

CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY AGENDA

Thursday, October 13, 2011
8:00 a. m.
HANOVER CITY HALL

Mr. Todd Bartels
Mr. Joe Kaul
Mr. Keith Ulstad
Mr. Randy Whitcomb

Mr. Chris Kauffman
Mr. Jim Hennessey
Mr. John Vajda

This document does not claim to be complete and is subject to change at any time.

1. Call to Order
2. Approval of:
 - a. Agenda
 - b. Minutes of September 8, 2011 regular meeting
 - c. Accounts Payable and Financial Report
3. Business
 - a. GreaterMSP Presentation – Gene Goddard
 - b. December Business Breakfast
 - c. Marketing Subcommittee Update
 - d. Business Lead Update
 - e. Industrial Park Update
4.
 - a. Board Member Reports:
 - (1) Bartels –
 - (2) Hennessey –
 - (3) Kauffman –
 - (4) Kaul – Website Monthly Report
 - (5) Ulstad –
 - (6) Vajda –
 - (7) Whitcomb –
 - b. Executive Director Report
 - (1) Buchholtz – 2011-12 Work Plan
 - (2) Peper –
5. Adjournment

This agenda has been prepared to provide information regarding an upcoming meeting of the Hanover Economic Development Authority.

All meetings are accessible to the physically challenged. Attempts will be made to accommodate any other individual in need of special services. Please contact City Hall at 763-497-3777 to make necessary arrangements.

CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
September 8, 2011

Treasurer Kaul called the Economic Development Authority meeting of September 8, 2011 to order at 8:00 a.m. at Hanover City Hall. Commissioners present were: Bartels (arrived at 8:07am), Jim Hennessey, Chris Kauffman, John Vajda, and Joe Kaul. Absent: Keith Ulstad and Randy Whitcomb. Also present was City Administrator Daniel Buchholtz; and EDA Consultant Heidi Peper. Call to Order

MOTION by Hennessey, second by Vajda, to approve the agenda for the September 8, 2011 EDA meeting. Motion carried 4:0. Approval of Agenda

MOTION by Vajda, second by Hennessey, to approve the August 11, 2011 regular EDA meeting minutes and August 23, 2011 special EDA meeting minutes. Motion carried 4:0. Approval of Minutes

MOTION by Kaul, second by Vajda, to approve the accounts payable and financial report, as presented. Motion carried 4:0. Motion to Approve Accounts Payable

Kaul noted that, several months ago, he had recommended that the EDA hold back a transfer of \$10,000 from the EDA Special Fund to the Business Incentive Fund to allow for funds necessary to implement the branding committee's recommendations. He said that since those expenses will likely occur in 2012, he is recommending executing the transfer.

MOTION by Kaul, second by Hennessey, to approve the transfer of \$10,000 from the EDA Special Revenue Fund to the EDA Business Incentive Fund. Motion carried 4:0.

Buchholtz stated that he has received an invoice from Press News for the advertising for the Hanover Harvest Festival. He said that the EDA has typically contributed \$1,000 for that purpose.

MOTION by Kaul, second by Kauffman, to approve payment of \$1,000 to Press News for advertising for the Hanover Harvest Festival. Motion carried 4:0.

Bartels arrived at 8:07am and took over as Chairman of the meeting.

Business

Business

1. Approval of Rental Reimbursement Grant for Kaul Design Group, LLC

Approval of Rental Reimbursement Grant for Kaul Design Group

Bartels introduced the item. Kaul recused himself from the Authority for this agenda item, citing a potential conflict of interest.

Buchholtz stated that the EDA has received a request from Joe and Karen Kaul, owners of Kaul Design Group, requesting a rental reimbursement grant of \$1,500. He said that Kaul Design Group has signed a 2-year lease for space at the 4th Street Professional Building at a lease rate of \$500/month. He stated that he is recommending approval of the reimbursement conditioned on Kaul Design Group submitting a signed

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ECONOMIC DEVELOPMENT AUTHORITY MINUTES
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copy of the lease agreement between Kaul Design Group and CP Properties. He said the reimbursement was also conditioned on Kaul Design Group providing proof of lease payment to the EDA.

Kaul stated that the move from their home-based business to this office space in Hanover would not have happened had this rental reimbursement program not been in place.

MOTION by Vajda, second by Hennessey, to grant the 3-month rent reimbursement, conditioned on Kaul Design Group submitting a signed copy of the lease to the EDA and proof of payment for the lease. Motion carried 4:0.

