

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
May 10, 2012**

President Bartels called the Economic Development Authority meeting of May 10, 2012 to order at 8:00am at Hanover City Hall. Commissioners present were: Bartels, Randy Whitcomb, Jim Hennessey, Chris Kauffman, and John Vajda. Absent were: Joe Kaul and Keith Ulstad. Also present was City Administrator Daniel Buchholtz, EDA Consultant Heidi Peper. Call to Order

Bartels asked if there were any additions to the agenda. Buchholtz asked that the Beautification Requests be added to the agenda as item 3f. Approval of Agenda

MOTION by Hennessey, second by Vajda, to approve the agenda for the May 10, 2012 EDA meeting, as amended. Motion carried 5:0.

MOTION by Hennessey, second by Whitcomb, to approve the April 12, 2012 regular EDA meeting minutes. Motion carried 5:0. Approval of Minutes

MOTION by Whitcomb, second by Hennessey, to approve the accounts payable and financial report, as presented. Motion carried 5:0. Motion to Approve Accounts Payable

Business Business

1. Low Interest Loan Request – Hanover Wine and Spirits Low Interest Loan Request – Hanover Wine and Spirits

Bartels introduced the item. Buchholtz stated that the City Council approved the Authority's recommendation to provide a loan guarantee for 7.5% of Hanover Wine and Spirits' SBA loan. Buchholtz said that Hanover Wine and Spirits is also requesting addition loan funding through the City's revolving loan fund. He said that the maximum loan is \$20,000. He said the loan guarantee takes up \$6,000 of that total, leaving an additional \$14,000 available to be loaned. Buchholtz noted that the EDA recommended the owners of Hanover Wine and Spirits to seek a sufficient sized SBA loan to cover all their startup costs.

Bartels asked if there were specific guidelines for approval of loans. Buchholtz stated that the funds are loans and the EDA needs to consider the probability that the loans will be repaid.

Whitcomb stated that he feels the business will succeed, though he noted there has been a steep learning curve. He said any additional loan funds will not have any collateral, as all the collateral has been tied up by the SBA. Hennessey stated that the owners have shown a high commitment level to getting the business established. Vajda stated that he wants to see their business become a big success. He said he was open to providing additional support but questioned whether the EDA has provided enough support.

Kauffman inquired if the item should be tabled until the June meeting. Buchholtz stated that the EDA needs to know the purpose of the loan funds as under the EDA traditional loan program, loan funds cannot be used for working capital. He said the working capital loan program expired and is no longer in effect.

CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
May 10, 2012

Bartels recommended requesting the owners to provide justification for a second request, as the EDA would typically not provide additional assistance. Hennessey agreed, stating that the EDA is in uncharted waters in addressing a second request.

MOTION by Vajda, second by Hennessey, to table. Motion carried 5:0.

Motion to Table

2. Website Update Proposal

Website Update
Proposal

Bartels introduced the item. Buchholtz explained the proposal for the EDA website update. He said that with the City's new logo, an update is required to provide consistency in color for the EDA website to the new City website as well as the new logo. He said the Marketing Subcommittee has recommended approval of the website update at a cost of \$480.00.

MOTION by Bartels, second by Hennessey, to approve the EDA website update proposal submitted by Kaul Design Group at a cost of \$480.00. Motion carried 5:0.

Motion to approve
website proposal

3. Marketing Subcommittee Report

Marketing
Subcommittee Report

Bartels introduced the item. Peper passed out the EDA folder to the Commission. Bartels suggested that the data sheets have at least a touch of color so the data sheets match the beauty of the new EDA folder. He said that color printing can be printed on demand so the cost of color printing will not be overwhelming. Hennessey agreed. Peper stated that she could dress up the data sheets.

Whitcomb asked if there is a reason for new residents to come to City Hall. Buchholtz noted that most new residents come to City Hall to obtain a recycling bin. He said that the I-94 West Chamber of Commerce has a new resident welcome packet that the City includes in the recycling bin. Whitcomb asked if Hanover businesses were included in the welcome packet. Buchholtz stated that there are businesses from all over the I-94 West Chamber area advertised in the folder. Hennessey suggested using the folder to create a welcome folder with a list of Hanover businesses and any inserts that those businesses would like to have included. Vajda suggested that the matter be discussed at the next Marketing Subcommittee Meeting.

Peper stated that she did a press release on the County Road 19 Corridor Study. She said she is preparing a press release on the EDA's involvement with Hanover Wine and Spirits.

No action was taken on the item.

4. Update on Code Enforcement Efforts

Update on Code
Enforcement Efforts

Bartels introduced the item. Buchholtz stated that the City has been meeting with Miller Trucking and Landscape on the cleanup of their

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
May 10, 2012**

property. Buchholtz stated that the City is also working with Hanover European Auto Parts on the cleanup of the cars on the property.

No action was taken on the item.

5. 2012 Work Plan

2012 Work Plan

Bartels introduced the item. Hennessey inquired about the DEED grant. Buchholtz stated that no official decision has been made on returning the DEED grant. Kauffman stated that the EDA should send the City Council two or three alternatives on how the grant could be used.

Hennessey asked that the opening of the liquor store and the EDA considering an additional loan to Hanover Wine and Spirits should be added to the 4th Street project. Hennessey asked that the additional marketing actions discussed earlier to the meeting should be added to the work plan. He asked that the “EDA approved an update of the EDA website” should be added to the work plan. He said that “Developer brought to City owned property at Bridges at Hanover” be added to the work plan. Buchholtz stated that he would make these changes.

Beautification
Proposal

No action was taken on the item.

6. Beautification Proposal

Bartels introduced the item. Buchholtz stated that the Beautification Committee would like to have banners produced with the City’s logo. He said the Committee is looking for funds for banners along County Road 19 to be placed on the power poles. Vajda stated that he would only want to purchase a few banners as a trial. He expressed concerns about the amount of staff time necessary to put up the banners on the poles as well as the wear and tear on the banners. Discussion focused on alternative signage methods that would achieve the same result as the banners. Hennessey asked that the Beautification Committee provide an explanation of the purpose of the banners and how they would beautify the City.

No action was taken on the item.

Reports

Reports

1. Board Member Reports

No reports

2. Executive Director Report

Buchholtz provided a senior housing update. He said the property owner had viewed the City owned parcel in the Bridges at Hanover. He said that Commissioner Ulstad vetted the developer and found that he has a good reputation in the industry. He said the developer has experience in both senior cooperatives and assisted living.

CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
May 10, 2012

Discussion surrounded around the need for senior housing, the potential for jobs to be created, and the potential for external services to be provided. The EDA also discussed the pricing of the land and if there was any incentive needed.

MOTION by Hennessey, second by Whitcomb, to support the construction of senior housing and to recommend to the City Council that the City sell the land at a price not to exceed what the City paid for the land. Motion carried 5:0.

Adjournment

Adjournment

Meeting adjourned at 9:50am.

Daniel R. Buchholtz, Executive Director