



HEDRA AGENDA NOTES
July 13, 2017
6:30pm

II. MINUTES

Please see the attached HEDRA Meeting minutes from the June 1st regular meeting for your review and approval.

III. BILLS

June Bills

Frattonone Companies	*\$162,869.18	Hudson – Exterior Soil – Payment No. 1
Johnson and Scofield	\$2,885.00	Industrial Park – Shovel Ready Certification
City of Hastings	\$2,490.00	Hudson – Special Assessments
Centerpoint Energy	\$1,230.66	Hudson – Electricity (May & June)
Xcel Energy	\$167.37	Hudson - Power
Ehlers & Associates	\$176.25	Hudson – Financial Feasibility Analysis
Morgan Hill	\$130.01	Admin – Mileage Reimbursement
Tyco Security	\$128.37	Hudson – Maintenance - Security
MN Pollution Control	*\$62.50	Hudson – Volunteer Investigative Cleanup
<i>* Reimbursable Expense</i>		

Please see attached general ledger detail from the last two months for further information.

IV. BUSINESS

A. Review Great River Landing Plan Modifications

Representatives from Confluence Development will be present to discuss modifications Great River Landing. Please see the attached staff memo and plans for further information.

ACTION – Provide direction and comment on proposed plan modifications.

B. Approve Change Order No. 1 and Authorize Payment – Hudson Exterior Soil Removal

Frattonone Construction has submitted a \$30,332.12 change order request for the removal of exterior contaminated soils at the Hudson site. The request is due to removal of additional contaminated soil areas that were not in the original bid specifications. The change order would increase the original bid price from

\$171,441.25 to \$201,763.37. Expenses would be paid from existing grant funding.

ACTION – Approve Change Order No. 1 and Authorize Payment as presented. *Please see the attached Change Order Request for further information.*

C. Authorize Payment Request No. 1 – Interior Soil Removal – Ram Excavating

HEDRA is asked to authorize payment in the amount of \$142,885.00 to Ram Excavating for interior soil removal activities completed at the former Hudson Manufacturing building during June. The total contract amount is \$230,477 and should be completed in the next couple of weeks. Expenses would be paid from existing grant funding.

ACTION – Authorize Payment Request No. 1 as presented. *Please see the attached Ram Pay Request for further information.*

D. Authorize Signature: Legal Services – Campbell Knutson

With the retirement of long time HEDRA\HRA Attorney Bob Deike, we have evaluated how best to provide HEDRA legal services. City Attorney Dan Fluegel will continue to provide legal assistance on routine matters under the City of Hastings general services contract. For specialized legal services on matters, Mr. Fluegel has recommended retaining the services of Andrea McDowell Poehler of the Campbell Knutson firm. Ms. McDowell Poehler has provided the attached three year contract for consideration of services.

ACTION – Authorize Signature of the Legal Services Agreement. *Please see the attached letter from Dan Fluegel and Service Contract for further information.*

E. Approve Preliminary Land Credit Sale and Concept Plan – Lightbourn, LLC

Lightbourn, LLC has submitted a land credit application and request to purchase Lot 9, Block 2, a 1.36 acre lot located at 2950 Lightbourn Court for construction of a 10,500 s.f. building to housing a Crossfit Gym and storage space.

ACTION – Approve the Preliminary Land Credit Sale and Concept Plan for Lightbourn, LLC. *Please see the attached memo for further information.*

V. REPORTS AND INFORMATION

A. Vermillion Corridor Plan

The Vermillion Street Coalition Kick-Off meeting was held on June 26. We discussed the following three questions:

1. Identify three issues/concerns facing the Vermillion Corridor study area.
2. Identify three specific projects or actions that you would like to see undertaken to improve the Vermillion Corridor area.
3. What are the primary strengths and assets of the area?

We received great input and valuable insight at the meeting. We are very excited to work with the group as we move forward in the project process.

Our next meeting, which will be a Business and Community Workshop, will be held in early September. At this time, Houseal Lavigne will be conducting Key Person Interviews. **If there are any individuals/groups/organizations that you feel should be included in the Key Person Interviews, please let Morgan Hill know by July 14.**

Additionally, our project website should be up very soon and the link will be forwarded out for you to view, interact with and share.

After the meeting, we did hear some concern regarding the make-up of the Coalition, specifically regarding representation from residents beyond the corridor. The Vermillion Street corridor project is designed to have multiple opportunities for community input. While the Coalition is one venue, public meetings, project website (surveys, mapping, etc.), and other events (such as the Rivertown Days booth) are other ways to involve Hastings residents – on and/or outside the corridor. If there is someone you feel would provide valuable input on the future of the corridor, we can be sure to include them in the Community & Business Workshop or Key Person Interviews.

We currently have 14 members on our Coalition. However, if you know of anyone, outside of the corridor study area, who would be interested in being part of the Coalition, please forward their name to Morgan Hill – as we are happy to reach out.

