

**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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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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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

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

Daniel R. Buchholtz, Executive Director

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