



**Economic Development Authority  
Regular Meeting Minutes  
Tuesday, June 11, 2024  
4:00 PM**

North St. Paul City Hall – Council Chambers  
2400 Margaret Street

**I. CALL TO ORDER**

President Monge called the meeting to order at 4:05 PM.

**II. ROLL CALL**

**EDA Members**

John Monge, President/Mayor  
Josef Matthews, Vice-President  
Terry Furlong, Member Absent  
Brandon Bramscher, Member  
Peter Gagliardi, Member  
Tim Cole, Council Representative Absent

**Staff/Ex-Officio Members**

Brian Frandle, Executive Director  
Riley Grams, Community Development Director  
Daniel Winek, Finance Director  
Chris Cherne, EDA Secretary

**III. ADOPT AGENDA**

President Monge requested a motion to adopt the agenda.  
M/Matthews, S/Gagliardi.  
Motion carried 4-0.

**IV. APPROVAL OF MINUTES**

A. Approval of April 23, 2024 Special Meeting Minutes  
President Monge requested a motion to approve the April 23, 2024 special meeting minutes.  
M/Bramscher, S/Matthews.  
Motion carried 4-0.

**V. MEETING OPEN TO THE PUBLIC**

No public comments.

**VI. EDA DISCUSSION AND ACTION ITEMS**

A. EDA Budget & Staffing

Winek provided the EDA with a presentation on the EDA budget and staffing. Winek gave a snapshot look on current EDA financial information including \$479,020 in cash and investments as of December 31, 2023. In 2025, per state statute, the City could levy \$248,610, 0.0001813 x \$1,371,264,600. When the City certifies its maximum levy in September, that is the most that the City can levy. However, that number can come down by the time of the adoption of the levy in December. The last few years, the EDA has levied around \$201,000. Expenses in the budget summary include personnel, supplies, contractual services, capital, and transfers from the EDA

budget to the general fund. The EDA will have the opportunity to adjust the expenditures. The goal of the EDA is to reduce the percent allocation of the EDA budget for the Community Development Director and increase the amount under General Contract/Consulting Services.

Winek discussed the personnel summary for the EDA and the following allocations: City Manager at 0.10, Community Development Director at 0.50, Administrative Assistant at 0.20, and Assistant to the City Manager at 0.10. At the previous EDA meeting, Winek's recommendation was to reduce the allocation for the Community Development Director so that the EDA can use those funds for a consultant in the future, but to do so over time. This is going to be a tough budget year for the general fund. The City has all of its contracts coming up along with the normal cost of living adjustments. With those alone, the City is looking at a 7.5% levy increase.

Matthews stated that the last four years the EDA levied \$200,000. If the EDA levy offsets the cost of staff, is the EDA saving any money? Winek discussed the changes in net position on the budget sheet. In 2021, there was a positive \$143,201. In 2022, there was a negative \$56,643 (when the EDA approved a forgivable loan). There was a positive change in net position in 2023 as well. This is an indication that the EDA has not spent all of the money that has been budgeted, and that is why he would recommend to keep the levy the same. However, that could change in the future with the implementation of the Façade Improvement Program.

Winek presented 6 options for decreasing the Community Development Director's allocation. Winek asked if there is a percentage that the EDA believes the Community Development Director should be at. Monge and Matthews stated that the EDA has not felt that they were getting a return on investment in regards to the allocation. Matthews stated that the focus of the next few meetings should be to figure out how the allocation will be stepped down, and have a plan in place and stick to the plan to help stabilize the taxes in the City. Monge stated that the Community Development Director can keep a tally of how many hours they spend on the EDA. Frandle asked if it makes sense to move from 50% allocation to 40%. Winek stated that that is what he would recommend. This move is an \$18,032 impact to the general fund and a .25% impact to the levy. Winek stated that he would not be comfortable increasing the EDA levy unless the EDA can prove a real need for an increase.

#### B. Façade Improvement Program

Winek reached out to the Cities of Oakdale and Northfield inquiring about their own façade programs. The City of Oakdale had a Building Rehabilitation Loan program that has since been discontinued. Throughout their program, they had about a dozen loans around \$10,000 to \$20,000 with 10-year repayment plans at 2% interest. The City of Northfield currently has a Façade Improvement Grant Program that ran from 2020-2022 and restarted from 2024-2026. Winek provided the requirements and applications for each city's program. Winek stated that there are statutes that state EDAs may make loans to businesses, but he cannot find the authority to do a grant. Winek stated one of the things that they are looking into is that if the EDA cannot do a grant, they could do a loan with some interest to it, or it can be a forgivable loan that sunsets over a number of years.

