



Economic Development Authority

1616 HUMBOLDT AVENUE, WEST ST. PAUL, MN 55118

ECONOMIC DEVELOPMENT AUTHORITY MEETING

MUNICIPAL CENTER COUNCIL CHAMBERS

FEBRUARY 26, 2018

IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING

1. Call To Order

2. Roll Call

3. Adopt Agenda

4. EDA Consent Agenda Items

4.A. Previous Meeting Minutes

Documents:

MINUTES - EDA 2-05-18.PDF

MINUTES - EDA WS 2-05-18 (SUMMARY).PDF

MINUTES - EDA WS 2-12-18 (SUMMARY).PDF

5. Commissioner Comments

6. New Business

6.A. Open To Business Program

Documents:

EDA REPORT - OPEN TO BUSINESS.PDF

RESOLUTION NO. 18-03, OPEN TO BUSINESS PROGRAM.PDF

CDA OPEN TO BUSINESS PROGRAM JPA.PDF

7. Old Business

8. Adjourn

*If you need an accommodation to participate in the meeting, please contact the ADA Coordinator at
651-552-4100, TDD 651-322-2323 at least 5 business days prior to the meeting*

www.wspmn.gov EOE/AA

**City of West St. Paul
Economic Development Authority Minutes
February 5, 2018 at 6:22 p.m.**

1. Call to Order

President Halverson called the meeting to order at 6:22 p.m.

2. Roll Call

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

Absent: None

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

3. Adopt the Agenda

Motion was made by Commissioner Vitelli and seconded by Commissioner Napier to adopt the agenda.

All members present voted aye. Motion carried.

4. EDA Consent Agenda Items

A. Financial Statement Through November 2017

B. Previous Meeting Minutes

- September 11, 2017 EDA Work Session Minutes
- October 9, 2017 EDA Work Session Minutes
- October 9, 2017 EDA Regular Meeting Minutes
- October 16, 2017 EDA Special Meeting Minutes
- October 23, 2017 EDA Work Session Minutes

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

All members present voted aye. Motion carried.

5. Commissioner Comments

None.

6. New Business

A. EDA Annual Meeting and Election of Officers

Hartshorn provided an overview of the annual report, which included the following items:

- Anticipated projects in 2018
- EDA budget
- Electing new officers
- Bylaws review

The complete report is available on the City's website at www.wspmn.gov.

Motion was made by Commissioner Vitelli and seconded by Commissioner Napier to adopt Resolution Number 18-01 - Electing Officers, as follows:

President:	Mayor Jenny Halverson
Vice President:	Commissioner Anthony Fernandez
Treasurer:	President Jenny Halverson
Assistant Treasurer:	Finance Director Char Stark
Secretary:	City Clerk Shirley Buecksler

All members present voted aye. Motion carried.

B. Insurance Renewal – Option to Not Waive Statutory Tort Limits

Stark provided an overview of the 2018 liability coverage waiver. Each year, the City has a renewal process for the City's property and liability insurance coverage. The City is insured through the League of Minnesota Cities Insurance Trust. The Council, each year, must decide on how much liability coverage the City wishes to purchase. In the past, the City has relied on the statutory tort limits established by Minnesota Statute 466.04. By not waiving the limit, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. The other options allow for more potential recovery for the claimants. If the City chose to waive the monetary limits on municipal tort liability established by Minnesota Statute 466.04, then claimants could potentially recover up to \$2,000,000 on a single occurrence, or more if the City were to purchase excess insurance at a greater level than \$2,000,000 on a single occurrence.

Hartshorn recommended that the EDA Board continue to rely upon the statutory limits established by Minnesota Statute 466.04, to limit loss exposure, and that the EDA approve the attached resolution.

Motion was made by Commissioner Vitelli and seconded by Commissioner Bellows to adopt Resolution Number 18-02 - Approving Non-Waiver of Statutory Tort Liability Limits.

All members present voted aye. Motion carried.

