

**HEDRA
HASTINGS ECONOMIC DEVELOPMENT and
REDEVELOPMENT AUTHORITY**

The Hastings Economic Development and Redevelopment Authority of the City of Hastings, Minnesota met in a regular meeting on Thursday, August 8, 2024 at 6:00 p.m. at Hastings City Hall.

HEDRA Commissioners Present: Goblirsch, Carter, Fox and Pemble

HEDRA Commissioners Absent: Johnson, Anderson, and Horsch

Staff Present: Community Development Director John Hinzman
Economic Development Coordinator Alex Menke

I. Quorum

A quorum was established, and the meeting was called to order by acting President Carter at 6:00 PM with four members present.

Amendment to Meeting Agenda: Hinzman requested that the Commission consider adding the following item to the agenda: Closed Session pursuant to Minnesota Statutes Section 13D.05, subd. 3(c) to discuss potential sale of property at the southwest corner of South Frontage Road and Pleasant Dr. Commissioners voted to approve the addition to the agenda.

II. Minutes

Acting President Carter asked for a motion to approve the regular July 11, 2024 meeting as well as the Special Joint Meeting of July 22, 2024.

Commissioner Fox motioned to approve the minutes from both meetings as presented, seconded by Commissioner Pemble. Minutes were approved as presented.

III. Bills

Hinzman summarized the bills from the month of July. Menke and Hinzman will obtain a reimbursement from attending conferences for The Economic Development Association in Minnesota. Cell phone bills and Stantec Consulting are other related expenses. Hinzman explains Stantec Consulting is a bill related to the Confluence.

Commissioner Horsch motioned to approve the resolution, seconded by Commissioner Fox. Ayes 4; Nays 0. Motion approved.

IV. Business

A. Authorize Signature: Permanent Utility Easement – 222 Ramsey Street

Hinzman starts by explaining that the property we are looking at is a HEDRA owned property. This 3,000 square foot property is surrounded by buildings and properties owned by Scott Sinclair. Sinclair recently had a breakage in his main water line, and it needs to be repaired. After reviewing the long-distance path that the water line takes it raises a concern for Public Works. Hinzman explains that Public Works would like to provide a water line of a shorter distance to Mr. Sinclair. They would like the new line to run from the corner of the buildings to the curb stop in front of the HEDRA property. Doing this would impact about half of the property. This piece of property is too small to be developed on its own and will have to be developed in coordination with one or both the properties in the future. Hinzman explains that he does not believe the drainage and utility easement would have any long-term deficiencies. There has been talk about selling this property to Sinclair, but HEDRA follows a policy standpoint of needing to have a specific development project in place first. Hinzman told Sinclair that HEDRA is not interested in sale at this time because there is no plan of redevelopment. Hinzman states that they are looking for the authorization of signature for the utility easement.

Commissioner Pemble asks if Ramsey Street has a water line or not and Hinzman explains that it does not.

Pemble continues by asking if it is in the cities best interest to hang on to a property like this.

Hinzman explains that yes, this property is small, but we hold on to something like this because if the property were to develop in the future HEDRA would be able to have a say in what can be developed on this site.

Pemble asks if there could be an exception since Sinclair owns the surrounding properties. Hinzman says that they are not out anything by holding it and he doesn't have a strong opinion but would suggest holding on to it.

Pemble states that putting the new water line in would be best so we can condense the distance of the line to decrease chances of more breakages. He continues by saying HEDRA shouldn't let the property go without hearing all commissioners' opinions.

Hinzman agrees and states Sinclair has shown interest in purchasing in the future and they should wait for him to bring something forward first before deciding.

Commissioner Pemble motioned to approve this easement, seconded by commissioner Fox.

Ayes 4; Nays 0. Motioned approved.

V. Reports and Information

A. Industrial Park Shovel Ready Site Update:

Hinzman welcomes the real estate broker of the industrial park, Ra'eesa Motala.

