Executive Summary
Economic Development Authority

AGENDA ITEM:	Staff Report - Business Visit
PREPARED BY:	Kevin Larson, Assistant City Administrator
RECOMMENDED ACTION: No action needed	

Assistant City Administrator Larson conducted three onsite 30-minute business visits with Monies, Bank of Maple Plain, Haven Homes, and The Daily Store. The intent was to better understand current operations, challenges, and future needs. We walked throughout the store speaking about the current business environment/operations, facility needs, economic trends and the future.

Business: Monies / TJA Pub LLC / Jason Admonius

1. **Business Health & Operations:** Monies is a long-established Maple Plain business that has been owned and operated by Jason Admonius since 2010. The business maintains a stable workforce, with long-term employees and minimal turnover, indicating consistent operational health. Its customer base is primarily composed of residents from Maple Plain, Medina, and Independence, demonstrating a strong local and regional market presence.

   During the discussion, Mr. Admonius identified the evolving regulatory environment as the most significant challenge affecting business operations. Specifically, he cited increasing State of Minnesota and Hennepin County labor requirements, including changes to minimum wage and workers' compensation regulations, as contributing to rising operating costs. He noted that continued increases in these regulatory expenses may ultimately require the business to pass additional costs on to customers through higher prices. Overall, the business remains operationally stable, but future profitability will continue to be influenced by external regulatory and labor cost pressures.
2. **Space, Location & Facility Needs:** The current facility adequately supports the business's day-to-day operations; however, Mr. Admonius indicated that additional capacity may be needed to accommodate future growth. Expansion opportunities are constrained by MnDOT setback requirements, which limit the ability to expand the building footprint. While horizontal expansion is not feasible under the current site constraints, vertical expansion remains a potential option. Mr. Admonius also identified parking improvements as a long-term facility need, with plans to eventually pave the existing parking lot to enhance customer access and site functionality. At this time, the business has no plans to relocate or undertake significant building renovations.
3. **Regulations & Business Climate:** Mr. Admonius expressed a positive working relationship with the City of Maple Plain and indicated that City processes have been responsive and effective in supporting his business. He did not identify any significant concerns with local regulations or administrative procedures. As a potential service enhancement, he suggested that the City provide an annual reminder to licensed businesses in September regarding the upcoming liquor license renewal process, noting that the renewal timeline can be easy to overlook. Overall, Mr. Admonius indicated that his primary regulatory challenges stem from County and State requirements rather than City policies or procedures.
4. **Economic Environment & Trends:** Mr. Admonius reported that Monies has experienced an increase in sales since the opening of the Kwik Trip location in Maple Plain, suggesting that the additional commercial activity has generated increased customer traffic within the community. He indicated that he does not view neighboring businesses as direct competitors, noting that patrons frequently visit multiple local establishments, creating a mutually beneficial business environment. No significant concerns were identified regarding supply chain disruptions, technology needs, or other external operational factors affecting the business at this time.
5. **Future Vision:** Looking toward the future, Mr. Admonius emphasized that continued residential growth will be essential to the long-term success of Maple Plain's business community. He encouraged the City to support additional housing development, noting that increasing the number of residential "rooftops" will strengthen the local customer base and support sustained economic growth. Mr. Admonius identified County and State regulatory requirements as the primary long-term challenges facing businesses, while indicating that local regulations have not created significant barriers. Overall, he expressed confidence in the business climate in Maple Plain and conveyed his appreciation for the City's ongoing support of the local business community.

