



HEDRA AGENDA NOTES
November 21, 2017
6:30pm

II. MINUTES

Please see the attached HEDRA Meeting minutes from the September 14th regular meeting for your review and approval.

III. BILLS

September Bills

Ram Excavating	*\$44,343.05	Hudson – Internal Soil Removal – Payment 2
Charles Hilger	*\$16,000.00	Loan – Residential Rehab – 1 st Draw
Houseal Lavigne	\$5,348.75	Admin – Vermillion Street Corridor – Payment 3
Stantec Consulting	*\$3,218.17	Hudson – Environmental Consulting
MN CAR	\$1,000.00	Marketing – MN CAR Expo Registration
WSB & Associates	\$661.90	Sewer Capacity Study – Payment 3
Morgan Hill	\$268.57	Admin – Conference, Mileage & Parking
Dakota County	*\$250.00	Hudson – Well Permit
Tyco Security	\$128.37	Hudson – Maintenance - Security
Xcel Energy	\$103.77	Hudson – Power
Centerpoint Energy	\$47.45	Hudson – Electricity

October Bills

Artspace Projects	*\$40,857.00	Grant Reimbursement – MN DEED & TBRA
Houseal Lavigne	\$15,297.89	Admin – Vermillion Street Corridor – Payment 4
Terry & Rebecca Vlach	*\$8,436.50	Loan – Residential Rehab – 5 th Draw
WSB & Associates	\$6,830.00	Sewer Capacity Study – Payment 4
Charles Hilger	*\$3,625.00	Loan – Residential Rehab – 2 nd & 3 rd Draw - FINAL
Campbell Knutson	*\$2,587.40	Attorney Fees – Black River Properties
Graphic Design	\$1,798.00	Marketing – Promo Inserts and Folders
DCA Title	\$200.00	Shovel Ready Certification
Morgan Hill	\$181.09	Admin – Conference, Mileage & Parking
Tyco Security	\$128.37	Hudson – Maintenance - Security
Xcel Energy	\$106.50	Hudson – Power
Terrys Hardware	\$77.88	Hudson – Maintenance – Sump Pump
Centerpoint Energy	\$50.19	Hudson – Electricity
Dakota Co. Reg Chamb	\$40.00	Admin – Conference Registration
Econ Dev Assoc of MN	\$30.00	Admin – Conference Registration
Emily's Bakery	\$8.58	Admin – Vermillion Street Mtg Refreshments

** Reimbursable Expense*

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

IV. BUSINESS

A. Resolution: Economic Development Revolving Loan Fund – Spiral Brewery (111 East 2nd Street)

Spiral Brewery, LLC has submitted a request for a \$48,800 loan from the Economic Development Revolving Loan Fund to assist with the construction of stairs and a doghouse, as well as working capital for property located at 111 2nd St E.

ACTION: Adopt Resolution 2017-07 authorizing a loan to Spiral Brewery
Please see the attached staff memo for further information

B. Authorize Contract for Services: Shovel Ready Certification

HEDRA is asked to authorize signature of the attached contract for services between the City of Hastings and Terracon for completion of Phase I ESA, DEED Assessment Review, Wetland Delineation and Preliminary Geotechnical Evaluation for Hastings Industrial Park.

ACTION: Authorize Contract for Services. *Please see the attached staff memo for further information*

C. Authorize Payment of Special Assessments – UBC Buildings

As part of the 2016 street improvement project, HEDRA incurred special assessments totaling \$17,029.76 on the two former UBC Buildings located at the corner of 4th and Bailey Streets as follows:

- 415 4th Street E - \$6,466.55
- 412 4th Street E - \$10,563.21

ACTION: Authorize Payment of Special Assessment

V. REPORTS AND INFORMATION

A. Hudson Development

Below is a summary of Hudson Development activities.

