

**AGENDA  
HANOVER ECONOMIC DEVELOPMENT AUTHORITY  
MARCH 12, 2015**

**TODD BARTELS, CHAIR  
RANDY WHITCOMN, VICE CHAIR  
JIM HENNESSEY, TREASURER  
KEITH ULSTAD  
MATT HANSON**

**JOHN VAJDA  
KEN WARPULA  
HEIDI PEPER, EDA CONSULTANT**

- 1. Call to Order: 8:00 a.m.**
- 2. Approval of:**
  - a. Agenda**
  - b. Minutes of January 8, 2015 Regular Meeting**
  - c. Minutes of February 19, 2015 Joint Council/EDA Meeting**
  - d. Accounts Payable and Financial Reports**
- 3. Unfinished Business**
  - a. PHS West**
- 4. New Business**
  - a. Review of Notes from Joint Council/EDA Meeting**
  - b. 2015 Goal Progress – 11103 River Road NE Permit Violations**
- 5. EDA Board and Staff Reports**
  - a. EDA Board Reports**
  - b. Staff Reports**
- 6. Adjournment**

**To:** Hanover Economic Development Authority  
**From:** Brian Hagen, City Administrator  
**Date:** March 9, 2015  
**Re:** Review of March 12, 2015 EDA Agenda

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1. **Call to Order: 8:00 a.m.**
2. **Approval of Agenda** *Please see enclosed information.*
  - a. **Agenda**
  - b. **Minutes of January 8, 2015 Regular Meeting**
  - c. **Minutes of February 19, 2015 Joint Council/EDA Meeting**
  - d. **Accounts Payable and Financial Reports**
3. **Unfinished Business**
  - a. **PHS West**  
*An update will be provided on the status of a PHS expansion at the current location.*
4. **New Business**
  - a. **Review of Notes from Joint Council/EDA Meeting**  
*Enclosed you will find notes Heidi took at the joint meeting. These notes represent a more specific list of what was discussed. Review of these notes would then be used to develop a work plan document for 2015 similar to what the EDA used in the past. I have also enclosed the 2012 Work Plan for a reference.*
  - b. **2015 Goal Progress – 11103 River Road NE Permit Violations**  
*An update will be provided on the status of the enforcement of the Special Use Permit held by Rhino Import Auto Parts, Inc.*
5. **EDA Board and Staff Reports**
  - a. **EDA Board Reports**
  - b. **Staff Reports**
6. **Adjournment**

**CITY OF HANOVER  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
JANUARY 8, 2015 – DRAFT MINUTES**

**Call to Order**

Vice Chair Randy Whitcomb called the regular EDA meeting of January 8, 2015 to order at 8:00 a.m. Present were Randy Whitcomb, Jim Hennessey, Keith Ulstad, newly appointed member Matt Hanson, Councilor Ken Warpula and Councilor John Vajda. Chair Todd Bartels was absent. Also present were outgoing City Administrator Annita Smythe, newly appointed City Administrator Brian Hagen and EDA Consultant Heidi Peper.

**Oath of Office**

Matt Hanson was sworn in as a member of the Hanover Economic Development Authority.

**Selection of Officers**

**MOTION** by Warpula to nominate Todd Bartels as 2015 Chair of the EDA, seconded by Vajda. **Motion carried unanimously.**

**MOTION** by Vajda to nominate Randy Whitcomb as 2015 Vice Chair of the EDA, seconded by Hennessey. **Motion carried unanimously. Whitcomb abstained.**

The members also agreed that Hennessey shall remain Treasurer given he recently assumed the position after a recent resignation from Joe Kaul from the board.

**Approval of Agenda**

**MOTION** by Vajda to approve the revised agenda as presented, seconded by Ulstad. **Motion carried unanimously.**

**Approval of Minutes from December 11, 2014 Regular Meeting**

**MOTION** by Ulstad to approve minutes from December 11, 2014 as presented, seconded by Warpula. **Motion carried unanimously.**

**Approval of Accounts Payable and Financial Reports**

**MOTION** by Hennessey to approve the Accounts Payable and Financial Reports as presented, seconded by Vajda. **Motion carried unanimously.**

**Old Business**

**PHS West**

Peper provided a brief history of events for new member Hanson. Peper further explained Mr. Cummings received an appraisal in 2010 for his current property. The assessed value at the time was \$188,400 with the appraised value at \$390,000. For comparison, today's assessed value is \$182,800. Peper outlined Springsted's TIF estimate for the scenario if Mr. Cummings were to build a new building in the Industrial Park. It is predicted that \$70,000 over nine years could be captured and paid back to PHS West. Additionally Mr. Cummings has requested the land be given to him. Peper explained that dollar for dollar the City would not re-coop its cost for approximately 60 years.