MOTION to approve 3-month rent reimbursement to Kaul Design Group

Kaul rejoined the Authority.

2. City Industrial Park Update

City Industrial Park update

Bartels introduced the item. Buchholtz stated that the City has dug seven test pits on the 10 acre industrial site. He said the pit locations were selected to provide the City with soil data to determine stormwater infiltration rates. He stated that the pits on the front portion of the property had little or no concrete debris. He said that the pits on the back portion of the property had significant concrete debris. Kaul inquired about the type of concrete debris. Buchholtz stated that the debris consisted of reinforced span-crete panels and concrete pipe. He said that one of the pits had a mix of construction and waste debris. Hennessey noted this pit was near the edge of the old dump so this type of debris is likely isolated to this area.

Bartels inquired about the next step. Kauffman suggested digging additional holes to find the edge of the concrete debris. He stated that the City would then have an idea of how much was easily developable. Bartels stated that he would recommend utilizing the grant to develop the portion of the land that is easily developable and wait to redevelop the debris filled areas until property values make it cost-effective. Hennessey agreed, stating that the City should identify a lot for the prospective business relocation near 5th Street.

Hennessey suggested talking to Marty Miller to determine his recollections about the location of the concrete debris. Buchholtz stated that staff would contact him.

Bartels asked how much value there was to focus on the back 5 acres of the parcel. Peper stated that the more the EDA knows about the site, the better the EDA's estimate for costs to make that land shovel-ready. Bartels inquired about obtaining a quote to clear the trees from at least the front half of the parcel. Peper stated that a clear site would make it easier to market as potential business owners would be able to better envision the property.

CONSENSUS of EDA is to work with Burschville Construction to find the

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ECONOMIC DEVELOPMENT AUTHORITY MINUTES
September 8, 2011

edge of the concrete debris and to obtain a quote to clear the trees from the site.

3. PHS West Update

PHS West Update

Bartels introduced the item. Peper stated that Cummings was very interested in the ideas the EDA submitted to him regarding the relocation of his business to the proposed industrial park. She said that Cummings looked at the inventory of existing buildings in the current industrial park and determined that none would meet his needs. She said that Cummings is reviewing the City's ideas with his advisors. Peper stated that she would continue to remain in contact with him.

Kaul suggested proposing a lot where the EDA would propose relocating his business. Bartels felt it was a great idea.

No action was taken on the item.

4. Marketing Subcommittee Update

Marketing
Subcommittee Update

Bartels introduced the item. Peper stated that the subcommittee focused on the question "what is our message? what is our differentiator?" She said that the category of lower cost of doing business was identified as an area of focus. She said that with a lower Wright County tax rate, business friendly ordinances that allow outdoor storage, a transportation network that, while not well known, connects the City well to the metropolitan area were discussed. She said the subcommittee also discussed putting together data sheets filled with testimonials from businesses as to why they chose Hanover. She said the testimonials would help describe the role the EDA takes in working with local businesses. She suggested graduating each data sheet into a folder that could be handed out to prospective business leads.

Kaul stated that he supported the idea of the folder. He said he would like to see progress made on a logo/branding project so that the folders and materials can be developed.

Peper stated that Gene Goddard from Greater MSP would like to see the EDA website linked with the Greater MSP website. She said he would also like to participate in the next EDA meeting.

5. Hennepin County Corridor Grant Update/Scope of Work

Hennepin County
Corridor Grant
Update/Scope of Work

Bartels introduced the item. Buchholtz asked for feedback on the market analysis. Kaul stated that he did not want the entire focus of the work centered on the two commercial parcels near the intersection of County Road 19/123. Peper stated that the scope of services is broad and requests review of the entire corridor. Hennessey stated that he wanted to ensure the work is "data strong," providing the City with good information to make any required changes. Hennessey stated that he would like the consultant to also provide some recommendations about zoning along the

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corridor as well.

Hennessey stated that he would like the EDA to meet with the selected consultant prior to them starting the project to learn more about their scope of work and provide project guidance. Buchholtz stated that he would communicate that to Hennepin County.

Buchholtz requested approval of the Cost Sharing Agreement included with the packet.

MOTION by Kaul, second by Hennessey, to approve the Cost Sharing Agreement between the City of Hanover and Hennepin County for completion of a market analysis. Motion carried 5:0.

