City of North Saint Paul
June 17, 2025
Approved City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Monge called the meeting to order at 5:19 p.m.

II. ROLL CALL

Present: Council Member Nordby
Council Member Woods
Council Member McKenzie
Council Member Schweer
Mayor Monge

Staff: City Manager Brian Frandle, Assistant to the City Manager Jennie Kloos, Public Works Director Ron Ritchie, Public Works Superintendent Randy Miller, Finance Director Dan Winek, Communications Ava Griemert and City Attorney Jack Brooksbank

III. ADOPT AGENDA

On motion by Council Member Schweer, seconded by Council Member Woods, with all present voting aye (5-0), motion carried to approve the agenda as submitted.

IV. TOPICS

A. EAPC Update on Community Center Feasibility Study

Communications and Community Outreach Coordinator Ava Griemert presented this item and provided background information on the Community Center. She described the reasons for its operational closure, which included declining membership, financial challenges, increased competition from neighboring facilities, pandemic impacts, and a large amount of maintenance. She described actions voted on by previous councils, current funding, and grant requirements.

Ms. Griemert introduced EAPC Director Michael Clark, Project Manager Andrew Suby, and Ballard King and Associates, Darin Barr.

Mr. Clark described the project parameters. He detailed the Federal and State grant requirements, which included the expansion and renovation of the library, gym, track, and a multicultural gathering space.

Mr. Suby described the lot size, stating there was not much room for expansion of the building. He discussed a potential walking path around the facility with additional details regarding school bus and other bus routes. He provided information on the current facility and noted the amount of necessary maintenance improvements.

Mr. Clark provided an estimated cost of the necessary maintenance work. The total for hard construction costs would be approximately $6.5 million in accessibility, exterior, and interior repairs, mechanical and electrical systems, and technology upgrades. He added that soft costs are approximately an additional $1.6 million. He noted that with the grant funding secured, this would be a cost to the City of approximately $3 million, which would include an allowance for the replacement of the gym floor and a tenant-leased arrangement with renovations made by the tenant if needed.

Mr. Clark discussed the guiding principles of the grant requirements that include: community-owned, recreation element, multicultural, and library system. He also created a list of should-haves of the Community Center that included: a long-term solution, a public/private partnership, and sustainable programming.

Mr. Frandle noted the sustainability requirements of State and Federal grant funding.

Mr. Barr noted the City's boundaries and looked at demographics 10 miles outside the City limits. He looked at other area providers around this facility and expressed the need for price point sensitivity. He also looked at amenities vs revenue production (indoor) regarding minor and major renovations. He included the various options and what kind of revenue could be generated to help offset the costs of operating the Community Center.

Mr. Clark included two Performa options. The details of those options are as follows:

Performa 1:

- Facility leased to paying tenants
- The City owns the building and pays utilities
- Tenants pay for all improvements to their spaces
- Annual City subsidy requirements
- Total annual City expenditures= $427,700

Mayor Monge inquired about additional bonding for the necessary deferred maintenance costs. Mr. Frandle stated that the City is already heavily indebted with the road projects.

Performa 2:

- Facility is operated by the City
- Library is the only paying tenant
- Increased City costs for interior renovations and FF & E
- Annual subsidy required amount is less than Performa 1
- Potential increased revenues with program or membership fees
- Total annual City expenditures-$724,000

Mr. Clark noted other options including demolition of the building, replacement cost of the current facility, demolition of the gymnasium and retention of the Library, leasing the entire building with control of the walking track, the hiring of a leasing agent to market/lease property with costs, and pros and cons to each option. He described the pros that could include selling the property to recoup some costs, keeping the Library and reducing building scale, retention of base grant element, and professional property management assistance. Cons could include the loss of the Library, new construction costs, potential loss of grant, increased City subsidies, control and supervision concerns, and variable cost structures with a lease life of 20 years.

Council Member Woods noted the demolition of the gymnasium would still leave the City with deferred maintenance costs.

Mr. Frandle noted there would be an annual budget of $25,000 for continued maintenance costs.

Mr. Clark described the schedule for the next steps as follows:

- Community engagement - July 2025
- Council report – August 2025
- Council action – to be determined
- Acceptance of State grant – to be determined
- Deferred maintenance project - end of 2027
- Leasing
- Library lease/renegotiation - 2027-2030

Ms. Griemert discussed the public awareness campaign and would be working with Jill Brown to keep residents up to date with emails and information. Communication tools would include email lists, weekly e-newsletters, utility bill inserts with QR code surveys, posters with QR codes, and in-person outreach events.

Council Member Schweer inquired about spreading the cost of updates over time. Mr. Clark noted the immediate needs of the exterior, HVAC, and windows, and if those needs were to be waited on, the sudden failure of any of those would need immediate replacement, with an increase in cost.

Council Member Nordby suggested putting the options out for resident feedback.

Mayor Monge noted the high cost of the Community Center would mean something else from the budget would need to be cut.

Council Member Schweer inquired about additional revenue streams. Mr. Clark noted the connection between potential tenants and the need for the assistance of a leasing agent in order to help with those tenant connections.

Mayor Monge noted the EDA's summary of commercial rent vacancies.

Council Member Woods clarified that the Performa 1 option would include an annual cost to the City of over $100,000 because the Library is not currently paying rent.

Council Member Nordby specified the levy details. He suggested a community outreach event to inform residents of potential levy costs with specific numbers.

Council Member Schweer suggested hearing from the community.

Finance Director Dan Winek discussed the potential for a lower bond rating if the City borrowed more money.

Mayor Monge recommended informing residents of potential impacts to other projects or improvements.

Mr. Clark stated that EAPC will develop the public awareness campaign.

V. ADJOURNMENT

On motion by Council Member Woods, seconded by Council Member McKenzie, with all present voting aye (5-0), the meeting is adjourned at 6:35 p.m.

/s/ John Monge, Mayor

Attest:
/s/ Brian Frandle, City Manager / Clerk