

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MEETING
JANUARY 9, 2014 – OFFICIAL MINUTES**

Call to Order

Chair Todd Bartels called the regular EDA meeting of January 9, 2014 to order at 8:00 a.m. Present were Todd Bartels, Joe Kaul, Jim Hennessey, Randy Whitcomb, and Keith Ulstad. Councilors Ken Warpula and John Vajda were absent. Also present was City Administrator Annita Smythe and EDA Consultant Heidi Peper.

Appointment of Officers (moved ahead of other items)

MOTION by Hennessey to retain current officers, as they are doing a great job. Some discussion by Whitcomb of his preference to see new blood. After some discussion, Ulstad seconded the motion. **Motion carried unanimously.**

Approval of Agenda

Agenda was amended to move officer selection first, and to add item 3(c) Greenhouse Update.

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

Approval of Minutes from December 12, 2013

MOTION to approve the minutes of December 12, 2013 was made by Whitcomb, seconded by Hennessey. **Motion carried unanimously.**

Approval of Minutes from December 13, 2013 Special Meeting

MOTION to approve the minutes of December 13, 2013 was made by Hennessey, seconded by Kaul. **Motion carried unanimously.**

Approval of December 2013 Accounts Payable and Financial Reports

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

Old Business

3 Diamond Development Update

Peper gave a synopsis from the meeting with MHFA. The basic message was that 3 Diamond's proposal wouldn't compete well and is not the best fit for the programs that they are funding. They are going to look into other potential sources of funding and run some numbers. Peper offered her expertise if they would like assistance pursuing other options.

Former Fire House Auto Site/Red Sky Brewing Update

Red Sky's initial offer had seemed to receive a favorable response, but there has not been any action taken by seller since. They are not getting responses to queries and may now be looking at other alternatives. There was additional discussion of other ideas to move this ahead. Members suggest setting up a meeting with buyers, seller, and City to see if we can assist with the process or funding to help move this along.

Greenhouse Assisted Living Project Update

Smythe gave the update that there was nothing to update on this project. EDA members are prepared to give Bradford a deadline, once we resolve the easement issue. Smythe was directed to follow-up and expedite the easement with Bridges, then give Bradford deadline or we consider other alternatives for the property.

New Business

River Inn Business Assistance Application

The River Inn submitted a business assistance application related to costs associated with their expansion of indoor seating space. They wanted to be considered for both the matching grant program and the business assistance loan program.

MOTION by Hennessey, seconded by Whitcomb to approve matching grant of \$1,000. **Motion carried unanimously.**

MOTION by Kaul, seconded by Hennessey, to approve loan application subject to: 1) financials are acceptable after Bankwest reviews them, 2) repayment terms, including no penalty for pre-payment, are acceptable to River Inn, 3) the interest rate is set in accordance with the program terms, currently 2%, and 4) the loan will not require additional security/collateral other than a personal guaranty. **Motion carried unanimously.**

Resolution No 01-09-14-06 – Approving Year-end Transfers

Smythe explained that she was looking for authorization to complete the budgeted year-end transfer of \$15,000 to the Business Incentive fund. There was some discussion of how this works, whether it was reversible, and if the amount was appropriate.

MOTION by Kaul, seconded by Hennessey, to approve the transfer of \$15,000. **Motion carried unanimously.**

EDA Strategizing and Review of EDA Funding Programs

The group ran out of time to discuss this topic. Due to members busy schedules, the group decided to set aside the first hour of the next several meetings to devote time to this discussion topic. Hennessey mentioned using the old project plan as a basis.

Reports

Kaul mentioned that the EDA website requires updates. Smythe agreed that this needs discussion. Will be added to next agenda. He also noted that the Youth Ball group would like the Business List that the City used for the EDA Business Social invites.

Adjournment

MOTION to adjourn by Hennessey, seconded by Whitcomb. **Motion carried unanimously.** Meeting adjourned at approximately 10:25 a.m.

ATTEST:

Annita M. Smythe, City Administrator