C. Sale of Access Property on 1010 Dodd Road

Hartshorn provided an overview of the sale of access property on 1010 Dodd Road. The Minnesota Department of Transportation (MnDOT) owns Dodd Road in front of the subject property. MnDOT is requesting to purchase 42 feet of access way along 1010 Dodd Road. MnDOT offered \$1,000 for the purchase. Staff met with a representative from MnDOT who mentioned that the access is too close to the intersection and they would like to close that access.

The Commission discussed whether to accept the \$1,000 for the access property or consider the option of asking for up to \$5,000, which would require getting an appraisal of the property. The Commission also discussed the possibility of turning the area into a park with a skating rink and lights.

Motion was made by Commissioner Bellows and seconded by Commissioner Vitelli to approve the sale of access property on 1010 Dodd Road for \$5,000.

All members present voted aye. Motion carried.

7. Old Business

None.

8. Adjourn

Motion was made by Commissioner Napier and seconded by Commissioner Fernandez to adjourn the meeting at 6:37 p.m.

All members present voted aye. Motion carried.

Jenny Halverson
President
City of West St. Paul

**City of West St. Paul
Economic Development Authority
Work Session Minutes
February 5, 2018 at 5:30 p.m.**

1. Call To Order

President Halverson called the meeting to order at 5:30 p.m.

2. Roll Call

Present: President Jenny Halverson and Commissioners John Bellows,
Anthony Fernandez, Ed Iago, Dave Napier, Bob Pace (arrived at 5:34 p.m.)
and Dick Vitelli

Absent: None

Also Present: Executive Director Hartshorn
City Manager Ryan Schroeder
City Attorney Kori Land
Finance Director Char Stark
City Clerk/Secretary Shirley Buecksler
Bill Beard, The Beard Group, Inc.
Ben Beard, The Beard Group, Inc.

3. Agenda Items

Motion was made by Commissioner Iago and seconded by Commissioner Napier to close the meeting at 5:30 p.m., pursuant to Minnesota Statute 13D.05 Subd. 3(c) to discuss the sale of real estate.

All members present voted aye. Motion carried.

Hartshorn provided an overview. The President and Commissioners asked questions and received answers.

Motion was made by Commissioner Vitelli and seconded by Commissioner Iago to reopen the meeting at 6:21 p.m.

All members present voted aye. Motion carried.

4. Adjourn

Motion was made by Commissioner Napier and seconded by Commissioner Iago to adjourn the EDA Work Session meeting at 6:22 p.m.

All members present voted aye. Motion carried.

Jenny Halverson
President
City of West St. Paul

**City of West St. Paul
Economic Development Authority
Work Session Minutes
February 12, 2018 at 8:15 p.m.**

1. Call To Order

President Halverson called the meeting to order at 8:15 p.m.

2. Roll Call

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

Absent: None

Also Present: Executive Director Jim Hartshorn
City Manager Ryan Schroeder
City Attorney Kori Land
Police Chief Manila Shaver
Parks and Public Works Director Ross Beckwith
Finance Director Char Stark
City Clerk/Secretary Shirley Buecksler

3. Agenda Items

Motion was made by Commissioner Bellows and seconded by Commissioner Iago to close the meeting at 8:15 p.m., pursuant to Minnesota Statute 13D.05 Subd. 3(c) to discuss the sale of real estate regarding Thompson Oaks site.

All members present voted aye. Motion carried.

Hartshorn provided an overview. The President and Commissioners asked questions and received answers.

Motion was made by Commissioner Napier and seconded by Commissioner Iago to reopen the meeting at 8:35 p.m.

All members present voted aye. Motion carried.

4. Adjourn

Motion was made by Commissioner Napier and seconded by Commissioner Vitelli to adjourn the EDA Work Session meeting at 8:35 p.m.

All members present voted aye. Motion carried.

Jenny Halverson
President
City of West St. Paul

To: **EDA President and Board**
From: **Executive Director Jim Hartshorn**
Date: **February 26, 2018**

Open to Business Program – Joint Powers Agreement

BACKGROUND INFORMATION:

The Dakota County Community Development Agency (CDA) and the 11 largest cities in Dakota County launched Open to Business (OTB) in 2013, a program that provides business advisory services and access to capital for entrepreneurs and small businesses in Dakota County. The participating cities and CDA share the cost of the program. The CDA plans to enter into a Joint Powers Agreement (JPA) with the 11 participating cities to act as the fiduciary agent and to administer the contract with the Metropolitan Consortium of Community Developers (“MCCD”), the OTB non-profit service provider.