Discussion revolved around the idea of the City purchasing the current PHS West property and providing assistance to Mr. Cummings to build at a new location in the Industrial Park. The EDA felt a concrete offer should be determined before speaking with Mr. Cummings further. Consensus of the EDA was to offer 10-15% assistance of the estimated project cost, to be approved by the City Council. Additionally, the EDA would consider buying the current property where PHS West is located. A new appraisal would be requested before an offer is made. Peper also suggested talking with local developers to purchase properties when situations like this develop.

### **10 Acres on 5<sup>th</sup> St.**

Smythe provided an update on the location. Jim Stewart approached the Council about buying a portion of the land. Council is working with Mr. Stewart to confirm soil content and the possibility to construct buildings on the front portion of the property.

### **EDA Business Social**

Smythe requested a budget be set for food. Last year's amount was \$750.

**MOTION** by Vajda to set the food budget for \$750, seconded by Hennessey. **Motion carried unanimously.**

### **Schedule Joint Goal Setting Session**

Peper noted this joint meeting is to have an opportunity to work with Council and set upcoming goals. Hagen informed the board the Council preferred a date of February 19, 2015 from 6-8 p.m. Peper, Hagen and Hennessey will work together to set an agenda for the meeting.

### **EDA Loan Reviews**

Smythe provided a handout to show current status of loans issued through the EDA. One is falling behind, but has had 2/3 of the loan paid off. Whitcomb suggested restructuring the loan in order to lower the monthly payment. The EDA members agreed with the suggestion.

### **New Business**

None

### **Reports**

Smythe:

- Greenhouse project is working through final site plans. Plans will be presented to City in approximately 45 days.
- The Wright County EDP award breakfast is on January 16, 2015 in Delano at 7:30 a.m.

### **Adjournment**

**MOTION** by Hennessey to adjourn at 9:20 a.m., seconded by Hanson. **Motion carried unanimously.**

ATTEST:

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Brian Hagen, City Administrator

**CITY OF HANOVER**  
**JOINT CITY COUNCIL/ECONOMIC DEVELOPMENT AUTHORITY MEETING**  
**FEBRUARY 19, 2015 – DRAFT MINUTES**

**Call to Order**

Mayor Kauffman called the Joint Council and EDA meeting to order on behalf of the Council at 6:00 p.m. Chair Todd Bartels called the Joint Council and EDA meeting to order on behalf of the EDA at 6:00 p.m. Present were Mayor Chris Kauffman, Councilors John Vajda (EDA member), Doug Hammerseng, Ken Warpula (EDA member), Jim Zajicek, EDA members Todd Bartels, Jim Hennessey, Keith Ulstad and Matt Hanson. Also present were City Administrator Brian Hagen and EDA Consultant Heidi Peper.

**Approval of Agenda**

**MOTION** by Warpula on behalf of the Council to approve agenda as presented, seconded by Vajda. **Motion carried unanimously.**

**MOTION** by Hennessey on behalf of the EDA to approve the agenda as presented, seconded by Hanson. **Motion carried unanimously.**

**Introductions**

Introductions of each other were made to meet new members.

**History of EDA**

Hagen provided a history of the Hanover EDA from when the board was originally formed and the bylaws through the changes and what the current authority of the board is today and the bylaws. Hagen explained that the EDA has the authority to promote economic development; however, any financial considerations offered by the EDA must be approved by the Council. Peper further explained that in the past six years the EDA has been a progressive board and has taken the steps forward to understand the local business community.

**Common EDA Functions**

Peper explained there are three main functions of EDA boards. Discussion on each function included:

- **Retention** and how Hanover has minimal open parcels for new construction of businesses. The EDA now has to turn the focus more to retaining existing business as their business grows. Over the last year there have been businesses approach the City and state that they are looking to expand but are unsure where that is possible.
- **Recruitment** and what types of businesses should be sought out. Hanover has some parcels ready to be built on, and there are larger parcels which when developed will be industrial lots. When additional lots become available there will be an opportunity to approach businesses and make that attempt to bring them to the City. A tool mentioned for the recruitment of business is the County Road 19 Corridor Study and which business the study found to be most suitable for Hanover. One example used was Hanover Wine and Spirits and how that business came to the City in part because the study noted a liquor store market.
- **Redevelopment** tends to happen in the areas of town with older structures. There has been a redevelopment plan for the downtown area and some of the downtown businesses have upgraded the facades. Another form of redevelopment is changing the intended use of a structure. i.e. commercial to retail.

