



Economic Development Authority
1616 HUMBOLDT AVENUE, WEST ST. PAUL, MN 55118

ECONOMIC DEVELOPMENT AUTHORITY WORK SESSION
MUNICIPAL CENTER
ADMINISTRATION CONFERENCE ROOM
APRIL 25, 2016
4:30 P.M.

1. Open Work Session
2. Roll Call
3. Agenda Items
 - 3.A. Sherman Associates Amended Development Agreement
Estimated time required: 20 minutes

Documents: [SHERMAN AMEND DEV AGREEMENT.PDF](#)
 - 3.B. Discussion Regarding Potential Redevelopment Project At Thompson And Robert Street
Estimated Time Required: 20 minutes. Stacie Kvilvang, Ehlers, will be in attendance

Documents: [THOMPSON - ROBERT ST. PROJECT.PDF](#)
 - 3.C. Town Center I Discussion
Estimated Time Required: 20 minutes This discussion to be held in closed session

Documents: [EDA MEMO - TOWN CENTER I - MAACO 4-25-16.PDF](#)
 - 3.D. EDA Residential Lots Discussion
Estimated Time Required: 15 minutes

Documents: [EDA LOTS.PDF](#)
4. Adjourn

TO:
FROM:
DATE:

EDA PRESIDENT AND BOARD
EXECUTIVE DIRECTOR
APRIL 25, 2016



City of West Saint Paul

SUBJECT:

Sherman Associates Fifth Amended Development Agreement – Emerson Park Commercial Building.

BACKGROUND INFORMATION:

As you know, the EDA has an Agreement with Sherman Associates to develop Phase II of their redevelopment project. Unfortunately, Sherman failed to complete certain items; therefore, Sherman is in default.

The main deficiency items include:

- The second commercial building was not constructed.
- The Minimum Assessment Agreement was not recorded.

Staff's proposal to correct the deficiencies includes:

- Sherman to record the Minimum Assessment Agreement (MAA) by 6/30/16.
- Sherman to re-plat/submit for lot combination for the commercial parcels (park dedication fees recommended to be waived. They did pay park dedication for phase I).
- EDA will deed EDA property to Sherman within 30 days after the first items are completed.
- Sherman to pay \$181,567 beginning on 6/30/16 in \$10,000/month payments. The last payment due by 12/31/17 (18 month payment period).
- Sherman does not need to build the second commercial building (Phase II).
- If Sherman fails to record the MMA, then Sherman has to pay a deficiency of \$357,467.

If the Board approves of the proposal, staff will present it at the regular scheduled EDA meeting following the Council meeting.

EXPENSES:

		Amount
Fund:		
Department:	Comm. Dev.	
Account:	N/A	\$ N/A

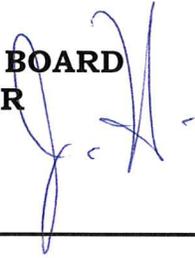
STAFF RECOMMENDATION:

Review and consider proposal.

ATTACHMENTS:

- Proposed Site Plan

TO: EDA PRESIDENT AND BOARD
FROM: EXECUTIVE DIRECTOR
DATE: APRIL 25, 2016



City of West Saint Paul

SUBJECT:

Thompson/Robert Street Redevelopment Project Discussion.

BACKGROUND INFORMATION:

At the last OCWS, the Council inquired about the ability of the City to issue debt for a prospective big box and Aamco properties. They directed staff to work with Ehlers Associates and present the report along with the impacts on the average value homes in WSP on April 25. The minimal gap shows \$4.2 million, however, staff has not had a chance to negotiate this project yet, as we were waiting for the funding gap numbers.

EXPENSES:

		Amount
Fund:		
Department:	Comm. Dev.	
Account:	N/A	N/A

STAFF RECOMMENDATION:

Staff recommends that we negotiate with representatives of the Thompson/Robert Street redevelopment project in an attempt to lower the gap amount.

ATTACHMENTS:

There are no attachments.