Motala explains that this area has been marketed for some time now but over the past few months, they have seen limited interest at the site. There have been a few issues here that stops the ability to move forward with certain prospects. She explains that it may be a moment to hit pause on this site or another option could be to revisit the site and look to rezone it from industrial to something else. By looking at other ways to use this site it can still bring the city to the end goal.

Hinzman continues to explain that he feels it is best to not extend the contract with the site currently. He explains that as a group they need to look at if the site is right for industrial in the long-term or will the market change in the future. More comments and questions about this will be discussed in future meetings.

Commissioner Pemble asks about the electric issues at this site.

Ra'eesa responds by saying it is a capacity power issue and they have talked with Excel Energy, and they have the ability to bring in additional power but at a significant time frame. She continues by stating she thinks that this site is better suited as a mixed-use development project, and they are happy to coordinate those efforts with the city.

Commissioner Fox asks if this can be worked on by not only the zoning code partner but also with evoke and Codametrics so they can use all resources on hand.

Hinzman states that they are working through it and trying to understand what would be best with a contractor that they have already hired.

Ra'essa explains that they would be happy to help if it would be of value.

B. Local Affordable Housing Aid (LAHA) Update:

Menke provided an update from the joint meeting between HEDRA and City Council on July 22, 2024. The CDA presented 3 possible options that the city could allocate their LAHA dollars towards. Menke summarizes the 3 possible options.

1. Increase funding to the home improvement loan program
2. Fund radon mitigation grant
3. Provide gap financing for preservation and new construction projects

Menke continues by stating no final decision is needed but the CDA is looking for a formal decision in the Fall from cities on if they want to allocate their funds to them and what option they are interested in.

C. Highway 55 Small Area Plan:

Menke provided an update of this small area plan. He states that this project came about because there are existing private landowners that are currently outside of the city limits, and they expressed interest in developing and therefore wanting to be annexed into the city. The city is not seeking to annex land to develop the area, they want to be prepared if people were to approach them about the possibility of developing. HKGI Consulting (who is working with Loci and SEH), and staff had a kickoff meeting on July 15, 2024. The project area was finalized, and strategies were discussed. Staff is currently compiling a list of background data for HKGI so they can start their Market Analysis and the first step of the engagement process, which is to speak with landowners and see what they want to do with their properties. This project is said to go into January or February of next year.

Commissioner Fox thanks Menke for being clear on the fact that the City does not own this property and is not developing it ourselves. She reiterated that this is being done for the fact that if a developer is interested, they know what can be developed in the sites.

D. Open To Business Quarterly Report:

This small business service we take part of as a county has helped overall 7 Hastings businesses and 3 Hastings residents with consulting services. A total of 110 have received these services in Dakota county.

E. Development Updates:

Hinzman provided a summary of development updates.

1. They have moved closer to selling the property for Rio Gran Express Trucking.
2. United Heros League stadium seating and locker room plans are currently under building permit review and will be done shortly.
3. The Highway 55 Small Area Plan started with a kickoff meeting
4. Our Building official Lonnie Johnson has established monthly meetings with the owner of 315 Pine Street Thorwood. Each meeting is to access progress. One goal he wants is for it to be weather tight before the end of the year.
5. The Vermillion Senior Housing Development on county 47 has not given any specifics on the project except that they are working on making a few more modular units and then things will be happening in the near future.

6. The Cities Zoning Code is going to be looked at and assessed. The public is welcomed in this process and there will be more than one opportunity to hear about the updates and structure of the zoning code.

VI. Closed Session pursuant to Minnesota Statutes Section 13D.05, subd. 3(c) to discuss potential sale of property at the southwest corner of South Frontage Road and Pleasant Dr.

Commissioner Goblirsch motioned to enter into closed door session at 6:32pm. Second by Commissioner Pemble. Motion passed 4-0.

VII. Adjourn

Meeting was adjourned at 7:02pm

Next Meeting: Thursday, September 12, 2024 – 6:00pm – Regular Meeting

Respectively Submitted: Lindsey Duggan