- **Vapor Intrusion Mitigation System (VIMS)** – In August HEDRA authorized contract approval with Clean Vapor for installation of the VIMS. Changes to the crawl space floor from the interior soil excavation work prompted an on-site meeting with Clean Vapor, Confluence, and the City to review changes to the original contract to compensate for the

undulating floor level of the dirt floor through installation of rock. Clean Vapor also reviewed an option to completely fill crawl space areas with rock and replace the floor joists and add a new floor. We continue to work with Confluence to defer VIMS installation until after transfer of the property, with HEDRA\City providing funding for the cost.

- **New Environmental Grants** – Applications have been submitted to both MN DEED and Metropolitan Council to obtain additional grant funding for environmental cleanup activities. The total requested amount of \$455,000 would be utilized for activities occurring after transfer of the building including VIMS and wood surfacing and sealing.
- **Final Plat Approval** – The City Council approved the amended Final Plat on November 6th. The plat was modified from a one lot subdivision to four lots (one each for the building, parking, and open space areas).
- **Amended Purchase and Development Agreement** – Negotiations continue on an amended Purchase and Development Agreement to establish dates for transfer and construction of the project as well as pre-closing and post-closing activities.
- **Parking Ramp Use Agreement** – Negotiations continue on development of a Parking Ramp Use Agreement for construction of a 119 space parking ramp on the 1st National Bank Property.
- **City Council Workshop – November 21st** – Staff will provide further information from the City November 21st City Council Workshop at the meeting.

B. Vermillion Corridor Plan

The Vermillion Street consultants have met with Hastings' residents, business owners, and other key stakeholders. Together, with independent market and visual analysis, the consultants are preparing a summary of Vermillion Street's current conditions, challenges, and potential areas for improvement. More importantly, early in 2018, the City will host a community meeting to develop ideas for how to reuse specific sites along Vermillion Street, from downtown to the southern limits. Upcoming points of interest include:

- **Draft of Findings:**
 - Mid-November
 - Will consist of information gathered from surveys, the mapping tool and key person interviews.
 - Will include the identification of issues along the corridor, as well as areas of opportunity.
- **Community Meeting:**
 - Early 2018
 - Open to all residents and business owners.

- Will focus on gathering the community's thoughts on development ideas and alternatives for the corridor.
- **Coalition Meeting:**
 - To follow the Community Meeting.

C. Commercial Real Estate

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

D. Commercial Vacancy

	Available November, 2017	Available October, 2017	Available September, 2017	Net Change
Downtown	11	11	11	0
Highway 55	10	10	10	0
Vermillion Street	18	18	18	0
Industrial Park	3	3	3	0
TOTAL	42	42	42	0

- The vacant lot on the northeast corner of Vermillion and 18th Street has been sold to **Hastings Coop Creamery**.
- The former **Hudson-Intek** Building located at **800 10th Street East** has been sold.
- The **Meyer Company Building** at **117 East 2nd Street** has been sold and is being rehabilitated for commercial and residential space
- The **Emporium** located at **213 East 2nd Street** is closing and it appears **Eye Candy Refind** will be moving into the space
- **Target** has announced it is closing their store on General Sieben Drive in February, 2018.

E. Development Activity

- **Medical Office Building - Highway 55 & Pleasant Drive** – A purchase agreement has been authorized to sell the property to McShane Development for construction of a medical office building. An application to rezone the property will be considered by the Planning Commission on November 27th with construction planned in the spring.
- **Lightbourn Properties – CrossFit HSC** – Transfer of the property has been completed and foundation work is progressing.
- **Rezoning and Comprehensive Plan Amendment – Hastings Industrial Park** - The Council approved actions to rezone another 50 acres of property for shovel ready certification.

ATTACHMENTS

- HEDRA Minutes – September 14, 2017
- HEDRA Bills – September & October 2017
- Resolution 2017-07 – Economic Development Loan – Spiral Brewery
- Staff Memo – Authorize Contract for Services – Terracon – Shovel Ready
- Commercial Real Estate Update