## **Hanover Growth**

Discussion held focused on what the goal of 2015 is for the EDA and the Council. Retention is the number one goal. Staff and representatives of the EDA will schedule business visits in order to develop a further understanding of why they stay in Hanover and how the City can help existing businesses when it comes time to expand. Evaluation of several 2015 opportunities was held including the 10 acre parcel, properties for start-up businesses, renewed message to show opportunity of outdoor storage and bringing a company in to discuss opportunity of residential development.

Other discussion involved focusing on vacant parcels and preparing a needs list for the parcel. This will allow staff to have a resource available to provide potential businesses interested in these parcels. The list will provide details on requirements like water and sewer extension or road improvements. This will be beneficial for both the business development and residential development. A last suggestion made is to revisit the Comprehensive Plan. The plan has not had any major revisions made since being adopted approximately six to eight years ago. The plan was adopted in a time when the economy was very strong and there was a development bubble. Given the recent recession the plan may need to be revised to match today's market and economy.

## **Adjournment**

**MOTION** by Vajda on behalf of the Council and EDA to adjourn at 8:15 p.m., seconded by Warpula.  
**Motion carried unanimously.**

ATTEST:

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Brian Hagen, City Administrator

**HANOVER**  
**Cash Balances**  
February 2015

Fund	Begin Month	GL Debits Month	GL Credits Month	Balance
100 GENERAL FUND	\$714,354.40	\$16,340.45	\$67,061.21	\$663,633.64
107 FIRE DEPT DONATIONS FUND	\$31,388.94	\$0.00	\$0.00	\$31,388.94
<b>201 EDA SPECIAL REVENUE FUND</b>	<b>\$95,981.34</b>	<b>\$750.00</b>	<b>\$1,612.00</b>	<b>\$95,119.34</b>
<b>205 EDA BUSINESS INCENTIVE FUND</b>	<b>\$174,966.33</b>	<b>\$2,766.98</b>	<b>\$0.00</b>	<b>\$177,733.31</b>
311 2008A GO CIP REFUNDING BOND	\$36,643.35	\$0.00	\$0.00	\$36,643.35
312 2009A GO IMP REFUNDING BOND	\$18,531.31	\$0.00	\$0.00	\$18,531.31
313 2010 GO EQUIPMENT CERTIFICATES	-\$21,707.12	\$0.00	\$0.00	-\$21,707.12
314 2011A GO IMP CROSSOVER REF BD	\$354,097.96	\$0.00	\$0.00	\$354,097.96
401 GENERAL CAPITAL PROJECTS	\$353,373.41	\$3,654.47	\$0.00	\$357,027.88
402 PARKS CAPITAL PROJECTS	\$238,851.53	\$0.00	\$0.00	\$238,851.53
403 FIRE DEPT CAPITAL FUND	\$110,621.36	\$0.00	\$0.00	\$110,621.36
404 HISTORICAL CAPITAL PROJ FUND	\$95,978.60	\$0.00	\$0.00	\$95,978.60
407 TIF REDEV DIST #1	\$4,786.00	\$0.00	\$0.00	\$4,786.00
408 8TH ST CAPITAL PROJ FUND	\$0.00	\$0.00	\$0.00	\$0.00
411 CITY HALL CAPITAL PROJ FUND	\$60,060.31	\$0.00	\$0.00	\$60,060.31
412 CROW RIVER CROSSING PROJ FD	\$0.00	\$0.00	\$0.00	\$0.00
416 RIVER RD RECON FUND	\$0.00	\$0.00	\$0.00	\$0.00
417 EQUIPMENT CAPITAL FUND	\$52,347.82	\$0.00	\$0.00	\$52,347.82
418 STREET CAPITAL PROJ FUND	\$431,528.72	\$0.00	\$0.00	\$431,528.72
601 WATER ENTERPRISE FUND	\$696,568.37	\$6,602.15	\$0.00	\$703,170.52
602 SEWER ENTERPRISE FUND	\$205,598.78	\$26,488.67	\$0.00	\$232,087.45
603 STORM WATER ENTERPRISE FUND	\$103,977.25	\$2,749.00	\$0.00	\$106,726.25
611 WATER CAPITAL IMP FUND	\$400,829.15	\$0.00	\$0.00	\$400,829.15
612 SEWER CAPITAL IMP FUND	\$1,671,234.72	\$0.00	\$0.00	\$1,671,234.72
613 STORM WATER CAPITAL IMP FUND	\$543,678.81	\$0.00	\$0.00	\$543,678.81
804 SCHENDELS FIELD ESC FUND	\$144,620.02	\$0.00	\$0.00	\$144,620.02
809 BRIDGES AT HANOVER ESC FUND	-\$13,523.24	\$0.00	\$0.00	-\$13,523.24
811 EROSION CONTROL ESCROW FUND	\$33,250.00	\$750.00	\$0.00	\$34,000.00
815 LANDSCAPE ESCROW FUND	\$44,000.00	\$1,500.00	\$0.00	\$45,500.00
817 INFRASTRUCTURE ESCROW FUND	\$16,500.00	\$1,000.00	\$1,000.00	\$16,500.00
818 MISC ESCROWS FUND	\$6,323.23	\$860.25	\$1,110.06	\$6,073.42
820 BRIDGES TOWNHOMES ESC FUND	\$3,511.90	\$0.00	\$0.00	\$3,511.90
821 QUAIL PASS 2ND ADD ESCROW FD	\$11,710.55	\$0.00	\$0.00	\$11,710.55
	<b>\$6,620,083.80</b>	<b>\$63,461.97</b>	<b>\$70,783.27</b>	<b>\$6,612,762.50</b>

