

**Freeborn Bank and Jacobson Building Focus
Groups and Public Forum Report**

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Freeborn Bank and Jacobson Building Focus Groups and Public Forum Report

EXECUTIVE SUMMARY

Background/Introduction

In the past few months, the City of Albert Lea conducted seven Focus Groups and one Public Forum to receive feedback from the community on the most desirable and feasible uses of the Freeborn Bank and Jacobson buildings. Each Focus Group included between eight and twelve participants, while the Public Forum experienced about 50 people in attendance. The primary purpose of holding the Focus Groups and Public Forum was to provide better insight to a developer on the community's desires and demands for use of the buildings. The City also utilized the Focus Groups and Public Forum to gather information on the community's on-going efforts to revitalize the downtown; and, to learn more about the public's willingness to support the redevelopment of the buildings as well as the revitalization of downtown.

The seven Focus Groups represented a broad demographic of the community, which included: Local Realtors, Downtown Association members, a group of residents under age 40, a group of residents over age 40, Local Bankers, Local CEO's, and a group of City Manager/Administrators and Community Development Directors from other regional centers in southern Minnesota. Each Focus Group was provided a tour of the building first, followed by a list of questions pertaining to primarily the buildings, but also the downtown in general.

Key Findings

The City found that the community desired the first level of the Freeborn Bank Building to remain accessible to the general public and to allow for a destination place due to its character and appeal. Options that received strong support for the first level of the Freeborn Bank Building included a restaurant as well as community space for events, activities or rentals. There was also broad support for a community art display area or cultural events center on a temporary or seasonal basis. The arts display area received stronger support when combined with another taxable use, such as an event center on the first level. In regards to the first level of the Jacobson Building, the feedback was very positive and strong for retaining a coffee shop use in that space. The community also recognized that the *National Vitality Center*TM space in the rear of the Jacobson Building on the first level complimented the coffee shop use, but was willing to allow the space for other uses as desired by a developer of the buildings.

The vast majority of respondents believed the buildings should provide tax revenue and tax base, while several others recognized that the buildings' appeal could also serve as a destination attraction, including limited non-profit use to benefit not only the downtown, but also the community.

Residential use received the strongest support for the 2nd, 3rd and 4th floors of both the Freeborn Bank and Jacobson Buildings. Upscale condos were identified as one strong option for the 3rd and 4th floors of the buildings, while market rate rental housing also received strong support for the 2nd, 3rd and 4th floors. When questioned about workforce rental housing, respondents were more mixed on level of support and demand. Respondents were predominately clear on the need for more mixed rate rental

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housing in the community for young professionals, teachers, as well as other professionals seeking a quality place to live until owner-occupied housing could be obtained.

Respondents from the Focus Groups and Public Forum also strongly supported the buildings being home to a business headquarters or corporate offices, particularly on the 2nd, 3rd and 4th floors of both buildings. Respondents stated that attracting several jobs and creating more density in these buildings would make the downtown more viable for other retail, restaurants, and entertainment venues.

Additional uses that received some mixed support for the buildings included: art studios/galleries on the upper floors of the buildings; a restaurant on the 4th floor of the buildings (to possibly include a roof-top deck during the summer); retail use of the first and 2nd floors of the buildings; a boutique hotel; and a night club, microbrewery, or tap room on the first level of the Freeborn Bank Building.

Closing Comments

Respondents noted that the buildings were a complicated challenge for the City, but were generally optimistic and supportive about the options discussed at the Focus Group meetings and Public Forum. The community believed that now was a great time to seek out a developer of the buildings considering the Broadway Streetscape project has been completed.

The attached report provides more detail on each of the questions asked during the meetings as well as the potential uses for the building. Additionally, the report identifies a few other themes pertaining to the downtown and community in general.

I would like to thank all of the volunteers and residents, along with area community colleagues, who attended the Focus Groups and Public Forum and provided valuable feedback on the project. I would especially thank all of the City Staff who provided support for the meetings; and, to the Mayor and City Council for inviting the community's engagement on the project.

