

City of South St. Paul Economic Development Authority Agenda

Monday, August 6, 2018

6:30 PM



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 Minutes of July 2, 2018

B. Approval of Satisfaction of Mortgage – Resolution No. 2018-18

C. Approval of Satisfaction of Mortgage – Resolution No. 2018-19

D. Approval of Certificate of Completion and Release of Forfeiture – 241 – 1st Avenue South

E. Approval of Subordination Agreement – Resolution No. 2018-20

5. PUBLIC HEARINGS:

6. GENERAL BUSINESS:

A. Adoption of Land Purchase and Disposition Policy – Resolution 2018-21

7. ADJOURNMENT:

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Ryan Garcia'.

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

Regular Meeting
July 2, 2018
City of South St. Paul Council Chambers

1. CALL TO ORDER

President Francis called the meeting to order at 6:31 P.M.

2. ROLL CALL

Members Present: President Francis, Commissioners Flatley, Forester, Podgorski, Rothecker and Seaberg. Commissioner Hansen arrived at 6:35 P.M.

Staff Present: City Administrators Steve King and Joel Hanson, Ryan Garcia and Edie Kleinboehl. Legal Counsel Kori Land was present.

3. AGENDA

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

4. CONSENT

Motion/Second: Commissioner Forester moved and Commissioner Rothecker seconded approval of the consent agenda.

A. EDA Minutes of June 4, 2018

B. Approval of Satisfaction of Mortgage – Resolution No. 2018-17

Motion carried 6 ayes / 0 nays

5. PUBLIC HEARING

A. Approval to Sell 150 3rd Avenue South to Witt & Sons Inc. – Resolution No. 2018-16

Motion/Second: Commissioner Flatley moved and Commissioner Podgorski seconded the motion to open the public hearing.

Mr. Garcia reported the buyer is proposing to build a 1,870 square foot finished two-story home with an attached two-car garage on the 60' lot at 150 3rd Avenue South. As noted in the agreement the buyer is responsible for lot assessments of \$3,800.00.

Motion/Second: Commissioner Seaberg moved and Commissioner Podgorski seconded the motion to close the public hearing.

Motion/Second: Commissioner Seaberg moved and Commissioner Rothecker seconded the motion to adopt Resolution No. 2018-16 approving the land sale and development agreement with Witt & Sons Inc.

Motion carried 7 ayes / 0 nays

6. GENERAL BUSINESS

A. Approval of Temporary Access Easement Agreement (161 Concord Exchange North)

Mr. Garcia reported the planned underground parking area for the 67-unit apartment complex will require the redeveloper and residents accessing the facility from Concord Exchange North to cross a portion of EDA-owned property. Mr. Garcia explained maintenance obligations are the responsibility of the redeveloper and the agreement remains in effect until the property is no longer used for residential purposes.

Motion/Second: Commissioner Flatley moved and Commissioner Forester seconded the motion to approve a Temporary Access Easement Agreement with DRS Investment VI LLC.

Motion carried 7 ayes / 0 nays

B. Update – Grant-funded Projects

Mr. Garcia reported on the following grant funded projects:

- DEED Contamination and Cleanup Grant – \$864,276 - 587 Verderosa
Approximately 30,000 tons of contaminated soils have been removed from the western portion of the site although a significant amount of work remains. The remediated portion is being prepped for surcharge to accommodate future light industrial development.
- Met Council TBRA Grant – \$323,700 - 843 Hardman Avenue
- DEED Contamination and Cleanup Grant – \$1,310,571 - 843 Hardman Avenue
Due to extraordinary circumstances with the site the intended tenant decided not to go forward. Insofar as the DEED grant required commencement by May 1, 2018, the grant was relinquished. The Met Council funds must be utilized on redevelopment of the site by July 31, 2020. Discussion ensued regarding development of the property in

addition to the adjacent MCES property at 680 Verderosa. Mr. Garcia stated a pre-development study is underway for the MCES property that will include the possibility of reutilizing the existing soils in the Grand and Concord Street vicinity.

- Dakota County CDA RIG Grant – \$250,000 - 161 Concord Exchange North RIG funds will assist with costs associated with demolition, site grading, landscaping and reconstruction of sidewalk and parking areas as the building undergoes reutilization as a 67-unit apartment complex.
- Dakota County CDA RIG Planning Grant – \$15,000 - Concord Exchange Streetscape The CDA provides 1:1 matching funds for planning related activities. As the Concord Exchange streetscape is an EDA priority, the funds were used to select a consultant, conduct preliminary analysis and streetscape design. The preliminary design will be used as a component of the 2018 Federal Regional Solicitation funding application.