HANOVER

Revenue Budget by Source - EDA

Source Alt Code	Account Descr	February 2015 Amt	2015 YTD Amt	2015 YTD Budget	2014 YTD Variance	%YTD Budget
Fund 201 EDA SPECIAL REVENUE FUND						
TAXES	R 201-31000 Property Taxes - General	\$0.00	\$0.00	\$49,000.00	\$49,000.00	0.00%
TAXES	R 201-31010 Tax Abatement	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Source Alt Code TAXES		\$0.00	\$0.00	\$49,000.00	\$49,000.00	0.00%
MISC	R 201-36210 Interest Earnings	\$0.00	\$0.00	\$100.00	\$100.00	0.00%
MISC	R 201-36215 Investment Income/Loss	\$0.00	\$0.00	\$1,100.00	\$1,100.00	0.00%
Source Alt Code MISC		\$0.00	\$0.00	\$1,200.00	\$1,200.00	0.00%
INTGOVT	R 201-33410 MV Credit	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Source Alt Code INTGOVT		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Fund 201 EDA SPECIAL REVENUE FUND		\$0.00	\$0.00	\$50,200.00	\$50,200.00	0.00%
Fund 205 EDA BUSINESS INCENTIVE FUND						
MISC	R 205-36200 Miscellaneous Revenues	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
MISC	R 205-36210 Interest Earnings	\$98.75	\$98.75	\$1,000.00	\$901.25	9.88%
MISC	R 205-36215 Investment Income/Loss	\$0.00	\$0.00	\$3,000.00	\$3,000.00	0.00%
MISC	R 205-36230 Contributions and Donations	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
MISC	R 205-39203 Transfer from Other Fund	\$0.00	\$0.00	\$15,000.00	\$15,000.00	0.00%
Source Alt Code MISC		\$98.75	\$98.75	\$19,000.00	\$18,901.25	0.52%
INTGOVT	R 205-33400 State Grants and Aids	\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.00%
Source Alt Code INTGOVT		\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.00%
Fund 205 EDA BUSINESS INCENTIVE FUND		\$98.75	\$98.75	\$69,000.00	\$68,901.25	0.14%
		\$98.75	\$98.75	\$119,200.00	\$119,101.25	0.08%

**HANOVER**  
**Expenditure Budget Report - EDA**

Dept Abbrev	Account Descr	February 2015 Amt	2015 YTD Amt	2015 YTD Budget	2014 YTD Variance	%YTD Budget
Fund 201 EDA SPECIAL REVENUE FUND						
Dept 41330 Boards and Commissions						
BRDCOM	E 201-41330-111 Committee Wages/Meetin	\$0.00	\$0.00	\$3,000.00	\$3,000.00	0.00%
BRDCOM	E 201-41330-306 Dues & Subscriptions	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.00%
BRDCOM	E 201-41330-310 Other Professional Service	\$0.00	\$0.00	\$25,000.00	\$25,000.00	0.00%
BRDCOM	E 201-41330-437 Other Miscellaneous	\$862.00	\$1,062.00	\$7,500.00	\$6,438.00	14.16%
Dept 41330 Boards and Commissions		\$862.00	\$1,062.00	\$36,500.00	\$35,438.00	2.91%
Dept 41570 Purchasing						
PURCHAS	E 201-41570-210 Operating Supplies (GENE	\$0.00	\$0.00	\$2,100.00	\$2,100.00	0.00%
Dept 41570 Purchasing		\$0.00	\$0.00	\$2,100.00	\$2,100.00	0.00%
Dept 46500 Economic Develop mt (GENERAL)						
ECODEVE	E 201-46500-811 Tax Abatement	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Dept 46500 Economic Develop mt (GENERAL)		\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Dept 49360 Transfers Out						
TRANSFER	E 201-49360-700 Transfers (GENERAL)	\$0.00	\$0.00	\$15,000.00	\$15,000.00	0.00%
Dept 49360 Transfers Out		\$0.00	\$0.00	\$15,000.00	\$15,000.00	0.00%
Fund 201 EDA SPECIAL REVENUE FUND		\$862.00	\$1,062.00	\$53,600.00	\$52,538.00	1.98%