MOTION to approve cost sharing agreement with HC

6. Survey for Comprehensive Economic Development Strategy

Survey for CEDS

Bartels introduced the item. Buchholtz reported that Region 7E Development Commission is requesting the EDA participate in a survey to help put together their submission for the Comprehensive Economic Development Strategy. Hennessey inquired how this would benefit Hanover. Peper stated that while the survey will help the region, it would be a long shot that Hanover would receive funding as the City would have to demonstrate survey. Hennessey stated that participating in the survey will help the region. Buchholtz stated that he would complete the survey.

No action was taken on the item.

7. 2011-12 Work Plan

2011-12 Work Plan

Bartels introduced the item. Buchholtz presented the 2011-12 work plan.

No action was taken on the item.

Reports.

1. Board Member Reports

Board Member Report

Vajda stated that the City Council would be working on an open house this Spring. He also stated that the Elected/Appointed officials pot luck picnic is on September 20, 2011 at 6pm at the Settler's Park picnic shelter.

2. Executive Director Report

Executive Director Report

Buchholtz provided a report on the possible relocation of Altruistic Outdoors from their current location on a residential parcel to the industrial park.

Peper provided a report on business leads to fill vacant space in the former Cummings Mobility building.

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Adjournment

Adjournment

MOTION by Hennessey, second by Vajda, to adjourn the meeting at 9:47 a.m.
Motion carried 5:0.

Daniel R. Buchholtz, Executive Director

DRAFT

CITY OF HANOVER
COMBINED CASH INVESTMENT
SEPTEMBER 30, 2011

COMBINED CASH ACCOUNTS

| | | |
|-----------|-------------------------------|------------------|
| 001-11000 | CASH | 7,776,400.08 |
| | TOTAL COMBINED CASH | 7,776,400.08 |
| 001-11111 | CASH ALLOCATED TO OTHER FUNDS | (7,776,400.08) |
| | TOTAL UNALLOCATED CASH | <u>.00</u> |

CASH ALLOCATION RECONCILIATION

| | | |
|-----|--|------------------|
| 100 | ALLOCATION TO GENERAL FUND | 598,591.99 |
| 107 | ALLOCATION TO FIRE DONATIONS (& GRANTS) FUND | 8,945.00 |
| 201 | ALLOCATION TO EDA SPECIAL REVENUE FUND | 63,881.78 |
| 205 | ALLOCATION TO BUSINESS INCENTIVE FUND | 163,682.70 |
| 309 | ALLOCATION TO 2004 G.O. STREET IMPROV BOND | 51,523.14 |
| 310 | ALLOCATION TO 2006A G.O. IMPROVEMENT BOND | 339,857.94 |
| 311 | ALLOCATION TO 2008A G.O. C.I.P. REFUNDING | 74,466.99 |
| 312 | ALLOCATION TO 2009A G.O. IMP REFUNDING BOND | 26,478.79 |
| 313 | ALLOCATION TO 2010 G.O. E.C. I. | (34,385.58) |
| 314 | ALLOCATION TO 2011A G.O. IMPR CRSSVR REF BND | 1,203,414.67 |
| 401 | ALLOCATION TO GEN CAPITAL PROJ FUND | 1,361,097.45 |
| 402 | ALLOCATION TO PARKS CAP PROJ FUND | 253,390.54 |
| 403 | ALLOCATION TO FIRE DEPT CAP PROJ FUND | 103,336.23 |
| 404 | ALLOCATION TO HISTORICAL CAP PROJ FUND | 63,809.33 |
| 407 | ALLOCATION TO T.I.F. (REDEV DIST #1-1) FUND | 6,698.11 |
| 408 | ALLOCATION TO 8TH STREET CAP PROJ FUND | 5,400.40 |
| 412 | ALLOCATION TO CROW RIVER CROSSING PROJ FUND | 93,850.30 |
| 416 | ALLOCATION TO RIVER ROAD RECONSTRUCTION FUND | 6,200.75 |
| 601 | ALLOCATION TO WATER ENTERPRISE FUND | 515,958.62 |
| 602 | ALLOCATION TO SANITARY SEWER ENTERPRISE FUND | 189,187.49 |
| 603 | ALLOCATION TO STORM WATER UTILITY FUND | 70,362.81 |
| 611 | ALLOCATION TO WATER CAP IMP FUND | 380,348.02 |
| 612 | ALLOCATION TO SEWER CAP IMP FUND | 1,375,764.08 |
| 613 | ALLOCATION TO STORM SEWER CAP PROJ FUND | 511,770.37 |
| 804 | ALLOCATION TO SCHENDEL'S FIELD ESC FD | 15,167.63 |
| 808 | ALLOCATION TO CROW RIVER HEIGHTS 3RD ESC FD | 50,005.89 |
| 809 | ALLOCATION TO BRIDGES AT HANOVER ESC FD | (12,933.66) |
| 811 | ALLOCATION TO EROSION CONTROL ESCROW FD | 208,748.35 |
| 815 | ALLOCATION TO LANDSCAPE ESCROW FUND | 53,046.71 |
| 817 | ALLOCATION TO INFRASTRUCTURE ESCROW FUND | 1,005.94 |
| 818 | ALLOCATION TO MISCELLANEOUS ESCROWS FUND | (1,662.28) |
| 820 | ALLOCATION TO BRIDGES AT HANOVER TOWNHOMES | 3,358.74 |
| 821 | ALLOCATION TO QUAIL PASS 2ND ADD ESCROW FUND | 11,199.94 |
| 822 | ALLOCATION TO CRHW 2ND ADDITION ESCROW FUND | 14,830.90 |
| | TOTAL ALLOCATIONS TO OTHER FUNDS | 7,776,400.08 |
| | ALLOCATION FROM COMBINED CASH FUND - 001-11111 | (7,776,400.08) |
| | ZERO PROOF IF ALLOCATIONS BALANCE | <u>.00</u> |

