

***ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING–
JULY 2, 2019 - MINUTES***

The Meeting of the Andover Economic Development Authority was called to order by Vice President Mike Knight, July 2, 2019, 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Present: Commissioners Jamie Barthel, Sheri Bukkila (arrived at 6:01 p.m.), Kari Kafer and Joyce Twistol

Absent: President Julie Trude and Commissioner Valerie Holthus

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

APPROVAL OF MINUTES

May 21, 2019, Regular Meeting: Correct as written.

Motion by Barthel, Seconded by Kafer, to approve the above minutes as written. Motion carried 5 ayes and 2 absent (Trude and Holthus).

ENTRANCE MONUMENT DISCUSSION UPDATES

Mr. Janish indicated staff had conversations with the Anoka County Highway Department (ACHD) related to the potential electronic message board at 133rd Avenue and Hanson Boulevard. He continued the original plan was to set the sign back 60 feet from the intersection, like the one on Crosstown Boulevard and Bunker Lake Boulevard. Due to a steep incline at 60 feet back the sign would need to be 16 feet tall to be readable. Staff is working with the ACHD for the potential to go back 45 feet from the intersection. A \$150.00 review fee was paid to the ACHD and they are asking the City for a survey of the parcel showing where all the utilities are. Once the utility locate has been completed staff will go out there with the ACHD

Mr. Janish explained the cost goes up significantly for the sign with these issues. The sign set back 60 feet will cost approximately \$43,000 - \$44,000 and the sign set back 45 feet will cost approximately \$40,000 - \$41,000.

Commissioner Kafer asked what the budget is for the sign. Mr. Dickinson replied the budget is \$30,000.

Commissioner Barthel stated he feels \$11,000 over budget is a lot of money and he is not in

favor of moving the sign up further on Hanson Boulevard. He indicated he is fine with not having a sign there at all.

Mr. Dickinson asked if the sign in this location has to be a reader board, the reader board is what is driving the cost up.

Mr. Janish stated going with a light up entrance sign could save approximately \$10,000.

Commissioner Barthel stated by putting a reader board up in this location may set a precedence that a reader board will have to put in on Bunker Lake Boulevard and 7th Avenue, then before you know it you have reader boards all over the City.

Commissioner Bukkila stated a reader board in this location was not the originally intent. She would like to see other options to get the price down.

Mr. Janish stated staff will work on other options and bring them back to a future EDA meeting.

COMMERCIAL UPDATES

The Shops @ Andover, 13650 Hanson Boulevard – 1 tenant space remains vacant.

Walmart (front end pickup remodel), 1851 Bunker Lake Boulevard – The next phase of development to support online ordering and pickup is the proposed construction of a customer vehicle canopy that is to be located in the parking lot near the southeast corner of the store. A tensile fabric structure has been typical at other Walmart stores. This permit application has been submitted to the Building Department and includes some modifications inside the store as well. The project valuation is \$350,000.

McDonalds, 15232 Bluebird Street – This project has been pushed back until Fall 2019.

Anoka Parks, Activity Center Greenhouse Demolition and Renovation, 550 Bunker Lake Boulevard – Demolition of the existing greenhouse area will give way to an outdoor patio area. Footings are in. Other improvements are to renovate the site approach and provide for better accessibility and general renovation. This is complete with a few small items remaining to be completed.

Upper Midwest Athletic Construction – A CUP was granted for outside storage. The owner provided a commercial site plan that has been reviewed. The owner is currently working with his Engineer on the 3rd set of comments. A fence permit has been granted along the east side of the property. City staff has made a suggestion the owner is considering that may save money and time for them.

Hearth Development, 1714 Bunker Lake Boulevard – Fitaholic is open and two tenant spaces remain to be leased. The Building Department has been talking with two businesses looking to occupy the spaces. The owner is working with staff on parking stall and landscaping issues.

Clocktower Commons, 15190 Bluebird Street – Owner Tom Roberts has indicated he has some interest in lot 4 but nothing is concrete at this time. Mr. Roberts recently added additional parking. Staff is waiting for the as-built and then will go out and inspect.