7. ADJOURNMENT

Motion/Second: Commissioner Seaberg moved and Commissioner Hansen seconded the motion to adjourn the meeting at 7:06 P.M.

Approved: August 6, 2018

Edie Kleinboehl, Secretary



EDA Agenda Item Report

Date: August 6, 2018

EDA Executive Director: 

4-B

Agenda Item: Approval of Satisfaction of Mortgage – Applicant #653

Action to be considered:

Motion to approve Resolution No. 2018-18

Overview:

Applicant #653 received an HRA rehabilitation loan of \$7,900 in 2003, 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. 2018-18, 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. 2018-18

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 #653 in the amount of \$7,900.00;

WHEREAS, such mortgage recorded on April 21, 2003, in Dakota County has been satisfied in full by Applicant #653 on July 2, 2018;

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 6th day of August, 2018.

President, James P. Francis

Executive Director, Ryan Garcia



EDA Agenda Item Report

Date: August 6, 2018

EDA Executive Director: _____

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4-C

Agenda Item: Approval of Satisfaction of Mortgage – Applicant #478

Action to be considered:

Motion to approve Resolution No. 2018-19

Overview:

In May of 2000, the HRA issued a Federal Home Loan Bank (FHLB) forgivable loan of \$17,427 to Applicant #478, with a mortgage recorded at that time. The applicant met the terms and conditions of the forgivable loan repayment agreement, thus the EDA is advised to approve Resolution No. 2018-19, which authorizes designated officers of the City's Housing and Redevelopment Authority to execute 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. 2018-19

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 #478 in the amount of \$17,427.00;

WHEREAS, such mortgage recorded on June 13, 2000, 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 6th day of August, 2018.

President, James P. Francis

Executive Director, Ryan Garcia



EDA Agenda Item Report

Date: August 6, 2018

EDA Executive Director: _____

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4-D

Agenda Item: Approval of Certificate of Completion and Release of Forfeiture – 241 1st Avenue South

Action to be considered:

Motion to authorize officers of the EDA to execute the Certificate of Completion and Release of Forfeiture for 241 1st Avenue South.

Overview:

In March, 2017, the EDA approved conveyance of the Rediscover property at 241 1st Avenue South to Renu Homes. The redeveloper completed the Minimum Improvements stated in the Contract for Private Redevelopment; therefore, the EDA is obligated to issue a Certificate of Completion and Release of Forfeiture.

Funding Sources and other fiscal considerations: N/A

CERTIFICATE OF COMPLETION AND RELEASE OF FORFEITURE

WHEREAS, the South St. Paul Economic Development EDA, a public body, corporate and politic under the laws of Minnesota (the "Grantor"), by a Deed recorded in the Office of the County Recorder or the Registrar of Titles in and for the County of Dakota and State of Minnesota, as Document Number 3185535, has conveyed to Renu Homes, LLC (the "Grantee"), the following described land in the County of Dakota and State of Minnesota to-wit:

Lot 5, Block 2, Bryant's Addition to the City of South St. Paul, Dakota County,
Minnesota

and

WHEREAS, said Deed contained certain covenants and restrictions, the breach of which by Grantee, its heirs and assigns, would result in a forfeiture and right of re-entry by Grantor, its successors and assigns; and

WHEREAS, said Grantee have to the present date performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification.

NOW THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been performed by the Grantee therein and that the provisions for forfeiture of title and right to re-entry for breach of condition subsequent by the Grantor therein is hereby released absolutely and forever insofar as it applies to the land described herein, and the County Recorder or the Registrar of Titles in and for the County of Dakota and State of Minnesota is hereby authorized to accept for recording and to record this instrument, which be a conclusive determination of the satisfactory termination of the covenants and conditions of said Deed as well as those conditions and covenants found in a Redevelopment Agreement recorded in the Office of the County Recorder or the Registrar of Titles in and for the County of Dakota and State of Minnesota, as Document Number 3185536, the Breach of which would result in a forfeiture and right of re-entry, but the covenants created by Sections 3 and 4 of said Deed shall remain in full force and effect as set forth therein.

IN WITNESS WHEREOF, the Grantor has caused this Certificate to be duly executed in its behalf by James P. Francis and Ryan Garcia, its President and Executive Director, respectively, and has caused its corporate seal to be hereunto affixed this ____ day of August, 2018.