Sincerely,

Chad M. Adams
City Manager

Attest: _____
Wendy Flugum, Focus Group
& Public Forum Recorder

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The report below provides additional detail to each of the questions asked during the Focus Groups and Public Forum, as well as some other common themes derived from the meetings.

- I. Limitless Budget – Attendees were asked the question if they had a limitless budget, what would they build in the downtown as a destination attraction?

There was no common theme that developed from this question, but the question was raised first as more of an ice-breaker and to ignite the creative thought process. Here's a list of the most prevalent responses: entertainment venue for younger generation (including outdoor seating for people to experience and see activity); wine bar; establishment similar to "Tell You What" in Lake Mills; hotel (including diversified retail on first or second level); upscale or unique restaurant (i.e. nice steakhouse); more restaurants downtown; move South Broadway businesses to downtown and redevelop that area; casino; more pubs; hotel/restaurant closer to Fountain Lake; event center for weekends; any entertainment establishment that is a destination.

- II. Describe Downtown Today – Attendees were asked to describe the downtown as it is today in a few words.

There were a wide variety of responses to this question that were direct to the point, but also included a fair amount of optimism for the near future. The most prevalent responses included: no desire to shop in downtown today; in transition; emerging; directionless; too service oriented and not enough retail; sad; piecemealed approach without common vision; improving; potential; opportunity; building owner lack of care; referenced success to other historic urban areas such as Chicago and Europe; tired; outdated; needs a "re-do"; shopping malls killed the downtown; progressing; more pedestrian friendly; more inviting; needs more diversification of shops (some office, some retail, but not too much of either) and more evening activity; stagnant.

- III. Describe the Freeborn Bank and Jacobson Buildings – Attendees were asked to describe the buildings as they are today in a few words.

While there was not a lot of response to this question, the responses again were both direct and positive. The most prevalent responses included: Beautiful; historic; architectural masterpiece; money pit; opportunity; catalyst for change in downtown; gorgeous; mess, but has potential; character; most attractive building in town; limitless opportunities and possibilities.

- IV. Most Practical Use of the Buildings - Attendees were reminded of the previous question pertaining to the limitless budget, and were then asked what they believed was the most practical use of the buildings.

As indicated in the Executive Summary, a theme emerged from the various Focus Group and Public Forum responses. This theme was consistent with comments later on in the report when questions were asked about specific uses. In general, respondents desired to keep the first floor of the

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buildings available to the public for some use. A restaurant and an event center were the most common responses receiving strong support for the first level of the Freeborn Bank Building. The upper floors received strong responses for residential use, but also office space or a business headquarters.

Most respondents felt that the building should be home to a use that would be a tax-paying entity. However, there was also general support for a non-tax paying entity as long as it would be a destination and draw people to the community. In regards to group responses, some of the Focus Groups felt strongly that the building should be entirely a tax-paying entity, while some of the other Focus Groups had more mixed responses and were open to a non-profit use in the buildings with most agreeing that the buildings should have at least some tax-paying entity.

Other responses that gained some general consensus from other individuals included: a restaurant on the 4th floor of the buildings (to possibly include roof top dining in the summer); art gallery and studios in the buildings (either a couple of floors or the entire building); 2nd floor of buildings to be home to various services such as hair, nail, and massage parlors working together to fill the spaces.

- V. Support for City to Invest More into Buildings – The City noted that approximately \$2 million had been spent on the building through acquisition and renovations to date prior to asking the respondents what additional level of support they would provide for the City to invest more into the buildings.

The general consensus of the respondents was supportive of the City providing additional commitment to the project if a developer met the community's expectations of the desired uses of the building; and, if the building was a destination, a tax-paying entity, or if the use attracted additional density and jobs to the downtown.

Several options for City commitment were discussed in the Focus Groups and Public Forum including: Tax Increment Financing, Tax Abatement, State or Federal Tax Credits, New Market Tax Credits, State or Federal Grants, dedication of parking lot to project, construction of a multi-level parking ramp to benefit the project and downtown, cash support, and other public/private partnerships. Based on the complexity and history of the project, along with the unknown use, the respondent's comments on each of these funding sources, commitments or opportunities varied greatly.

