

***ANDOVER ECONOMIC DEVELOPMENT AUTHORITY MEETING –
JUNE 15, 2021 - MINUTES***

The Meeting of the Andover Economic Development Authority was called to order by President Sheri Bukkila June 15, 2021, 6:03 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

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

Absent: None

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

APPROVAL OF MINUTES

April 20, 2021, Regular Meeting: Correct as written.

Motion by Kafer, Seconded by Nelson, 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.

HOME IMPROVEMENT PROGRAM UPDATE

Mr. Janish stated the EDA has discussed this item at several previous meetings. He explained the map in the packet shows properties in the City valued at \$225,000 or less. Staff is looking for direction from the EDA on a couple of items:

- The project cost would have to be between \$2,000 - \$20,000. With the grant paying 25% of the project cost.

- Will rental properties be included in the program.

Mr. Janish continued depending on the funding there may have to be income restrictions. Mr. Janish reviewed the draft grant application and presented a list of name suggestions for the program.

Commissioner Holthus feels the property applying for the grant should be owner occupied. Commissioner Nelson and Commissioner Kafer agree.

Commissioner Barthel stated he is in favor of offering the program to properties not owner occupied.

Commissioner Mueller stated he feels initially the program should be for owner occupied properties and depending on the program interest it could expand to rental properties not owner occupied.

President Bukkila indicated a majority of the EDA is in favor to have the program available to owner occupied/homestead properties only.

Commissioner Holthus indicated she would like the map to be revised to remove park properties and vacant lots. She asked how many properties are at or below the \$225,000 home value. Mr. Janish replied 177 properties.

Commissioner Butler suggested on the application an example be provided showing the breakdown of how a project will be paid.

Commissioner Kafer indicated she is in favor of offering the landscape consultation to the applicant. Commissioners Butler and Mueller are also in favor. She asked staff to get quotes for a flat rate consultation from landscape businesses.

President Bukkila stated nurseries may offer a free consultation if you purchase the items from them. She feels the City should not pay for the landscape consultation. Commissioner Barthel agrees, indicating that is another aspect of the program staff would have to manage.

President Bukkila asked about requiring the applicant to have lived at the property for a certain length of time to prevent house flippers from applying. Mr. Janish stated that could be a requirement but typically you do not see house flippers living in the house, so it would be non-homestead which would not qualify anyway.

Commissioner Kafer stated the end goal is to increase curb appeal and home value, so does it really matter if it is a house flipper. President Bukkila feels house flipping is a business and asked is it fair to allow them to apply for the program when the business community cannot. Commissioner Kafer replied she does not know if you can make the program completely fair for everyone.

Commissioner Butler indicated he agrees with Commissioner Kafer and pointed out by requiring a length of time of living at the property you are excluding new residents from the program who may plan on living at the property for a length a time.

Commissioner Barthel stated most house flippers only hold on to a property less than six months and they do not homestead the property.

The list of program names was discussed.

The EDA majority recommended “Andover Home Improvement Program”.

Mr. Dickinson indicated staff will “fine tune” the program and bring it back at a future meeting.

BUNKER LAKE BOULEVARD MEDIAN

Mr. Berkowitz stated the median on Bunker Lake currently has prairie grass and some plantings. This median is very difficult to maintain. The Anoka County Highway Department requires a lane shutdown each time work is done in the median. A shutdown cost the City \$2,500 each time.

Mr. Berkowitz indicated the EDA has the following options for the median:

- Leave the median in its current state.
- Add more plantings.
- Remove all vegetation and put concrete in.

Staff is looking for direction from the EDA.

Commissioner Holthus stated she does not like the prairie grass, the statement it makes is that the City is not taking care of the median.

Commissioner Nelson asked how much the concrete will cost. Mr. Berkowitz answered approximately \$150,000 which is drastically reduced from a previous quote some years ago.

Commissioner Barthel stated he is in favor of concrete. Commissioner Mueller agreed.

Commissioner Butler stated he likes plantings in a median but not necessarily prairie grass.

Commissioner Holthus asked what the cost would be for stamped concrete. Mr. Berkowitz answered the cost would increase by approximately 30%.

Commissioner Kafer asked about the funding for the concrete. Mr. Dickinson answered the project would be put into the 2022-2026 CIP and funding determined at that time.

The EDA direction for staff is for concrete and to put the project into the 2022-2026 CIP.

ENTRANCE MONUMENT SIGN DISCUSSION (BUNKER LAKE BOULEVARD AND 7TH AVENUE)

Mr. Janish stated back in 2019 the EDA had a discussion for a monument sign on 7th Avenue and Bunker Lake Boulevard. Does the EDA want a standard monument sign or a message board. He stated a standard monument sign would be approximately \$32,000 and a message board would be approximately \$44,000.

The EDA direction is for a standard monument sign.

REDEVELOPMENT UPDATES

Mr. Dickinson reviewed the EDA owned properties in the redevelopment area. Staff was approached by the property owner of 2461 Bunker Lake Boulevard and he is currently in negotiations. Staff is looking for direction from the EDA if they should move forward with negotiations. The EDA directed staff to move forward with negotiations.

Mr. Dickinson stated the parcel located on Crosstown Drive directly behind 2619 138th Avenue and owned by the Anoka County Highway Department, the City contacted Anoka County with interest in purchasing the parcel. Anoka County staff recommended turning the parcel over to the City for economic development with no monetary transaction. The Anoka County Transportation Committee had their committee meeting and came back to the City with the assessor's value for the property of \$57,200. Mr. Dickinson stated a majority of the property is wetland and floodplain, he calculated the value of the property to be around \$8,000.

REVIEW COMMERCIAL PROJECT ACTIVITY

Holasek Property – Mr. Dickinson indicated staff has been approached by multi-family developers interested in the property. Staff is looking for EDA direction, would the EDA be interested in partial multi-family or entirely multi-family, which would require a Comprehensive Plan amendment. Mr. Dickinson stated the developers have indicated luxury apartments on the property. There have been no recent commercial prospects.

The EDA stated they have no interest in the entire parcel as multi-family.

OTHER BUSINESS

There was none.

ADJOURNMENT

Motion by Holthus, Seconded by Barthel to adjourn. Motion taken by roll call:

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

Motion carried unanimously. The meeting adjourned at 7:00 p.m.

Respectfully submitted,

Michelle Hartner, Recording Secretary