

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

Regular Meeting
October 5, 2020
City Council Chambers – South St. Paul City Hall

1. CALL TO ORDER

President Francis called the meeting to order at 7:30 p.m.

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, and Legal Counsel Peter Mikhail.

3. AGENDA

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

Motion carried 7 ayes / 0 nays

4. CONSENT

- A. EDA Meeting Minutes of September 8, 2020
- B. Approval of Subordination Agreement – Resolution 2020-17
- C. Approval of Mortgage Satisfaction - Resolution 2020-18

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

Motion carried 7 ayes / 0 nays

5. PUBLIC HEARINGS

- A. Approval to Convey Real Property at 200 Concord Exchange South – Resolution 2020-14

Mr. Garcia provided a summary of the proposal by Thomas Nguyen to acquire and renovate the EDA-owned property at 200 Concord Exchange South for occupancy by his mortgage office. The property has been vacant since 2010.

President Francis opened the public hearing at 7:34 p.m. and called for public comment. None was received and the public hearing was closed at 7:36 p.m.

Motion/Second: Commissioner Dewey moved and Commissioner Kaliszewski seconded approval Resolution 2020-14, approving and authorizing the conveyance of real property at 200 Concord Exchange South to Thomas Nguyen subject to terms of a purchase agreement.

Motion carried 7 ayes / 0 nays

6. GENERAL BUSINESS

- A. Authorizing an Application for the Minnesota Department of Employment and Economic Development’s Contamination Cleanup Program for the Redevelopment of 201 – 205 Concord Exchange North, Resolution 2020-15
- B. Authorizing an Application for the Metropolitan Council’s Tax Base Revitalization Account for the Redevelopment of 201 – 205 Concord Exchange North, Resolution 2020-16

Mr. Garcia advised that Items 6-A and 6-B were related to the redevelopment of the property at 201 – 205 Concord Exchange (“The Yards” residential project). The Met Council and DEED offer funds for the cleanup of brownfields sites and the EDA is applying on behalf of the developer, Beard Group, for these funds. Up to 88% of the eligible cleanup costs totaling an estimated \$850,000 may be funded through these programs. The developer would pay any required matching costs.

Motion/Second: Commissioner Hansen moved and Commissioner Flatley seconded approval of Resolutions 2020-15 and 2020-16.

Motion carried 7 ayes / 0 nays

- C. Approval of Lease Agreement with JBL Properties, LLC / Twin City Pallet Company - 139 Grand Avenue East

Mr. Garcia summarized a proposed leaseback agreement for property at 139 Grand Avenue. The EDA will close on acquisition of the property in October 2020 and lease the property back to the seller, who is the current occupant, for a period not to exceed 26 months.

Motion/Second: Commissioner Seaberg moved and Commissioner Forester seconded approval of Resolution 2020-19, approving and authorizing a lease agreement with JBL Properties/Twin City Pallet Co., subject to minor revisions by the City Attorney.

Motion carried 7 ayes / 0 nays

D. Authorization to Execute a Preliminary Development Agreement with DRS Investment VIII LLC

Mr. Garcia presented the preliminary development agreement for the Concord Flats project at the northwest corner of Concord Exchange North and Veterans Memorial Drive with DRS Investment VIII LLC. The project clarifies pre-development due diligence steps and cost-sharing and establishes timelines to advance to a more formal development agreement and process. Mr. Garcia clarified that the agreement and the anticipated Tax Increment Finance district for the project would not include the Drover or a vacant EDA-owned property at the northeast corner of Veterans Memorial Drive and Concord Exchange.

Motion/Second: Commissioner Flatley moved and Commissioner Forester seconded approval of a preliminary development agreement with DRS Investment VIII LLC for the “Concord Flats” project.

Motion carried 7 ayes / 0 nays

7. FUTURE FOLLOW-UP

Mr. Garcia provided an update on the CARES Act small business development program. The City received 38 applications and 22 applicants were selected through a randomized lottery process.

Mr. Garcia notified the EDA that Vandalia Glassworks was expanding into the previously vacant space at the south end of their building.

8. ADJOURNMENT

TIME:

Motion/Second: Commissioner Seaberg moved and Commissioner Hanson seconded the motion to adjourn the meeting at 7:57 p.m.

Motion carried 7 ayes / 0 nays

Renee Schmitt

Renee Schmitt, Secretary