

CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
August 9, 2012

President Todd Bartels called the Economic Development Authority meeting of August 9, 2012 to order at 8:00am at Hanover City Hall. Commissioners present were: Bartels, Jim Hennessey, Joe Kaul, Randy Whitcomb, Chris Kauffman. Absent were Keith Ulstad and John Vajda. Also present were City Administrator Daniel Buchholtz; EDA Consultant Heidi Peper. Call to Order

MOTION by Hennessey, second by Kaul, to approve the agenda for the August 9, 2012 EDA meeting, as amended. Motion carried 5:0. Approval of Agenda

MOTION by Kaul, 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. 2013 Budget Discussion 2013 Budget
Discussion

Bartels introduced the item. Buchholtz provided an overview of the proposed 2013 budget. He stated that the proposed levy for 2013 is \$44,927, a small decrease from 2012 due to a decline in market value. He said the funds will be used to continue the EDA's consulting relationship with SEH, Board member participation, miscellaneous mailings, publications and supplies, and legal services. He stated that \$7,500 was available for projects that came up through the year in the EDA's discretionary fund. He also stated that a transfer of \$15,000 was proposed to be transferred to the EDA's Business Incentive Fund to continue capitalizing the revolving loan fund.

Hennessey inquired about the Treehouse Childcare tax abatement. Buchholtz stated that the tax abatement would end in 2013 (final payment on February 1, 2014). He said he anticipated that the abatement payments would be very close to the \$18,000 limit of the tax abatement. Hennessey asked that staff determine how close the payments would be to what was promised.

Kaul asked if the budget needed to be approved at this meeting. Buchholtz responded by saying that no action was needed at this time on the budget; only the tax levy needed approval.

No action was taken on the item.

2. Establish 2012, Payable 2013 Preliminary Levy Establish 2012,
Payable 2013
Preliminary Levy

Bartels introduced the item.

MOTION by Kaul, second by Whitcomb, to establish the 2012 tax levy, payable in 2013, at \$44,927. Motion carried 5:0. MOTION to establish
2012 tax levy

3. DEED Grant Update DEED Grant Update

Bartels introduced the item. Buchholtz stated that the plans and specifications for the Lamont Avenue improvements have been approved

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and bids for completion of the project have been solicited. He said the bid opening is scheduled for August 23. He said that if bids are favorable, the bid will be awarded on September 4. Buchholtz stated that the Planning Commission will hold a public hearing on August 13 on the preliminary plat for Hanover Industrial Park 5th Addition. He said that the preliminary plat and final plat would be on the City Council agenda for September 4. He noted that a groundbreaking for the Lamont Avenue improvements was scheduled for September 19 at 5:30pm at the site. He noted that DEED Commissioner Mark Phillips will be in attendance. Hennessey asked that Peper get appropriate press coverage of the groundbreaking.

No action was taken on the item.

4. Oktoberfest Event Contribution

Oktoberfest Event
Contribution

Bartels introduced the item. Buchholtz stated that the event is scheduled for October 13. He said that the Mayor is seeking a \$1,000 contribution from the EDA for the event. Kaul inquired about the use of funds. Buchholtz stated that he was unsure of the actual use of funds, anticipating that they would be used for tents, a Sheriff's deputy, and other miscellaneous expenditures.

Hennessey stated that he is not opposed to the Oktoberfest, but wants the City and the EDA to tie these events to a broader economic development strategy. Peper stated that these community festivals contribute to the quality of life and vitality of the community.

Kaul stated that he is generally supportive of the request, but that he needs additional information on how the funds would be used. Whitcomb asked that a better tie to how the event would benefit the Hanover business community.

MOTION by Hennessey, second by Bartels, to authorize expenditure of up to \$1,000 for the Oktoberfest Event subject to providing the EDA with a proposed budget for the event and to providing a tie between the event and the benefit of the Hanover business community. Motion carried 5:0.

5. Marketing Subcommittee Report

Marketing
Subcommittee Report

Bartels introduced the item. Buchholtz provided an update of the marketing subcommittee meeting. He stated that one topic of conversation related to the City's Minnesota Investment Fund application to assist a potential industrial lead within the City.

Hennessey provided an overview of his research on banners and how they relate to an overall economic development strategy. He said that his research shows that there is business involvement (e.g. chamber of commerce, business association, etc) in the purchasing of banners. He said the City coordinates the purchases, however. He said that every community told him that it is important that the banners be part of a broader economic development strategy. He said that the individuals he

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talked to reviewed the EDA's website and found it to be a helpful tool. He said that the one thing the EDA was missing was an overall economic development plan. Kaul agreed, stating that he believed the banners should be tied to a larger vision, such as undergrounding the electric utility infrastructure. Buchholtz stated that he undergrounding of utilities will be City driven, utilizing a program through Xcel Energy where a fee is placed on every utility bill; the proceeds of which are used to underground the utilities. He said the City could then install decorative lighting, upon which banners would look much more appropriate and attractive. Hennessey stated that he did not believe the City Council is in the best position to push forward with an undergrounding initiative, citing the City Administrator transition. He suggested having the EDA take the lead on such an initiative.

Bartels asked for an update on senior housing. Buchholtz stated that he and EDA Commissioners Kauffman, Kaul, and Hennessey met with the prospective developer Brad Bass. He said that the next step is to put together an informational packet that will be distributed to interested members of the community. He said he has a meeting scheduled with Peper to go over all the details on this project before his last day with the City.

No action was taken on the item.

Reports

Reports

1. Board Member Reports

No reports.

2. Executive Director Report

Buchholtz expressed his profound appreciation to the Economic Development Authority for its wonderful work and support over the past eight years. He said it was a joy to work with such a professional organization.

Adjournment

Adjournment

Meeting adjourned at 9:41 am.

Daniel R. Buchholtz, Executive Director