TO: EDA PRESIDENT AND BOARD
FROM: EXECUTIVE DIRECTOR
DATE: APRIL 25, 2016



City of West Saint Paul

SUBJECT:

Town Center I – Maaco Discussion.

BACKGROUND INFORMATION:

At the last EDA Work Session, staff presented a letter from Dave Carland, the developer that stated his desire to no longer continue as the developer for the project. The current preliminary development agreement expires on April 30, 2016.

If the Board is interested in moving forward with the project, then the immediate priority is to secure 68 Moreland before it sells to another party. Kori Land, City Attorney and staff met with Chuck Liesenfeld, owner of the Maaco property to discuss the possibility of the EDA purchasing the Maaco site. Mr. Liesenfeld stated that he will only put money down to secure 68 Moreland after a Purchase Agreement has been agreed to and signed with the EDA.

The agreement the EDA made with with Mr. Liesenfeld (December 1st) states that he will receive \$15,000 for soft costs after he closes on 68 Moreland. Since he has already spent approximately \$8,000 (soft costs) he is requesting that we pay him the \$15,000 upfront, which he will then use to secure 68 Moreland.

Staff recommends that if the Board is still interested in acquiring this property that the EDA enter into a purchase agreement with Mr. Liesenfeld. The purchase and relocation total is \$1.2 million. A purchase agreement could be ready for approval at the next EDA meeting on May 9.

Breakdown of funding sources:

TIF 1-1	\$1.1 million
EDA Fund	<u>\$115,000</u>
Total \$	\$1.215 million
CDA Grant	- <u>\$250,000</u> (reimbursed after demolition of Maaco)
Final Total	\$965,000

EXPENSES:

		Amount
Fund:	TIF 1-1/ EDA Fund	
Department:	EDA	
Account:	N/A	\$1.2 million
		- <u>\$250,000 (CDA)</u>
		\$965,000

STAFF RECOMMENDATION:

If the Board desires to move forward, they will need to amend the agreement (already committed) to Mr. Liesenfeld and pay \$15,000 upfront vs after closing on 68 Moreland.

Also, authorize Kori to draft a Purchase Agreement with Mr. Liesenfeld for approval at the next meeting.

ATTACHMENTS:

There are no attachments.

TO: EDA PRESIDENT AND BOARD
FROM: COMM. DEV. DIRECTOR
DATE: APRIL 25, 2016



City of West Saint Paul

SUBJECT:

Options for Marketing EDA Residential Lots.

BACKGROUND INFORMATION:

At one time, the EDA owned 15 lots. There are currently five lots remaining for sale. Time constraints in the last few years have prevented staff from aggressively marketing the lots. Five years ago, we contracted with The Desrocher Team Realty Company after going out for bids from realtors. Mr. Desrocher provided a unique approach to selling the lots, which included a couple of drawings of speculative houses for prospective buyers to choose from. Unfortunately, they didn't sell any of them. Staff is recommending that we choose a local realtor to market and sell the lots. The buyers would still need to agree to the attached minimum lot standards.

It should be noted that the zoning code states that a lot needs to be at least 4,900 sf to be considered buildable; therefore, 158 Haskell Street would need a Variance (the lot size is short by 226 sf) to build a small house on the lot.

STAFF RECOMMENDATION:

Staff recommends contracting with a local realtor to market and sell the remaining lots.

ATTACHMENTS:

- List of EDA Residential lots for sale
- Map showing locations of EDA lots
- Minimum Lot Standards

West St. Paul Economic Development Authority (EDA) Vacant Lots for Sale

Available Lots For Sale	Lot Dimensions	Asking Price	Current Market Value
270 Annapolis Street East	40 X 144 = 5,760 sq. ft.		\$36,000
804 Dodd Road	42 X 120 = 5,040 sq. ft.		\$33,400
158 Haskell Street	38 X 123 = 4,674 sq. ft. (will need variance)		\$36,200
831 Deppe Street	Irregular (7,405 sq. ft.) *Includes two lots		\$50,400
848 Allen Ave	Irregular (23,086 sq. ft.) *Includes two lots		\$78,800

All sales are contingent upon EDA Board approval. Financing options are available. For more information please contact Jim Hartshorn at 651-552-4140.

