

**ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING–
APRIL 18, 2023 - MINUTES**

The Meeting of the Andover Economic Development Authority was called to order by Vice President Jamie Barthel April 18, 2023, 6:01 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Commissioners Present: Sheri Bukkila (arrived at 6:13 p.m.), Ted Butler, Rick Engelhardt, Randy Nelson, Kari Kafer and Greg Mueller (arrived at 6:07 p.m.)

Commissioners Absent: None

Also present: EDA Executive Director, Jim Dickinson
Community Development Director, Joe Janish

APPROVAL OF MINUTES

January 17, 2023, Regular Meeting: Correct as written.

Motion by Nelson, Seconded by Butler, to approve the minutes as written. Motion carried 5 ayes and 2 absent (Bukkila and Mueller).

COMMERCIAL PROJECT ACTIVITY

Mr. Janish updated on the following:

Clocktower Commons, 15190 Bluebird Street – Staff has met with the owner/developer who is working on plans to build on the final pad. The developer is aware and plans to have a clock on the building.

Interest in Hughes Industrial Park – From time-to-time Staff is contacted by a business looking to expand, but it fades away. Staff received an email from a business that would like to build another building. The business would have to go through the Interim Use and Commercial Site Plan process.

ABC Mini-Storage/T-Squared (self-storage), 13624 Hanson Boulevard – The east building is up, and the roof has been completed. They are working on the interior, separating the units, and installing the units roll up doors.

Restaurants/Fast Food – Currently staff is aware of companies continuing to look for land to

locate to in Andover.

TCF Site – At this time the city has approved two conditional use permit applications related to having a drive through at this location. These two restaurants would be Chipotle and Noodles and Company. The applicant is working with Coon Creek Watershed District on infiltration at the site. Staff received an email from the applicant and the infiltration issue has been resolved with the Coon Creek Watershed District.

Taco Bell, 7th Avenue and Bunker Lake Boulevard – The building is under construction, working on the interior.

Westgate Senior Living, 7th Avenue and Bunker Lake Boulevard – Flooring, cabinets, plumbing fixtures and trim are being installed throughout the building. They are looking at opening soon.

Aurora Vista, 7th Avenue and Bunker Lake Boulevard – Staff received a tour of the project. Framing is ongoing, the third floor on the east wing is sheet rocked and they are working on taping and painting. The second floor of the east wing is insulated, and sheet rocking has begun. They have started to insulate the first floor on the east wing. They are planning an October opening.

Holasek Property – Andover City Council approved a Comprehensive Plan Amendment, City Zoning Code Amendment and rezoning of the parcel on August 4, 2022. This item was approved by the City Council on December 20, 2022. The applicants are reviewing market conditions and financial partners.

Mr. Janish stated staff went on a tour with a real estate agent who is working with a group that has possible options for the site.

Mr. Dickinson indicated Silvercrest has contacted staff asking about a potential financing tax increment district to fund off-site road improvements, such as a roundabout on Bluebird Street. He asked the EDA if they are interested in a discussion for a TIF district at this location to help Silvercrest fill the financing gap.

Commissioner Butler asked if the request is only for a roundabout. Mr. Dickinson replied yes.

A majority of the EDA is willing to have a TIF district discussion.

Housing – Developers are looking for additional land for future developments. Several developers are trying to keep an inventory of lots but are having difficulty in finding locations. In 2021 there were 140 new housing starts. In 2022 there were 100 permits issued for new housing, 1 apartment (150 units) and an assisted living facility (32 units). Currently 13 permits have been issued for single-family homes.

Fields of Winslow Cove – City Council has approved the Final Plat for Fields of Winslow Cove

2nd Addition with 36 lots on the west side of Prairie Road. A pre-construction meeting has been scheduled for the project.

Legacy at Petersen Farms – City Council will consider the Conditional Use Permit (CUP) amendment for a Planned Unit Development amendment to allow for Phase 3 (33 lots). On December 20, 2022 City Council tabled action on this item and provided an extension to the applicant in order to allow the applicant to review how a second access could be provided for Phase 3.

Legacy Christian Academy – Staff is reviewing a commercial site plan for an expansion at this site. Building plans were received.

Anoka County 911 and Radio Building - On August 16, 2022, City Council approved a request for a fuel tank to be on the property. The building permit has been issued. A groundbreaking was held on April 10, 2023. Utilities are being brought into the site.

Grace Lutheran Church, 13655 Round Lake Boulevard – Is looking at an addition to the existing building in order to remove the portables at the location. A Conditional Use Permit was granted.

Constance Free Church, 16150 Crosstown Boulevard – Is looking at remodeling part of their facility, including revamping the entrance to the building and screening some mechanical equipment they installed. City Council amended the City Code to allow for taller fences in certain situations. Staff is waiting for the submittal to be stamped.

Overall Marketing – City staff continues to work with parties interested in investing in Andover and marketing all commercial sites. Staff continues to work with Anoka County Regional Economic Development (ACRED) on marketing of the community and Anoka County.

REDEVELOPMENT UPDATES

Mr. Janish updated on the Bunker Redevelopment area. He reviewed the tenant number. Mr. Janish indicated one tenant in 2556 138th Avenue will be relocating to 2527 Bunker Lake Boulevard by the end of May. The demolition process will begin for 2556 138th Avenue once the tenant has relocated.

Mr. Dickinson stated he has been contacted by a property owner in the area.

Mr. Dickinson indicated the property north of 2619 138th Avenue was deeded from Anoka County to the City of Andover at no cost.

ANDOVER HOME IMPROVEMENT GRANT PROGRAM/PROGRAM DISTRIBUTION

Mr. Janish indicated the program information will be in the May/June newsletter. The program will open once the newsletter goes out to the residents.

Mr. Janish explained the program information will be on the website.

Commissioner Nelson asked if the city website could also have a link to the County improvement program. Mr. Janish replied that could be done.

Commissioner Mueller thanked Mr. Janish for getting this program together.

Mr. Janish stated the city has received CBDG funds from Anoka County for the Red Oaks area to connect qualifying properties to city water.

FINANCIAL UPDATE - EDA SPECIAL REVENUE FUND, TAX INCREMENT PROJECT ACCOUNT & TIF DISTRICT/HOLDINGS STATUS

Mr. Dickinson reviewed the Special Revenue Fund. He indicated for 2022 the standout expenditure was for the upgrade to the Bunker Lake Boulevard and Crosstown Boulevard message board. Mr. Dickinson stated looking ahead to 2023, the big-ticket item located in the purchased services contains the Home Improvement Program and EDA partnership situations.

Mr. Dickinson reviewed TIF District Project Accounts. There are two, Arbor Oaks and TE Connectivity. For Arbor Oaks the district ends in 2028 and TE Connectivity ends in 2024.

Mr. Dickinson reviewed TIF Districts 1-2 and 1-2, stating we are no longer collecting increment. However as long as we have budget availability, we can continue to utilize the funds. This fund is funding the redevelopment area.

Mr. Dickinson reviewed TIF Rental Properties. The fund balance is flattening, we have fewer units that we collect rent on. The fund should self-fund until all buildings are gone.

OTHER BUSINESS

There was none.

ADJOURNMENT

Motion by Barthel, Seconded by Nelson to adjourn. Motion carried unanimously. The meeting adjourned at 6:41 p.m.

Respectfully submitted,

Michelle Hartner, Recording Secretary