CITY OF NORTH ST PAUL
ECONOMIC & DEVELOPMENT AUTHORITY
MEETING MINUTES

August 17, 2021

3:00 PM

The August 17, 2021 meeting was held in the Sandberg Room at City Hall and via Zoom, and complied with all requirements of Minnesota State Statute 13D.021.

I. CALL TO ORDER

Chair Robert Dew called the meeting to order at 3:00 PM

II. ROLL CALL

Robert Dew, Chair
Kevin Fuller, Vice Chair - absent
Don Jensen, Treasurer
Tom Schifsky, Commissioner - absent
Archie Vickerman, Commissioner
Terry Furlong, Mayor
Tim Cole, Council Representative
Brett Garry, Business Association Representative – absent
Brian Frandle, City Manager

Staff, Lisa Ritchie

III. ADOPT AGENDA

Agenda Adopted

IV. APPROVAL OF MINUTES

Motion to adopt consent agenda by Council Liaison Furlong, and seconded by Commissioner Jensen, with all present voting aye. Motion carried to adopt the August 18, 2021 Consent Agenda.

V. MEETING OPEN TO THE PUBLIC

No members of the public

VI. AUTHORITY BUSINESS AND ACTION ITEMS

A. Update from Joint EDA/Planning/Council Meeting – Select participants for Redevelopment Master Plan review

Robert Dew stated, First item is an update from the joint EDA/Planning commission meeting, we agreed to worthy of taking a look at it and potentially doing a review. The question is how do we get it done and at what level? We are going to put together a group to sit together and have that discussion. We offered to provide at least two bodies from EDA, Planning will provide two and council will provide two. Robert thinks there will be possibly two (60 - 90 minute) meetings. It is not going to be a year-long commission. Don Jensen stated that unless Archie really wants to do it, he (Don) is ok with doing it. Archie agreed with Don taking part. Dew stated that it would be himself and Don Jensen on the committee. Robert questioned how that information could be conveyed back to the planning commission. It was decided that would be handled by staff. Robert confirmed that once planning and council picks their 2 it is just a matter of getting the first meeting on the calendar. Lisa stated that the discussion at the planning commission meeting was if the meeting would be held in the evening rather than afternoon as some of the commissioners are not available during the day. Both Robert and Don agreed that late afternoon/early evening would be fine and also Monday's would be best.

B. Review and recommendation for approval of new public funds assistance policy

Review and recommendation for approval of new public funds assistance policy – Robert inquired as to whether there is a draft out yet. Terry Furlong stated that he has not seen one. Robert stated he put it on the agenda based on a discussion they had with Campbell & Knutson who are drafting it. This ultimately is going to be a policy approved by the city council, whoever it was recommended by council that it be a joint policy rather that EDA having their own policy and council having their own policy. EDA will make recommendation for approval and then ultimately, we'd probably want to adopt it because as and EDA, we want to make sure if we adopt it as a policy, we want to make sure we are following providing funds to provide businesses because in theory they are our funds that we can distribute without council approval. Brian asked if someone was writing it up and Terry Furlong stated Mikayla (Campbell Knutson). The last he heard is that she got the lease agreement and it was forwarded to her
and they were going to work up a policy and sept 7th is the target date to get it to council. Dew: the challenge with that is there isn't an EDA meeting between now and the sept 7th meeting. When it is available it will get circulated the EDA and I will need to find out if we can do a proxy thing by email. Or if we actually have to gather. Hopefully we can get an electronic vote of some sort and that will be acceptable and we'll be able to make recommendations to council to approve on sept 7th. Robert feels it is important the Eda provide that recommendation to the council because with the exception of TIF deals that originates here, a lot of this stuff will be drive by the EDA. We had prior approved the staff to get the 125K grant with collateral to the restaurant coming in so that is going to get formal approval from the council on Sept 7th. Just to be clear, the advice from outside council is we are putting a policy in place that is in keeping with current statues and meets what the city desires as well. This is not an attempt to clean up anything that was previously done, it is just making sure that moving forward make sure it is correct.

C. Discussion on engaging a firm to complete a study regarding downtown parking needs and opportunities

Robert assumes that no one has heard anything about the redemption of that property. Once the 22nd passes then the redemption period is up (referring to the nick-knack shop that the city purchased) providing there is no redemption, the city will own that property and once it is in their hands, they should look to engage a firm (WSB) to do a study on what that component would look like, tied in with a larger connection to the parking lot behind Luther Auction. It is Roberts request that the study be broader, at the entire downtown in depth component should be taking a look at that building and giving us some rough concept docs of what that could look like. Looking for a few proposals with options of what that space could be. Giving us some