Laurie Crow is the full-time OTB business advisor who has worked exclusively in Dakota County since the program launched in 2013. Laurie provides one-on-one technical assistance to business owners and aspiring entrepreneurs on a wide range of topics including: business plan development, feasibility analysis, marketing, licensing, and cash flow and other financial projection development.

In the past, the JPA between the EDA and Dakota County CDA has been approved annually. With the success of the program throughout the years (see Attachment A), CDA staff and MCCD are proposing a three-year agreement. The cost of the OTB program for calendar years 2018, 2019, and 2020 will be \$150,000/annually. This is a \$10,000 increase from 2017, but will stay constant for the term of the three-year agreement. The cost covers the direct and indirect staffing needs for the program. The CDA’s portion of the fee will not exceed \$70,450 to match the 11 participating cities’ fees plus the \$9,096 to cover service for the small cities and townships for a total CDA investment not to exceed \$79,546 (Attachment B).

OTB is consistent with the Economic Development Authority’s Strategic Plan, as (1) it is a collaborative approach to economic development; (2) it responds to the need for specialized expertise and economies of scale; and (3) it is non-duplicative of other services.

FISCAL IMPACT:

		Amount
Fund:	EDA Fund	\$5,513
Department:	Comm. Dev.	
Account:	209-41121-40399	

STAFF RECOMMENDATION:

Staff recommends approval of a Joint Powers Agreement for three years (2018, 2019, and 2020) with the Dakota County CDA for Open to Business services along with 11 participating cities. The annual cost would be \$5,513.

ATTACHMENTS:

- Joint Powers Agreement between the City of West St. Paul EDA and Dakota County CDA.
- Resolution No. 18-03 Approving Three Year Participation in OTB.
- A fact sheet showing how many clients served in Dakota County since the start of the program.

**CITY OF WEST ST. PAUL
DAKOTA COUNTY, MINNESOTA**

**ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 18-03**

**APPROVING A THREE-YEAR PARTICIPATION AGREEMENT
FOR OPEN TO BUSINESS PROGRAM**

WHEREAS, the Dakota County Community Development Agency (CDA) was granted the powers of an economic development authority in 2000 by Minnesota Law and an authorizing resolution adopted by the Dakota County Board of Commissioners (Resolution No. 00-543); and

WHEREAS, the CDA, in conjunction with the 11 largest cities in Dakota County, launched the countywide Open To Business program in 2013 to provide business advisory services and access to capital to entrepreneurs and small businesses in Dakota County; and

WHEREAS, the CDA and 11 cities have annually renewed participation in the Open To Business program since 2013, with the CDA as the fiduciary agent and administrator of the contract with Metropolitan Consortium of Community Developers (MCCD) and Joint Powers Agreements executed between each participating city and the CDA; and

WHEREAS, the cost for the 2018, 2019, and 2020 Open to Business program is \$150,000/annually; and

WHEREAS, the CDA portion of the annual cost of the program is fifty percent (50%) match for each participating city, as well as covering the cost of serving the small cities and townships; and

WHEREAS, the Open To Business program is consistent with the Economic Development Strategy and Guiding Principles adopted by the Dakota County CDA Board of Commissioners, in that it results from a collaborative approach, it is a response to a need for specialized expertise and economies of scale, it serves a need that is located in more than one community, and it is non-duplicative of other services.

NOW, THEREFORE, BE IT RESOLVED that the City of West St. Paul Economic Development Authority does hereby:

1. Approve CDA participation in the Open to Business program for 2018, 2019 and 2020, subject to participation of the Dakota County cities.
2. Authorize the Executive Director to execute a Joint Powers Agreement between the CDA and the participating cities, designating the CDA as fiscal agent for the contract with MCCD and requiring each City to submit a participation fee to the CDA.