B. ULI Visit

ULI Workshop is scheduled for July 19th from 6:30-8:30pm. This two-hour workshop will include a panel of policy leaders and real estate professionals that will provide an engaging and information discussion on market trends and how they relate to the Hastings community.

Panelists include:

- Tony Schertler, Dakota County CDA
- Bill Beard, The Beard Group
- Julie Kimble, Kimble Consulting
- Danyelle Pierquet, Landform Professional Services

C. Hudson Development

Below is a summary of Hudson Development activities. Changes from the previous update are noted in red.

Purchase and Development Agreement – The agreement been signed by all parties, we are awaiting resolution of the following in order to transfer the property:

- **Section 106 Review** – The City has completed a Section 106 Review of historic impacts (as required to use the \$600,000 EPA Cleanup Grant). SHPO has issued a Conditional No Adverse Effect Letter to EPA to allow funding to be used for remediation. Approval is conditioned on the successful completion of the Historic Tax Credit Application for the site. Staff has received authority from EPA to begin environmental remediation activities.
- **Environmental Remediation** – EPA funds can now be spent on the following environmental activities:
 - **Exterior Contaminated Soil Excavation** – Exterior soil work has been completed.
 - **Interior Floor Removals** – Removal of non-load bearing walls within the building has been completed by Confluence at their expense. Interior flooring over crawl space areas have been removed.
 - **Interior Soil & Debris Removal** – Ram Excavating will complete soil and debris removal from crawl space areas by July 14th. Removal has included bricks and debris from the original 1909 building that was destroyed by fire and buried beneath the current building. A vacuum truck has been used to remove smaller items. A Facebook Live video was recorded showing the work completed and has been viewed over 3,000 times! [See the video link here.](#)



- **Vapor Intrusion Mitigation System (VIMS)** – Specifications for installation of the VIMS have been released for bid. A meeting was held on site with interested bidders on June 27th. Bids were originally due on July 11th, however we have issued an amendment to the bid specifications to address potential bidder concerns pertaining to installation in crawl space areas. **We will be discussing establishment of a special meeting in the next week or two in order to issue the contract.** Further information will be provided at the meeting.
- **Environmental Completion Documents** – Environmental Documents have been submitted to MPCA for final approval, **MPCA’s comments on the preliminary submittal have not been substantive.**
- **Grant Award** – The City has been awarded an additional \$250,000 from Dakota CDA to assist with environmental cleanup. Funds can be used upon transfer of the property.
- **Parking and Landscaping** – A joint HEDRA City Council Meeting with Confluence is scheduled for July 11th at 5:30 on site at Hudson Manufacturing to discuss changes to Parking and Landscaping.
- **Amendment to Purchase and Development Agreement** – Both HEDRA and City Council have authorized an amendment to the purchase and development agreement.
- **Amendment to Plat** – Confluence seeks approval to subdivide the Hudson property into three parcels as follows:
 - Existing building, including East fire pit area
 - Parking lot/future expansion area to the west of west wing of building.
 - Riverfront park area in northwest corner.
 The request will be brought before the Planning Commission in the near future.
- **Architectural Approval – SHPPO & US Park Service** – Plans have been submitted to both parties in order to satisfy Historic Tax Credit requirements. Review letters from both have been received the developer is working through details to secure approval.
- **Transfer of Property** – We are working towards transfer of the property in the fall.

D. Commercial Real Estate

CBRE continues to market HEDRA owned commercial and industrial property.
Please see the attached update for further information.

E. Commercial Vacancy

	Available July, 2017	Available June, 2017	Net Change
Downtown	8	9	-1
Highway 55	9	11	-2
Vermillion Street	18	18	0
Industrial Park	3	3	0
TOTAL	38	41	-3

- **Fireside Social House** will be opening shortly in the former RJ's building located at **106 East 2nd Street**.
- **Olive Dog Grooming** has opened at 1030 North Frontage Road.
- **Sears** is closing its store at 275 West 33rd Street.

F. Development Activity

- **Purchase of City Property at Highway 55 & Pleasant Drive** – The Planning Committee of City Council will meet on July 10th to discuss potential sale of a 0.65 acre City-owned parcel located at the northwest corner of Pleasant and Highway 55.
- **Cemstone Building Addition** – The City Council will meet on July 10th to review a small addition onto an existing Cemstone Building garage located at 314 East 21st Street.
- **Artspace Hastings Lofts** – Work continues on completing the project with the majority of activity involved in finishing the interior units and roof



ATTACHMENTS

- HEDRA Minutes – June 1, 2017
- HEDRA Bills – June 2017
- Memo - Great River Landing Plan Modifications
- Change Order – Hudson Exterior Soil Excavation – Frattalone
- Pay Request – Hudson Interior Soil Excavation – Ram Excavating
- Legal Services Memo and Contract
- Memo – Preliminary Land Credit Sale and Concept Plan – Lightbourn, LLC
- Commercial Real Estate Update