

**ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING–
AUGUST 21, 2018 - MINUTES**

The Meeting of the Andover Economic Development Authority was called to order by President Julie Trude, August 21, 2018, 6:02 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Present: Commissioners Sheri Bukkila, Valerie Holthus, Mike Knight, and Joyce Twistol

Absent: Commissioner James Goodrich

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

APPROVAL OF MINUTES

June 19, 2018, Regular Meeting: Correct as written.

Motion by Bukkila, Seconded by Twistol, to approve the above minutes as written. Motion carried unanimously.

COMMERCIAL ACTIVITY UPDATES

Mr. Janish reviewed the following:

The Shops @ Andover, 13650 Hanson Boulevard – AT&T, Natural Nails, Dunkin Donuts, Joy Kitchen, Twin Cities Dental and SportClips are open.

Estates at Arbor Oaks/Trident Development, 1753 156th Lane – In the process of renting out units. Within 30 days, they expect to be 72% full. Apartments are rented for \$1,600 to \$2,859 per month.

Domino's Pizza, 2256 Bunker Lake Boulevard – A portion of the tenant space occupied by Belli Capelli Salon is being remodeled to become a Domino's Pizza.

Growing Generations, 15216 Bluebird Street – Growing Generations Daycare received their Certificate of Occupancy last week. The facility has 70 children enrolled already, which is half of their capacity. An open house at the facility is scheduled for August 23rd and 24th.

FedEx/Walmart Tenant Build Out, 1851 Bunker Lake Boulevard – A FedEx services office is being built into one of the tenant bays at the front of the Walmart Store.

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. The area will hold outdoor events. Other improvements are to renovate the site approach and provide for better accessibility and general renovation.

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

Upper Midwest Athletic Construction – A CUP was granted for outside storage, staff is waiting for the Commercial Site Plan to be submitted. The owner is working with a civil engineer on a swale that runs through the property.

President Trude questioned what can be done since they have not complied with the CUP. Mr. Janish answered he has been in contact with the business owner giving them until the end of the month. Mr. Dickinson indicated it is difficult to revoke a CUP when progress is being made and a deadline was not stated in the CUP.

Hearth Development, 1714 Bunker Lake Boulevard – Staff continues to review the Commercial Site Plan (CSP) and the contractor recently submitted for a building permit. Staff is waiting for what is believed to be the final plan submittal for review.

Muddy Paws, 3121 161st Avenue – The building has received their Certificate of Occupancy and is up and running.

Interest in Hughes Industrial Park – Interest in the area has quieted down.

Clocktower Commons – Tom Roberts, the property owner has indicated he has some interest in Lot 4. Mr. Roberts is looking at some adjustments to Lot 4 including changing the Brio drive thru to flow to the north.

Andover High School, 2115 Andover Boulevard – Construction is in process. The project has a value expected around \$11.9 million. Mr. Dickinson indicated staff is waiting for a Joint Powers Agreement from the School District for the use of the Sunshine Park parking lot during construction.

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

REDEVELOPMENT UPDATES

Mr. Janish stated the City has closed on four properties. Staff has reached out to property owners in the area regarding the level of interest the City has in acquiring the properties. At this

time the property owners are not interested in selling. Staff will continue to work in the area.

Mr. Dickinson reminded the EDA, the TIF District Fund dollars can only be used for redevelopment.

OTHER BUSINESS

Bunker Lake Boulevard Median - President Trude asked if a quote was received from Mickman Brothers for the median irrigation installation. Mr. Janish stated he would need to check with Public Works Director/City Engineer Dave Berkowitz. The EDA concurred to have the project done this fall.

7th Avenue & Bunker Lake Boulevard - Mr. Janish stated a master developer has a letter of interest and a signed purchase agreement with the Sonstebly Family for the purchase of all 113 acres. 5 acres is zoned Commercial and the rest Multi-Family. The City met with Anoka County, the City of Anoka, the Sonstebly Family and the potential developer regarding access to the property off 7th Avenue. Mr. Dickinson indicated the Joint Powers Agreement with Anoka County does allow for a controlled intersection on 7th Avenue just north of Bunker Lake Boulevard.

Mr. Janish stated staff, President Trude and Commissioner Bukkila toured the Dominion facility in Coon Rapids called River North Senior Apartments. Dominion is the 2nd largest developer of affordable housing, whether for seniors or general in the nation. They operate in 23 states, as of recently they have been doing quite a bit of development in the northern suburbs. They tend to construct a four-story building with underground parking to make a project financially feasible.

President Trude stated they met multiple levels of people that would be involved in a potential development. In her opinion, the River North project is a mammoth building and was constructed as a high-quality structure.

Commissioner Bukkila indicated the building would be no benefit to the City since the developer would request it be a TIF District for 30 years. Mr. Dickinson responded the City does not have to agree with a 30-year TIF District, the City can structure a TIF agreement. Mr. Dickinson also stated the City does not have to agree to provide all eligible TIF.

Commissioner Bukkila stated she would only support a senior facility or market rate housing.

The area was discussed.

Commissioner Holthus asked if there would be any single-family housing in the area. Mr. Dickinson answered no, maybe twin homes but no single-family homes.

President Trude suggested other commissioners tour a Dominion facility and an EDA meeting be scheduled for further discussion on this item.

Motion by Twistol, Seconded by Holthus to schedule an EDA meeting September 4, 2018 at 6:00 p.m. Motion carried 4 ayes, 1 nay (Bukkila).

ADJOURNMENT

Motion by Holthus, Seconded by Bukkila to adjourn. Motion carried unanimously. The meeting adjourned at 6:59 p.m.

Respectfully submitted,

Michelle Hartner, Recording Secretary