SOUTH ST. PAUL ECONOMIC
DEVELOPMENT AUTHORITY

By: _____
Its: President

By: _____
Its: Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

On this ____ day of _____, 20__, before me, a notary public within and for Dakota County, personally appeared James P. Francis and Ryan Garcia to me personally known who by me duly sworn, did say that they are the President and Executive Director of the South St. Paul Economic Development EDA ("EDA") named in the foregoing instrument; that the seal affixed to said instrument is the seal of said EDA; that said instrument was signed and sealed on behalf of said EDA pursuant to approval of its Board of Commissioners; and said President and Executive Director acknowledged said instrument to be the free act and deed of said EDA.

Notary Public

This instrument was drafted by:

SOUTH ST. PAUL ECONOMIC
DEVELOPMENT AUTHORITY
125 Third Avenue North
South St. Paul, MN 55075
(651) 554-3270



EDA Agenda Item Report

Date: August 6, 2018

EDA Executive Director: _____

[Handwritten signature]

4-E

Agenda Item: Approval of a Subordination Agreement, Resolution 2018-20

Action to be considered:

Through consent motion, adopt Resolution 2018-20 approving execution of a subordination agreement related to the property at 728 5th Avenue South.

Overview:

At the June 4, 2018 EDA meeting, the EDA approved the sale of property at 728 5th Avenue South to Brandon Lowe for the purposes of constructing a single-family home, and the property was conveyed on June 18, 2018. The buyer has secured financing for the construction of the home, with such financing being subject to the subordination of the EDA's right of reverter as found in the Redevelopment Agreement and Deed. Staff is proposing to subordinate the right of reversion to the lender, which would mean that in the event of default the lender (BankVista) assumes ownership of the property and would be required to assume all terms and conditions of the Development Agreement and Deed.

South St. Paul Economic Development Authority
Dakota County, Minnesota

RESOLUTION NO. 2018-20

WHEREAS, on June 4, 2018 the South St. Paul Economic Development Authority (the “EDA”) agreed to convey real property located at 728 5th Avenue South (the “Property”) to Brandon Gregory Lowe (the “Buyer”), subject to all terms and conditions of a Redevelopment Agreement (the “Agreement”) and Deed (the “Deed”) and filed in the office of the Dakota County Registrar of Titles on June 18, 2018 as Document Nos. 793284 and 793285, respectively; and

WHEREAS, the Buyer is entering into financing in connection with the construction of a single-family residence at the Property and BankVista, a financial institution and the Lender for the Buyer’s construction financing, has indicated that it will not provide said financing unless the City’s right of reversion contained in the Agreement and Deed is subordinated to the lender’s mortgage; and

WHEREAS, all terms and conditions of the Agreement and Deed will remain in effect, including completion of the proposed Redevelopment within 12 months of commencement;

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

1. The EDA approves of the subordination of reversion rights to the financing provided by BankVista, and shall secure the signatures of the appropriate representatives of the EDA to execute the required documents.

Adopted this 6th day of August, 2018.

President, James P. Francis

Executive Director, Ryan Garcia

Subordination Agreement

This Agreement made and entered into this _____ day of August, 2018, by South St. Paul Economic Development Authority, a Minnesota Public body, corporate and politic (“Authority”) in favor of BankVista (“Bank”)

Witnesseth:

WHEREAS, the Authority and Brandon Gregory Lowe (“Borrower”) entered into that certain Contract for Private Redevelopment dated June 4, 2018 and filed in the office of the Dakota County Registrar of Titles on June 18, 2018 as Document NO. 793284, (“Agreement”), regarding certain real property situated in Dakota County, Minnesota, and legally described on Exhibit “A” attached hereto and incorporated herein by reference (“Development Property”); and

WHEREAS, the Authority conveyed the Development property to the Borrower subject to certain conditions provided in the Agreement, and subject to certain conditions provided in that certain quit claim deed from the Authority in favor of Borrower dated June 4, 2018 and filed the office of the Dakota County Registrar of Titles on June 18, 2018, as Document No. 793285 (“Deed”), including certain reversionary rights in favor of the Authority and

WHEREAS, in order to obtain financing for the construction of the Minimum Improvements (as defined in the Agreement) on the Development Property (the “Project”), the Borrower and BankVista have entered into a certain Loan Agreement dated July 13, 2018 (“Loan Agreement”), pursuant to which Borrower has encumbered the Development Property by executing and delivering to BankVista that certain Mortgage, dated July 13, 2018 and filed in the office of the Dakota County Registrar of Titles on _____, as Document No. _____, securing the original principal amount of \$_____.