Business: Bank of Maple Plain / Loan Officer Fred Humphrey

1. **Business Health & Operations:** The Bank of Maple Plain, established in 1905, continues to maintain a strong presence in the community through its relationship-based approach to banking. Mr. Humphrey reported that staffing remains stable, with a long-tenured employee base and minimal turnover. The bank's customer base is characterized by long-term relationships, with current lending activity reflecting a greater emphasis on home renovations and home improvements rather than new home purchases. Looking ahead, the bank's primary business objective is to thoughtfully expand its loan portfolio by offering a broader range of lending products while continuing to strengthen its deposit base. One operational challenge identified is the bank's relatively low loan-to-deposit ratio, as the institution currently relies heavily on deposits. Additionally, the bank faces significant competition in the auto lending market, where large financial institutions and dealership financing programs often offer more competitive rates. Mr. Humphrey emphasized that the bank differentiates itself through personalized customer service, focusing on understanding the reasons behind customers' financial decisions and identifying flexible lending solutions that meet individual needs.
2. **Space, Location & Facility Needs:** Mr. Humphrey indicated that the bank's current facility adequately meets its operational needs and that there are no plans for expansion, renovation, or relocation. The business is not experiencing any concerns related to zoning, parking, or accessibility that would affect day-to-day operations. One potential long-term infrastructure improvement identified is the entrance to the bank's parking lot. Mr. Humphrey noted that widening the driveway entrance, potentially through a variance process, could improve vehicle access and circulation for customers.
3. **Regulations & Business Climate:** Mr. Humphrey did not identify any concerns regarding City regulations, permitting processes, or administrative procedures. Likewise, no significant regulatory or procedural challenges were noted that are affecting the bank's operations at the local level. Overall, the discussion reflected a positive business climate within Maple Plain, with no recommendations for changes to City processes at this time.
4. **Economic Environment & Trends:** Current economic conditions continue to influence both the bank and its customers. Mr. Humphrey noted that inflation, tariffs, and tighter household and business cash flows have affected customers' borrowing capacity, repayment ability, and overall profitability. While the bank is not highly competitive in the auto lending market due to aggressive financing offered by dealerships and larger financial institutions, it remains highly competitive in residential mortgage and home equity lending, where local decision-making and lending flexibility provide a competitive advantage. These strengths position the bank to continue serving homeowners and businesses seeking personalized financial solutions despite broader economic pressures.
5. **Future Vision:** The Bank of Maple Plain's long-term strategy is centered on measured and sustainable growth by increasing both its deposit base and loan portfolio while maintaining its relationship-focused approach to community banking. Mr. Humphrey did not identify any significant barriers to the bank's long-term success in Maple Plain and expressed confidence in the local business environment. Aside from the potential parking lot entrance improvement, no additional infrastructure, workforce, or facility needs were identified. Overall, the discussion reflected optimism about the bank's future and its continued commitment to serving the Maple Plain community through personalized financial services.

Business: Haven Homes / Campus Administrator Josh Brown & Director of Senior Housing Chris Orr

1. **Business Health & Operations:** Haven Homes continues to prove strong operational performance and sustained demand for its senior living services. The facility is currently operating at full capacity and maintains an approximately 18-month waiting list for both senior living and assisted living accommodations, reflecting continued demand within the region. Staffing remains relatively stable compared to industry averages, with lower-than-average employee turnover attributed to the organization's family-first culture. While workforce retention has been a strength, recruiting skilled nursing staff is still an ongoing challenge. Leadership named expanding services as a key opportunity, including plans to introduce medical transportation through a dedicated appointment van supported by part-time staff beginning in January. However, expansion into adult day care services has been delayed by the Minnesota Department of Health, which is currently not processing new applications, creating an estimated two-year delay. Operationally, resident safety remains a top priority, with overnight falls and resident wandering identified as the most significant day-to-day concerns.
2. **Space, Location & Facility Needs:** Mr. Orr indicated that the existing facility adequately meets current operational needs, and no building expansions or relocation plans are being considered at this time. One identified facility need is additional employee parking, particularly in the rear parking lot, to better accommodate staff as operations continue. Overall, the site functions well for current service levels, with parking capacity representing the primary physical improvement under consideration.
3. **Regulations & Business Climate:** Haven Homes did not identify any concerns with City permitting or administrative processes. However, staff discussed challenges associated with lift assist billing, noting that the current fee structure and quarterly invoicing process can create confusion for both facility staff and first responders. Representatives described the situation as a regulatory "gray area" and suggested that additional clarity regarding billing procedures and responsibilities would improve operational coordination. Aside from this issue, no significant local regulatory barriers were identified.
4. **Economic Environment & Trends:** While no significant competitive or market pressures were identified during the discussion, Haven Homes continues to benefit from strong demand for senior housing and assisted living services, as demonstrated by its full occupancy and extended waiting list. Rather than market demand, operational challenges are primarily driven by workforce availability and regulatory delays affecting service expansion. Specifically, the inability to obtain timely approval from the Minnesota Department of Health for an adult day care program limits the organization's ability to respond to community needs and diversify its service offerings.
5. **Future Vision:** Looking ahead, Haven Homes is focused on strategic, long-term growth while continuing to meet the evolving needs of the community's aging population. Leadership showed interest in acquiring the property located between Haven Homes and Gateway Boulevard should it become available, providing opportunities for future expansion. Representatives also named several infrastructure improvements that could enhance accessibility and safety, including the installation of a stop sign near Kwik Trip, improved crosswalk markings, and moving the accessible on-street parking spaces on Gateway Boulevard to the larger off-street parking lot. Overall, Haven Homes expressed confidence in its long-term future in Maple Plain and did not identify any barriers to success within the community.

