

***ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING–  
JUNE 16, 2020 - MINUTES***

The Meeting of the Andover Economic Development Authority was called to order by President Julie Trude June 16, 2020, 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Present: Commissioners Sheri Bukkila, Jamie Barthel, Valerie Holthus, Ted Butler, Kari Kafer and Greg Mueller

Absent: None

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

***APPROVAL OF MINUTES***

*June 2, 2020, Regular Meeting:* Correct as amended.

President Trude stated on page 2, line 10 and 22 the word confirming should be conforming. And page 3, line 4 remove the word could before bill.

***Motion*** by Barthel, Seconded by Butler, to approve the minutes as amended. Motion carried 5 ayes and 2 present (Bukkila and Holthus).

***DISCUSSION OF POSSIBLE RESIDENTIAL IMPROVEMENT LOANS/GRANTS***

Mr. Janish indicated at a previous EDA meeting members discussed the possibility of a residential improvement loan/grant program. Staff spoke with the City of Coon Rapids related to the City of Coon Rapids two programs. Home for Generations II is a program that provides incentives to homeowners who take on larger home improvement projects. Front Door Program is a program where the purpose is to pay a portion of project costs to homeowners who will make certain exterior improvements to the front of their home.

Mr. Janish reviewed the two City of Coon Rapids programs.

Mr. Janish stated staff would like to discuss with the EDA the primary goals of a program that the EDA desires.

President Trude stated she had spoken to a City of Coon Rapids representative who stated the

cost benefit is very positive and they saw increased home values which lead to increased tax revenues.

Commissioner Barthel asked if the EDA pursued a program will the funding come out of the EDA budget. Mr. Dickinson answered the funds would have to be internal funds.

Commissioner Barthel asked how many grants per year does the City of Coon Rapids give out. Mr. Janish replied in 2019 the City of Coon Rapids received 400 applications for the Front Door Program and 73 of the applicants received funding and the Home for Generations II Program, 20 applicants received funding.

Commissioner Mueller stated he views the programs as one for the inside of the house and one for the outside of the house. Mr. Janish stated that is correct. He wanted to bring both programs to the EDA for review.

Commissioner Holthus asked if staff has done any number crunching as to what would be the tax revenue increase. Mr. Janish replied those numbers have not been run.

President Trude suggested staff put together a program on a small scale and see what kind of response we get from property owners.

Commissioner Bukkila stated she does not want to see the City getting into the “loan business”. Mr. Dickinson indicated a grant program is much easier than a loan program.

The consensus of the EDA was to have staff draft a program similar to the Front Door program. Staff will bring a draft program to a future EDA meeting.

Commissioner Bukkila asked if there is anything that prevents a “house flipper” from applying for the program. Mr. Janish indicated the program would only qualify owner occupied property, rental properties would not qualify. Mr. Dickinson stated the program could have a “claw back” provision in it.

President Trude thanked staff for their research on the programs.

### ***CONSIDER COVID-19 PROGRAMS***

Mr. Janish stated this is the third time the EDA has looked at this program. The State of Minnesota did not pass a bill last regular session to distribute CARES Act funding to local communities, it is expected this would occur during a special session. Staff would like a program ready to go. The EDA is asked to review the program.

Commissioner Kafer asked if the 50 FTE is per location or companywide. Mr. Janish replied his understand the EDA indicated 50 FTE per location.

Commissioner Kafer asked is there an estimate on how much the funding could be. Mr.

Dickinson replied the City could see between 1.6 million to 2.4 million with \$250,000 of that going to City related COVID costs. There would be dollars available for a small business assistance program. He continued if the City does not spend the money by November the remaining funds would go to Anoka County.

Mr. Dickinson reviewed TIF projects and current and past districts. He explained the TIF fund could be used as seed money for the program if the tax bill in the special session passes. All new revenue would go back into the TIF fund.

President Trude asked when the City could see the funding. Mr. Dickinson answered the CARES Act funding could be distributed by June 30, 2020.

### ***COMMERCIAL PROJECT ACTIVITY***

Mr. Janish updated on the following:

***Upper Midwest Athletic Construction*** – The applicant has made a few changes by moving the pond further to the west. Staff is working with them again as part of the review process of the Commercial Site Plan.

***Hearth Development, 1714 Bunker Lake Boulevard*** – Two tenant spaces remain to be leased.

***Clocktower Commons, 15190 Bluebird Street*** – The final building pad location interest is relatively low at this point.

***Andover High School, 2115 Andover Boulevard*** – Phase 2 is underway. Footings are being completed for outdoor education classrooms and new field house.

***Interest in Hughes Industrial Park*** – Interest in this area comes and goes. A 10-acre property east of the park has been on the market and City Council reviewed with the landowner desired roadway connections through the parcel at a past workshop.