The Dakota County CDA is asking for a three year \$5,513.00 commitment from the EDA, which they will match annually.

PASSED AND DULY ADOPTED by the Economic Development Authority of the City of West St. Paul, Minnesota, this 26th day of February 2018.

ECONOMIC DEVELOPMENT AUTHORITY
CITY OF WEST ST. PAUL

President Jenny Halverson

ATTEST:

Shirley R Buecksler
City Clerk/Secretary

JOINT POWERS AGREEMENT

Open to Business Program

THIS JOINT POWERS AGREEMENT (this “**Agreement**”), is made as of January 1, 2018, by and between the DAKOTA COUNTY COMMUNITY DEVELOPMENT AGENCY (the “**CDA**”), a public body corporate and politic organized and existing under the laws of the State of Minnesota (the “**State**”), and each of the CITY OF BURNSVILLE, CITY OF LAKEVILLE, CITY OF MENDOTA HEIGHTS, INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY, APPLE VALLEY ECONOMIC DEVELOPMENT AUTHORITY, EAGAN ECONOMIC DEVELOPMENT AUTHORITY, HASTINGS ECONOMIC DEVELOPMENT AND REDEVELOPMENT AUTHORITY, ROSEMOUNT PORT AUTHORITY, FARMINGTON ECONOMIC DEVELOPMENT AUTHORITY, SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY, AND WEST ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY, MINNESOTA (each individually a “**Local Government Entity**” and together the “**Local Government Entities**”), each a political subdivision of the State.

RECITALS:

A. In order to pursue common goals of fostering economic development, the CDA and the Local Government Entity Cities desire to engage the Metropolitan Consortium of Community Developers, a Minnesota non-profit corporation (“**MCCD**”) to undertake the “Open To Business Program” (the “**Program**”) within Dakota County (the “**County**”).

B. Pursuant to the Program, MCCD will provide technical assistance and access to capital to small business and potential entrepreneurs in the County.

C. The CDA and the Local Government Entities propose to jointly exercise their common economic development powers to undertake the Program.

NOW, THEREFORE, in consideration of the mutual covenants and obligations of the CDA and each of the Local Government Entities, each party does hereby represent, covenant and agree with the others as follows:

Section 1. **Representations.** Each of the Local Government Entities and the CDA makes the following representations as to itself as the basis for the undertaking on its part herein contained:

(a) It is a political subdivision of the State of Minnesota with the power to enter into this Agreement and carry out its obligations hereunder.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which it is now a party or by which it is bound, or constitutes an event of default under any of the foregoing.

Section 2. **Powers to be Exercised.** The powers to be jointly exercised pursuant to this Agreement are the powers of the CDA and the Local Government Entities under Minnesota Statutes, Chapter 469, to undertake activities to promote economic development within their respective jurisdictions.

Section 3. **Method for Exercising Common Powers; Funds.** The CDA, on its own behalf and on behalf of the Local Government Entities, will initially enter into an agreement with MCCD in substantially the form attached hereto as Exhibit A (the "**Agreement**") to engage MCCD to operate the Program within Dakota County. The CDA and each of the Local Government Entities will make payments to MCCD as described in Exhibit A of the Agreement.

The CDA may from time to time execute and deliver documents amending, modifying or extending the Agreement as it deems necessary or convenient, provided, that no such document will adversely affect services provided to, or amounts payable by, any Local Government Entity without the prior written consent of such Local Government Entity.

Section 4. **Limited Liability.** Neither the CDA nor the any of the Local Government Entities shall be liable for the acts or omissions of the other in connection with the activities to be undertaken pursuant to this Agreement. To the extent permitted by law, (a) the CDA hereby indemnifies the Local Government Entities for costs associated with claims made against the Local Government Entities directly relating to actions taken by the CDA, and (b) each Local Government Entity hereby indemnifies the CDA for costs associated with claims made against the CDA directly relating to actions taken by such Local Government Entity. Nothing herein shall be deemed a waiver by the indemnifying party of the limits on liability set forth in Minnesota Statutes, Chapter 466; and the indemnifying party shall not be required to pay, on behalf of the indemnified party, any amounts in excess of the limits on liability set forth in Minnesota Statutes, Section 466.04, less any amounts the indemnifying party is required to pay on behalf of itself, its officers, agents and employees for claims arising out of the same occurrence.