Business: The Daily Store / Kyle Wauters

1. **Business Health & Operations:** The Daily Store is a new retail business that has been operating in Maple Plain for approximately three months. The business is family-owned, with the Wauters family also operating two retail stores in the Atlanta area under the name "The Store." To establish a unique local identity, the Maple Plain location was named "The Daily Store." The business currently operates with a staff of five employees and remains in its early growth phase. Customer acquisition efforts are focused primarily on Facebook advertising, word-of-mouth referrals, and drive-by traffic. Mr. Wauters identified increasing community awareness as the business's greatest near-term opportunity and challenge. He also noted that managing inventory levels, particularly in preparation for the holiday shopping season, and limited backroom storage capacity are ongoing operational considerations.
2. **Space, Location & Facility Needs:** Mr. Wauters indicated that the current retail space adequately meets the business's operational needs and supports its existing discount retail model. While there are no immediate plans for expansion or relocation, he noted that future growth could include the addition of refrigerated coolers to expand into dairy or frozen products. The primary site-related concern identified is limited rear of building parking, which becomes particularly constrained during evenings and weekends when customer activity increases. Although the current facility is sufficient, additional parking capacity would improve convenience for both customers and employees as the business continues to grow.
3. **Regulations & Business Climate:** Mr. Wauters expressed a positive experience working with the City during the establishment of the business and did not identify any concerns related to regulations, permitting processes, or administrative procedures. At this stage of the business's development, no regulatory or procedural barriers have affected operations. Overall, the local business climate was viewed favorably, with no recommendations for changes to City processes.
4. **Economic Environment & Trends:** As a newly established retailer, The Daily Store continues to build its customer base and market presence within the community. The business currently relies on traditional retail traffic, supplemented by Facebook advertising and online sales through eBay and Facebook Marketplace. No significant industry trends, supply chain disruptions, or competitive pressures were identified during the discussion. Instead, the business's primary focus remains increasing visibility and attracting new customers through continued marketing and community awareness.
5. **Future Vision:** Looking ahead, Mr. Wauters intends to continue establishing The Daily Store as a destination retail business within Maple Plain before pursuing future expansion opportunities. While no formal growth timeline has been established, potential future enhancements include expanding product offerings through a dairy section as customer demand warrants. To support the success of local businesses, Mr. Wauters suggested that the City consider enhanced wayfinding and promotional signage directing visitors to commercial areas, such as advance signs identifying shopping opportunities within the community. He also encouraged the City to continue hosting community events that attract visitors and increase exposure for local businesses. Overall, Mr. Wauters expressed optimism about the business's future and its opportunity to grow alongside the Maple Plain community.