

City of West St, Paul
EDA Work Session
March 14, 2016

1. Open Work Session

President David Meisinger opened the EDA work session at 4:30 p.m.

2. Roll Call

Present: President David Meisinger and Commissioners Pat Armon, John Bellows, Jenny Halverson, Ed Iago, Dave Napier and Dick Vitelli.

Others: City Manager Matt Fulton, Assistant City Manager Sherrie Le, Finance Director Joan Carlson, City Planner Ben Boike, Community Development Director Jim Hartshorn, City Attorney Korine Land and Recording Secretary Cindy Holzmer.

3. Agenda Items

3.A. Town Center I Discussion

Executive Director Jim Hartshorn presented to the Commission that City Staff was recently informed by Dave Carland from Venture Pass Partners that the rising project costs are becoming too high and the project is no longer viable. Mr. Carland would prefer to be let out of the preliminary development agreement with the EDA before the termination date of April 30, 2016. He is willing to assign his purchase contract with Maaco to the EDA or another developer. He is also willing to stay involved and purchase Maaco and Aamco to help the EDA keep relocation costs down if the Board chooses to move forward on their own.

The Commission's options would be to either do nothing or go back to the owners and tell them to take or leave the EDA's offer and if they won't take then the EDA will leave it. Exec. Dir. Hartshorn is looking for direction.

Comments:

- President Meisinger has talked to Dave Langer and he thinks Maaco is trying to play us for additional money. Aamco got wind of what Maaco is making and is playing the same game. Dave Carland thinks Maaco and Aamco will accept our offers.
 - Aamco is going to a new franchise and is leaving.
 - Maaco is going to a new site (relocation to landfill).
- Com. Bellows stated that both Maaco and Aamco's leases are about to run out. They are currently month to month. They have not renewed and are waiting to see what the City is going to do.
- Com. Iago asked how many times has Maaco jumped the price? Exec. Dir. Hartshorn stated 3 or 4 times. Com. Iago stated that Aamco is jumping the price because Maaco is. He finds it irritating that the businesses have the City by the throat.
- There is nothing to go in there right now. Com. Iago is opposed to that.
- Granny's and Batteries Plus has not been talked to recently. Pres. Meisinger stated they can be worked into any project.

- Com. Vitelli doesn't want to see Maaco sign a new lease so they can back out of the deal with the City. He is willing to go another \$15,000 because he doesn't want to see it fall apart.
- Pres. Meisinger agrees with Com. Vitelli and would like to give Maaco and Aamco a deadline until March 31, 2016 to sign the documents and if they won't then we are out.
- Com. Halverson wants to go another 15,000.
- Exec. Dir. Hartshorn explained that Maaco is still helpful, if we don't get Aamco, but it's ideal to get Aamco.
- Com. Iago stated that we need to give Mr. Carland hard numbers.
- Com. Bellows would be willing to have a special meeting.
- Com. Halverson asked what if we tell Aamco that we are not offering \$200,000 and see what they say. Don't say it's a do or die and see what happens.

The Commission agreed with offering another \$15,000 to Maaco and giving them until March 31, 2016 to accept the offer, with or without Mr. Carland, tell Aamco no to their \$200,000 counter and then come back for special meeting if can't reach a deal.

3.B. 260 Marie Avenue Discussion

Exec. Dir. Hartshorn asked the Commission to consider purchasing 260 Marie Avenue for \$372,000.

Comments:

- Com. Bellows asked what happened to Fusion Zone.
- Exec. Dir. Hartshorn responded that Fusion Zone is still an option.
- The property would have to be rezoned for Fusion Zone.
- Fusion Zone could be rejected based on zoning.
- Com. Armon asked what Eureka Construction's plans were.
 - Exec. Dir. Hartshorn was unsure.
 - Com. Bellows asked Exec. Dir. Hartshorn to find out.
- Pres. Meisinger stated that you can't fit a Sky zone in that location.
- Exec. Dir. Hartshorn stated that the Developer informed him that Fusion Zone is very similar to a Sky Zone.
- Com. Napier stated that we need to focus resources on Maaco.
- Com. Bellows is against it, without getting more information.
- Com. Armon would like to know what Fusion Zone plans on doing there.
- Pres. Meisinger asked Exec. Dir. Hartshorn to bring more information back to the Commission and to find out if Eureka Construction plans on and/or where they are relocating.

4. Adjourn

The EDA work session adjourned at 4:57 p.m.

Cindy Holzmer

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Recording Secretary

