

**CITY OF HANOVER  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
JANUARY 8, 2015 – OFFICIAL 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:

---

Brian Hagen, City Administrator