

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MEETING
AUGUST 8, 2013 – OFFICIAL MINUTES**

Call to Order

Chair Todd Bartels called the regular EDA meeting of August 8, 2013 to order at 8:05 a.m. Present were Todd Bartels, Joe Kaul, Jim Hennessey, Randy Whitcomb, Councilor Ken Warpula, and Councilor John Vajda. Keith Ulstad was absent. Also present were City Clerk/Asst. City Administrator Annita Smythe and EDA Consultant Heidi Peper.

Approval of Agenda

MOTION to approve agenda as presented was made by Hennessey, seconded by Vajda. **Motion carried unanimously.**

Approval of Minutes

Members supplied missing data on motions from last meeting to the draft minutes. **MOTION** to approve the minutes, as amended, of July 11, 2013 was made by Whitcomb, seconded by Warpula. **Motion carried unanimously.**

Approval of July 2013 Accounts Payable and Financial Reports

Kaul had a question on a small charge within the detail reports; staff will clarify after the meeting. **MOTION** to approve the July 2013 accounts payable and financial reports as presented made by Kaul, seconded by Whitcomb. **Motion carried unanimously.**

Old Business

Follow-up on Green House Assisted Living Project

Smythe explained that City Planner Cindy Nash had attempted to contact Brad Bass before her vacation regarding the application submitted, but was not successful. The application was not complete, nor was a required escrow submitted. Hennessey thought that it would make sense for someone to partner with Nash as the contacts for this project, given its importance. There was a consensus among the Board that Heidi Peper should also reach out to Brad and partner with Nash. The Board felt that it would be nice to submit something in writing listing the outstanding items needed to move the application forward, and that Peper would also be a good ambassador for the City on this project. The Board did not feel it was appropriate to assign a deadline at this time until further communication had occurred. Peper will revisit the timeline, work with Nash to submit to Brad Bass a written list of our needs, and report back at the next meeting.

Plug Technologies Update

Peper gave a brief update. Things are progressing well; there is significant lead time before they are ready to go to market with product. Peper also advised that Plug Tech has requested a second draw from the loan program.

5th Street Senior Housing Update

Kaul gave an update on this topic. Kaul received some contact from the investment group that they had submitted paperwork showing they had retained a consultant to conduct detailed market studies as part of this project, but preferred the details to remain confidential for now. Kaul also mentioned that the group had referenced a land swap in their correspondence. The Board seemed confused by this, and was unclear what was being referred to. Since the City is in discussions about other possible uses of the adjoining 10 acre parcel, the Board asked Kaul to clarify with the group their expectations involving any land swap and report back at the next meeting. Peper mentioned that the process they are following could take several months before they receive a response and are ready to move forward.

At this point in the meeting, Councilors Warpula and Vajda provided a brief overview of the discussions to date with the Athletic Association regarding the 10 acres. In addition, there was a very brief discussion about the fact that the late Earl Schendel's family had contacted the city regarding potential uses of their property. The Board agreed that early next year, it would make sense to have a planning meeting to assess the available land and potential uses within the city for future development.

Red Sky Brewing

Peper updated that she has attempted to contact James Anderley to provide assistance and contacts for their business plan, but was unable to reach him. She will continue trying to reach him.

New Business

Initiative Foundation Budget Request

Initiative Foundation has submitted a request for a \$300 membership donation for 2014. City Council has authorized this, subject to EDA approval. There was some discussion of the large part this group played in getting Plug Technologies up and running. Kaul questioned why the amount requested increased from the \$250 paid in 2013. Peper explained that it was not unusual for groups like this to increase their membership fees from year to year. The Board overall did not express concern about the increase.

MOTION to approve the budget request by Hennessey, seconded by Warpula. **Motion carried unanimously.**

Preliminary Budget 2014

Smythe introduced the proposed budget staff prepared based on prior year's budget and expenses year-to-date. Smythe explained that Council had not yet decided the City's levy, but that because of levy deadlines, the EDA needed to act on their preliminary levy at this meeting. There was some discussion that the Board anticipated more business in the coming year, and perhaps should adjust the levy to anticipate that. Some members expressed concern about that, given that the EDA's current cash position is strong.

MOTION by Kaul, seconded by Hennessey, to approve the preliminary levy and budget per the staff proposal attached. Motion carried unanimously.

Reports

Vajda asked about funding for the Harvest Festival. Kaul explained that the EDA had donated \$1,000 to cover advertising/printing expenses. There was some understanding that this covered those expenses. Smythe explained that the expenses were actually slightly above \$1,000 for 2013. There was an apparent consensus that EDA would support an increase in the donated amount in 2014 to cover these costs if requested.

Hennessey updated the group about the status of the River Rider Pilot Program, and expressed that the seniors groups he works with are very excited about it. He also stated that they would like to see it available 2 days a week. Councilor Warpula noted that there was no real downside for the City, and it addresses a need not currently met by any other programs. Kaul expressed concerns about scheduling and related issues. Hennessey noted that the pilot would be a call-based program, and scheduling would come much later based on usage.

Bartels noted for the group that Pearson was a corporate sponsor of the Harvest Festival and that it went very well. Kaul mentioned that Kaul Design was also a sponsor. Bartels further noted that Pearson had a record year, and was taking on several new projects. He also explained that they were discussing some ideas about potential usage of some of their vacant property that could result in available space for some new business. There was some additional discussion of the need for a charter school within Hanover.

Vajda wanted to revisit the business social, and suggested another be held. There was some discussion of the best timing for this, and consensus was to revisit at another meeting. Vajda also mentioned that in past years, there had been an appointed officials picnic in July where all City Officials were invited to get together. Staff was unaware of this, but would look into for future.

Kaul mentioned that he learned that the Zimmerman family was leaning toward not planning to do their Christmas Lights display this year due to costs. He mentioned that they had accepted small donations in the past, but that it still left a significant shortfall. The Board as a whole felt that there were other ideas that could help defray costs, and believed that there would likely be other benefactors within the City willing to assist.

Kaul also mentioned that his business had a good year and had added a number of new staff. He stated that because of the inability to find a more professional office location within Hanover, his business would be moving out of Hanover on October 1st. He could not provide additional details at this time. The Board as a whole expressed surprise and some were unaware that he was looking for a different commercial space. The Board wished Kaul well in his new location.

Adjournment

MOTION to adjourn by Warpula, seconded by Vajda. Motion carried unanimously. Meeting adjourned at approximately 9:50 a.m.

ATTEST:

Annita M. Smythe, City Clerk/Asst. City Administrator