

HEDRA
HASTINGS ECONOMIC DEVELOPMENT & REDEVELOPMENT AUTHORITY
Hastings City Council Chambers
Minutes of March 9, 2017, 6:30 Regular Meeting

HEDRA Commissioners Present: Peine, Toppin, Balsanek, Vaughan, Sullivan (arrived at 6:40pm)

HEDRA Commissioners Absent: Sinclair and Holzem

Staff Present: Community Development Director John Hinzman,
Economic Development Coordinator Morgan Hill

I. Quorum

A quorum was established and the meeting was called to order by President Peine at 6:30 with 4 members present.

II. Minutes

Commissioner Balsanek moved to approve minutes from the meetings of the February 9, 2017 regular meeting and the February 21, 2017 special meeting as presented, seconded by Commissioner Vaughan. Motion approved 4-0.

III. Bills

Commissioner Toppin motioned to approve the bills as presented, seconded by Commissioner Balsanek. Motion approved 4-0.

IV. Business

A. Authorize Signature: Open To Business Joint Powers Agreement

Community Development Director John Hinzman introduced the item to authorize the signature of the Joint Powers agreement with Open to Business for another year.

Commissioner Vaughan asked if the groups involved ever meet to discuss the ongoing effectiveness of the program.

Director Hinzman stated that they meet with other cities in Dakota County to discuss economic development and receive quarterly reports from Open to Business.

Commissioner Vaughan asked if other cities were seeing a decline in the participation in the program as Hastings has.

Commissioner Balsanek explained that he has gotten comments from business owners in town that they have difficulties getting in contact with the Open to Business staff and asked for clarification on how meetings with them are set up.

Director Hinzman replied that Laurie Crow is our contact from Open to Business. They used to be present once a month for businesses to stop by without an appointment but they have moved to making appointments due to lack of attendance without them. Director Hinzman said he would connect with Laurie Crow about timely responses to business inquiries.

Commissioner Toppin stated that he has heard similar comments and that he is in contact with MCCD and they would follow-up.

Commissioner Vaughan asked where individuals go to meet up with Open to Business when they have appointments.

Director Hinzman stated they meet in the city that the business is serving.

Commissioner Toppin motioned to approve, seconded by Commissioner Balsanek. Motion approved 4-0.

Commissioner Sullivan arrived at the meeting.

V. Reports and Information

- A. Revolving Loan Fund – Economic Development Coordinator Hill stated that there is need for business funding in places other than downtown and Vermillion Street. This program would provide a wider network to serve other businesses in the community.

Hinzman stated it would use a portion of the capital funds on hand for the loan.

Toppin stated that it seems like a good program to continue the work from Vermillion Street all the way up to the Industrial Park.

- B. Shovel Ready Designation of Hastings Business & Industrial Park – This is a partnership with Xcel Energy. This designation tells businesses that there will be a reduction in time, expense, and risk for development. It will also increase visibility for the City because Xcel will market potential sites as ready for development.

Commissioner Toppin asked for clarification on what areas of the Industrial Park would be designated.

Economic Development Coordinator Hill stated that it's the acreage east of Cranky Ape and also on the other side of Spiral Boulevard.

- C. Hudson Development –10-20% of floor has been removed. In the coming weeks they will treat the soil and install the vapor system. Soil removal from the exterior will be a 1 week project. Work is being done with the purchasers on PCB analysis and lead based paint abatement plan. A closing date has yet to be established at this time. The purchaser has expressed an interest in wanting to split the building into multiple parcels.

Commissioner Balsanek asked about a Metropolitan Council grant that was mentioned when they toured the building.

Director Hinzman stated that the grant was 2.5 million dollars and was dispersed over 2 grant cycles. One million is to be used for park improvements along the riverfront near the building and 1.5 million for the construction of a parking ramp to the west of the building.

- D. Commercial Real Estate – Director Hinzman stated he would send the update from CBRE out in a separate email to the commission.
- E. Commercial Vacancy – The Former Wells Fargo building was purchased and is intended to become a dental claims office. The Thin Air Construction building is up for sale. Recently there have been a lot of requests for potential projects.
- F. Development Activity – Artspace has framed the first floor taking. Allina's steel frame has been erected, the first floor finish work is now being done. 412 Vermillion Street has been sold and Country Nights Saloon will take its place with an opening date yet to be determined.

Toppin asked how many floors Artspace will be in the end.

Hinzman confirmed that there will be three floors once the project is completed.

Commissioner Vaughan asked if a property was up for auction, would the City know about it.

Hinzman responded that they are looked at monthly but not kept track of formally. There is future intent to have a better and more accurate tracking

process for available properties.

VI. Adjournment

Commissioner Balsanek motioned to adjourn the meeting at 6:55pm. Commissioner Vaughan seconded the motion. Motion approved 5-0.

Next Meeting: April 13, 2017 6:30pm