



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

ECONOMIC DEVELOPMENT AUTHORITY WORK SESSION
Municipal Center Lobby Conference Room
March 13, 2017
5:00 P.M.

1. Open Work Session
2. Roll Call
3. Agenda Items
 - 3.A. A. CDA Strategic Plan/North Gateway Discussion
 - 3.B. B. Town Center I Discussion

Documents:

[TOWN CENTER 1 DISCUSSION.PDF](#)

4. Adjourn

TO: EDA PRESIDENT AND BOARD
FROM: EXECUTIVE DIRECTOR
DATE: MARCH 13, 2017



City of West Saint Paul

SUBJECT:

Town Center I Discussion.

BACKGROUND INFORMATION:

As you know, the EDA entered into a Preliminary Development Agreement with PEBB Enterprises to redevelop a 4.2 acre site along Robert Street, after the original developer withdrew from the project. The agreement required PEBB to present a workable concept plan and pro-forma numbers, including the financial gap by March 31, 2017.

PEBB's pro-forma numbers show an estimated total project cost at \$13,469,457, including:

- Acquisition costs = \$4.3 million (which is \$1.4 million above market values)
- Construction costs = \$9,169,456

Their estimated funding gap is approximately \$4.536 million, which is the subsidy amount they are requesting from the EDA. The subsidy breakdown includes:

- Three EDA owned parcels (two parcels/Blockbuster site and one parcel/Car X site) valued at approximately \$750,000
- Tax increment financing worth \$786,877 (26 years district)
- CDA grant for \$250,000
- EDA Redevelopment grant for \$2.750 million.

EXPENSES:

		Amount
Fund:		
Department:		
Account:	N/A	N/A

STAFF RECOMMENDATION:

Staff feels the gap and subsidy request is too excessive at this time to recommend approval of a business subsidy. If the Board feels the subsidy request is reasonable, please direct staff.

ATTACHMENTS:

- There are no attachments.