***Andover Public Works Maintenance Building, 1900 Veterans Memorial Boulevard*** – Working on punch list items and the move in process has been initiated.

***Andover Community Center, 15200 Hanson Boulevard*** – Multi-purpose rink floor is in place, mechanical for hockey facilities are being installed, running track is in and bleachers shop plan is approved.

***YMCA Expansion, 15200 Hanson Boulevard*** – Is under construction, which will include a new gymnasium. Mechanical rough-in is complete, structure is in place, fireproofing is complete and elevator shaft is in place.

***Beberg Landscaping (self-storage), 13535 Grouse Street*** – After staff completed the commercial site plan review, staff was contacted that the developer desires to adjust each

building by six inches which requires a resubmittal of plan sets. RLS is approved by the City Council. Staff continues to work with deed transfers and easements.

***Legacy Christian Academy, 3037 Bunker Lake Boulevard*** – Construction is underway to build a three-story classroom addition between the existing buildings to replace temporary classrooms.

***Riverdale Church, 3210 Bunker Lake Boulevard*** – Continues to work on their interior remodel which they hope will create an “open design” to provide a more modern appeal and allow for more interaction for all ages.

***Integra Dental, 13783 Ibis Street, Suite 400*** – Expansion is underway to add additional workstations, the work is almost complete.

***Casey’s, 15246 Bluebird Street*** – A permit was submitted for a full commercial kitchen and interior remodeling.

***Restaurants/Fast Food*** – Currently staff is aware of companies continuing to look for land to locate to in Andover.

***Margie’s Kitchen and Cocktails, 13735 Round Lake Boulevard, Suite 105*** – City Council approved a CUP for on-sale liquor license on February 18, 2020. Permit review is complete. Staff received their sign permit application.

***TCF Site*** – TCF was approached by private parties about acquiring the lot from them. Staff has heard from three parties who have made offers on the site. Two uses would be allowed according to current zoning regulations. A third party contacted City staff indicating they also made an offer. Staff is unsure at this time if TCF has actually sold the parcel.

***Train for Andover Station*** – Staff is attempting to follow up with a potential business on this particular lot. This lot is owned by the Association.

***Hanson Boulevard and 133<sup>rd</sup> Avenue Monument Sign*** – This should be underway soon. Some items have been ordered and Demars Signs has taken the lead on this project.

***7<sup>th</sup> Avenue and Bunker Lake Boulevard*** – Staff continues to work with Quest Development and CenterPoint Energy on acquiring a roadway easement through the CenterPoint property. CenterPoint has agreed to an alignment. The proposed developer is working on an easement description for the property. Surveying work for boundaries have been completed according to the developer.

***2557 Bunker Lake Boulevard*** - Asbestos removal is expected this week.

***Holasek Property*** – This parcel has become relatively silent at the moment.

***COVID-19*** – The City has set up a page with several resources for businesses and residents on

the City of Andover website.

**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.

### **OTHER BUSINESS**

Mr. Janish stated two companies have approached staff regarding City Code amendments.

Mr. Janish indicated a business owner contacted staff regarding the property at 15825 7<sup>th</sup> Avenue, Pack Leader Behavior and Training. The business owner has spoke with the owner of Pack Leader Behavior and Training about purchasing the property to store large equipment and leasing the building to Pack Leader. The property is zoned Neighborhood Commercial and does not allow for this type of storage.

Commissioner Holthus asked where the business's home base is. Mr. Janish answered the company is owned by an Andover resident.

President Trude asked how many acres the property is. Mr. Janish stated 2.5 acres.

Commissioner Holthus asked if the neighbors would be notified.

Mr. Janish stated this would be a two-step process that would take some time. First would be to amend the City Code and second the purchaser of the property would need to apply and go through the Conditional Use Permit (CUP) process.

Mr. Janish explained the process.

The EDA directed staff to put the item on a Council Workshop agenda for discussion.

Mr. Janish stated in the Hughes Industrial Park, 3017 161<sup>st</sup> Avenue, Upper Midwest Athletic Construction approached staff regarding modifications to an Interim Use Permit. City Code does not allow for fencing closer to the front of the building. The property owner would like to place a fence for screening closer to the front of the building.

The EDA directed staff to put the item on a Council Workshop agenda for discussion.

Mr. Janish indicated both items will be on the June 23<sup>rd</sup> Council Workshop agenda.

### **ADJOURNMENT**

**Motion** by Bukkila, Seconded by Barthel to adjourn. Motion carried unanimously. The meeting adjourned at 6:58 p.m.

Respectfully submitted,

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Michelle Hartner, Recording Secretary