Winek stated that the EDA must determine whether there is a specific area for eligibility, criteria and how much money they want to give. Winek urged appropriate scoring and weighing procedures and a publicly available, fair and transparent process. A lot of work still needs to be done. Matthews stated that the idea of the City offering loans is concerning, because that is not the City's job.

#### C. EDA Meeting Schedule

Frandle stated that the EDA had once held quarterly meetings, and going back to quarterly meetings is something that has been brought up. Frandle asked for the EDA's thoughts and input. Monge stated that the EDA does have some things coming up as soon as the Article No. 7

building is done. As soon as they receive their certificate of occupancy, there is one year to get businesses into the live/work units. Bramscher asked what size the commercial spaces are. Monge stated they are not large, but they can be combined to make a larger space. Monge stated he would like to meet again sooner rather than later. The EDA agreed to continue meeting every second Tuesday of the month at 4:00 PM moving forward.

#### D. EDA Project Updates

Frandle provided updates on the following EDA projects:

- **Article No. 7:** Construction is underway and planned to be completed and open for move-in by the fall of 2024. A temporary leasing office is currently being set up on the NW corner of 7<sup>th</sup> Ave E and Margaret St N.
- **Delaware Place Plat (2329 17<sup>th</sup> Avenue):** Doug Andrus of Andrus Built, LLC entered into a contract for private development with the City to build 10 townhouse units on the City-owned property at the NE intersection of 17<sup>th</sup> Ave and Delaware Ave. A preliminary plat, planned unit development and rezoning application was considered by the Planning Commission through a public hearing on May 2, and the City Council approved on May 21. The Applicant is currently working with the watershed district in regards to the onsite stormwater pond. Next steps include final plat, planned unit development, and the development agreement.
- **Margaret Street Commons:** There are some parties interested in the development of Margaret Street Commons. One party will present their ideas to the City Council during their workshop meeting on June 18.
- **Taco Bell (Formerly Oil Can Henry's):** Demolition has occurred and the project is underway for a new Taco Bell at 2371 McKnight Rd N.
- **Pine Tree Center:** Staff have attempted to reach the property owner on multiple occasions but have not been successful in getting a hold of him.
- **Pizza Factory:** There are new owners of the Pizza Factory business, now named Buddy's Pizza Factory, and they currently are operating out of the same tenant space at Pine Tree Center.

## VII. **UPDATES**

### A. Staff Updates

Frandle stated that consultants can do broker work for the EDA. If a developer is out of state, for example, a consultant can promote the City of North St. Paul and get its name out there. Frandle spoke with Baker Tilly who will get the EDA some information at a future time.

### B. EDA Member Updates

Bramscher shared that he is the owner of Mac's Diner in North St. Paul and that he is committed to the City of North St. Paul, as he grew up here. There are so many great things happening in the City. There has been a stagnant period; however, in the last few years, there has been a revitalization. Bramscher shared that he hopes to play a role in this momentum.

Gagliardi stated that he moved to North St. Paul with his wife 7 years ago, and he originally grew up in Hudson. His wife and family live in the surrounding area. When they were looking for homes, they discovered the City of North St. Paul. The City had a great home, and has a great neighborhood life. Gagliardi shared that he encourages more young families to move to North St. Paul. Gagliardi stated that he currently works in sales for NetSuite Consulting, and worked for an agricultural drone company prior. He and his brothers opened a branch up in Oakdale. Perhaps one day they will move the branch to North St. Paul.

Matthews stated he is glad to be back in the chair and having a meeting. He shared that he is very excited to have Bramscher and Gagliardi on the EDA. It is fun to be a part of the EDA and to see growth in the City.

Monge stated that he is excited to have Bramscher and Gagliardi on the EDA and encouraged the group to continue working hard.

**VIII. ADJOURNMENT**

President Monge requested a motion to adjourn the meeting.  
M/Mathews, S/Gagliardi to adjourn the meeting at 5:23 PM.  
Motion carried 4-0.

**The next regularly scheduled Economic Development Authority meeting is Tuesday, July 9, 2024 at 4:00 PM.**

Members, please notify any planned absences to:

Chris Cherne  
EDA Secretary  
651-747-2440  
[chris.cherne@northstpaul.org](mailto:chris.cherne@northstpaul.org)