very rough concepts of what that could look like. At the next meeting we can look at that proposal. Terry brought up the infrastructure in the parking lot. Robert thinks the proposals should be concept plans and not get into the details of the infrastructure and the in-depth project (including infrastructure such as water and electric) should be looked at more broadly than just the EDA unless there is a difference of opinion and then the details could be included with approximate construction costs. Brian Frandle inquired about what the plans would be if the city does acquire that property. Would it be made into a throughway to 7th Ave?
Dew: there was a broad discussion about what it might be: is there a potential public purpose? The public purpose is that it could be a connection and the down town district/ pedestrian or vehicle. The intent is to create a connection and possible some green space. Brian was wondering if the intent was to do it as a sellable lot for a potential business and Robert confirmed that was not the intent. As part of the redevelopment master plan, one of the things that is in there is green space which was originally earmarked for the corner where the apartments are now located. The thought was to get the Knick knack lot if it is available (which they did) and then figure out the particulars at that point. There was minimal discussion about the details of what will happen with that lot as they are waiting until they own it. Robert thinks the EDA would drive the concepts for it and then hand it over to parks and then parks hand it over to public works for the parking lot and utilities involved and then city council will decide how to pay for it. Lisa mentioned there had been discussion of available grants for some projects and that it would be beneficial if WSB info if could advise in the proposal if grants might be a possibility for funding it. Robert stated that it could be part of the study or be an additional study.
Don Jensen stated that it would be good to get money earmarked to get started. Dews last discussion indicated there was some money earmarked for the parking lot. Terry inquired about adequate lighting in the parking lot and the need for it. Everyone agreed that is very important to have lighting especially for the people who will be visiting the restaurant. Terry stated that is key parking space and would like for it to be as inviting as possible.
Dew summarized the discussion and what is to be expected from WSB (a multi-tier proposal) for what the parking lot could be. Dew will give WSB parameters for the quote.
EDA will then be able to discuss the proposal at their next meeting. Robert stated that he thinks it would be good for staff to contact the county next week after the period of redemption is up to discuss next steps. Terry indicated that he thinks there is still inventory in the building so we will need to do investigation as to what's in there and what we need to do to move forward. Brian inquired about liability exposure for the vacant building. Dew stated we need to look into this as well. And we should get it boarded up and protected from potential liability.

D. Update on discussions with owners of Lily Building

Robert shared what he knew about the status. We had a meeting with the owner (or owner's representative), their broker, the mayor and Robert. The purchase agreement on the building did not go thru. They discussed challenges the owners are having in getting the space sold or occupied.
Dew stated there could be a path where EDA could guide them help them with the challenges that works well with the city. One of the problems they are having is the building has hazardous materials. The first step is underway to get quotes for a survey of what the hazardous materials are. Once completed, they should be able to get an estimate for abatement of the building. Then when they get the estimates in front of them, the EDA will be able to guide them on next steps.
Before any recommendation can be made, they need the facts and some numbers so a sound recommendation can be made. Don Jensen indicated there is still a lot of stuff in the building. He thinks they need to get a metal recycler come thru as there is a lot of salvageable stuff. Lots of steel/metal.
Dew commented, "from an EDA perspective, we just need to be able to advise them on next steps. The city hasn't offered anything yet and until the numbers come in, then the city can take that up as a separate conversation. Rebert stated they did give them some contact information and believes the owners are moving forward with getting that information.

VII. EXECUTIVE DIRECTOR REPORT

Brian Frandle indicated that he didn't have anything

VIII. TREASURER REPORT

Don inquired "what land do we own?" as he looked at a $49,000 figure on the financials. Robert said some of the transactions that have happened over the years were recommended by the council so he doesn't know what was left in the EDA account and what is in the city account. This is something the EDA needs to catch up on before year end. Before 12/31/2021 Robert, the treasurer city manager run thru the financials to determine where things are at. Don indicated that he thinks the EDA money is located in the general funds pool rather than a separate account and Terry concurred.

Robert has questions on who holds what land the city or EDA and it would be good to know. Archie indicated it would be good to know before any audit the may potentially come along. Robert would like to get it on the calendar to meet before December 31, 2021.

IX. CHAIR REPORT

Per Robert, everything had previously been discussed in the meeting

X. MAYOR REPORT

The restaurant is moving forward and the subsidy is also moving forward. He believes a lease has not been signed yet but is being reviewed by attorneys to getting it to a point that it can be publicly announced. The potential restaurant owner has already announced at his class reunion (as he is a North High grad) his intentions of opening a restaurant in that location. These are exciting times for North St Paul as this is something that people have been asking for many years. In addition to that, we just keep moving forward. Brian is doing a great job as interim city manager. As for the new city manager, we are working with an organization to search for a good fit and hope to have them in place by the beginning of December. We have a new police chief starting on Monday. A new finance director is in place and working out well.

Robert Dew asked if the audit is done? Terry stated that we don't know when it will be done. Brian Frandle indicated the information has been turned in and we were told that the ball was in the auditors court. We don't' have any idea of a time frame of when it will be done. Robert Dew stated given the public unveiling of that process, it would seem we would want to have a conclusion to that sooner rather than later. Brian stated the public unveiling didn't come from them and Robert stated that he understands they didn't but it is a known fact the city is under audit. It would also be good to say the audit is complete and we can move forward. Don stated that is would be nice to be cleared from the audit and have something good in the news rather than having this black cloud hanging over us.

