. Do you see that as a potential opportunity to kill two birds with the one stone? We get a lot of people for tournaments and different things all year round, who come and play here, but go to Woodbury to eat their dinner and stay in their hotel. Do you see Cedarhurst as an opportunity to alleviate a little bit of that pressure on the 1.5 hotels that we already have?

Steve replied we see Cedarhurst as a tremendous opportunity for you however, I don't know that it falls under the sports teams staying there.

EDA Vice President Olsen replied no, what I'm saying is it's a historic hotel, then maybe there are people currently staying in Place A that would choose to stay in Place B. Steve said 100%.

EDA Vice President Olsen said weddings. Steve said I was going to say where do you think most people that go to one of those weddings at Hope Glen or The Madison, where do you think they stay? I'm going to put my money that they're not staying at Country Inn & Suites, they're not; EDA Vice President Olsen agreed.

Steve said again, there might be a couple that do, but they're staying at The Confluence. Especially, I don't think the weddings at Hope Glen and The Madison are very cheap, right? EDA Vice President Olsen replied, they're not. Steve said, I mean, they're the kind of weddings where the wedding party is going to have a block of rooms somewhere. Where are you going to put them? I'm going to The Confluence, for example. I mean, right? So, you'd think if that was a historic hotel, do you think? Absolutely, the wedding could be there, I mean, that could be the wedding venue as well. EDA Vice President Olsen agreed. Steve said I think that's worthy of a lot of attention and some discussions of what it could be, it's a tremendous opportunity, historic places like that are. I know where I live we had a farm, I'll just call it a farm for lack of word, but it had some facilities like that on it; and it was actually gifted over to the city with one term, that it can never, ever be developed beyond, they had some parameters around it, because they want it to always be an outlet for the people in the community. So, they have concerts there, they have Fourth of July concerts and things there. Now, they cannot build a hotel on that one, they would never let them do it, a different scenario. But preserving that, and that is your mission, preserving that the right way I think is super important for the community. And if it, if you don't, you just don't have many assets like that.

EDA Vice President Olsen said I appreciate your feedback on that. You know, it is owned by a group that claims to specialize in historic preservation, but they haven't done anything with it, so, I'm just spitballing there. And you're right about the wedding venues, I was at the old barn out in Old Cottage Grove last week, meeting with those owners, and prior to me meeting with them, they had a group of five-or-six families that were touring the facility in hopes of potentially booking it as a wedding; and that was one of the first questions that came up in the group is well, do you have a bridal suite? Do you have a place for mom and dad to stay? Those kinds of things, so, I think we're missing out, and Cedarhurst maybe could be that opportunity, but I guess we'll have to talk about that some more. With that, mayor, back to you.

EDA President Bailey asked if there were any other questions at this point.

EDA Member Latack said one question I have is if we're guarding the content side of things, I think there's already been some good content, but a lot of times with content, for somebody willing to share it on social, they have to get some social currency out of it. So, they don't say, oh, I had a great time in South Chicago, visiting, you know? It's like, oh, I had a great time in Las Vegas, or whatever. So, I'm wondering if we almost set up situations where it's almost for Instagram-able type social? So, now, it's other people saying how fun Cottage Grove is, which is whatever.

Steve replied that is the goal, that's the whole goal of social media, and that's why you see; again, you don't have a town center to do this stuff. I mean, the go-to things are architecture, murals, I mean, how many places have winged murals in places where people? You know what I'm talking about, right? We don't have places for winged murals, right? The Instagram-able moments, the sharable moments; I guarantee you Hope Glen and The Madison get shared galore because they're such unique, interesting places. No one Instagrams the logo of a place. Cottage Grove is so cool, there's a neat logo, nope, no one does that. But they're going to do something that's interesting, that's brag worthy. That's why placemaking is so important, actually, and you can create things; it doesn't have to be a huge project. Indianapolis, they have a big NDY in their downtown, the big N-D-Y, and you make the I, so

# Economic Development Authority & Convention and Visitors Bureau Joint Meeting Minutes

February 11, 2025

Page 16 of 17

everyone gets their picture made and it says INDY, because I'm the I, you get what I'm saying? Like, that wasn't that expensive. But that's why they did it, so people could brag, and what's behind it? A cool backdrop of the city and all kinds of stuff, right?

EDA Vice President Olsen said well, think about when Chicago did their Bull, right?