Expenditure Budget Report - EDA

Dept Abbrev	Account Descr	February 2015 Amt	2015 YTD Amt	2015 YTD Budget	2014 YTD Variance	%YTD Budget
Fund 205 EDA BUSINESS INCENTIVE FUND						
Dept 46500 Economic Develop mt (GENERAL)						
ECODEVE	E 205-46500-810 Refunds & Reimbursemen	\$0.00	\$0.00	\$7,200.00	\$7,200.00	0.00%
Dept 46500 Economic Develop mt (GENERAL)		\$0.00	\$0.00	\$7,200.00	\$7,200.00	0.00%
Dept 49300 Other Finanacing Uses						
OTHFINU	E 205-49300-318 EDA BIF: Matching Grant	\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.00%
OTHFINU	E 205-49300-319 EDA BIF: EDA Loan	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Dept 49300 Other Finanacing Uses		\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.00%
Fund 205 EDA BUSINESS INCENTIVE FUND		\$0.00	\$0.00	\$57,200.00	\$57,200.00	0.00%

Expenditure Budget Report - EDA

Dept Abbrev	Account Descr	February 2015 Amt	2015 YTD Amt	2015 YTD Budget	2014 YTD Variance	%YTD Budget
		\$862.00	\$1,062.00	\$110,800.00	\$109,738.00	0.96%

**HANOVER**  
**Transaction Activity - EDA**

Period Name	Check Refer	Check Nbr	Tran Nbr	Tran Name	Search Name	Invoice	Amount	Comments	Check/Receipt Date	Fund	
Act Year 2015											
PL Type G General Ledger											
Account Descr G 201-20200 Accounts Payable											
January	8052		10	Cash Receipt			-217.16	Entry to offset 2015 chec		201	
Account Descr G 201-20200 Accounts Payable											
							-217.16				
Account Descr G 205-12400 EDA Loan Receivable											
February	8040	079615	10	Cash Receipt	CP PROPERTIES GROUP LLC		\$169.68	EDA Principal Payment	01/29/15	205	
February	8012	079516	10	Cash Receipt	HWS LLC		\$295.27	EDA Principal Payment	12/30/14	205	
February	8045	079628	10	Cash Receipt	HWS LLC		\$296.65	EDA Principal Payment	02/02/15	205	
February	8031	079576	10	Cash Receipt	MILLER PROPERTIES OF HANOVER		\$1,176.38	EDA Principal Payment	01/22/15	205	
February	8016	079538	10	Cash Receipt	PLUG TECHNOLOGIES, INC		\$399.31	EDA Principal Payment	01/07/155	205	
February	8030	079581	10	Cash Receipt	RIVER INN		\$330.94	EDA Principal	01/22/15	205	
Account Descr G 205-12400 EDA Loan Receivable							\$2,668.23				
							\$2,451.07				
PL Type G General Ledger											
PL Type *R Revenue											
Account Descr R 205-36210 Interest Earnings											
February	8040	079615	10	Cash Receipt	CP PROPERTIES GROUP LLC		\$14.62	EDA Interest Payment	01/29/15	205	
February	8012	079516	10	Cash Receipt	HWS LLC		\$9.73	EDA Interest Payment	12/30/14	205	
February	8045	079628	10	Cash Receipt	HWS LLC		\$8.35	EDA Interest Payment	02/02/15	205	
February	8031	079576	10	Cash Receipt	MILLER PROPERTIES OF HANOVER		\$8.05	EDA Interest Payment	01/22/15	205	
February	8016	079538	10	Cash Receipt	PLUG TECHNOLOGIES, INC		\$49.92	EDA Interest Payment	01/07/155	205	
February	8030	079581	10	Cash Receipt	RIVER INN		\$8.08	EDA Interest Payment	01/22/15	205	
Account Descr R 205-36210 Interest Earnings							\$98.75				
							\$98.75				
PL Type *R Revenue											
PL Type -E Expenditure											
Account Descr E 201-41330-437 Other Miscellaneous											
January	421	030675	20	Cash Payment	KAUL DESIGN GROUP, LLC	15-005	\$200.00	Priority Maintenance Pack	01/20/15	201	
February	554	030732	20	Cash Payment	KAUL DESIGN GROUP, LLC	15-018	\$200.00	Priority Maintenance Pkg.	02/17/15	201	
February	505	030696	20	Cash Payment	PINNACLE PRINTING INCORPORATE	13758	\$12.00	Env for EDA Social	02/03/15	201	
February	537	030707	20	Cash Payment	RIVER INN		\$650.00	EDA Social	02/03/15	201	
February	499	030698	20	Cash Payment	RIVER INN		-\$750.00	EDA Bus Social	02/03/15	201	
February	499	030698	20	Cash Payment	RIVER INN		\$750.00	EDA Bus Social	02/03/15	201	