WHEREAS, as a condition to BankVista advancing to Borrower the indebtedness secured by the Mortgage, BankVista has required the subordination of the Agreement and the reversionary

rights in favor of the Authority provided in the Agreement and the Deed, to the terms, conditions and liens of the BankVista Mortgage.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by the Authority the Authority hereby covenants, consents and agrees with BankVista as follows:

1. The Agreement and any interest of the Authority in the Redevelopment Property and the Minimum Improvements is and shall be at all time subject and subordinate to the BankVista Mortgage and all renewals or replacements thereof, it being the intent of the Authority that the interest of BankVista under the BankVista Documents shall at all times be prior and superior to the interest of the Authority under the Agreement. The Authority further agrees that BankVista may modify or amend the terms and conditions of the BankVista Documents without the consent of the Authority and any such modification or amendment shall not affect the subordination of the agreement to the BankVista Documents. The Authority hereby further agrees to execute and deliver to BankVista any such further documents necessary to subject and subordinate the Agreement and any interest of the Authority in the Redevelopment Property and the Minimum Improvements to the BankVista Documents and all renewals or replacements thereof.
2. The Authority hereby acknowledges and agrees that the indebtedness secured by the Mortgage is for the purpose of financing the construction of the Minimum Improvements on the Development Property, and as such, is authorized by the terms of the Agreement.
3. The Authority hereby confirms that all rights of reversion of the Development Property to the Authority as provided in the Agreement and the Deed, are subject to the BankVista Documents and that such reversion of title shall not defeat, render invalid, or limit in any way the lien of the Mortgage, or the rights and remedies of BankVista under the BankVista Documents.
4. This Subordination Agreement shall inure to the benefit of BankVista and its successors or assigns, including any assignee of the Mortgage and shall bind the Authority and its successors and assigns.
5. Upon the event of any default of Borrower under the BankVista Documents and the expiration of any applicable cure period BankVista at its option may complete or cause the completion of the Minimum Improvements, and upon completion of the Minimum Improvements the Authority shall issue a Certificate of Completion of the Project in recordable form as required by the Agreement. Nothing contained in this paragraph

shall be deemed to prevent BankVista from commencing foreclosure proceedings or pursuing any other remedy it may have under the BankVista Documents.

IN WITNESS WHEREOF, the Authority has executed this Subordination Agreement as of the day and year first above written.

South St. Paul Economic Development Authority

By: _____

James P. Francis
President

Ryan Garcia
Executive Director

State of Minnesota

County of Dakota

The foregoing instrument was acknowledged before me on this _____ day of August, 2018 by James P. Francis and Ryan Garcia, the President and Executive Director, respectively, of the South St. Paul Economic Development Authority.

Notary Public

This Instrument was drafted by:
Stearns County Abstract & Title Co.
21 Courthouse Square
St. Cloud, MN 56303



EDA Agenda Item Report

Date: August 6, 2018

EDA Executive Director: _____

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6-A

Agenda Item: Approval of Land Acquisition and Disposition Policy, Resolution 2018-21

Action to be considered:

Motion to approve Resolution 2018-21, establishing a Land Acquisition and Disposition Policy.

Overview:

State Statutes provide the EDA with the authority to acquire and dispose of property for economic development purposes. The EDA is the owner of a significant amount of real property throughout the community, with a particularly heavy concentration of lands located in areas guided and zoned for commercial, industrial, and mixed-uses. Virtually all of these properties were originally acquired by the Housing and Redevelopment Authority (HRA) through a variety of means and over a number of decades. Long-term, staff's objective is to continue to strategically position most of these properties for future development. We feel that a general set of guidelines, such as those contained in the proposed policy, are important to help the EDA into the future as opportunities to acquire and/or dispose of property become apparent.

Attached is a listing of properties currently owned by the EDA (or, in a few cases due to title issues, by the HRA). While it's not currently a component of the proposed policy or the requested action, staff would like to engage the EDA in the near future in a strategic discussion about the property currently owned by the EDA. Our hope is that coupled with the policy we can identify short-term and longer-term priorities for disposition through a more formal disposition strategy.

Funding Sources and other fiscal considerations:

The Policy has no direct fiscal impacts. However, it does establish a framework and general expectation for more formally integrating obvious (purchase, sale proceeds) and subtle (diligence, property maintenance, tax impacts) financial considerations into the decision-making process.