Steve said that's what started it all, I think, I really do. Yes, that's why getting art involved and having those types of things that they give you a little bit of a story telling. And they didn't say, hey, we need our logo on art all over town; no, you're not NASCAR, right? You can tell your story in a lot of different ways, if you ever want a different flavor in the community, that's what makes it interesting. So, that's big, placemaking from a City perspective, I think that's super, super important. And you're clean, you're super clean and nice and well executed. The roads are nice, they look great, and the Business Park here, it's a nice place, but having that, and a little edge usually sounds like it's pretty and stuff and it can be, but it doesn't have to be, but you lack having some placemaking points of distinction. We asked people in our groups, what's the iconic visual of Cottage Grove? And, overwhelmingly, everybody's like, they really don't have one. Maybe look at the Mississippi River; well, you're looking at the river, not us, that might be the one thing that came back the most. EDA Vice President Olsen said and my last question is with the limited pay budget, do you think Geofence ads where you can Geofence people that go to Rivertown Days because they're most likely going to some other festivals type thing?

Steve replied, that's 100% what I was talking about when I said digital advertising for Strawberry Festival, and I didn't get into it, but you want to Geo; you don't want to just blanket the whole place and say, hey, everybody come here. You can target people that went to a similar festival to yours last year; you can target people that went to Strawberry Fest a little bit and don't live here, they came to it last year, tell them to come back. And festivals just like it in Hastings; I mean, they came to Hastings, they might as well come here, or Woodbury. You can target people that visited those events last year because they're likely to come. I mean, that's exactly what you want to do, and you've done this before. Steve said that's the tactical way you need to spend your money because you don't have much, but it's high return with that. That's great, I'm glad you brought that up.

EDA President Bailey said all right, thank you, that's a lot of info.

Steve said I hope that stuck, it is a lot of info, you all have a tremendous opportunity here to make sure you're doing the right things.

## B. 2025 Meeting Schedule

*Staff Recommendation: Accept the schedule for the 2025 Economic Development Authority Meeting Schedule, as presented.*

EDA President Bailey said Director Larson has the 2025 EDA Meeting Schedule up on the board.

**EDA Member Tschida** asked on the meeting schedule, why are we meeting the first Tuesday in November instead of the second? It's just curiosity more than anything else.

Director Larson replied that there are a few things to point out on the calendar:

- We won't have a March meeting.
- November 4 is proposed because your regular meeting date in November falls on Veterans Day, so, in observance of Veterans Day, we moved it to November 4, which is the first Tuesday of the month.
- December 2 is always your HRA Final Levy consideration, and so that has to be held in the evening, at 6:00 p.m., before the City budget is adopted and that is a statutory requirement.

**EDA Member Tschida** said I should already know the answer to this, but are we allowed to meet on Election Day? Director Larson replied yes.

Director Larson said and that's your recommendation for the schedule, and once that's done, as presented, then we'll finally get those the meetings on your calendars; we hadn't done it yet because we had to have you adopt your annual meeting calendar.

**EDA Member Khambata made a motion to accept the 2025 Economic Development Authority meeting schedule, as presented.**

**EDA Member Scott seconded the motion. Motion passed unanimously (6-to-0 vote).**

## C. DARTS Updates

*Staff Recommendation: Receive the DARTS Annual Report.*

EDA President Bailey said we're not going to go through the DARTS Updates at this particular point. But for those who don't know, the EDA funds DARTS transportation for one day a week, in essence, for DARTS to go between different senior facilities; frankly, it doesn't have to just be seniors, it can be anywhere because they go up to the library, etc.

Economic Development Authority & Convention and Visitors Bureau Joint Meeting Minutes

February 11, 2025

Page 17 of 17

I will mention to you the data is in there, but I know the County is looking at adding a second day, hopefully by the end of this year, to try to enhance the transportation infrastructure, if you will, within Cottage Grove. So, that's just a heads up for you on that, I just happen to know that from talking to the County.

**6. PUBLIC HEARINGS** - None.

**7. OTHER BUSINESS** - None.

**8. WORKSHOP** - None.

**9. ADJOURNMENT**

**EDA Member Khambata made a motion to adjourn. Motion was seconded by EDA Member Tschida. Motion passed unanimously (6-to-0 vote). The meeting was adjourned at 8:57 a.m.**

Respectfully submitted,

Gretchen Larson  
Economic Development Director

/jag