

**City of West St. Paul
Economic Development Authority Minutes
April 23, 2018 at 4:30 p.m.**

1. Call to Order

President Halverson called the meeting to order at 4:30 p.m.

2. Roll Call

Present: President Jenny Halverson, Vice President Anthony Fernandez and Commissioners John Bellows, Ed Iago, Dave Napier, Bob Pace and Dick Vitelli

Absent: None

Also Present: Executive Director Hartshorn
City Manager Ryan Schroeder
City Attorney Kori Land
City Clerk/Secretary Shirley Buecksler

3. Adopt the Agenda

Motion was made by Commissioner Bellows and seconded by Commissioner Vitelli to adopt the agenda, as presented.

All members present voted aye. Motion carried.

4. EDA Consent Agenda Items

A. Previous Meeting Minutes

- April 9, 2018 Regular Meeting Minutes

Motion was made by Commissioner Bellows and seconded by Commissioner Vitelli to approve the Consent Agenda, as presented.

All members present voted aye. Motion carried.

5. Commissioner Comments

Commissioners offered no comment at this time.

6. New Business

None.

7. Old Business

A. **Propose City Council Call for a Public Hearing to Establish TIF 1-5 - DARTS**

Executive Director Hartshorn provided an overview. On March 26th, the Board supported a concept plan presented by Patrick Ostrom from Real Estate Equities that included a 174-unit affordable senior housing complex. The project is located at 1645 Marthaler Lane, on three acres, owned by DARTS. A financial analysis was presented by Jason Aarsvold of Ehlers Associates that explained why a TIF district (pay-as-you-go) is needed to fill a financial gap in the project.

The first step in creating a TIF district starts with a request by the EDA Board and City Council to hold a Public Hearing at the Council meeting on June 11th. Included in the EDA's packet are EDA Resolution No. 18-04 and Council Resolution No. 18-50 calling for the Public Hearing, as well as Council Resolution No. 18-51 giving preliminary support of using TIF for this project.

The project would also need to go through the site review process, including a zoning change and amendment to the comp plan.

Hartshorn said staff recommends approval of the EDA resolution calling for a Public Hearing at the Council meeting of June 11, 2018.

Commissioner Napier said he is concerned about TIF. He added that it is intended to take care of blighted areas or areas of development. Commissioner Napier said giving a big tax credit for this is outside of what is usually done.

Commissioner Vitelli supports the project.

Commissioner Bellows said he would agree with going ahead with the Public Hearing.

Commissioner Fernandez asked if a TIF district would hinder the City in the future. Hartshorn said no. Commissioner Fernandez said he is in favor of public input.

Commissioner Napier asked if this can be done without TIF and that this is his reservation with it.

President Halverson said it is a little concerning.

Commissioner Vitelli asked if 15 years least amount of time available. Hartshorn said they've already negotiated from 19 years down to 15.

Commissioner Pace asked if there are only a certain number of TIF's available.

Schroeder said they will still pay the same taxes and that it's not a tax break. He also asked the Board if they are setting aside too much of their revenue growth. Schroeder added that West St. Paul is a moderate user of TIF.

Hartshorn said that West St. Paul is now down to two TIF districts. He also said the County has two but there are only a few years left.

Commissioner Bellows said we are looking at affordable housing not retail and that this effort would show we are not giving up a lot for what we are getting. Commissioner Bellows said the City is not putting too much at risk at this point.

Commissioner Iago said the City is not putting anything at risk. He said it is a benefit to the developer and that he has met them and they seem more than willing to modify the plan. Commissioner Iago said he is in favor of moving it forward.

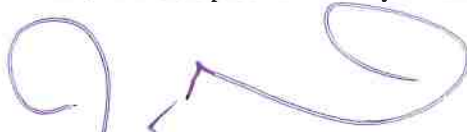
Motion was made by Commissioner Vitelli and seconded by Commissioner Iago to adopt Economic Development Authority Resolution No. 18-04 Requesting the City Council of the City of West St. Paul Call for a Public Hearing on the Modification to the Redevelopment Plan for the South Robert Street Redevelopment Project and the Establishment of Tax Increment Financing District No. 1-5 (a Housing District).

All members present voted aye. Motion carried.

8. Adjourn

Motion was made by Commissioner Fernandez and seconded by Commissioner Pace to adjourn the meeting at 4:42 p.m.

All members present voted aye. Motion carried.



Jenny Halverson
President
City of West St. Paul
Economic Development Authority