Attachments:

Resolution 2018-21

Draft Policy

Listing of EDA-owned Properties

South St. Paul Economic Development Authority
Dakota County, Minnesota

RESOLUTION NO. 2018-21

**RESOLUTION APPROVING ADOPTION OF LAND ACQUISITION AND DISPOSITION
POLICY**

WHEREAS, the South St. Paul Economic Development Authority (the “EDA”), operating for and in the City of South St. Paul (“the City”), is empowered by Chapter 469 of Minnesota Statutes to acquire and dispose of land for public purposes including for the furtherance of economic development; and

WHEREAS, the EDA desires to exercise such powers of acquisition and disposition in a strategic, thoughtful, and consistent manner; and

WHEREAS, the EDA acknowledges that an Acquisition and Disposition Policy will be effective in providing general guidance when the EDA considers opportunities to acquire and dispose of property.

NOW, THEREFORE, BE IT RESOLVED THAT the Land Acquisition and Disposition Policy as presented at the regular meeting on August 6, 2018 is hereby adopted and shall guide the EDA’s land acquisition and disposition decisions henceforth.

Adopted this 6th day of August, 2018.

President, James P. Francis

Executive Director, Ryan Garcia

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
LAND ACQUISITION AND DISPOSITION POLICY

SECTION 1. PURPOSE OF POLICY. The purpose of the Land Acquisition and Disposition Policy (the “Policy”) is to provide a set of general directions for all non-residential lands that are acquired or sold by the City and/or the South St. Paul Economic Development Authority (the “EDA”), a power provided to the Authority under Minnesota Statute §469.101, Subd. 2, and enabling resolutions adopted by the City of South St. Paul. The Authority withholds the right to deviate from this policy if it is determined that unique circumstances warrant the deviation, provided that the Authority enumerates its reasons for their deviation within the public record.

SECTION 2. AUTHORITY. Unless otherwise provided in the Policy, the Board of Commissioners delegates to the Executive Director the authority:

- A. To act as the lead agent in negotiating the acquisition and disposition of property on behalf of the EDA;
- B. To contract with third parties on behalf of the EDA for the purposes of acquisition and disposition of property;
- C. To determine the fair market value of a property owned by the EDA; and
- D. To determine the potential for renovation, reuse, repurposing, or redevelopment of commercial property being considered for acquisition or disposition.

The Authority provided in this Section 2 may only be exercised consistent with this Policy. The action of any EDA commissioner or staff will have no effect unless ratified by action of the Board of Commissioners. Exceptions to the Policy may be approved by the Board of Commissioners following a presentation and justification by the EDA Executive Director or his/her designee.

SECTION 3. DEFINITIONS

- A. “*Commercial Property*” means any non-residential property, including commercial, industrial, and mixed-use properties and all residential properties with five or more units.
- B. “*Development plan*” means a comprehensive plan for the development or redevelopment of commercial property submitted by a qualified end-user for approval by the EDA and other governmental bodies with approval authority.
- C. “*Qualified end-user*” means an end-user who meets the EDA’s general disposition requirements and can demonstrate sufficient capacity to successfully redevelop vacant commercial property consistent with a proposed development agreement and applicable city plans, ordinances, and development standards.

SECTION 4. ACQUISITION OF PROPERTIES.

- A. *General Considerations.* The EDA may acquire vacant, abandoned, underutilized and tax-forfeit property to further its mission as established in State Law and local enabling documents. In determining whether to acquire a property, the EDA will target those properties that meet one or more of the following criteria:
- i. There is a qualified end-user committed to purchasing and returning the property to productive use.
 - ii. The EDA will prioritize its acquisition resources, including any funds allocated for due diligence (prior to acquisition), demolition, maintenance, and renovation based upon the following general criteria:
 - a. In neighborhoods and districts with an active neighborhood plan or plans, developed with direct input from neighborhood businesses, residents, organizations, and institutions;
 - b. Where the targeted and strategic elimination of blighting influences will make an impact on the overall stability of the surrounding area;
 - c. Where acquisition can be expected to stabilize neighborhoods and preserve property values; and
 - d. Where investment in the acquisition will leverage funds from private partners and/or existing federal, state, regional, or county programs.
 - iii. The EDA’s acquisition of the property is essential for the short- or long-term assembly of land for future development to a higher and better standard than exists upon and adjacent to the property. A decision to acquire property for land assembly purposes will be based on availability of resources, the viability of proposed future development, end-user commitment, and any other pertinent factors.
 - iv. The redevelopment of the property will support strategic development efforts, is likely to act as a catalyst for further development, or is part of a comprehensive development plan and/or targeted acquisition strategy.
 - v. Acquisition will support public infrastructure, which may include public open space to support existing or proposed development.
 - vi. Acquisition will help stabilize or improve neighborhood conditions by reducing blighting influences.
 - vii. There is an existing market for the property, but environmental issues, title issues, or similarly uniquely challenging issues inhibit the ability to develop the property to its highest and best use.
 - viii. The property is not leased or otherwise occupied at the time of acquisition by a non-owner entity.
 - ix. Acquisition of the property will further the EDA’s mission and the EDA has the resources to maintain and market the property.
- B. *Pre-Acquisition Considerations*
- i. The EDA may acquire a property only after it has determined that acquiring the