DESCRIPTION OF MINIMUM IMPROVEMENTS

The Redeveloper shall construct one (1) single family residence, per the plans and specifications submitted and approved by the Building Official and on file with the City, including all landscaping and site improvements.

Additionally, the following General Specifications must be followed for each house, except for such reasonable deviations as the EDA, in its sole discretion, may permit:

- A. Construction Requirements and Design Guidelines. New home construction means conventional, on-site, stick built construction. Moved-in Home or manufactured housing are not acceptable.
- B. Occupancy. The residence must be owner-occupied for a period of five (5) years upon completion.
- C. Site Preparation and Building Placement.
 - (1) Placement of the dwelling shall complement the site and be oriented to the street, neighboring structures and existing trees.
 - (2) All site plans shall include the location of existing trees. Existing trees should be preserved whenever possible. Snow fencing shall be placed and maintained at the drip line of existing trees during construction to protect existing root systems.
 - (3) Utility meters shall be screened from street view.
 - (4) Air conditioning units shall be located in the rear yard or screened if located on the side.
 - (5) Site preparation and building placement shall be architecturally consistent with the surrounding properties.
 - (6) The construction site grading and finished structure must not have a detrimental impact on storm water drainage patterns in the neighborhood. Neighboring properties should not be disturbed to create drainage swales.
 - (7) The construction process must not disturb adjoining properties. The construction site, neighboring properties and adjacent public streets must be kept free of construction debris at all times. No construction workers, equipment or materials shall enter neighboring properties without the permission of the property owners.
- D. Construction Plans.
 - (1) Only single family, detached dwellings may be constructed.
 - (2) All building and construction plans shall be prepared in consultation with an Architect or an Architectural Designer with a minimum two-year technical degree.
 - (3) All building and construction plans shall be architecturally consistent with the surrounding area.
- E. Landscaping.
 - (1) All sites must be fully landscaped upon completion and should include sod, walkways, trees and foundation plantings.
 - (2) Existing trees shall be preserved whenever possible.
 - (3) A landscaping plan must be provided to and approved by the City Planner.
 - (4) Landscaping must be completed within six (6) months of the completion of the Home and warranted for a period of one year from installation.

F. Minimum Home Values. Upon completion, the lot plus house must meet or exceed the target end value of \$205,000.

G. Main Entry.

- (1) The dwelling shall contain a prominent main entrance with a covered entry or porch.
- (2) A sidewalk shall be provided from the driveway to the front entry of the dwelling.
- (3) The front entry shall be oriented to the street.

H. Interior Requirements.

- (1) A minimum of three (3) finished bedrooms are required.
- (2) The dwelling shall have a minimum of one and one-half (1 ½) baths.
- (3) The basement shall be at least one-half (½) the foundation size.

I. Exterior Materials and Roofing.

- (1) Exterior Materials may be comprised of the following:
 - (a) Maintenance Free Siding (Vinyl, Steel, and Aluminum)
 - (b) Cedar Shakes or Cedar Siding Boards (no Panels)
 - (c) Stucco
 - (d) Brick
 - (e) Stone
- (2) Thirty percent (30%) of the front elevation shall be finished in brick, stone or stucco.
- (3) Composite type siding (Masonite) is not acceptable.
- (4) Roof valleys must be metal, not woven. The roof pitch direction, if toward neighboring homes, requires gutters to be installed.

J. Exterior Trim.

- (1) The dwelling shall have window trim consisting of standard-sized "brick mold" or 3½ - inch trim boards.
- (2) Shutters, if appropriate to style of dwelling, window size and placement, may be substituted for window trim.
- (3) Fascia and soffit shall be proportional and consistent with respect to style and scale of dwelling.

K. Garage and Driveway.

- (1) A double car garage is required and the garage should be consistent with the dwelling in style and exterior materials used.
- (2) The appearance of the garage from the street should be minimized.
- (3) Driveways may be no wider than 25 feet at the public right-of-way.