- VI. Desirability and Feasibility of Following Uses – The attendees were questioned about the desirability and feasibility of the following uses in the Freeborn Bank and Jacobson Buildings:
- a. Restaurant – Respondents demonstrated strong support for a restaurant on the first floor of the Freeborn Bank Building. Most respondents felt that additional restaurants would bring more foot traffic to the downtown, and would complement or bring more customers to existing restaurants in the downtown. Respondents did recognize that it would be challenging for the City to outright provide a subsidy to attract a restaurant to the buildings for competitive and

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fairness purposes, but generally believed that a restaurant in the building as part of a broader building plan would be beneficial to downtown. There was also some general support for a restaurant on the 4th floors of the building to possibly include a rooftop deck for dining.

- b. Grocery Store/Food Cooperative – There was very little support from respondents to include this use in the Freeborn Bank or Jacobson Buildings. However, there was strong to moderate support for a grocery store or food cooperative to be located downtown. The moderate support was predicated on today’s existing uses and density in the downtown, while there was stronger support for either a grocery store or food cooperative as the Freeborn Bank and Jacobson Buildings are developed and other density is created in the downtown area.
- c. Community Space for Events/Meeting Rentals – Respondents provided strong support for an event center or additional meeting space downtown, but desired the use to be operated by a private or non-profit sector entity rather than through the City or tax-payer dollars. Respondents recognized that there are other meeting spaces and facilities in the community, but generally noted that this building would provide a unique space with great character for such uses. There were some concerns noted that this building may compete with other existing establishments, while others believed there was demand and not enough supply for such a space in the community. The strongest level of support involved event space for smaller functions such as receptions, class reunions, and musical performances particularly on weekends. Most respondents felt the event space on weekends would complement another use of the building during the week, such as an art gallery or another tax-paying entity (i.e. restaurant, etc.)
- d. Community Art Display/Local Artists/Cultural Event Center – Most respondents from the Public Forum felt this use would work well if combined with another use, such as an event center on weekends. Respondents from the Focus Groups were more divided on the issue on whether this was the best location for an art space or gallery. There was strong support from all respondents to retain an arts center and space in the downtown district, along with growing an arts and theater district in the community. There was also some general support for including some art space, studios or galleries on the upper floors of the buildings, particularly on the 2nd floor of the buildings. Several respondents felt that the emphasis on the building was to attract a tax-paying entity rather than a non-profit use in the building.
- e. Night Club – There was some general support for a Night Club to utilize the first floor of the Freeborn Bank Building or the 4th floor of the building with the ability to utilize the roof as an outdoor venue. However, there was stronger support for locating a Night Club establishment in another location downtown or in the community as a destination location for younger professionals or as a unique alternative to existing bars in town. Additional comments that received some positive response from individuals included: attracting an establishment similar to “Tell You What” in Lake Mills; a wine bar; a wine cellar in the basement; multi-generational establishment that is welcome to everyone (as some existing establishments are not inviting to

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younger professionals); a night club venue for dancing on weekends; and, a need for young professionals between the ages of 17 and 20 to have a fun and positive environment to frequent.