property is a strategic priority in keeping with the EDA’s mission and in the best interests of the EDA and the City of South St. Paul.

- ii. The EDA will assess the condition, marketability, potential holding and maintenance costs, and possible end users of every property prior to acquisition. When possible, the EDA will conduct a complete condition assessment of all structures prior to acquisition, and in cases where environmental contamination is known or suspected to exist will conduct environmental due diligence.
- iii. Prior to acquisition, the EDA will ensure that it has available funds to hold and maintain the property for an extended ownership period.
- iv. The EDA will only acquire property that has clear and marketable title, except for delinquent property taxes and/or assessments which may be abated.

C. *Post-Acquisition Considerations*

- i. Upon acquiring any property that contains a structure or structures, the EDA will conduct a complete assessment of structure conditions (if not already conducted), secure the property, add the property to its maintenance schedule, and assess the marketability of the property.
- ii. As soon as is practical following acquisition, the EDA will move forward with property disposition, demolition, and/or marketing.
- iii. Upon acquiring a property, the EDA will make its ownership known to the public. If the EDA has been in meaningful contact with a prospective end-user or other interested party prior to acquisition, it will communicate its ownership of the property to the interested party or parties.

SECTION 5. DISPOSITION OF EDA-OWNED PROPERTIES.

A. *General Considerations and Prohibitions.*

- i. An individual or business entity that was the former owner of a property at the time of any tax forfeiture action may not subsequently qualify as an end user for that property. This includes shareholders, partners, members, and officers of the business entity and immediate family members of any individual owner.
- ii. A prospective end user may own no real property that meets any of the following criteria:
 - a. Has any unremediated citations or violations of local and/or state codes and ordinances, or has a recent history of prosecution for such violations in a court of competent jurisdiction;
 - b. Is tax delinquent, or was tax delinquent when the prospective end-user transferred the property and the property remains tax delinquent;
 - c. Was subject to a judgment in a tax foreclosure proceeding in the past five (5) years or has a history of foreclosure judgments of any kind; or
 - d. Has any delinquent account with any City utilities providers, whether such account is occupied by the prospective end-user or a tenant, land contract vendee, or family member of the prospective end user.

- iii. The proposed end-use must be consistent with local development plans. Transactions will be structured in a manner that permits the EDA to enforce conditions upon title pertaining to development and use of the property, consistent with this Policy.
 - iv. The proposed end-use must be consistent with current zoning and special use requirements, or a rezoning, use permit or variance, and any other land use approvals must be obtained as a condition of the transfer.
 - v. The EDA reserves the right to convey or not to convey real property, or to convey real property in the way that constitutes the best long term end-use for the property, its neighborhood context, and the City as a whole by preserving or promoting sound city planning principles and practices.
 - vi. The EDA will prioritize commercial property end-users who can demonstrate that their development plan will accomplish some or all of the following goals:
 - a. Preserve or increase property values;
 - b. Create new businesses or employment opportunities;
 - c. Create new housing opportunities;
 - d. Assist in the remediation of a brownfield site;
 - e. Increase the marketability of proximate properties; and
 - f. Increase access to and utilization of modes of transportation in addition to the personal vehicle.
 - vii. The EDA may sell, lease, or license vacant land to qualified end-users at its discretion.
 - viii. If vacant land is eligible to be developed for new commercial, industrial, or mixed-use, the EDA and a purchaser will negotiate a purchase price and enter into a purchase agreement for the property.
- B. *Marketing and Pricing Considerations* – The EDA acknowledges that circumstances surrounding each property disposition are unique. Thus, the EDA will utilize a variety of processes to market and dispose of property.
- i. The EDA will include an inventory of properties on its website, including asking price.
 - ii. The EDA will leverage its relationship with Progress Plus Economic Development Partnership to market EDA-owned properties through third-party online resources such as the MNCAR Exchange.
 - iii. The EDA will consider utilizing outside brokerage services to market EDA-owned properties for disposition. The Executive Director will notify the Commission in the event that outside brokerage services are retained.
 - iv. The EDA may issue Requests for Proposals to encourage competitive bids for development property with a specific development plan.
 - v. The EDA will consider direct solicitation and sales with qualified developers or end-users, in accordance with procedures laid out in this Policy and State Statutes.
 - vi. Property pricing will be established by using a competitive market analysis, Automated Valuation Model, or an appraisal.
 - vii. The EDA acknowledges that development projects can serve significant public purposes, such as expanding employment opportunities and increasing the