Period Name	Check Refer	Check Nbr	Tran Nbr	Tran Name	Search Name	Invoice	Amount	Comments	Check/Receipt Date	Fund
Account Descr E 201-41330-437 Other Miscellaneous							\$1,062.00			
PL Type -E Expenditure							\$1,062.00			
Act Year 2015							\$3,611.82			
							\$3,611.82			

## JOINT EDA / COUNCIL PLANNING SESSION

### 3 Buckets of Activities for the EDA

#### 1. Retention

- a. Comfort Matters
- b. SJS Farms – Todd just talked with them, building might be too small
- c. PHS West - Apt. Building next to Cummings is for sale
- d. Jim Stewart
- e. Motorcycle company busting at seams
- f. Hilltop
- g. Explore BRE surveys

#### 2. Recruitment

- Questions about who to target
- Heavy construction businesses – building off the niche we have, identified in the BRE surveys

#### 3. Redevelopment – main street space

#### Pieces of Land with Issues ... find out but never solved the issue ....

- CR 19 land – (both sides)
  - Transportation / road/ access issues – site line triangle for the access
    - Hennepin Co. came up with the plan, knowing what needs to be done – need to figure that out
  - Easement – being worked on this legislative session
  - BankWest owns land – partner with bank – buy at right price and get the access put it
- 10 acre city owned land
  - Is anything buildable and if so, where
  - Jim Stewart still plans to excavate
  - Peat for soil – trees to removed
  - **Needs sewer and water**
- Fire House Auto –

#### Single Family Housing Development

- Crow River Heights – 86.5 acres
- Former Reuter Farm – 7-10 acres
- Anderson Property – city has a lien on the property
- Dunnick Property – 80 acres
  - Reclamation should have been done but hasn't
  - City attorney is involved
  - Determine if zoning is correct – best and highest use for the property
- Hanover won't attract the national firms, but maybe local and small
- **UP has Meridian Land Co. division** – Keith will have head of Division come out and talk to us ...Me follow up with Keith and get scheduled at upcoming EDA meeting ... do virtual tour of the city – drive to follow

- Do the development right, not to lose the Hanover feel
- Why EDA should help pursue residential development
  - Help to become State Aid City (5,000 population needed then State Aid city)
  - Does it help our daytime traffic

### **Revisit the Comp Plan**

#### Future Land Use

- Have no **industrial** land left

#### Future Annexation Areas

### **Other ...**

Schendel Farms – partial light industrial / residential / family wants to give to city for park – 46.4 acres – but swampy areas

Pearson Brothers – has 8 acres

Ess (spelling?) company that Jim talked about – they've run out of room

Need for incubator buildings – industrial / commercial

European Auto – in violation constantly

House next to Hilltop – t/t Reitzner re. potential commercial property

3 Diamond – not sure where that is; Heidi to follow up

Apt. Building next to Cummings is for sale

**CITY OF HANOVER ECONOMIC DEVELOPMENT AUTHORITY  
2011-2012 WORK PLAN**

Time	Planning Goal	Plan Implementation	Follow-Up
2011-2012	Development of Industrial Park	<ul style="list-style-type: none"> <li>• Review plans for development of 10-acre City property for a business park.</li> <li>• Should the project move forward:               <ul style="list-style-type: none"> <li>○ Identify funding tools and strategies to develop the site.</li> <li>○ Provide assistance to the City to market the lots in the business park.</li> <li>○ Work with Rhino Auto Parts on potential land swap to acquire their downtown location.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Miller Trucking began tree removal of proposed right of way. Burschville Construction has conducted excavation on site to determine location/quantity of concrete debris from street. City may do soil testing to determine infiltration capability for storm water management.</li> <li>• Construction debris found on site. City Council authorized staff to contract with Braun Intertec on Phase 2 environmental review to determine if any contamination exists and to what extent. Burschville Construction to dig additional holes week of 10/10 in attempt to determine edge of concrete debris.</li> <li>• Braun Intertec work put on hold by City Council motion that should PHS West not locate onto the 10-acre parcel, then the proposed use should revert to the City's original intent: PW facility and recreation. PHS West declines to locate on site</li> <li>• EDA to work on identifying options for the EDA grant at a future meeting</li> </ul>
	4 <sup>th</sup> Street Development/ Redevelopment Project	<ul style="list-style-type: none"> <li>• Conduct follow-up meeting with Greg Ebert re: corner parcel on 4<sup>th</sup> Street/County Road 19.</li> <li>• Assist CP Properties in filling vacant</li> </ul>	<ul style="list-style-type: none"> <li>• EDA and City Council adopted rent reimbursement program to assist with filling vacant commercial and industrial spaces across Hanover.</li> </ul>

