

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

**Special Meeting
January 30, 2017
City of South St. Paul Training Room**

1. CALL TO ORDER

Chair Francis called the meeting to order at 6:34 p.m.

2. ROLL CALL

Members Present: Chair Francis, Commissioners Forester, Podgorski, Flatley and Hansen (arrived at 6:39 p.m.)

Members Absent: Commissioners Rothecker and Seaberg

Staff Present: EDA Executive Director Ryan Garcia, City Administrator Stephen King, Secretary Edie Kleinboehl and Legal Counsel Bridget Nason

Others Present: Leroy Jones, Controller, Sojos, LLC, Chris Jaromin, VP Operations, WellPet, LLC and Ross Benitz, Manager of State and Local Tax, Grant Thornton, LLP

3. AGENDA

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

Motion carried 4 ayes/0 nays

4. CONSENT

There were no consent items.

5. PUBLIC HEARING

A. Public Hearing for a Minnesota Department of Employment and Economic Development (DEED) Minnesota Investment Fund (MIF) Application related to the WellPet, LLC (Sojourner Farms, LLC) relocation and expansion project – EDA Resolution 2017-2

Mr. Garcia reported the Minnesota Investment Fund (MIF) funded by the Minnesota Department of Employment and Economic Development is intended to foster job growth and capital investment in the state of Minnesota by providing financing for private sector projects.

WellPet's acquisition of Sojourner Farms (Sojos) of Minneapolis has necessitated the need to expand its manufacturing for the Sojos brand. To assist in the endeavor Sojourner Farms intends apply for a \$200,000 MIF loan for a 7-year term at 2%. The City has the option to forgive \$80,000 if certain capital expenditure, job creation and wage targets are met. Funding will be utilized to assist in the financing of the buildout of approximately 88,000 square feet of the 201 Armour Avenue building. Fifty-five existing jobs will relocate from Minneapolis to South St. Paul in 2017 with a target of 27 newly created jobs over the next two years, at an annual average wage of \$43,323. Total investment is estimated to be more than \$15 million.

Discussion ensued.

Company representatives responded to the Commissioners questions regarding job relocation and odors.

Motion/Second Commissioner Podgorski moved and Commissioner Hansen seconded the motion to open the public hearing

Motion carried 5 ayes/0 nays

There was no one present to comment on the application.

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

Motion carried 5 ayes/0 nays

Motion/Second: Motion by Commissioner Flatley and seconded by Commissioner Podgorski to approve EDA Resolution 2017-2, supporting a Minnesota Investment Program application in connection with Sojourner Farms, LLC relocation and expansion in the City of South St. Paul.

Motion carried 5 ayes/0 nays

6. GENERAL BUSINESS

CLOSED SESSION

Motion/Second: Motion by Commissioner Podgorski and seconded by Commissioner Flatley to close enter into a Closed Session for the purpose of:

A. Developing or considering offers or counteroffers for the purchase of property located at 131 7th Avenue North

Motion carried 5 ayes/0 nays

Motion/Second: Motion by Commissioner Podgorski and seconded by Commissioner Hansen to open the meeting.

Motion carried 5 ayes/0 nays

7. ADJOURNMENT

Motion/Second: Commissioner Flatley moved and seconded by Commissioner Podgorski seconded by motion to adjourn the meeting at 7:03 P.M.

Approved: February 13, 2017

Edie Kleinboehl, Secretary