XI. REPORTS FROM EDA MEMBERS

Council member Cole stated that he didn't have anything.

XII. REPORTS FROM STAFF

Lisa stated that she has multiple phone calls inquiring on properties available in North St Paul. Several on the BP location and also on Oil Can Henrys. She indicated that people have stated they are reviewing our 2040 Comp plan to get an idea of what the city plans on for development. BP location had an inquiry on the possibility of going industrial (mixed use corridor) and also another inquiry on that going multi-family residential.

The BP (120 & 36) is earmarked for the highway project. Until that's done, we aren't going to give that up.

Dew stated that Scott had been fielding these calls and wanted to confirm that we didn't currently have anyone fielding these calls. Terry pointed out that Lisa is doing this and Robert stated so you're taking the calls but aren't sure of the answers. She said yes and that is why she is asking if these properties are for sale. She confirmed that she now understands the BP site is not for sale and inquired about Oil Can Henry's. Dew stated that Oil Can Henry's is for sale. It is privately owned by Valvoline corporate. Lisa inquired about the property next to Oil Can Henrys wondering if that is for sale.

Lisa stated that a multi-family developer wants to know if there is any opportunity in North Saint Paul at this time. Dew stated that calls like that should find their way to the EDA. Multi-family units can be 4 units or 400 units. It depends on what kind of scale and what they are looking for. For example, the space between the tattoo parlor and Sidewinders, if they wanted to do a small multi family residence, they could do one there. Robert has seen concept plans with retail on the first floor and four to six units above it. But that may not be what they are looking for. Lisa stated if she could just let them know what is available and whether it is city owned or privately owned they could then make the determination if it will work for them or not. Robert stated he thinks there is a link on the city website that shows what is available. Kari confirmed. Kari will share the link with the EDA. She just did some updates on it the other day. City owned and privately owned are listed here. Robert said that is the best place to send people to for reference. Robert also suggested interested parties refer to the redevelopment master plan rather than the 2040 Comp plan is it has more detail on the city's vision for the redevelopment.

Lisa stated along those lines, the redevelopment master plan, she had forwarded to Robert the information on what is permitted use and what requires a conditional use permit. She stated that she and Robert had previously had a conversation and she stated that all new business license applications are reviewed by the planning commission but in fact they are not. If the business is listed as a permitted use, it is only reviewed by the city planner for zoning ordinance. If it is not a permitted use, it would need to go to planning to be reviewed. She asked Robert if that list conflicts with anything that Robert has thoughts on. Robert said to him personally it does but doesn't have control over that. He thinks everything should be conditional use in the downtown district. Lisa stated that it previously had been but that was changed to permitted use and a list created of all permitted uses.

Robert used the example of if the Lily building were purchased and wanted to do XY and Z, they would be allowed to do so as long as it is a permitted use. Lisa confirmed. Don concurred that even if the council tried to override a "permitted" use business, if the business wanted to take a stand, they could take it to court. If it is a permitted use, the city couldn't do anything about it.

Tim Cole inquired about which format would best for the city? Terry stated that right now, the conditional use would. Tim asked if this is something that needs to be readdressed? Robert stated that it is a pretty major undertaking. The downtown used to be referred to as the DD District and everything was conditional use. As a developer it made it very difficult to move quick enough to get things done. It was changed to permitted use with the idea that groups like the EDA could acquire properties as they became available but that fact is the opportunity is missed as the sales are private and unknown to the city until after the fact. Robert feels the undertaking at this point is worth the effort. a better effort is to get someone dedicated on staff that is watching this all of the time from an EDA perspective especially as we build out what we plan to do. The city will still have a say in the redevelopment of downtown. Maybe not for what business will operate but from an architectural standpoint they will be able to dictate how the building will look.

Robert summed up the conversation stating that if a call comes in from a developer, it should be directed to either himself or the mayor.

XIII. FUTURE BUSINESS

Terry stated that we got the ok from the county to make a left turn lane from McKnight into Target. Terry thinks Target may be very receptive to this and possibly fund it. Tim Cole indicated it will add value to all of the surrounding properties. Terry would like to make the connection again with the county to get clarification and confirmation and take the next steps. Robert thinks it will be prudent to reach out to Target but doesn't think the EDA or the city should spend a ton of time on this.

There was discussion amongst the commissioners about the raingardens that are being installed.

Robert stated that it would be good to find the email from the county before they reach out to Target and then talk about that at the next meeting.

The conversation then turned to traffic on McKnight and the opening of Kwik-Trip. Discussing the hours of operation for Kwik-Trip and inquiring about the Holiday Station Stores in North Saint Paul. It was stated that the Holiday stations had limited hours as they are located in residential areas. Terry indicated he is interested in finding out as the Kwik-Trip will be located close to the new apartment buildings that are currently under construction.

XIV. ADJOURN

The meeting adjourned at 4:19 PM.

The next EDA meeting is scheduled for September 14, 2021 at 3:00 PM