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		<p>space in former hardware store building.</p> <ul style="list-style-type: none"> <li>• Conduct business retention/expansion meeting with owners of Chops Bar and Grill.</li> </ul>	<ul style="list-style-type: none"> <li>• Kaul Design Group, Aaron's Information Systems, Maris Ehlers Photography all granted Rent Reimbursement grants.</li> <li>• Hanover Wine &amp; Spirits leases remaining 1700 square feet in 4<sup>th</sup> Street Plaza building; was granted rent reimbursement grant. Obtained SBA loan. Opened May 2012. Seeking additional support from EDA revolving loan fund</li> <li>• Staff contacted Ebert about 4<sup>th</sup> Street corner site – Ebert has received no recent inquiries for site</li> </ul>
	Hilltop Bar	<ul style="list-style-type: none"> <li>• Conduct a follow-up business retention/expansion visit with owners of Hilltop Bar to determine their interest in City water and sanitary sewer service.</li> <li>• Explore partnership to improve exterior façades to blend building into proposed "Mercantile Pass" commercial project.</li> </ul>	<ul style="list-style-type: none"> <li>• Buchholtz and Vajda conducted follow-up visit in 2011 to re-offer water and sewer connection fee incentive. No interest at the present time.</li> </ul>
	Marketing	<ul style="list-style-type: none"> <li>• Identify the target audience</li> <li>• Encourage traffic to the EDA's website</li> <li>• Conduct a resident survey on types of businesses residents would like to see in Hanover</li> </ul>	<ul style="list-style-type: none"> <li>• EDA discussed potential market strategies at July meeting.</li> <li>• Marketing subcommittee (Ulstad, Hennessey, Kaul, Peper, Buchholtz) met in August. Data sheets have been developed. Peper in process of developing testimonials from existing businesses extolling the benefits of locating/expanding in Hanover</li> <li>• New Hanover logo approved. Logo folders ordered to hold marketing materials.</li> </ul>

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	Mercantile Pass Commercial Development	<ul style="list-style-type: none"> <li>• Evaluate potential EDA involvement in project.</li> <li>• Assist developer Bryan Reitzner with navigating any planning/zoning issues that may arise from project.</li> </ul>	<ul style="list-style-type: none"> <li>• Marketing subcommittee to discuss creating welcome packet advertising local businesses</li> <li>• EDA applied for and received HC CR 19 corridor grant. Scope of services reviewed by EDA on 9/8. RFP sent out by Hennepin County on 10/5. McComb Group appointed to conduct market study. Preliminary findings presented in February. Final report expected in April</li> </ul>
Ongoing	Continue Review of Economic Development Programs	<ul style="list-style-type: none"> <li>• Meet with local businesses to find out why they have not utilized the City's revolving loan fund programs.</li> <li>• Review policies regarding grant and loan programs to meet business needs, including the potential of increasing loan maximums.</li> <li>• Study a possible amendment to the City's tax abatement policy that would allow the City to grant a tax abatement to property owners of vacant commercial/industrial space to buy-down reductions in lease rates for vacant C/I space.</li> </ul>	<ul style="list-style-type: none"> <li>• EDA and City Council approved rent reimbursement program for vacant commercial/industrial lease spaces. Granted 4 rent reimbursement grants to small businesses locating in 4<sup>th</sup> Street plaza building.</li> <li>• EDA approved low interest loans to M. Miller Trucking, Maris Ehlers Photography and Roy C. Inc for equipment and/or building improvements. EDA now has 4 low interest loans in its portfolio – all performing.</li> </ul>
	Update downtown study with Planning Commission	<ul style="list-style-type: none"> <li>• Review 2002 Downtown Study with City Planner.</li> <li>• Hold joint meeting with Planning Commission to explain the reasons for update and work to identify a common vision. Hold community open house to expand vision reach.</li> <li>• Schedule a developer roundtable with commercial developers to provide</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