- f. Retail – Respondents were divided on whether retail would be the best use for the Freeborn Bank Building, but recognized the coffee shop was a good fit for the Jacobson building. Some support was shown for a clothing store downtown or a “market square” similar to Rochester. Most respondents believed that a retail establishment would have to be a destination place to be viable and that it may be too risky for a developer to get financing for a retail store in the buildings. As noted previously, there was some support for using the 2nd floor of the Freeborn Bank for small retail or service oriented businesses such as hair or nail salons or massage parlor.
- g. Retail, Office or Restaurant Incubator – It was explained to attendees that ALEDA already had an incubator space in the industrial park on YH Hansen Avenue. In consideration of this information, there was some support for including an office or possible retail incubator space on the 2nd or 3rd floor of the buildings, but little support for the first floor of the Freeborn Bank Building. The respondents recognized that the Prairie Wind Coffee was an incubator concept in the Jacobson building and felt it has worked well in that space. Respondents provided stronger support for an incubator being located downtown, particularly for office space, but also retail use. There was more division rather than consensus amongst the groups on this question. A few groups believed an incubator for office, retail or restaurant was a great idea to be pursued in downtown, with some feeling it should not be in the Freeborn Bank or Jacobson Buildings. Some other groups felt the City or ALEDA should not be providing an incubator restaurant concept in the community for competitiveness and fairness purposes to existing establishments in the community. Some other comments included: an office incubator would attract more professionals to work in town or get out of their homes as desired; the City or ALEDA should be more proactive in providing business planning services to make the downtown more viable; a space downtown for cooking classes or a chef school would be desirable.
- h. Upscale Condo (owner-occupied) – Strong support was demonstrated from respondents in all of the Focus Groups and Public Forum. The strongest support was primarily shown for the 4th floor of the buildings, but strong support was provided as well for the 3rd floor. The respondents added that there was demand in Albert Lea for such a use. Respondents also felt strongly that if upscale condos were to be developed in the upper floors, that at least covered parking was necessary. Many respondents also stated that enclosed parking may be necessary to support upscale condos in the buildings. There were a few individual comments provided believing that upscale condos and necessary covered or enclosed parking would be too expensive to build for this scale of a project.
- i. Market Rate Rental Housing – Respondents again demonstrated strong support for market-rate rental housing in the buildings, as well as in the downtown and community in general. The vast majority of respondents from all of the groups believed there is strong demand for such

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housing, and not enough supply for young professionals, teachers, or physicians in the community. The upper floors of both buildings would serve well as market-rate rental housing according to respondents. In regards to parking, respondents believed that dedicated parking would need to be provided in close proximity to the building. Several respondents also believed that covered parking would be a necessary amenity for market rate rental housing units in the buildings.

- j. Workforce Rental Housing – The City explained workforce housing or affordable housing to attendees and clarified this did not mean low-income housing or Section 8 housing. There was mixed support for the use in the buildings, as well as the demand in the community. Some groups believed this may be the only viable housing use due to use of tax credits. A few groups believed strongly that workforce rental housing would work very well in the upper three floors of both buildings and that there is a lot of demand for rentals in the community. A few other groups and respondents believed there was enough supply for workforce housing in the community already. All respondents generally expected the parking stalls to the east of the buildings would be dedicated to the tenants of the buildings.

- k. Convention and Visitor’s Bureau (CVB), Albert Lea/Freeborn County Chamber, and Albert Lea Economic Development Authority (EDA) Offices – Attendees were asked the question if the three entities should move into one location such as the Freeborn Bank Building or Jacobson Building. In regard to the Freeborn Bank or Jacobson Buildings, there was little support to move the entities together into these buildings. A few individual respondents supported the sharing of office space between the three entities on the 2nd floor of the Freeborn Bank building. One group noted that the sharing of offices between the three entities would be a good non-competitive use of a floor and use of the buildings. There was strong support among the groups that the three entities should share an office building and space in the downtown, primarily to serve as a one-stop shop for tourism, business, and economic development as a benefit to both the community and those visiting the community. Another benefit noted was to off-set overhead or secretarial duplicative costs of each entity. The groups recognized that some of the entities may have existing lease obligations, but a short-term or long-term plan should be initiated to share a building downtown. A few respondents added that the City could be proactive by facilitating the sharing of office by the three entities or by providing some type of assistance.

- l. *National Vitality Center*TM – The vast majority of respondents did not feel the NVC was in a position to grow into the Freeborn Bank Building if other more desirable uses or expansion of the existing coffee shop in the Jacobson Building were to occur. Several respondents and groups acknowledged they did not know enough about the NVC and their initiatives in order to provide an opinion. However, most respondents believed the NVC complemented the existing coffee shop in the Jacobson Building both presently as it’s used for meetings and if part-time staff were hired to staff the NVC. Most respondents noted that they would have no problem with the NVC moving to a new location if need. Some respondents felt strongly that the NVC

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should be combined with a shared Chamber/CVB/ALEDA building or office space to again not duplicate on overhead or staffing.

