

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MEETING
MAY 12, 2016 – OFFICIAL MINUTES**

Call to Order

Chair Todd Bartels called the regular EDA meeting of May 12, 2016 to order at 8:00 a.m. Present were Todd Bartels, Randy Whitcomb, Keith Ulstad, Matt Hanson, Jessica Johnson, John Vajda and Ken Warpula. Also present were City Administrator Brian Hagen and EDA Consultant Heidi Peper.

Approval of Agenda

MOTION by Warpula to approve the agenda, seconded by Johnson. **Motion carried unanimously.**

Approval of Minutes from April, 2016 Regular Meeting

MOTION by Whitcomb to approve minutes as presented, seconded by Vajda. **Motion carried unanimously.**

Approval of Accounts Payable and Financial Reports

Johnson gave a brief overview of the monthly financials. It was noted that River Inn had paid off their loan balance.

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

Citizen's Forum

Unfinished Business

EDA Business Incentive Review – Matching Grant Program

The board discussed the approved changes from the previous meeting. Further clarification was requested regarding how the loan and grant would be provided to the applicant, loan term, and eligible recipients. The board felt the following guidelines were acceptable:

- 50% of project costs funded with max contribution of \$15,000
 - 25% loan with 0% interest rate
 - 25% grant
- Finance the full incentive amount with the last have of the amount waived to act as grant proceeds
- Applicant may request only grant portion in the form of a lump sum payment
- Home based businesses not allowed for program eligibility
- For existing buildings only

MOTION by Vajda to approve changes to the matching grant program as described above, seconded by Hanson. **Motion carried unanimously.**

New Business

EDA Business Incentive Review – Commercial Rent Reimbursement

The board felt minimal changes were needed. They felt all current requirements were to stay in place, and add two new requirements. First, landlord and tenant must be unrelated. Second, proof of rent payment must be submitted prior to issuance of reimbursement.

MOTION by Whitcomb to approve changes as described above, seconded by Johnson. **Motion carried unanimously.**

EDA Business Incentive Review – Hanover Low Interest Loan

The board had further questions on the low interest loan. After discussion, members felt a set payoff period should be determined versus a range. Members felt a 10 year term for land and/or buildings, and 7 year term for all other eligible expenses was acceptable.

MOTION by Warpula to approve the changes to the Hanover Loan Interest Loan Program as presented, seconded by Whitcomb. **Motion carried unanimously.**

Reports

Adjournment

MOTION by Vajda to adjourn at 9:12 a.m., seconded by Ulstad. **Motion carried unanimously.**

ATTEST:

Brian Hagen, City Administrator