Andover High School, 2018 Additions and Renovations, 2115 Andover Boulevard – Construction is in process. The project has a value expected around \$11.9 million dollars. The ceiling tiles are being installed at this time. The School is looking at starting Phase 2 possibly this fall.

Estates at Arbor Oaks/Trident Development, 1753 156th Lane – Currently they are 86% occupied and have a total of 82 tenants residing in 57 apartments and at 96% reserved. The apartments rent for \$1,600 to \$2,859 per month.

Crosstown Square, 13632 Crosstown Boulevard – Staff was contacted by the property owner and informed the last available space will be filled.

Interest in Hughes Industrial Park – Interest in the area has quieted down. A few properties are being marketed in the area.

Andover Public Works Maintenance Building, 1900 Veterans Memorial Boulevard – This project is underway. Site utilities are being installed at this time. Wall panels are expected to arrive mid-July.

Andover Community Center, 15200 Hanson Boulevard – The City Council awarded the bid and authorized the sale of bonds for the project. The project will begin the middle of July, after the Fun Fest. The project will begin on the east side parking lot, then the west side.

Beberg Landscaping (self-storage), 13535 Grouse Street – City Council approved a CUP for additional mini-storage on a portion of this location on February 5th. The buyers of the property had intended to expand the mini-storage.

Legacy Christian Academy, 3037 Bunker Lake Boulevard – Kinghorn Construction has provided a building permit application and plans to build a three-story classroom addition between the existing buildings to replace temporary classrooms. The permit for construction has been released. Construction has begun.

Anoka-Hennepin Schools Bridges Program, 13735 Round Lake Boulevard – The Building Department has released a permit for an expansion of the Bridges Program. The expansion will remodel the area that was a former restaurant into space to be used by the Bridges Program.

Overall Marketing – City staff continues to work with parties interested in investing in Andover and marketing all commercial sites.

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

Church, 1657 161st Avenue – Staff met with a representative from the church, they are interested in selling a portion of their property for commercial use. The Comprehensive Plan would need to be amended. The area is zoned Residential and would need to be rezoned Commercial. The area that would be split off is approximately 5 acres.

Commissioner Bukkila asked what type of business could we see there. Mr. Janish answered with the zoning of Neighborhood Commercial you could see a convenience store, daycare provider or a strip mall.

The EDA is open to the idea.

Train for Andover Station – A few EDA members are going to talk with the St. Cloud Area Rail Legacy Museum or STARail and report back to the group.

Commissioner Twistol updated she and President Trude met with a retired college professor in regard to locating a locomotive. To move a locomotive would cost more than the locomotive. They concluded they would like to look for a caboose, track and railroad ties. The contact suggested putting up a 5-foot fence around the display.

Mr. Dickinson suggested going with just train signage on that parcel.

REDEVELOPMENT UPDATES

Mr. Janish stated this is the time of year when developers start applying for State funding for projects. Staff met with a developer, the developer indicated they are constructing more “mixed use”, this would include market rate and affordable rate housing in the same structure.

Staff continues to monitor the area.

EDA FINANCIAL UPDATE

Mr. Dickinson reviewed the EDA Special Revenue, TIF and Operational Funds.

Mr. Dickinson stated after 2019 there will be a low fund balance. Long term the EDA may need to request funds from the General Fund.

Mr. Dickinson reviewed the 2020 EDA budget worksheet.

Commissioner Barthel asked the EDA revenue per year is \$9,000 but spends \$22,000. Mr. Dickinson replied that is correct.

Mr. Dickinson indicated staff will continue to work on the 2020 EDA budget and present it to the EDA at their September meeting for recommendations.

Mr. Dickinson reviewed the TIF Fund Cash Flow Analysis.

OTHER BUSINESS

There was none.

ADJOURNMENT

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

Respectfully submitted,

Michelle Hartner, Recording Secretary