

**City of West St, Paul
Economic Development Authority Work Session Minutes
June 13, 2016 at 4:30 p.m.**

1. Call to Order

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

2. Roll Call

Present: President Meisinger and Commissioners Armon, Iago, Bellows, Napier, Vitelli and Halverson.

Others: City Manager Fulton, Executive Director/Community Development Director Hartshorn, City Attorney Land, Finance Director/Treasurer Carlson and Recording Secretary Dull.

3. Agenda Items

3. A. Town Center 1 Concept Plan Discussion

Mr. Eric Hochman, PEBB Enterprises, presented a concept site plan for Fresh Thyme and other retail to be located in Town Center 1 and displayed various proposed elevations, photographs, and other architectural features to create aesthetic synergy of the site to the area. He also reviewed potential job creation and wage information as well as estimated post-construction market value.

Commissioners inquired about keeping a couple existing businesses, restaurants to bring back, opportunities for unique restaurants, and parking spaces needed for the site. Mr. Hochman stated tenants would be nationally credited and PEBB Enterprises would be happy to talk with existing businesses about their options. PEBB assured they could bring something new and attractive to the area. With respect to parking, Mr. Hochman advised the grocer wanted sufficient parking in front of their building and the proposal provided a minimum of parking spaces as typically required by grocer.

Commissioners asked about consideration of multi-story building for the corner, how Fresh Thyme differs from existing grocery, why Fresh Thyme wanted to locate in West St. Paul, and asked about the proposed Dakota County trail. Mr. Hochman responded they looked at multi-story but parking was the issue since underground wouldn't have the turning radius needed. With regard to Fresh Thyme, it was described as a healthy, farm-to-table type store with reasonable prices, attractive to organic shoppers but appealing to everyone and is the 19th largest in the U.S. They wanted to locate in West St. Paul because Robert is a main thoroughfare, it is a thriving community, and the density, demographics, population, and income levels were consistent with Fresh Thyme's standards. Mr. Hochman advised that the trail does not allow the grocery since the building would have to shift 30-40 feet which results in reduced parking that is already at a minimum as presented.

City Manager Fulton asked about timing of a decision noting there were other strategic decisions the EDA needed to consider for the corridor and the City currently had a \$5 million investment in the site. Commissioners requested more time to decide whether or not to proceed since a decision would result in developer spending. Mr. Hochman stated that if interested, the City should continue to acquire the parcels.

Commissioners asked about cost of acquisition. Mr. Hochman advised they were looking for a joint venture development agreement where the City would contribute the land and the developer would pay for construction and bring in the tenants which would be in lieu of TIF. Commissioners expressed some reservation toward contributing land without funds provided toward acquisition costs. Mr. Hochman noted that was the preliminary discussion but would entertain negotiations for contributions toward acquisition costs stating they were looking for a partnership and suggested a hybrid of contribution and TIF if numbers were an issue.

Attorney Land suggested a preliminary development agreement if Commissioners were interested in the concept. Mr. Hochman concurred with working on a preliminary development agreement to work through any issues. Director Hartshorn added that the presentation was a concept review and numbers would be the next step if interested noting there are other property owners to talk with and relocation costs to be considered as well as potential contamination of the site.

Commissioners agreed to move forward and requested Director Hartshorn continue to negotiate with PEBB Enterprises and Attorney Land begin a preliminary development agreement.

3. B. Discussion Regarding YMCA Request for Six Acres of Golf Course Property

Director Hartshorn reviewed his memo to the EDA President and Board. YMCA was requesting approximately six acres of golf course property noting that if the grocery prospect does not work out, then the EDA/City wouldn't be on the hook for buying or selling that land. A study showing viable options for the land would be completed sometime in September. The YMCA was requesting a reaction from the Board whether the EDA would entertain selling the YMCA approximately six acres at a nominal fee if the prospect goes through.

Commissioners discussed tax basis and market value of the land. They agreed they were not interested in selling property to the YMCA at this time but would consider selling property at market rate in the future. Commissioners requested Director Hartshorn notify the YMCA that they were not willing to commit to a nominal fee; however, there was interest in working with them but they need to come to the City with a plan. Commissioners added that the City cannot dictate the plan between them and the grocery prospect and cannot commit to the sale of property at this time.

4. Adjourn

The EDA Work Session was adjourned at 5:19 p.m.

Jennifer Dull

Jennifer Dull
Recording

Secretary