

City of South St. Paul Economic Development Authority Agenda

Tuesday, January 21, 2020 – ANNUAL MEETING



1. CALL TO ORDER:

2. ROLL CALL:

3. AGENDA:

A. Approval of Agenda

Action – Motion to Approve

Action – Motion to Approve as Amended

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered to be routine by the Economic Development Authority and will be approved by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

A. EDA Special Meeting Minutes of December 16, 2019

B. Approval of Satisfaction of Mortgage – Resolution 2020 – 1

5. GENERAL BUSINESS:

A. Election of Officers

B. Redevelopment Grant Application – Resolution 2020 – 2

6. ITEMS FOR FUTURE FOLLOW-UP:

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

7. ADJOURNMENT:

Respectfully Submitted,

Ryan Garcia, EDA Executive Director

This meeting is being taped by Town Square Television (NDC4).
Replays can be viewed on Government Channel 19.
Replay Times – Friday following Meeting at 1:00 p.m. & 7:00 p.m.
651-451-7834

MINUTES OF
THE ECONOMIC DEVELOPMENT AUTHORITY
CITY OF SOUTH ST. PAUL
DAKOTA COUNTY, MINNESOTA

Special Meeting
December 16, 2019
City of South St. Paul Council Chambers

1. CALL TO ORDER

Chair Francis called the meeting to order at 8:30 PM.

2. ROLL CALL

Members Present: President Francis, Commissioners Flatley, Hansen, Seaberg, Forester, Kaliszewski and Dewey.

Staff Present: EDA Executive Director Ryan Garcia, City Administrator Joel Hanson, City Clerk Christy Wilcox and Legal Counsel Peter Mikhail.

3. AGENDA

Motion/Second: Commissioner Kaliszewski moved and Commissioner Forester seconded approval of the amended agenda.

Motion carried 7 ayes / 0 nays

4. CONSENT

5. PUBLIC HEARINGS

6. GENERAL BUSINESS

A. Approval of management agreement with Nath Management, Inc.

Motion/Second: Commissioner Dewey moved and Commissioner Seaberg seconded approval.

Motion carried 7 ayes/ 0 nays

7. FUTURE FOLLOW-UP ITEMS

8. ADJOURNMENT

Motion/Second: Commissioner Kaliszewski moved and Commissioner Flatley seconded the motion to adjourn the meeting at 8:34 PM.

Approved: January 6, 2020

Renee Schmitt

Renee Schmitt, Secretary



EDA Agenda Item Report

Date: January 21, 2020

EDA Executive Director: 

4-B

Agenda Item: Approval of Satisfaction of Mortgage – Applicant # 855

Action to be considered:

Motion to approve Resolution No. 2020-01

Overview:

Applicant # 855 received an HRA rehabilitation loan of \$24,700.00 in 2007, with a mortgage recorded at that time. The mortgagee recently paid back the loan in full, thus satisfying the mortgage. Therefore, the EDA is advised to approve Resolution No. 2020-01, which will authorize the designated officers of the City's Housing and Redevelopment Authority to execute all necessary documentation required to record the Satisfaction of Mortgage.

Funding Sources and other fiscal considerations: N/A

South St. Paul Economic Development Authority
Dakota County, Minnesota

RESOLUTION NO. 2020-01

WHEREAS, the City Council transferred all administration of the South St. Paul Housing and Redevelopment Authority (HRA) programs to the South St. Paul Economic Development Authority (“EDA”) by City Council Resolution 2015-197; and

WHEREAS, one of those programs was a rehabilitation loan program, for which there are several outstanding loans; and

WHEREAS, the South St. Paul Housing and Redevelopment Authority of the City of South St. Paul, Minnesota issued a mortgage to Applicant # 855 in the amount of \$24,700.00;

WHEREAS, such mortgage recorded on 2007 in Dakota County has been satisfied in full by the applicant;

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of South St. Paul that:

1. The EDA shall secure the signatures of the appropriate representatives of the HRA to execute the required documents to satisfy the loan and mortgage.

Adopted this ____ day of _____.

President, James P. Francis

Executive Director, Ryan Garcia

(Top 3 inches reserved for recording data)

**MORTGAGE SATISFACTION
by Individual(s)**

**Minnesota Uniform Conveyancing Blanks
Form 20.5.1 (2011)**

DATE: 01.15.2020
(month/day/year)

THAT CERTAIN MORTGAGE owned by the undersigned, dated November 14, 2007, executed by _____
(month/day/year)

Emelia M .Martineau, a single person
(insert name of mortgagor)

as mortgagor, to Housing and Redevelopment Authority of the City of South St. Paul
(insert name of original mortgagee)

as mortgagee, and recorded on November 27, 2007, as Document Number 2557917 (or in Book _____
(month/day/year)

of _____ Page _____), in the Office of the County Recorder Registrar of Titles of Dakota
(check the applicable boxes)

County, Minnesota, is with the indebtedness thereby secured, fully paid and satisfied.

