

***ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING–
AUGUST 18, 2020 - MINUTES***

The Meeting of the Andover Economic Development Authority was called to order by President Julie Trude August 18, 2020, 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

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

Absent: Sheri Bukkila

Also present: EDA Executive Director, Jim Dickinson
Community Development Director, Joe Janish
Public Works Director/City Engineer, Dave Berkowitz

APPROVAL OF MINUTES

July 21, 2020, Regular Meeting: Correct as written.

Motion by Holthus, Seconded by Butler, to approve the minutes as written. Motion carried unanimously.

UPDATE ON SMALL BUSINESS GRANT PROGRAM

Mr. Dickinson reviewed that back in July the EDA approved the CARES Act Funding for small businesses. The grant is for businesses based on qualifying expenses; the business will need to produce proof of expense. The guidelines were 50 FTE or less and a grant max of \$50,000. He stated there would be \$1.8 million for the program and anticipated two rounds of applicants. Round one the City received 29 applications totaling approximately \$1 million.

Mr. Dickinson indicated staff is now reviewing all the applications and verifying they are a registered business in the state. He stated the top items the businesses are looking for reimbursement for is rent, utilities and payroll costs. Mr. Dickinson stated they are 50-60% through the applications validating data. He stated all reviews will be complete soon and will be brought to the EDA for recommendations at the September 1st meeting.

Mr. Dickinson asked the EDA with the remaining funds would they like a Round 2. The EDA agreed to a Round 2. Mr. Dickinson asked what restrictions they would like to change, if any.

Commissioner Butler suggested removing the non-profit restriction.

The EDA discussed the FTE number and max funds amount.

Mr. Dickinson explained in Round 2 they would prioritize for businesses that did not apply and receive funds in Round 1 versus those that did.

Mr. Dickinson reviewed the EDA's request to remove the FTE restrictions, offer the program to non-profits and larger businesses and the \$50,000 cap remains. Staff will target a September 1st kick-off date and will accept applications for two weeks. November 15, 2020 is the deadline to distribute all CARES funds, the remaining funds would need to be returned to Anoka County.

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. The applicant is going to have fencing with two rows of plants. The applicant is making some adjustments to his lighting 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.

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 completed and is in full operation, fuel is active. The Memorial is underway, some finishing materials will be completed by City staff, plaques are coming in a little slower than anticipated, once several are ordered then they will be installed.

Andover Community Center, 15200 Hanson Boulevard – Interior work is occurring. Some site work is still needed.

YMCA Expansion, 15200 Hanson Boulevard – Is nearing completion.

Beberg Landscaping (self-storage), 13535 Grouse Street – City Council approved a CUP for additional mini-storage on a portion of this location on February 5, 2020. The buyers of the property had intended to expand the mini-storage. After staff completed the CSP we were contacted that the developer desires to adjust each building by 6 inches, which requires a resubmittal of plan sets. The developer has recorded the RLS and transfer of property.

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 application 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 an on-sale liquor license on February 18, 2020. Permit review is complete and construction is underway.

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 133rd Avenue Monument Sign – This is nearing completion with the final connection to electrical for lighting of the sign.

7th 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 complete. An adjacent owner has indicated that their well is tied into ours at this property. This has slowed the demolition as staff is investigating the well situation at this time.

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. See also CARES Grant Program.

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 DISCUSSION/PROPERTY DEMOLITIONS

Mr. Janish indicated the EDA is requested to approve the demolition of 2557 Bunker Lake Boulevard. He explained the Fire Department will use the building for spot fire training. When the fire training is complete staff will seek out quotes to demo the building.

Mr. Janish stated staff is proposing the EDA authorize staff to conduct an environmental review on 2526 138th Avenue to ultimately demo the 4-plex and the detached garage on the property.

Mr. Dickinson indicated since these are considered rental property, as long as the buildings are up the City is paying taxes and insurance on these vacant buildings, so it makes sense to remove them.

Commissioner Kafer asked how much this demolition project will potentially cost. Mr. Dickinson answered for everything approximately \$50,000. Mr. Dickinson added the lease revenue generated from the area will cover the cost.

Motion by Kafer, Seconded by Mueller approving the following:

- Environmental review of 2526 138th Avenue NW.
- Appropriate removal and disposal of any items the environmental review notes.
- Allow Andover Fire Department to train within the structures.
- Demolition and removal of 2 sheds at 2543 Bunker Lake Boulevard NW.
- Demolition and removal of 1 shed at 2527 Bunker Lake Boulevard NW.
- Demolition and removal of the 4-plex at 2557 Bunker Lake Boulevard NW.
- Demolition and removal of the 4-plex and detached garage at 2526 Bunker Lake Boulevard NW.
- Utilizing the past contractors for environmental review and removal if necessary.
- Awarding the demolition and removal contract to the lowest responsible bidder.

Motion carried unanimously.

RECESS

President Trude recessed the regular EDA meeting at 6:30 p.m. to a closed session of the EDA to discuss property negotiations in the Bunker Lake Boulevard Redevelopment Area.

RECONVENE

The EDA reconvened at 6:50 p.m.

OTHER BUSINESS

President Trude asked if the plantings were completed in the Bunker Lake Boulevard medians. Mr. Janish replied staff will check and the EDA will get an update at a future meeting.

ADJOURNMENT

Motion by Holthus, Seconded by Barthel to adjourn. Motion carried unanimously. The meeting adjourned at 6:52 p.m.

Respectfully submitted,

Michelle Hartner, Recording Secretary