

***ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING –
FEBRUARY 16, 2021 - MINUTES***

The Meeting of the Andover Economic Development Authority was called to order by President Sheri Bukkila February 16, 2021, 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Present: Commissioners Jamie Barthel, Ted Butler, Valerie Holthus (remote), Randy Nelson, Kari Kafer, and Greg Mueller

Absent: None

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

APPROVAL OF MINUTES

January 19, 2021, Regular Meeting: Correct as written.

Motion by Butler, Seconded by Mueller, to approve the minutes as written. Motion taken by roll call:

Commissioner Barthel: aye
Commissioner Butler: aye
Commissioner Holthus: aye
Commissioner Kafer: aye
Commissioner Mueller: aye
Commissioner Nelson: aye
President Bukkila: aye

Motion carried unanimously.

COMMERCIAL PROJECT ACTIVITY

Mr. Janish updated on the following:

Upper Midwest Athletic Construction – Staff received the as-built of the improvements, a few corrections are needed in the spring.

Hearth Development, 1714 Bunker Lake Boulevard – Two tenant spaces remain to be leased. Staff was asked if a liquor store could be located in this building, however due to the property being zoned Industrial it would not be permitted.

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

Andover High School, 2018 Additions and Renovations, 2115 Andover Boulevard – Phase 2 is underway. The northwest Outdoor Education classroom additions are completed and occupied. Interiors of the new field house, locker rooms and weight room are being installed.

Interest in Hughes Industrial Park – The owner of the 10-acre parcel has again contacted staff asking questions about the roadway. The parcel owner was again told a roadway would be necessary.

Andover Community Center, 15200 Hanson Boulevard – All areas are occupied. There are a few exterior punch list items left.

YMCA Expansion, 15200 Hanson Boulevard - Complete, punch list items only.

Beberg Landscaping (self-storage), 13535 Grouse Street – City Council approved a CUP for additional mini-storage on a portion of this location February 5, 2020. The buyers of the property had intended to expand the mini-storage. The Building Department is working with the applicant on structural drawings for review. Due to the type of structure, they are proposing a structural engineer and architect need to be involved.

Hanson Builders, 13432 Hanson Boulevard – A second floor mezzanine is being remodeled to provide expanded open office areas, restroom, and an elevator, nearly expanding their office areas by one third.

Anoka County Sheriff, Forensic Lab Remodel, 13301 Hanson Boulevard – The forensic lab is being remodeled to accommodate a new fume hood and more accessible lab stations.

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

TCF Site – Staff was contacted by an individual indicating he expects to close on the property in the next 30 days. At this time there are no specific plans for what will be constructed. Staff suggested a restaurant or fast food. The Planning Department is working on a zoning letter for the individual.

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.

Commissioner Barthel asked if there is still interest with the EDA to pursue getting a train car.

The consensus of the EDA was to remove the item from the list.

7th Avenue and Bunker Lake Boulevard – Staff continues to work with two developers, an apartment developer is looking into the north side and Capstone is pursuing the south side and expects to submit preliminary plat information by February 16th.

Holasek Property – A developer contacted staff on February 10th related to possible multi-family housing.

COVID-19 – The City of Andover has distributed its COVID-19 Funds. Anoka County has another program available based on a first come first serve basis provided criteria is met. Mr. Dickinson stated the County is looking at the applications submitted to distribute funds to small businesses.

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. Several sites are being reviewed and looked at. In 2020 the City had 139 new housing starts.

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. The ACRED sole employee is leaving the County March 1st, there will likely be a gap until the position is filled.

Mr. Dickinson indicated staff have received calls from restaurant owners whether in a strip mall or stand-alone business interested in constructing a drive thru. Staff will be looking at these requests.

Mr. Janish added constructing a drive thru would require a Conditional Use Permit (CUP).

DISCUSSION OF POSSIBLE RESIDENTIAL IMPROVEMENT GRANTS

Mr. Janish stated going back to May of 2020 the EDA had discussion for a possible residential improvement grant program. At this time staff is verifying if the EDA is still interested in pursuing this program.

Mr. Janish indicated the City of Coon Rapids has the Front Door Program. The purpose of the program is to increase curb appeal. He stated the homeowner must pay at least \$4,000 of their own funds to be eligible to receive the minimum grant amount. There are two categories of the grant Beautification Projects, and Basic Projects. He reviewed the eligibility requirements.

Commissioner Kafer stated she thinks it is a good program and is wondering what type of paperwork would need to be submitted and where the funds would come from to support the program.

Mr. Dickinson indicated staff would need to find funds for the program, they could also look for a grant to apply for through Minnesota Housing.

Commissioner Mueller stated it is a good program, not sure where the funds will come from, but thinks it is a good seed for a city.

President Bukkila asked what homes are we trying to target. She is concerned about the cost of a project qualifying for the program. A lot of projects are “do it yourself” projects. President Bukkila would like to look at the program helping the property owners that do not have the funds to do a project. She would like the required project minimum amount and the required amount for property value to be lowered.

Mr. Janish stated to keep in mind Andover has higher property values than neighboring cities.

President Bukkila suggested targeting older homes, maybe putting an age requirement into the criteria.

Mr. Janish indicated there are items that can be looked at such as having GIS put together a map with data showing market value and property value. It might help the EDA decide the criteria to put into place for eligibility. The EDA concurred such data would be very helpful.

President Bukkila stated she would not limit the program to just a construction project. She would be willing to include the cost for a dumpster to help clean up properties.

Mr. Dickinson indicated this item was brought to the EDA to see if there was still interest in moving forward with the program, there is a lot of data to be put together and staff needs to find opportunities locating funds for the program. Those items would be brought to a future meeting.

Commissioner Barthel stated he likes the program and agrees with President Bukkila at looking at different areas and options. His only concern is how much staff time would this program take up once implemented.

Commissioner Butler indicated he supports the program and agrees with Commissioner Barthel about the program being efficient to run.

Commissioner Holthus stated she supports moving forward with the program and wants to know where the funds would come from.

The EDA concurred to have staff move forward with the program, and to have more data brought to a future meeting.

REDEVELOPMENT UPDATES

Mr. Dickinson stated the property owner of 2619 138th Avenue is interested in selling the property. The owner wants more than budgeted for. The parcel directly behind 2619 138th

Avenue is owned by the Anoka County Highway Department. As of April, there will be zero restrictions when acquiring this property. The City and the County could start negotiations in April one option could be a land swap with the County.

Mr. Dickinson continued with another parcel located on the east side of Round Lake Boulevard and South Coon Creek Drive. This parcel is tax forfeit. Mr. Dickinson indicated it makes sense for the City to acquire this parcel. The current value of the parcel is between \$10,000 - \$12,000. The City will have to pay fair market value since the parcel would likely be used for development.

Mr. Dickinson stated across the street from the above parcel, on the west side of Round Lake Boulevard is a parcel owned by the State and the County maintains the parcel. The market value is \$45,000. A majority of the parcel is wetland; however, it does have lake shore property and high ground adjacent to Round Lake Boulevard.

Mr. Dickinson asked the EDA if they are interested in staff pursuing the parcels. The consensus of the EDA is to have staff pursue the parcels.

Mr. Dickinson indicated the only parcel that would come back for EDA approval of purchase would be the parcel located in the redevelopment area. The other two parcels would go to City Council for approval of purchase.

OTHER BUSINESS

There was none.

ADJOURNMENT

President Bukkila declared the meeting adjourned at 6:47 p.m.

Respectfully submitted,

Michelle Hartner, Recording Secretary