

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MEETING
NOVEMBER 17, 2022**

Call to Order

The regular EDA meeting of November 17, 2022 began at 8:00 a.m. Present were members Todd Bartels, Tony Ross, Jessica Johnson, Ted Zrust, MaryAnn Hallstein and Tom Dierberger. Absent was Brian Dismang. Also present were City Administrator Jennifer Nash and Council Member Mike Amery.

EDA Members discussed the design and public engagement work being done for a project planned for the Wright County portion of County 19 running through Hanover.

Chair Bartels opened the meeting at 8:26 am.

Approval of Minutes from September 15, 2022 Regular Meeting

MOTION by Johnson to approve minutes of September 15, 2022 as presented, seconded by Hallstein. **Motion carried unanimously.**

Approval of Accounts Payable and Financial Reports

Treasurer Jessica Johnson reviewed financial statements provided and noted all payments are current. **MOTION** by Johnson to approve the Accounts Payable and Financial Reports as presented, seconded by Zrust. **Motion carried unanimously.**

Citizen's Forum

None

Unfinished Business

None

New Business

a. Business Incentive Application – Loan and Matching Grant – River Inn

Administrator Nash introduced an application received from River Inn for full loan and grant funding - \$92,500 low interest loan and \$7,500 grant. The application is to support their expansion project that they have been working on planning for a while.

Zrust noted all prior applications funded by EDA for loan amounts of this size have required collateral be provided to secure the loan. Members discussed bank review of appropriate collateral.

Hallstein suggested it would be good to understand more specifics from River Inn about their timeline for completion of the project and steps along the way.

Nash noted the City has a site improvement agreement with River Inn that has a Letter of Credit requirement, but the EDA's funds if awarded for the requested loan would not be covered through this separate agreement.

Bartels suggested the low-interest loan information sheet could incorporate a note regarding need for collateral for large loans so that applicants would understand this EDA criteria up front. He also suggested Zrust from BankWest could work with River Inn to identify collateral that would be acceptable through bank review to make sure EDA's interests are covered appropriately.

Group consensus was very supportive of the loan and completion of the planned project as long as collateral is in place.

Dierberger asked when the interest rate is established. Zrust noted at the time of closing and tied to prime.

A motion was made by Johnson and seconded by Zrust to approve the requested loan and grant for River Inn once appropriate collateral is established as reviewed by BankWest – if no collateral, the maximum loan amount would be \$20,000. All in favor. Motion carried.

b. 2023 Final Budget and Levy

Nash reviewed the proposed final budget and levy consistent with previous year's budgets. She noted member have expressed some interest in additional projects being pursued that would require additional staffing, so those considerations could be reviewed with Council as part of an overall conversation regarding staffing needs for the City.

Bartels suggested a consultant similar to Heidi Peper that the EDA hired years ago could be considered. EDA members also discussed the possibility of allocating part of the EDA budget to support staff time for support in the future. EDA could consider increasing the levy for 2024 as it has not changed in several years and some staff support could help with some of EDAs goals.

Dierberger noted council will be working in the coming months to define their goals for the City and align job descriptions for staff to support those goals. Development support could be part of that discussion.

A motion was made by Johnson and seconded by Zrust to approve the 2023 EDA budget and levy as presented. All in favor. Motion carried.

c. Hanover 19 Road Project Discussion

Hallstein noted that engineers working on design for the planned 2024 road project have been meeting with businesses along the corridor and have also held other public open houses. Does EDA have input that they would like to relay to Council on the project and its current design?

Bartels noted Wright County has brought financial support to the table to pay for improvements to the road now. Experts are designing and telling us this project should be done, that current turning movements are difficult with current traffic volumes, and that issues will get worse in the future. Johnson noted support for this feedback.

Zrust noted there has been issues in the past with prior backups. If there is an issue with traffic, it should be addressed. As a user at his place of business, he is concerned about ability to leave in the afternoon without a traffic light.

Nash suggested EDA could pass a motion that could be shared with the City Council if there is a consensus of the group.

A motion was made by Hallstein and seconded by Bartels to relay to Council that EDA can see this project as beneficial to the community from an economic development standpoint. All in favor. Motion carried.

Reports

Hallstein

- Asked EDA members' opinions on whether the annual social event should be kept in the fall or moved back to spring time. Consensus was to keep the event in the fall.

Adjournment

MOTION by Johnson to adjourn at 10:03 a.m., seconded by Bartels. **Motion carried unanimously.**

ATTEST:

Jennifer Nash, City Administrator