

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MEETING
OCTOBER 10, 2013 – OFFICIAL MINUTES**

Call to Order

Chair Todd Bartels called the regular EDA meeting of October 10, 2013 to order at 8:05 a.m. Present were Todd Bartels, Joe Kaul, Jim Hennessey, Keith Ulstad, Randy Whitcomb, Councilor Ken Warpula, and Councilor John Vajda. Also present was City Clerk/Asst. City Administrator Annita Smythe and EDA Consultant Heidi Peper.

Approval of Agenda

Hennessey requested to add a discussion about Love, Inc. as item 4(c).

MOTION to approve agenda as amended made by Whitcomb, seconded by Hennessey. **Motion carried unanimously.**

Approval of Minutes

MOTION to approve the minutes of September 12, 2013 made by Hennessey, seconded by Vajda. **Motion carried unanimously.**

Approval of September 2013 Accounts Payable and Financial Reports

Request to move the financial reports to the Reports section in future agendas. Members prefer to have those items at the end due to their length.

MOTION to approve the September 2013 accounts payable and financial reports as presented made by Kaul, seconded by Whitcomb. **Motion carried unanimously.**

Old Business

3 Diamond Development Senior Housing Update

Peper gave an overview of the presentation by 3 Diamond Development given to City Council. She explained the tax credit application process, and that it is highly competitive. She explained the two application rounds, and that in this fall round, they are hoping to get additional information to help polish their application for the next spring/summer period if they are not accepted this time. There was quite a bit of discussion among Members wanted to make sure to clarify that this project is intended as a senior housing project and not a low income housing project. There was additional discussion about the differences between tax credit housing and low income housing. Peper explained that they need to be careful, as pushing the project as a senior-only project may limit its chances of approval. Board Members just want to be sure that we know what is being proposed, as it was presented to them as a senior housing project. If it will be something other than that, Members felt like we needed to do a little more research to determine the needs. All of the materials presented so far speak to market research for senior housing. Peper noted that she is helping them with the application, and will make sure we understand what is being submitted. Hennessey also noted that he can speak to his own contacts about what can be done to help clarify this without jeopardizing the chances of success.

River Riders Update

Smythe gave an update that the River Riders agreement had been approved by the City Councils for each of the four partnering cities, Hanover, St. Michael, Albertville, and Otsego. We are awaiting final approval from MnDot, with an expected service start date of January 1, 2014.

Greenhouse Assisted Living Project Update

Peper and Smythe gave a brief update of the discussions held with the Bridges Homeowners Association regarding the needed access easement for the City-owned parcel. Those conversations appeared to go well, and we expect to hear an update within the next couple of weeks. We are also regularly communicating with Brad's team, and hope to have concept plans from them in early November.

Former Fire House Auto Site Update - Red Sky Brewing/Bike Repair

Peper updated that there is no new update from Red Sky Brewing; they are still working on their business plan. Smythe updated that the proposed Bike Repair shop had submitted a purchase offer for this site with several contingencies, and was turned down. The contingencies requested included requesting an appraisal, requesting a Phase I environmental assessment, wanting owner's assistance to apply for a required text amendment and CUP, and a

condition that the existing septic be crushed and filled since the property is now operating on sanitary sewer. Members' consensus was that these requests did not appear to be unreasonable. The Board suggested Peper contact the realtor to see if we could get some clarity on what the real issues are. The Board determined that an unwillingness by the current owners to allow any reasonable contingencies would make this an unmarketable property, in the view of the EDA, and that it should be removed from the EDA's list of possible business sites for future development. Bartels suggested the EDA may want to send a letter explaining these concerns to the owners. Peper will speak to the realtor and report back at the next meeting.

Matching Grant Request – Hilltop Bar

Smythe updated that she spoke to the Hilltop Bar and explained the additional information requested by the EDA in order to consider the application. At the time of the meeting, nothing more had been received. Members tabled further action pending receipt of the requested documentation, while expressing their support for the Hilltop Bar. Members also noted that the Board should take a look at each of the available programs in the coming year, and possibly clarify some of the terms for eligibility.

New Business

Potential Brewery – Industrial Park

Peper and Smythe updated that the City had been contacted about placing a brewery/tap house in the old Miller Trucking building in the Industrial Park. The group would require a text amendment and CUP for this type of business, and are planning to attend the October Planning Commission meeting to gauge the support from that group. The Board expressed some concern about a retail business in the proposed location, however, were willing to support the potential business, given the lack of alternate spaces, until further information is known.

EDA Social Plans

Smythe noted there had been some discussion at a prior meeting about another EDA Business Social, given the success of the last event. The Board liked the location and turnout at the last event. Todd Bartels will contact the owner of Maverick to discuss potential dates available in January.

Love, Inc.

Hennessey explained to the Board that Tom Kunz had introduced his organization at the last City Council meeting, and had outlined some of the many outreach programs run by Love, Inc. to help needy people within our community. Hennessey stated that he had looked into this group's reputation and background, and was impressed by the things they have accomplished. He feels that Mr. Kunz is a real go-getter, and this is a very worthy organization for the City to support. Hennessey also discussed in some detail plans for a future fundraiser, and ways the EDA could assist. Members overall were very supportive of Love, Inc. and their mission, but had concerns about whether the EDA was the appropriate partner for this type of organization. Members suggested that Love, Inc. finalize the details of their event, then perhaps seek assistance from City Council, perhaps a waiver of hall rental fees.

Reports

Hennessey gave an update that he is working on additional transportation initiatives for the City.

Smythe gave a brief update that the City Councils is working on an agreement with the Athletic Association related to ballfields behind City Hall.

Bartels asked that City staff create a central mailbox for EDA business, as it is difficult for members to maintain multiple boxes and some messages do not get responded to timely. Kaul asked to retain his EDA mailbox, but the rest do not want to keep them. Staff will follow-up.

Adjournment

MOTION to adjourn by Warpula, seconded by Whitcomb. **Motion carried unanimously.** Meeting adjourned at approximately 9:42 a.m.

ATTEST:

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