CITY OF HANOVER

BALANCE SHEET
SEPTEMBER 30, 2011

EDA SPECIAL REVENUE FUND

ASSETS

| | | | |
|-----------|--------------|-----------|------------------|
| 201-11000 | CASH | 63,881.78 | |
| | TOTAL ASSETS | | <u>63,881.78</u> |

LIABILITIES AND EQUITY

LIABILITIES

| | | | |
|-----------|-------------------|----------|----------|
| 201-21000 | ACCOUNTS PAYABLE | 1,500.00 | |
| | TOTAL LIABILITIES | | 1,500.00 |

FUND EQUITY

| | | | |
|-----------|---------------------------------|-----------|------------------|
| 201-29100 | FUND BALANCE | 48,212.11 | |
| | REVENUE OVER EXPENDITURES - YTD | 14,169.67 | |
| | TOTAL FUND EQUITY | | <u>62,381.78</u> |
| | TOTAL LIABILITIES AND EQUITY | | <u>63,881.78</u> |

CITY OF HANOVER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

EDA SPECIAL REVENUE FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET AMOUNT | VARIANCE | % OF BUDGET |
|------------------------------|------------------------------------|-------------|------------------|--------------------------------|----------------|
| <u>TAXES</u> | | | | | |
| 201-31010 | PROPERTY TAXES-CITY | .00 | 24,220.47 | 47,500.00 (23,279.53) | 50.99 |
| 201-31011 | TREEHOUSE TAX ABATEMENT | .00 | 2,067.64 | 4,000.00 (1,932.36) | 51.69 |
| | TOTAL TAXES | .00 | 26,288.11 | 51,500.00 (25,211.89) | 51.04 |
| <u>MISCELLANEOUS REVENUE</u> | | | | | |
| 201-36230 | INTEREST EARNINGS | 7.92 | 424.02 | 1,100.00 (675.98) | 38.55 |
| | TOTAL MISCELLANEOUS REVENUE | 7.92 | 424.02 | 1,100.00 (675.98) | 38.55 |
| | TOTAL FUND REVENUE | 7.92 | 26,712.13 | 52,600.00 (25,887.87) | 50.78 |

