

**CITY OF HANOVER  
ECONOMIC DEVELOPMENT AUTHORITY MEETING  
SEPTEMBER 12, 2013 – OFFICIAL MINUTES**

**Call to Order**

Treasurer Joe Kaul called the regular EDA meeting of September 12, 2013 to order at 8:00 a.m. Present were Joe Kaul, Jim Hennessey, Keith Ulstad, Councilor Ken Warpula, and Councilor John Vajda. Todd Bartels and Randy Whitcomb were 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 Ulstad. **Motion carried unanimously.**

**Approval of Minutes**

Kaul had some changes for the August minutes. He supplied replacement text. **MOTION** to approve the minutes of August 8, 2013 with Kaul's changes was made by Hennessey, seconded by Ulstad. **Motion carried unanimously.**

**Approval of August 2013 Accounts Payable and Financial Reports**

Kaul suggests modifying year end transfers, but will address at a later meeting. **MOTION** to approve the August 2013 accounts payable and financial reports as presented made by Kaul, seconded by Ulstad. **Motion carried unanimously.**

**Old Business**

**5<sup>th</sup> Street Senior Housing Update**

3 Diamond Development Group was present at the meeting and gave an overview of their project, including handing out a draft feasibility study. Their plan includes an independent living facility for seniors on a 5 acre parcel on 5<sup>th</sup> Street. They are currently working to put together an application to the State of Minnesota for a tax credit program. The approval from the state is a critical element for the project to move forward. 3 Diamond further discussed the highly competitive nature of the application process, and some of the factors that would help make their submission stronger, including full support of the City, transportation services, retail facilities nearby, etc. The group is aware that the City is pursuing an agreement with River Riders for transportation. There was additional brief discussion of the fact that the City is currently discussing the possibility of building ball field on the 10 acres next to this property. 3 Diamond views this as a benefit next to a senior facility. In addition, there was brief discussion of the possibility of sharing parking with the Athletic Association at certain times. Staff will address this with the Athletic Association at the next meeting with the City Council. There was also some discussion of the possibility of creating a TIF district for this project. The group was informed they had the full support of the EDA. They also plan to attend the October 1, 2013 City Council meeting to introduce their team and their project.

**Follow-up on Green House Assisted Living Project**

Peper and Smythe gave a brief update of the discussions held with members of Brad Bass's architect team. The current plan is to hold an open house sometime in October, then move forward with the development application shortly thereafter. EDA members indicated they would like 2 weeks' notice of the open house date. There was also a question of who would MC the event. Smythe indicated she would follow-up with Bob Derus on this question.

**Red Sky Brewing**

Peper updated that she has spoken with James Anderley. He is still working on his business plan. Peper has offered her assistance to him and his team. Smythe updated that another party has shown interest in the same site for a motorcycle repair shop. That is also pending.

## **New Business**

### **Matching Grant Request**

Hilltop Bar submitted a request for matching grant funds. Members discussed whether or not the application, as submitted, qualified for the matching grant program. It appeared that Hilltop was requesting funding for work that was already completed, which didn't seem to meet the requirements of the program, whose purpose is to incentivize improvements. In addition, members could not determine if additional work was intended. Members overall felt it was important to support the Hilltop Bar as a local organization, but thought more information was needed.

**MOTION** to table the application pending further information made by Vajda, seconded by Hennessey.  
**Motion carried unanimously.**

### **Oktoberfest Request for Donation**

Smythe introduced the request from the Oktoberfest organizers for funding, similar to requests from previous years. There was some discussion of whether or not this was an appropriate event for consideration by the EDA, as it doesn't broadly support all Hanover businesses, but directly benefits one or two. There was some discussion that it would be nice if this event could provide its own funding in the future, possibly with booth fees for participating businesses. There was acknowledgement that it was likely too late to pursue other avenues for this year's event. Although the EDA as a group was supportive of Oktoberfest, the overall consensus was that the Oktoberfest organizers should seek support from the City Council first, and perhaps re-submit to the EDA if the Council felt it an appropriate use of EDA funds.

### **Fire Department Property Title Issue**

Smythe provided an explanation of a title issue that was discovered while researching Kaul's earlier question about an expense paid to Wright County and while putting together the 2014 budget. Evidently, when the Fire Hall was constructed, it was done via a lease purchase option through the EDA. Later, the City exercised the purchase option and paid off the EDA bonds through a refinanced bond paid for by the City. However, title of the property was not transferred from the EDA to the City when the purchase was completed. Smythe is looking for general consensus to complete the title work.

**MOTION** by Vajda to complete the title transfer of the Fire Hall properties to the City of Hanover, seconded by Kaul. **Motion carried unanimously.**

Ulstad left the meeting at approximately 9:30 a.m.

## **Reports**

Hennessey gave an update on the importance of working with the various senior resource groups available. He views senior issues as a very high priority within the Hanover community.

Vajda wants staff to make it clear to Oktoberfest that the EDA views their event as important, just feels that Council should act first. He also asked Peper the outcome of earlier talk about SJS Farms. Peper responded that they were now considering a purchase rather than renting and are looking for lenders. She had nothing new to report on it.

Kaul wanted to point out that the River Rider program is not necessarily the only solution for transportation in the City. Hennessey concurred, but pointed out it was a mechanism to get things started. Both agreed the City should continue to look for additional alternatives.

Smythe updated that she will be attending a meeting September 17 to further discuss the River Rider agreement, as one of our partner cities has an upcoming deadline to meet for completion of this agreement.

Peper reported that she has been getting quite a few leads from Ted LaFrance looking for existing buildings, so there appears to be interest if Pearson's were to move forward with their tentative plans for building.

Members as a whole expressed interest in holding another social get-together. Suggested this be added to the next agenda.

**Adjournment**

**MOTION** to adjourn by Warpula, seconded by Vajda. **Motion carried unanimously.** Meeting adjourned at approximately 10:01 a.m.

ATTEST:

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