

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

**Call to Order**

Vice Chair Whitcomb called the regular EDA meeting of December 12, 2013 to order at 8:00 a.m. Present were Joe Kaul, Jim Hennessey, Randy Whitcomb, Keith Ulstad, Councilor Ken Warpula and Councilor John Vajda. Chair Todd Bartels arrived at approximately 8:50 a.m. Also present was City Clerk/Asst. City Administrator Annita Smythe, EDA Consultant Heidi Peper, and representatives from 3 Diamond Development.

**Approval of Agenda**

Request to amend the agenda to add 3 Diamond Development as item 3(a).

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

**Approval of Minutes**

**MOTION** to approve the minutes of November 14, 2013 was made by Ulstad, seconded by Vajda. **Motion carried unanimously.**

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

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

**Old Business**

**3 Diamond Development Update**

Members from 3 Diamond Development Group were at the meeting to answer any questions and reaffirm that their intention is to provide senior housing in Hanover. The state program they are pursuing is an affordable housing program, but they didn't want there to be any confusion on what they are planning. There can't be an age restriction on their project if they want it considered for the state credits they are seeking. Peper will be attending a meeting following this one with a representative from MHFA and members of 3 Diamond to discuss the program and how best to qualify. Peper will provide an update of the status following that meeting.

**Greenhouse Assisted Living Project Update**

Smythe gave a brief update on the status of this project. Bass has submitted plans, but they changed the orientation of the building in such a way that the driveway is no longer across from the pond, which was one requirement. In addition, the proposal splits the lot into 3 parcels rather than 2, leaving the City with the pond and a small backlot, which the City likely would not be in favor of. The City Planner and Engineer both indicated some additional items they need before they can review and move forward. Smythe will be contacting Bass again to discuss these issues. Smythe has also spoken with Jeff Grupp regarding the easement request. It appears that the Bridges members are struggling over how to grant the outlot so that they don't have to maintain it, but at the same time retain some control over how the parcel is developed in the future. Smythe and City Planner Nash had a conference call with Grupp and discussed potential options. Smythe will work with the City Attorney to draft a proposal, and send it to Grupp for the Bridges consideration.

Chair Todd Bartels arrived at approximately 8:50 a.m. and took over presiding over the meeting.

**Former Fire House Auto Site/Red Sky Brewing Update**

Red Sky Brewing has put in a purchase offer on this property with similar contingencies as Hofmann's earlier offer. The initial feedback is that the seller is willing to discuss. Peper will follow-up to see if there is any additional information available, and if they have a timeline.

**S.E.H. Contract Rates**

Peper needed to leave the meeting to attend the meeting with 3 Diamond Development, so item 4(b), approval of S.E.H.'s contract for 2014 was moved up in the agenda.

**MOTION** by Kaul to approve the contract as presented, seconded by Vajda. **Motion carried unanimously.**

There was some discussion of modifying the budget, which is \$25,000, to match the contract rate of \$20,000 but members agreed to leave the budget as is to prevent overruns if development continues.

Peper left the meeting at approximately 9:15 a.m.

#### **EDA Business Social Plans**

Smythe updated that she had been contacted by Mike at Maverick, and they prefer that the EDA Business Social be moved back to 5-8 p.m. to accommodate their business needs. It is still on for January 30<sup>th</sup>, and invitations are in the process of being sent out by staff.

#### **New Business**

##### **Approval of 2014 Levy and Budget**

**MOTION** to approve the 2014 Levy and Budget as presented was made by Warpula, seconded by Vajda. **Motion carried unanimously.**

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

#### **DEED Redevelopment Funds**

Smythe brought to the group a notification of DEED funds that recently became available, and questioned whether we had any potential projects that might qualify. Members directed Smythe to work with Peper to determine if we had anything.

#### **Review of EDA Funding Programs**

Tabled for next meeting so Board could have Peper's input.

#### **Pearson Bros. Plans**

This item was added by Bartels. Bartels updated that Peason's is considering adding a building and some outside storage capacity to one of their existing vacant parcels in the Industrial Park. There was some discussion of the type of structure and zoning requirements. Bartels will coordinate with City staff for more specifics when Pearson's is closer to having plans drafted. Bartels indicated that there are less barriers to development in Hanover for their type of business, so it is a good location for potential expansion.

#### **Reports**

Smythe directed by Board to contact Hilltop to see if they still intend to apply for matching grant funds.

#### **Adjournment**

**MOTION** to adjourn by Warpula, seconded by Ulstad. **Motion carried unanimously.** Meeting adjourned at approximately 9:55 a.m.

ATTEST:

---

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