CITY OF HANOVER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

EDA SPECIAL REVENUE FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET AMOUNT | VARIANCE | % OF BUDGET |
|---|------------------|------------|------------------|------------|----------------|
| <u>BOARDS & COMMITTEES</u> | | | | | |
| 201-41330-107 BRDS & COMM: MEETINGS | .00 | 239.13 | 3,000.00 | 2,760.87 | 7.97 |
| 201-41330-437 EDA: DISCRETIONARY MISC | 100.00 | 1,466.75 | 9,000.00 | 7,533.25 | 16.30 |
| TOTAL BOARDS & COMMITTEES | 100.00 | 1,705.88 | 12,000.00 | 10,294.12 | 14.22 |
| <u>STAFF EXPENSES</u> | | | | | |
| 201-41435-308 STAFF: CONTRACTED SERVICES | 1,500.00 | 6,518.22 | 18,000.00 | 11,481.78 | 36.21 |
| TOTAL STAFF EXPENSES | 1,500.00 | 6,518.22 | 18,000.00 | 11,481.78 | 36.21 |
| <u>PURCHASING</u> | | | | | |
| 201-41570-215 PURCH: SUPPLIES | .00 | 1,014.66 | 600.00 | (414.66) | 169.11 |
| 201-41570-320 PURCH: DUES/SUBSCRIPTIONS | .00 | .00 | 500.00 | 500.00 | .00 |
| 201-41570-322 PURCH: POSTAGE | .00 | .00 | 500.00 | 500.00 | .00 |
| TOTAL PURCHASING | .00 | 1,014.66 | 1,600.00 | 585.34 | 63.42 |
| <u>CITY ATTORNEY</u> | | | | | |
| 201-41610-304 ATTORNEY: LEGAL FEES | .00 | .00 | 1,000.00 | 1,000.00 | .00 |
| TOTAL CITY ATTORNEY | .00 | .00 | 1,000.00 | 1,000.00 | .00 |
| <u>CITY ENGINEER</u> | | | | | |
| 201-41950-303 ENG: ENGINEERING FEE | .00 | .00 | 1,000.00 | 1,000.00 | .00 |
| TOTAL CITY ENGINEER | .00 | .00 | 1,000.00 | 1,000.00 | .00 |
| <u>BOARDS & COMMITTEES</u> | | | | | |
| 201-48205-811 ABATEMENT: TREEHOUSE/REIMB | .00 | 3,303.70 | 4,000.00 | 696.30 | 82.59 |
| TOTAL BOARDS & COMMITTEES | .00 | 3,303.70 | 4,000.00 | 696.30 | 82.59 |
| <u>BOARDS & COMMITTEES</u> | | | | | |
| 201-49360-810 TRANSFER OUT: BUSINESS INCENT | .00 | .00 | 15,000.00 | 15,000.00 | .00 |
| TOTAL BOARDS & COMMITTEES | .00 | .00 | 15,000.00 | 15,000.00 | .00 |

CITY OF HANOVER
 EXPENDITURES WITH COMPARISON TO BUDGET
 FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

EDA SPECIAL REVENUE FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET AMOUNT | VARIANCE | % OF BUDGET |
|--------------------------------|------------------|------------|------------------|-----------|----------------|
| TOTAL FUND EXPENDITURES | 1,600.00 | 12,542.46 | 52,600.00 | 40,057.54 | 23.84 |
| NET REVENUES OVER EXPENDITURES | (1,592.08) | 14,169.67 | .00 | 14,169.67 | .00 |

CITY OF HANOVER
REVENUES / EXPENDITURES COMPARED TO BUDGET - SUMMARY
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

EDA SPECIAL REVENUE FUND

| <u>REVENUE</u> | <u>PERIOD ACTUAL</u> | <u>YTD ACTUAL</u> | <u>BUDGET</u> | <u>UNEARNED</u> | <u>PCNT</u> |
|--------------------------------------|----------------------|-------------------|------------------|----------------------|-------------|
| TAXES | .00 | 26,288.11 | 51,500.00 | 25,211.89 | 51.0 |
| MISCELLANEOUS REVENUE | 7.92 | 424.02 | 1,100.00 | 675.98 | 38.6 |
| TOTAL FUND REVENUE | 7.92 | 26,712.13 | 52,600.00 | 25,887.87 | 50.8 |
| | | | | | |
| <u>EXPENDITURES</u> | | | | | |
| BOARDS & COMMITTEES | 100.00 | 1,705.88 | 12,000.00 | 10,294.12 | 14.2 |
| STAFF EXPENSES | 1,500.00 | 6,518.22 | 18,000.00 | 11,481.78 | 36.2 |
| PURCHASING | .00 | 1,014.66 | 1,600.00 | 585.34 | 63.4 |
| CITY ATTORNEY | .00 | .00 | 1,000.00 | 1,000.00 | .0 |
| CITY ENGINEER | .00 | .00 | 1,000.00 | 1,000.00 | .0 |
| BOARDS & COMMITTEES | .00 | 3,303.70 | 4,000.00 | 696.30 | 82.6 |
| BOARDS & COMMITTEES | .00 | .00 | 15,000.00 | 15,000.00 | .0 |
| TOTAL FUND EXPENDITURES | 1,600.00 | 12,542.46 | 52,600.00 | 40,057.54 | 23.8 |
| | | | | | |
| NET REVENUE OVER EXPENDITURES | (1,592.08) | 14,169.67 | .00 | (14,169.67) | .0 |