- m. Marketplace for Vendors – The majority of respondents did not feel this was a good use of the first floor of the Freeborn Bank Building as was questioned by the City. There were a few respondents who believed the marketplace could be a good short-term or seasonal use, or could work with other uses on the first floor of the Freeborn Bank Building. A few other respondents noted that a long-term commitment to a marketplace may conflict with or hurt other existing activities such as the Wind Down Wednesday events. There was some support for a marketplace concept in another building downtown, but there was also caution noted against the marketplace becoming a flea market.
- n. Microbrewery/Tap Room – In general, there was some support from respondents for this concept on the first floor of the Freeborn Bank Building. One Focus Group vocalized strong support for this use in the Freeborn Bank Building to utilize the character of the vault and the first level space. Stronger support was provided amongst the groups for another location in downtown, or even more broadly in the community. It was noted by a few respondents that it may be difficult to find a compatible use of the other floors of the building if a microbrewery or tap room was located on the first floor of the Freeborn Bank Building. There were also a few comments made about the success of the microbrewery in Northwood, IA and that a similar establishment in downtown Albert Lea would be an asset to downtown and the community as a destination place.
- o. Hotel – Most of the groups stated strong support for the concept, but questioned the feasibility of a hotel succeeding in today's downtown and Albert Lea's economic climate. Additionally, most respondents believed that a hotel could be successful if more density or critical mass was created in the downtown; and, if Albert Lea had more destination attractions for tourists or to draw in more people from the surrounding region. A boutique hotel for the Freeborn Bank Building was specifically noted as a potential asset to downtown if there was more activity downtown and in the community in the future. A few respondents stated that Albert Lea has enough hotels in the community already.

VII. Parking Downtown – The City raised the question of parking availability today, as it related to the development of the Freeborn Bank and Jacobson Buildings, and for the future of the downtown.

There was mixed response on the question of parking availability today. Some groups and respondents believed strongly that more public parking was needed, while others felt there was ample parking today. When discussing the Freeborn Bank and Jacobson Buildings, there was stronger support for creating more public parking, with a strong preference being vertical parking to include a multi-level parking structure. Additionally, respondents believed strongly that any multi-level parking should not exceed a second level above street level to maintain viewsheds in the downtown. The vast majority of respondents stated that a multi-level parking structure should be

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constructed with a project or upon demand, and not completed prior to the Freeborn Bank and Jacobson Building redevelopment. The groups generally recognized that the parking lot to the east of the buildings would be dedicated to the Freeborn Bank and Jacobson Building redevelopment project. A few respondents noted that the City should encourage or prohibit businesses from having their employees parking on Broadway during business hours. It was also noted by a few respondents that empty-nesters and young professionals as a demographic would desire enclosed parking for any type of housing in the Freeborn Bank and Jacobson Buildings.

VIII. Other - Prior to closing the Focus Group and Public Forum sessions, attendees were provided with an opportunity to give any other feedback on the project or downtown. While there were a number of individual comments provided, a few themes did emerge.

One of the predominant themes that resulted from the meetings is there needs to be more discussion or implementation of a broader vision in the community to make the Freeborn Bank and Jacobson Building, as well as the downtown, a sustainable and viable asset to the community. Some examples that were discussed included: more community growth, adopting a theme for the downtown, integrating the future use of the Blazing Star Landing into the downtown, attracting more activity on the lakes and providing gas service again on the lake, and demolition of the 300 block and redeveloping the block to complement the downtown.

Another theme that emerged from the meetings is the desire to have a hotel or at least a restaurant or more on the lake as a destination dining establishment. In general, there was strong support as well for simply having more restaurant establishments and options downtown and in the community.

Additional comments from some of the respondents included: focus on improving community infrastructure to attract more economic development and create jobs; bring the "pedal pub" to the downtown; too many public facilities occupy prime real estate on the lake and should be moved elsewhere to maximize the highest and best use of the lakefronts; conduct more fundraising for desired amenities downtown; more retail options are needed in the community and downtown; and, bring a popular retailer to downtown to attract people to downtown (i.e. Old Navy).