Section 5. **Conflict of Interests; Representatives Not Individually Liable.** The CDA and each of the Local Government Entities, to the best of its knowledge, represents and agrees that no member, official or employee of their respective bodies shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official or employee of the CDA or any Local Government Entity shall be personally liable with respect to any default or breach by any of them or for any amount which may become due to the other party or successor or on any obligations under the terms of this Agreement.

Section 6. **Term; Distribution of Property.** The term of this Agreement shall commence on January 1, 2018 and shall automatically renew January 1, 2019 and January 1, 2020, ending December 31, 2020. Local Government Entities may, at their sole discretion and without cause, cancel any remaining years covered under this agreement by providing written notice to the other Parties at least 30 days prior to renewal. Each Party to this agreement agrees that a Party that opts out of the contract under these terms shall be subject to no penalty, and held harmless for future liability or obligation related to the terms of this agreement. The remaining Parties will continue on with the agreement unless it is determined to no longer be viable for the remaining Parties.

There is no property which will be acquired by the CDA or any Local Government Entity pursuant to the Program which would need to be distributed at the end of the term hereof.

Section 7. **Notices and Demands.** A notice, demand or other communication under this Agreement by any party to another shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested or delivered personally to the person and at the addresses identified on each signature page hereto, or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 8. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the CDA and the Local Government Entities have caused this Agreement to be duly executed in their respective names and behalf as of the date first above written, with actual execution on the dates set forth below.

DAKOTA COUNTY COMMUNITY
DEVELOPMENT AGENCY

Dated: December 13, 2017

By: _____
Its Executive Director

Notice Address:

Dakota County Community Development Agency
1228 Town Centre Drive
Eagan, MN 55123
Attn: Lisa Alfson, Director of Community and Economic Development

WEST ST. PAUL ECONOMIC
DEVELOPMENT AUTHORITY

Dated: _____

By _____
Its _____

By _____
Its _____

Notice Address:

1616 Humboldt Avenue
West St. Paul, MN 55118
Attn: Executive Director

Exhibit A

Contract for Services for the Open To Business Program



Clients Served:

Total Entrepreneurs 788

Inquiries 1,000
(Requests for information/referral, not a formal client)

Financing:

Provided (Dakota County Businesses)

Number	20
Amount	\$913,931

Provided (Dakota County Residents)

Number	9
Amount	\$91,374

Microgrants
(Direct grants of capital - up to \$1,000 to an entrepreneur)

Number	14
Amount	\$14,000

Credit Builder Loans
(Credit Builder loans are very small dollar loans made to individuals for the purpose of improving credit scores. Loans are typically a couple hundred dollars, no interest, and repaid over a year.)

Number	30
Amount	\$ 7,435

Total	\$1,026,740
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Facilitated/Leveraged Loans
(Loan capital that OTB staff helped a client access but did not provide from OTB own capital pool).

Amount	\$8,762,009
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Client City:

Apple Valley	86
Burnsville	141
Eagan	96
Farmington	85
Hastings	51
Inver Grove Heights	56
Lakeville	77
Mendota Heights	25
Rosemount	47
S. St. Paul	17
W. St. Paul	30
Townships	8
Undecided Location	69

Industry Segment:

Retail	119
Service	430
Food	159
Manufacturing	24
Technology	7
Construction/Related Trades	16
Health/Fitness	18
Real Estate/Related Trades	3
Unknown	12

Referral Source:

Municipalities/CDA	412
Chamber	30
Internet	32
Friends/Family	34
Other (Banks, Schools, Etc.)	227
Unknown	53

Hours of Direct Service:

1 st Quarter	2197.6
2 nd Quarter	2103.25
3 rd Quarter	2115.25
4 th Quarter	1698.3