CITY OF HANOVER

BALANCE SHEET
SEPTEMBER 30, 2011

BUSINESS INCENTIVE FUND

ASSETS

| | | | |
|-----------|-----------------|------------------|-------------------|
| 205-11000 | CASH | 163,682.70 | |
| 205-12200 | LOAN RECEIVABLE | <u>34,900.22</u> | |
| | TOTAL ASSETS | | <u>198,582.92</u> |

LIABILITIES AND EQUITY

FUND EQUITY

| | | | |
|-----------|---------------------------------|-----------------|-------------------|
| 205-29100 | FUND BALANCE | 196,688.87 | |
| | REVENUE OVER EXPENDITURES - YTD | <u>1,894.05</u> | |
| | TOTAL FUND EQUITY | | <u>198,582.92</u> |
| | TOTAL LIABILITIES AND EQUITY | | <u>198,582.92</u> |

CITY OF HANOVER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

BUSINESS INCENTIVE FUND

| | | PERIOD ACTUAL | YTD ACTUAL | BUDGET AMOUNT | VARIANCE | % OF BUDGET |
|------------------------------|-----------------------------|------------------|------------|------------------|---------------|----------------|
| <u>MISCELLANEOUS REVENUE</u> | | | | | | |
| 205-36230 | INTEREST EARNINGS | 47.05 | 1,894.05 | 2,500.00 | (605.95) | 75.76 |
| | TOTAL MISCELLANEOUS REVENUE | 47.05 | 1,894.05 | 2,500.00 | (605.95) | 75.76 |
| <u>MISCELLANEOUS REVENUE</u> | | | | | | |
| 205-39200 | TRANSFERS IN | .00 | .00 | 15,000.00 | (15,000.00) | .00 |
| | TOTAL MISCELLANEOUS REVENUE | .00 | .00 | 15,000.00 | (15,000.00) | .00 |
| | TOTAL FUND REVENUE | 47.05 | 1,894.05 | 17,500.00 | (15,605.95) | 10.82 |

CITY OF HANOVER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

BUSINESS INCENTIVE FUND

| | PERIOD ACTUAL | YTD ACTUAL | BUDGET AMOUNT | VARIANCE | % OF BUDGET |
|---------------------------------------|------------------|------------|------------------|---------------|----------------|
| <u>EDA BIF EXPENSES</u> | | | | | |
| 205-49310-318 EDA BIF: MATCHING GRANT | .00 | .00 | 5,000.00 | 5,000.00 | .00 |
| TOTAL EDA BIF EXPENSES | .00 | .00 | 5,000.00 | 5,000.00 | .00 |
| TOTAL FUND EXPENDITURES | .00 | .00 | 5,000.00 | 5,000.00 | .00 |
| | | | | | |
| NET REVENUES OVER EXPENDITURES | 47.05 | 1,894.05 | 12,500.00 | (10,605.95) | 15.15 |

CITY OF HANOVER
REVENUES / EXPENDITURES COMPARED TO BUDGET - SUMMARY
FOR THE 9 MONTHS ENDING SEPTEMBER 30, 2011

BUSINESS INCENTIVE FUND

| | <u>PERIOD ACTUAL</u> | <u>YTD ACTUAL</u> | <u>BUDGET</u> | <u>UNEARNED</u> | <u>PCNT</u> |
|--------------------------------------|----------------------|-------------------|------------------|------------------|-------------|
| REVENUE | | | | | |
| MISCELLANEOUS REVENUE | 47.05 | 1,894.05 | 2,500.00 | 605.95 | 75.8 |
| MISCELLANEOUS REVENUE | .00 | .00 | 15,000.00 | 15,000.00 | .0 |
| TOTAL FUND REVENUE | <u>47.05</u> | <u>1,894.05</u> | <u>17,500.00</u> | <u>15,605.95</u> | <u>10.8</u> |
| EXPENDITURES | | | | | |
| EDA BIF EXPENSES | .00 | .00 | 5,000.00 | 5,000.00 | .0 |
| TOTAL FUND EXPENDITURES | <u>.00</u> | <u>.00</u> | <u>5,000.00</u> | <u>5,000.00</u> | <u>.0</u> |
| NET REVENUE OVER EXPENDITURES | <u>47.05</u> | <u>1,894.05</u> | <u>12,500.00</u> | <u>10,605.95</u> | <u>15.2</u> |

From: Heidi Peper [hpeper@sehinc.com]
Sent: Friday, October 07, 2011 10:05 AM
To: danb@ci.hanover.mn.us
Subject: PHS West

I just received a call from Dan Cummings and he reiterated that he is very interested in the proposal we sent him and that he is looking this "very positively". He still needs to flesh this out with his advisors as, yes he's been out of the country for 3 weeks. He hopes to call me next week with questions they might have; obviously many details need to be worked out. He asked if the industrial park land had been appraised.