property tax base, and as such reserves the right to consider pricing below appraised fair market value to encourage redevelopment and infill development in challenging contexts.

- viii. The EDA reserves the right to require a review of financial information prior to disposing of property.

EDA-Owned Property Listing (as of 8/6/2018)

6-A

Parcel ID	Address	Total Estimated Value	Total Acres	Total Lot Sq. Ft.		Parcel ID	Address	Total Estimated Value	Total Acres	Total Lot Sq. Ft.
36-48841-03-012		\$ 370,100	3.78	164,511		36-70202-02-050	1029 CONCORD ST N	\$ 39,900	0.15	6,600
36-48843-01-050	121 HARDMAN CT	\$ 285,600	2.43	105,769		36-72800-02-160	1470 EVANS AVE	\$ 37,500	0.14	6,141
36-48843-01-060	285 HARDMAN AVE S	\$ 256,300	2.18	94,920		36-75100-10-060		\$ 18,500	0.12	5,103
36-80100-03-238		\$ 217,000	1.84	80,281		36-64300-17-170		\$ 2,600	0.12	5,160
36-03800-00-061		\$ 241,000	1.84	80,348		36-64300-17-190		\$ 2,600	0.12	5,160
36-15051-01-010	110 BRIDGEPOINT CT	\$ 232,500	1.78	77,486		36-64300-17-200		\$ 2,600	0.12	5,160
36-72850-05-162		\$ 318,900	1.54	67,231		36-64300-17-130		\$ 2,600	0.12	5,160
36-72850-06-142		\$ 12,400	1.36	59,173		36-64300-17-140		\$ 2,600	0.12	5,160
36-80100-01-476		\$ 88,900	1.3	56,809		36-64300-17-160		\$ 2,600	0.12	5,160
36-72850-04-181		\$ 248,800	1.21	52,798		36-64300-17-180		\$ 2,600	0.12	5,160
36-70209-24-430		\$ 91,400	1.15	49,954		36-64300-17-150		\$ 2,600	0.12	5,160
36-42800-00-110		\$ 137,800	1.05	45,935		36-24750-01-311		\$ 25,700	0.12	5,395
36-15051-00-010		\$ 93,500	0.96	41,664		36-26100-01-010	159 9TH AVE N	\$ 39,300	0.12	5,020
36-72850-02-285		\$ 307,500	0.94	41,140		36-45300-10-120	1624 CONCORD ST S	\$ 38,000	0.11	5,000
36-15050-01-010	136 GRAND AVE E	\$ 241,000	0.91	39,494		36-48800-04-140	152 12TH AVE S	\$ 32,200	0.11	4,971
36-72850-03-231		\$ 142,300	0.81	35,315		36-70300-24-110	704 MARIE AVE	\$ 24,000	0.11	4,799
36-18600-02-102		\$ 18,900	0.62	26,793		36-48800-04-150	156 12TH AVE S	\$ 32,200	0.11	4,948
36-72800-02-150	1641 OUTLOOK AVE	\$ 51,200	0.6	26,102		36-45300-10-110	1628 CONCORD ST S	\$ 38,000	0.11	5,000
36-70209-23-014		\$ 122,900	0.56	24,588		36-70300-24-040	131 7TH AVE N	\$ 35,600	0.11	4,800
36-70210-02-070		\$ 67,300	0.51	22,419		36-24750-04-090		\$ 19,500	0.11	4,873
36-72850-08-120		\$ 15,800	0.46	20,030		36-75100-10-040		\$ 10,700	0.1	4,313
36-71500-18-143		\$ 142,600	0.46	19,847		36-75151-09-190		\$ 7,200	0.1	4,530
36-71500-18-200		\$ 143,900	0.44	19,289		36-48841-03-011		\$ 7,300	0.1	4,169
36-72850-05-041		\$ 8,800	0.41	17,682		36-24750-04-040	525 CONCORD ST N	\$ 17,400	0.1	4,362
36-75151-09-352		\$ 100	0.39	16,957		36-70202-03-200		\$ 35,500	0.1	4,307
