

HERMANTOWN ECONOMIC DEVELOPMENT AUTHORITY

March 23, 2022

11:30 a.m.

MEETING CONDUCTED IN PERSON

ROLL CALL: Commissioners Haapanen, Nelson, Peterson, Mayor Boucher

CITY STAFF: John Mulder, City Administrator; Eric Johnson, Community Development Director; Steve Overom, Attorney

ABSENT: Commissioners Geissler, Hauschild, Ronchetti,

VISITORS: None

MINUTES

Motion made by Commissioner Peterson, seconded by Commissioner Nelson, to approve the February 16, 2022 HEDA Minutes. Motion carried on a voice vote. Commissioners Geissler, Hauschild, Ronchetti, absent.

RESOLUTIONS

WORK SESSION

Discussion on Business Subsidy Policy related to Housing: John Mulder explained that the current business subsidy policy excludes housing. There were two reasons for providing this at this time. 1. Discussed at our strategic planning session in January and 2. Two projects which have been approved by the City Council that may need assistance in order to make them happen

A. Sandy Hoff PUD development on the North side of Engwalls.

- 26 single family units –
- Response: Approx \$250,000 in infrastructure improvements (qualified sales tax improvements ie water, trunk spur)
- Working with the Developer and One Roof Housing to provide workforce housing so police officers, teachers, mechanics, and Cirrus employees can afford to live in Htown

B. Oppidan Assisted Living

Construction costs due to COVID puts the rate of return at an unacceptable level. We are looking at some possible tax abatement – and potentially working with the County to shorten the time period.

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- A. **Update on Comprehensive Planning Process:** John Mulder explained the potential timeline for obtaining proposals for a consultant to conduct the comprehensive planning process. We hope to hire someone in June so the process could start in the late summer.

- B. **Update on Business Retention Survey:** John Mulder reported that Northspan had begun the Business Retention Survey and the survey results would be available in August of this year. With regards to some of the comments from councilors and EDA. We are **focusing our efforts on locally owned and operated businesses**. In this round and not focusing on big box retailers, employers not headquartered in your community, car dealerships, or professional service-oriented operations like dentists. The identified sectors will glean a great deal of information that will also impact the mentioned sectors to avoid this time.

Northspan recommended that as **part of your comprehensive planning you meet with your chamber, developers, and large employers without HQs in Hermantown.**

- C. **Update on Hwy 53 Business Park:** We have had several meetings with the property owners. Bruan has begun some initial work on the grant work for the Hwy 53 Business Park. Once the weather permits, they will be on site to review and consider possible boring sites.

Next meeting scheduled for Wednesday, May 18th, 5:00 p.m.

RECESS

Motion made by Commissioner Boucher, seconded by Commissioner Peterson to recess at 12:37 p.m. Motion carried.

Recorded by:

John Mulder, Executive Director