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		<p>information on what types of retail development are feasible within the Hanover market area</p> <ul style="list-style-type: none"> <li>• Work with City Planner to draft downtown standards and ordinance amendments for presentation to Planning Commission</li> </ul>	
	EDA Website	<ul style="list-style-type: none"> <li>• Continue to add information that will be of help to both current and prospective businesses.</li> <li>• Update demographic information based on 2010 census data.</li> <li>• Mention EDA website as a resource to local businesses during all business retention visits.</li> <li>• Develop marketing strategy to inform business community/public of the new EDA website.</li> </ul>	<ul style="list-style-type: none"> <li>• City website to undergo makeover to accommodate new logo and to personalize it to the community. Once done, EDA will need to consider whether to update the EDA website to create a consistent color scheme/feel.</li> <li>• Obtained quote from Kaul Design Group to update EDA website to match new logo. Approved quote at May 10 meeting. City provided draft website to Kaul Design Group to allow for some coordination between the two sites.</li> </ul>
	Development of 7-acre Paumen (formerly Zimmerman) property	<ul style="list-style-type: none"> <li>• Verify/clarify the EDA's vision for the site in written/visual form</li> <li>• Update marketing materials on the City of Hanover (demographic, population, income, traffic counts, etc.) and information on site and mail/email to development database.</li> <li>• Obtain asking price and other site information from Paumen.</li> <li>• Assist with process of unifying parcel with strip of land owned by Hennepin County Transportation Department.</li> <li>• Assist with access issues from County Road 19 to the site.</li> </ul>	<ul style="list-style-type: none"> <li>• Property was up for auction. The property did not sell due to the minimum bid not being met.</li> <li>• Paumen submitted proposal offering to sell site to City for \$350,000.</li> <li>• City responded to Surly RFP for their proposed destination brewery and headquarters. Surly decided on another option</li> <li>• BankWest obtains property from Paumen in a deed in lieu of foreclosure action. BankWest presents option for City to purchase property. EDA/City passes on purchase of property</li> </ul>

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	Schendel Farm Industrial Park (47 acre parcel north of existing industrial park)	<ul style="list-style-type: none"> <li>• Meet with Earl Schendel regarding interest in selling or developing the parcel. If there is interest, identify partners and funding sources to facilitate project.</li> <li>• Upon development of the site, review strategies to reduce impacts of industrial uses on neighboring residential parcels to the west and north.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
	Arlene Bursch Property Commercial	<ul style="list-style-type: none"> <li>• Meet with Arlene Bursch regarding any interest in selling or development parcel. If there is interest, identify partners and funding sources to facilitate project.</li> <li>• Review progress on rezoning parcel from RA to B-2, Highway Commercial, consistent with City's comprehensive plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Bursch property rezoned to B-2, Highway Commercial, as part of the large scale rezoning to bring zoning map into conformance with Comprehensive Plan</li> </ul>
	Pearson Brothers Industrial Park Project	<ul style="list-style-type: none"> <li>• Meet with Pearson Brothers regarding timeframes for development of 11-acre Ordorff Pit property. Offer EDA assistance with project.</li> <li>• Evaluate options to buy-down cost of lots in proposed industrial park to entice business development, including use of TIF or tax abatement if a project is imminent.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

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	Senior Housing	<ul style="list-style-type: none"> <li>• Provide support to resident committee exploring senior housing options</li> <li>• Meet with Hennepin County Department of Housing to identify resources to bring senior housing to Hanover</li> <li>• Monitor negotiations with Geis with Bridges at Hanover to release senior parcel from building moratorium (development agreement default).</li> </ul>	<ul style="list-style-type: none"> <li>• Senior Housing committee has met with Jason Ver Steeg, Duininck Brothers, about a senior housing concept on the former Arneson gravel pit property (near intersection of River Road and 5<sup>th</sup> Street) Ver Steeg presented findings to EDA at August meeting. Ver Steeg to put together pro forma to determine what level of assistance (if any) is required for the project.</li> <li>• Received presentation from Jim Ford about the CDBG Consolidated Pool program</li> <li>• City and Geis have come to tentative agreement on modification of Bridges at Hanover development agreement; releases Geis from requirement to build 75 unit senior housing on Lot 40, Block 8 of BAH but encourages Geis to consider senior friendly housing on site. Draft agreement has been sent to Geis for input. [Agreement was never signed.]</li> <li>• Lot 40, Block 8, BAH was forfeited to the State of Minnesota by Geis for nonpayment of taxes. City purchased lot for \$51,746.</li> <li>• Contacted Ver Steeg regarding senior housing progress. Told me that little progress has been made but requested that I call at end of February.</li> <li>• Met with Senior Housing developer on small assisted living building and</li> </ul>

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			<p>cooperative independent living. Provided data on 6.5 acre site in Bridges at Hanover. Developer made site visit.</p> <ul style="list-style-type: none"> <li>• Project received resistance from residents of Bridges of Hanover. City Council declined to approve “letter of intent”; agreed to set up a taskforce to establish framework of deal, choosing to negotiate informally with developer. Developer to attend June EDA meeting to answer questions.</li> </ul>