

**ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
July 25, 2016**

1. Call to Order

President David Meisinger opened the work session at 8:40 p.m.

2. Roll Call

Present: President David Meisinger and Commissioners Ed Iago, Jay Bellows, Dave Napier, Dick Vitelli and Jenny Halverson. Com. Pat Armon had an excused absence,

Others: Assistant City Manager Sherrie Le, Executive Director/Community Development Director Jim Hartshorn, City Attorney Korine Land, Finance Director/Treasurer Joan Carlson and City Clerk/Secretary Chantal Doriott.

3. Adopt Agenda

Motion was made by Com. Iago and seconded by Com. Halverson to adopt the agenda as presented. All members present voted in favor. The motion carried.

4. EDA Consent Agenda Items

4.A. Meeting Minutes

4.B. June 2016 Budget Report

Motion was made by Com. Halverson and seconded by Com. Bellows to approve the consent agenda items as presented. All members present voted in favor. The motion carried.

5. Commissioner Comments

Commissioner Jenny Halverson, President Meisinger and Commissioner Dave Napier all said "Shop Robert".

6. New Business

6.A. Bifurcation of Sherman II TIF Note - TIF District 1-2

Executive Director Jim Hartshorn gave an overview. Sherman Associates intends to sell a commercial property located at 1590 Robert Street to another developer. The subject property is located in TIF Dist. 1-2. Mr. Sherman is requesting to bifurcate the existing note between the commercial portion and the residential portion, next to the Dakota County library.

Com. Vitelli asked why hasn't Sherman been required to finish the townhomes? Director Hartshorn explained through the TIF they still pay tax to the city. The difference is in what Mr. Sherman receives. But the city is not getting any tax revenue for that property. Attorney Land said she believes the development agreement was amended and we could revisit that document if that's the direction of the commissioners. Com. Vitelli is concerned because Mr. Sherman doesn't seem to follow through on anything on the north end. President Meisinger said let's get the dates on the agreement. Com. Bellows added comments.

Motion was made by Com. Bellows and seconded by Com. Iago to approve and adopt Resolution No. 16-03 approving the division and replacement of a tax increment financing note. All members present voted in favor. The motion carried.

7. Old Business and Other Items

Commissioners discussed the five EDA lots that are for sale with a person (no name) who attended the meeting. Director Hartshorn will work with anyone interested in the property.

8. Adjourn

Motion was made by Com. Bellows and seconded by Com. Halverson to adjourn the EDA meeting at 8:51 p.m. all members present voted in favor. The motion carried.

Chantal Doriott

Chantal Doriott
City Clerk/Secretary
City of West St. Paul



RESOLUTION NO. 16-03

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF WEST ST. PAUL

RESOLUTION APPROVING THE DIVISION AND REPLACEMENT OF A
TAX INCREMENT FINANCING NOTE

WHEREAS, the Economic Development Authority of the City of West St. Paul (the “EDA”) has heretofore approved the creation of Tax Increment Financing District No. 1-2 (the “TIF District”) within the Redevelopment Project No. 1 (the “Project Area”), and has adopted a tax increment financing plan for the purpose of financing certain improvements within the Project Area; and

WHEREAS, the EDA has entered into a Tax Increment Financing Agreement (the “Original TIF Agreement”) dated January 31, 2006, between the EDA and Sherman Associates, Inc. (the “Developer”), as assigned by an Assignment and Assumption of Tax Increment Financing Agreement between Sherman and Wentworth Commons LLC, and Wentworth Place LLC (collectively, “Redeveloper”) dated January 31, 2006, and as amended by a First Amendment to Tax Increment Financing Agreement (the “First Amendment”) dated August 4, 2008 by and among the EDA and Redeveloper (collectively, the “TIF Agreement”) in connection with the construction by the Redeveloper of the construction of a 13,000 square foot commercial building (the “Commercial Building”) and the construction of up to 40 townhomes (the “Townhomes” and, together with the Commercial Building, the “Project”); and

WHEREAS, in accordance with the TIF Agreement the EDA has issued its Tax Increment Revenue Note, Series 2006 (the “Original TIF Note”) to Wentworth Commons, LLC (as assignee of Sherman); and

WHEREAS, the Redeveloper has completed the Commercial Building portion of the Project; and

WHEREAS, the Redeveloper has determined to sell the Commercial Building portion of the Development Property (as defined in the TIF Agreement) and assign its interest in a related portion of the Original TIF Note and, in connection therewith, has requested that the EDA replace the Original TIF Note with two replacement notes, one for the Commercial Building to be held by the transferee (the “Commercial TIF Note”) and one for the Townhomes to be held by the Redeveloper (the “Housing TIF Note” and together with the Commercial TIF Note the “Replacement TIF Notes”); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Economic Development Authority of the City of West St. Paul (the “Board”) as follows:

1. The EDA hereby approves the conveyance of the Commercial Building portion of the Development Property by the Redeveloper and assignment its interest in a

related portion of the Original TIF Note and authorizes the replacement of the Original TIF Note with the Commercial TIF Note and the Housing TIF Note.

2. Upon delivery of the Replacement TIF Notes, the Original TIF Note will be cancelled.
3. The EDA hereby approves the Replacement TIF Notes in substantially the forms presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents referenced in or attached to the Replacement TIF Notes or related to the conveyance of the Commercial Building portion of the Development Property, and the assignment of the Redeveloper's interest in the Original TIF Note (collectively, the "Development Documents") and the President and the Executive Director are hereby authorized and directed to execute the Development Documents on behalf of the EDA and to carry out, on behalf of the EDA, the EDA's obligations thereunder.

Approved by the Board of Commissioners of the Economic Development Authority of the City of West St. Paul this 25th day of July, 2016.



President

ATTEST:



Secretary