36-64300-20-091		\$ 72,600	0.37	16,124		36-75100-10-020		\$ 9,200	0.09	3,705
36-32550-16-030		\$ 31,800	0.34	14,999		36-75100-10-030		\$ 10,000	0.09	4,009
36-15240-02-022	200 CONCORD EXCH	\$ 245,200	0.32	14,007		36-75151-09-180		\$ 7,200	0.09	4,068
36-64300-20-050		\$ 85,500	0.32	14,131		36-24750-04-120		\$ 16,100	0.09	4,024
36-03800-00-053		\$ 37,700	0.31	13,471		36-42800-00-120		\$ 10,000	0.09	4,000
36-64300-20-030		\$ 80,300	0.3	13,134		36-71500-18-060		\$ 24,000	0.08	3,451
36-71500-21-181		\$ 39,600	0.26	11,272		36-75151-09-170		\$ 7,000	0.07	3,006
36-48800-04-130	144 12TH AVE S	\$ 58,200	0.23	9,943		36-24750-04-110		\$ 12,900	0.07	3,224
36-73200-01-090		\$ 45,500	0.23	10,000		36-15260-00-270		\$ 21,200	0.07	3,029
36-70205-02-120	811 CONCORD ST N	\$ 42,500	0.23	10,046		36-15260-00-230		\$ 17,100	0.07	2,847
36-70202-02-030		\$ 48,000	0.23	9,900		36-15260-00-250		\$ 20,500	0.07	2,922
36-75100-10-090		\$ 70,600	0.23	10,086		36-15260-00-260		\$ 20,700	0.07	2,959
36-73200-01-050		\$ 50,000	0.23	10,000		36-15260-00-240		\$ 20,200	0.07	2,885
36-75100-11-120		\$ 27,800	0.21	8,976		36-71500-18-210		\$ 25,400	0.07	3,144
36-02700-01-050		\$ 25,500	0.2	8,500		36-71500-18-250		\$ 21,400	0.07	3,062
36-26900-00-080	1479 CONCORD ST N	\$ 42,600	0.2	8,517		36-71500-18-220		\$ 25,400	0.07	3,123
36-75100-11-110		\$ 27,800	0.19	8,416		36-71500-18-240		\$ 25,400	0.07	3,082
36-64300-20-100		\$ 70,900	0.19	8,420		36-71500-18-230		\$ 25,400	0.07	3,103
36-75100-11-130		\$ 27,800	0.18	7,905		36-75151-09-160		\$ 7,000	0.06	2,746
36-75100-11-100		\$ 27,800	0.18	7,693		36-75151-09-200		\$ 7,000	0.06	2,716
36-64300-20-071		\$ 29,800	0.18	7,688		36-24750-04-060		\$ 9,700	0.06	2,428
36-75100-11-090		\$ 27,800	0.17	7,460		36-24750-04-070		\$ 9,700	0.06	2,432
36-18601-00-150		\$ 4,700	0.17	7,610		36-64300-20-010		\$ 30,700	0.06	2,562
36-70300-24-070	119 7TH AVE N	\$ 38,800	0.17	7,199		36-75100-10-120		\$ 19,000	0.06	2,708
36-70300-24-060	127 7TH AVE N	\$ 40,700	0.17	7,199		36-24750-04-050		\$ 9,700	0.06	2,425
36-70300-24-100	105 7TH AVE N	\$ 38,700	0.17	7,199		36-75100-10-110		\$ 18,600	0.06	2,658
36-32550-12-181	150 3RD AVE S	\$ 43,900	0.17	7,284		36-75100-10-100		\$ 19,300	0.06	2,754
36-70300-24-090	115 7TH AVE N	\$ 38,800	0.17	7,199		36-75100-10-130		\$ 19,000	0.06	2,709
36-45300-10-140	1622 CONCORD ST S	\$ 45,000	0.17	7,500		36-15260-00-220		\$ 19,700	0.06	2,810
36-64300-20-060		\$ 37,100	0.17	7,439		36-18600-02-042		\$ 500	0.05	2,161
36-42800-00-220		\$ 13,700	0.16	6,837		36-02700-01-033		\$ 3,600	0.04	1,699
36-71500-22-010		\$ 19,500	0.16	6,794		36-02700-01-040		\$ 1,400	0.02	963
36-71500-18-080		\$ 48,000	0.16	6,840		36-24750-04-030		\$ 100	0.01	458