(signature) Lori Hansen, Chairperson

(signature) William Flatley, Secretary

State of Minnesota, County of Dakota

This instrument was acknowledged before me on _____, by Lori Hansen, Chairperson and
(month/day/year)

William Flatley, Secretary of the Housing and Redevelopment Authority of the City of South St. Paul

(Stamp)

(signature of notarial officer)

Debra M. Breitenfeldt

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
(insert name and address)

Housing and Redevelopment Authority
of the City of South St. Paul
125 Third Avenue North
South St. Paul, MN 55075
(651) 554-3270



EDA Agenda Item Report

Date: January 21, 2020

EDA Executive Director: _____

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5-A

Agenda Item: Election of Officers

Action to be considered:

Motion to elect officers.

Overview:

All members of the EDA are considered Commissioners and are members of the EDA Board. Per its Bylaws, the EDA Board has the following officers, which must be elected on an annual basis:

President

Vice-President (Currently Joe Forester)

Treasurer

Assistant Treasurer

Secretary

The President and Treasurer positions are to be held by the Mayor (Bylaws Sections 2.2 and 2.4). The Secretary and Assistant Treasurer positions need not be held by a commissioner (Bylaws Section 2.1). The Bylaws (Section 2.5) also suggest that the Assistant Treasurer of the Board be the City's Finance Director. Thus, **staff recommends that the EDA call for nominations for Vice-President in keeping with the EDA Bylaws.** Staff recommends retaining the Secretary (currently Deputy City Clerk Renee Vought) but that the Assistant Treasurer position (currently Finance Director Michelle Pietrick) will need to remain vacant following Michelle's resignation and until a replacement is hired.

Funding Sources and other fiscal considerations:

N/A



EDA Agenda Item Report

Date: January 21, 2020

EDA Executive Director: _____

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5-B

Agenda Item: Redevelopment Grant Application – Resolution 2020 - 2

Action to be considered:

Motion to approve Resolution 2020-2, Authorizing an Application to the Minnesota Department of Employment and Economic Development's Redevelopment Grant Program.

Overview:

The State of Minnesota, through its Department of Employment and Economic Development (DEED), administers a Redevelopment Grant Program which helps communities with the costs of redeveloping blighted industrial, residential, or commercial sites and putting land back into productive use. Through the program, grants pay up to half of redevelopment costs for a qualifying site, with a 50-percent local match. Eligible applicants are cities, counties, port authorities, housing and redevelopment authorities, and economic development authorities.

Grants can pay for land acquisition, demolition, infrastructure improvements, soil stabilization when in-fill is required, ponding or other environmental infrastructure and adaptive reuse of buildings, including remedial activities at sites where a subsequent redevelopment will occur.

DEED will award Redevelopment grants to projects that provide the highest return in public benefits for the public costs incurred and meet all of the statutory requirements. In order to evaluate the applications for public benefits with respect to the costs incurred, the law specifies priorities that DEED must consider, which include:

1. The need for redevelopment in conjunction with contamination remediation needs. Maximum = 15 points.
2. The redevelopment project meets current tax increment financing requirements for a redevelopment district and tax increments will contribute to the project. Maximum = 25 points.
3. The redevelopment potential within the municipality. Maximum = 90 points.
4. The proximity to public transit if located in the metropolitan area. Maximum = 5 points.
5. Multi-jurisdictional projects that take into account the need for affordable housing, transportation, and environmental impact. Maximum = 15 points (5 points each).

Staff is currently working on an application for this program, which is due February 1. If awarded, we would utilize the grant funding to offset direct public costs associated with demolition and remediation activities at the 135 Grand Avenue East Site (currently leased to 2020 Brands).

Funding Sources and other fiscal considerations:

The EDA's acquisition cost of \$1,000,000 for this property qualifies as the required match. This purchase was sourced from the Concord Street Tax Increment Finance District.

South St. Paul Economic Development Authority
Dakota County, Minnesota

RESOLUTION NO. 2020-2

**RESOLUTION AUTHORIZING AN APPLICATION TO THE MINNESOTA
DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT'S
REDEVELOPMENT GRANT PROGRAM**

BE IT RESOLVED that the South St. Paul Economic Development Authority (Applicant) act as the legal sponsor for project(s) contained in the Redevelopment Grant Program to be submitted on February 1, 2020, and that President James P. Francis (Authorized Official) is hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the Applicant.

BE IT FURTHER RESOLVED that the South St. Paul Economic Development Authority has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED that the sources and amounts of the local match identified in the application ARE COMMITTED to the project identified.

BE IT FURTHER RESOLVED that if the project identified in the application fails to substantially provide the public benefits listed in the application within five years from the date of the grant award, the South St. Paul Economic Development Authority may be required to repay 100 percent of the awarded grant per Minn. Stat. § 116J.575 Subd. 4;

BE IT FURTHER RESOLVED that the South St. Paul Economic Development Authority has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the South St. Paul Economic Development Authority may enter into an agreement with the State of Minnesota for the above referenced project(s), and that the South St. Paul Economic Development Authority certifies that it will comply with all applicable laws and regulations as stated in all contract agreements.

NOW, THEREFORE BE IT RESOLVED that President James P. Francis is hereby authorized to execute such agreements as are necessary to implement the project(s) on behalf of the applicant.

Adopted this 21st day of January, 2020 .

President, James P. Francis

Executive Director, Ryan Garcia