But I got a very positive feeling from the conversation that this is a direction he wants to go.

Heidi Peper | Associate
SEH | St. Cloud
Sr. Community Development Specialist
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MEMORANDUM

To: President Bartels and Members of the Economic Development Authority
From: Daniel R. Buchholtz, City Administrator
Date: October 7, 2011
RE: Industrial Park update

Based on the discovery of questionable debris in one of the test pits, the City Council has authorized staff to contract with Braun Intertec to do a Phase 2 environmental assessment to determine the extent of contamination on site, if any, and put together a plan to deal any contamination. Braun will likely begin work on the Phase 2 assessment in the next two weeks.

Burschville Construction will be digging additional test pits across the 10-acre parcel in an effort to find a delineation line between which areas contain significant concrete debris and which areas are more easily developable. I will have a report on his findings at Thursday's meeting.

If you have any questions, please don't hesitate to contact me at 497-3777.

**CITY OF HANOVER ECONOMIC DEVELOPMENT AUTHORITY
2011-2012 WORK PLAN**

| Time | Planning Goal | Plan Implementation | Follow-Up |
|-------------|---|--|--|
| 2011-2012 | Development of Industrial Park | <ul style="list-style-type: none"> • Review plans for development of 10-acre City property for a business park. • Should the project move forward: <ul style="list-style-type: none"> ○ Identify funding tools and strategies to develop the site. ○ Provide assistance to the City to market the lots in the business park. ○ Work with Rhino Auto Parts on potential land swap to acquire their downtown location. | <ul style="list-style-type: none"> • Miller Trucking began tree removal of proposed right of way. Burschville Construction has conducted excavation on site to determine location/quantity of concrete debris from street. City may do soil testing to determine infiltration capability for storm water management. • Construction debris found on site. City Council authorized staff to contract with Braun Intertec on Phase 2 environmental review to determine if any contamination exists and to what extent. Burschville Construction to dig additional holes week of 10/10 in attempt to determine edge of concrete debris. |
| | 4 th Street Development/ Redevelopment Project | <ul style="list-style-type: none"> • Conduct follow-up meeting with Greg Ebert re: corner parcel on 4th Street/County Road 19. • Assist CP Properties in filling vacant space in former hardware store building. • Conduct business retention/expansion meeting with owners of Chops Bar and Grill. | <ul style="list-style-type: none"> • EDA and City Council adopted rent reimbursement program to assist with filling vacant commercial and industrial spaces across Hanover. • Kaul Design Group reimbursement request approved by EDA on 9/8/11 • Chops Bar & Grill declined participating in the BR&E visit. • Staff contacted Ebert about 4th Street corner site – Ebert has received no recent inquiries for site |
| | Hilltop Bar | <ul style="list-style-type: none"> • Conduct a follow-up business retention/expansion visit with owners of Hilltop Bar to determine their | <ul style="list-style-type: none"> • Buchholtz and Vajda conducted follow-up visit to re-offer water and sewer connection fee incentive. No |

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| | | <p>interest in City water and sanitary sewer service.</p> <ul style="list-style-type: none"> • Explore partnership to improve exterior façades to blend building into proposed “Mercantile Pass” commercial project. | <p>interest at the present time.</p> |
| | Marketing | <ul style="list-style-type: none"> • Identify the target audience • Encourage traffic to the EDA’s website • Conduct a resident survey on types of businesses residents would like to see in Hanover | <ul style="list-style-type: none"> • EDA discussed potential market strategies at July meeting. • Marketing subcommittee (Ulstad, Hennessey, Kaul, Peper, Buchholtz) met in August. Data sheets have been developed. Peper in process of developing testimonials from existing businesses extolling the benefits of locating/expanding in Hanover |
| | Mercantile Pass Commercial Development | <ul style="list-style-type: none"> • Evaluate potential EDA involvement in project. • Assist developer Bryan Reitzner with navigating any planning/zoning issues that may arise from project. | <ul style="list-style-type: none"> • EDA applied for and received HC CR 19 corridor grant. Scope of services reviewed by EDA on 9/8. RFP sent out by Hennepin County on 10/5. Expect proposals in next 2-3 weeks. |
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| Ongoing | Continue Review of Economic Development Programs | <ul style="list-style-type: none"> • Meet with local businesses to find out why they have not utilized the City’s revolving loan fund programs. • Review policies regarding grant and loan programs to meet business needs, including the potential of increasing loan maximums. • Study a possible amendment to the City’s tax abatement policy that would allow the City to grant a tax abatement to property owners of vacant commercial/industrial space to buy-down reductions in lease rates | <ul style="list-style-type: none"> • EDA and City Council approved rent reimbursement program for vacant commercial/industrial lease spaces. Granted 1st rent reimbursement grant to Kaul Design Group on 9/8. |

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| | Update downtown study with Planning Commission | <p>for vacant C/I space.</p> <ul style="list-style-type: none"> • Review 2002 Downtown Study with City Planner. • Hold joint meeting with Planning Commission to explain the reasons for update and work to identify a common vision. Hold community open house to expand vision reach. • Schedule a developer roundtable with commercial developers to provide information on what types of retail development are feasible within the Hanover market area • Work with City Planner to draft downtown standards and ordinance amendments for presentation to Planning Commission | <ul style="list-style-type: none"> • |
| | EDA Website | <ul style="list-style-type: none"> • Continue to add information that will be of help to both current and prospective businesses. • Update demographic information based on 2010 census data. • Mention EDA website as a resource to local businesses during all business retention visits. • Develop marketing strategy to inform business community/public of the new EDA website. | <ul style="list-style-type: none"> • |
| | Development of 7-acre Paumen (formerly Zimmerman) property | <ul style="list-style-type: none"> • Verify/clarify the EDA's vision for the site in written/visual form • Update marketing materials on the City of Hanover (demographic, population, income, traffic counts, etc.) and information on site and mail/email to development database. | <ul style="list-style-type: none"> • Property was up for auction. The property did not sell due to the minimum bid not being met. • Paumen submitted proposal offering to sell site to City for \$350,000. • City proposed site to Surly for their proposed destination brewery and |

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| | | <ul style="list-style-type: none"> • Obtain asking price and other site information from Paumen. • Assist with process of unifying parcel with strip of land owned by Hennepin County Transportation Department. • Assist with access issues from County Road 19 to the site. | headquarters. |
| | Schendel Farm Industrial Park (47 acre parcel north of existing industrial park) | <ul style="list-style-type: none"> • Meet with Earl Schendel regarding interest in selling or developing the parcel. If there is interest, identify partners and funding sources to facilitate project. • Upon development of the site, review strategies to reduce impacts of industrial uses on neighboring residential parcels to the west and north. | <ul style="list-style-type: none"> • |
| | Arlene Bursch Property Commercial | <ul style="list-style-type: none"> • Meet with Arlene Bursch regarding any interest in selling or development parcel. If there is interest, identify partners and funding sources to facilitate project. • Review progress on rezoning parcel from RA to B-2, Highway Commercial, consistent with City's comprehensive plan. | <ul style="list-style-type: none"> • Bursch property rezoned to B-2, Highway Commercial, as part of the large scale rezoning to bring zoning map into |
| | Pearson Brothers Industrial Park Project | <ul style="list-style-type: none"> • Meet with Pearson Brothers regarding timeframes for development of 11-acre Ordorff Pit property. Offer EDA assistance with project. • Evaluate options to buy-down cost of lots in proposed industrial park to entice business development, including use of TIF or tax abatement if a project is imminent. | <ul style="list-style-type: none"> • |

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| | Senior Housing | <ul style="list-style-type: none"> • Provide support to resident committee exploring senior housing options • Meet with Hennepin County Department of Housing to identify resources to bring senior housing to Hanover • Monitor negotiations with Geis with Bridges at Hanover to release senior parcel from building moratorium (development agreement default). | <ul style="list-style-type: none"> • Senior Housing committee has met with Jason Ver Steeg, Duininck Brothers, about a senior housing concept on the former Arneson gravel pit property (near intersection of River Road and 5th Street) Ver Steeg presented findings to EDA at August meeting. Ver Steeg to put together pro forma to determine what level of assistance (if any) is required for the project. • Received presentation from Jim Ford about the CDBG Consolidated Pool program • City and Geis have come to tentative agreement on modification of Bridges at Hanover development agreement; releases Geis from requirement to build 75 unit senior housing on Lot 40, Block 8 of BAH but encourages Geis to consider senior firedly housing on site. Draft agreement has been sent to Geis for input. |

FYI

***Copies of City Council, Planning Commission,
and Park Board minutes are on the
City of Hanover's website:***

www.hanovermn.org