



ECONOMIC DEVELOPMENT AUTHORITY

1616 HUMBOLDT AVENUE, WEST ST. PAUL, MN 55118

ECONOMIC DEVELOPMENT AUTHORITY MEETING

MUNICIPAL CENTER COUNCIL CHAMBERS

APRIL 8, 2019

IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING

1. Call To Order

2. Roll Call

3. Adopt Agenda

4. EDA Consent Agenda Items

4.A. EDA Minutes Of February 11, 2019

Documents:

[MINUTES - EDA 2-11-19.PDF](#)

4.B. EDA Work Session "A" Minutes Of March 11, 2019

Documents:

[MINUTES - EDA WS -A- 03-11-18.PDF](#)

4.C. Financial Statement Through March 31, 2019

Documents:

[MARCH FINANCIAL REPORT.PDF](#)

5. Commissioner Comments

6. New Business

6.A. Business Subsidy Request - Tappers Pub

Documents:

[BUS SUB REQUEST - TAPPERS.PDF](#)
[EXT GRANT APPLICATION - TAPPERS.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 11, 2019**

1. Call to Order

President Napier called the meeting to order at 6:08 p.m.

2. Roll Call

Present: President Dave Napier
Commissioners Wendy Berry, Lisa Eng-Sarne,
Anthony Fernandez, John Justen, Bob Pace and Dick Vitelli

Absent: None

Also Present: Executive Director Jim 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 Berry to adopt the agenda, as presented.

All members present voted aye. Motion carried.

4. EDA Consent Agenda Items

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

- A. Financial Statement Through January 31, 2019**
- B. Meeting Minutes of October 8, 2018**
- C. Meeting Minutes of November 13, 2018**
- D. Meeting Minutes of January 28, 2019**

All members present voted aye. Motion carried.

5. Commissioner Comments

None.

6. New Business

A. Mobile Pro Systems Business Subsidy Request – EDA Redevelopment Grant and Agreement

Executive Director Hartshorn provided an overview of the request from Mobile Pro Systems. The owners of Mobile Pro Systems requested \$49,999.00 from the EDA's Redevelopment Grant Program (Forgivable Loan). They originally started their business in West St. Paul but moved to a 17,000 square foot building in Eagan, as they needed more space. The company continues to grow at a fast pace and is running out of space in their Eagan location and plan to relocate back to West St. Paul into a 44,000 square foot building located at 250 Lothenbach Avenue (former Sexton building). The project cost is \$2,875,280.00 and includes building purchasing, building rehab and equipment purchase. The project will start out with approximately 25 employees but is projected to grow to about 40 employees by 2020. Wage rates will range from \$18.00 per hour to \$150,000 annually.

Rob and Linda Gornick, Owners, and Steve Dunker, Vice President of Business Development for Mobile Pro Systems, addressed the Council and said they appreciate being back in West St. Paul.

Mayor Napier thanked the owner for their interest in West St. Paul and for coming back to the community where their business started.

Motion was made by Commissioner Vitelli and seconded by Commissioner Pace to approve the Business Subsidy Agreement for Mobile Pro Systems.

All members present voted aye. Motion carried.

B. Mobile Pro Systems – Minnesota Department of Employment and Economic Development (DEED), Minnesota Investment Fund (MIF) Application and Resolution

Executive Director Hartshorn presented the MIF application and resolution for Mobile Pro Systems. Since the EDA is committing \$50,000 from its Redevelopment Fund Program, Hartshorn said Staff recommends that Mobile Pro Systems pay back only \$50,000 (13.5%) and keep the remaining \$98,080 (26.5%).

Motion was made by Commissioner Vitelli and seconded by Commissioner Pace to approve the MIF application and adopt Resolution No. 19-03 In Support of a Minnesota Investment Fund (MIF) Program Application for Mobile Pro Systems Expansion, 250 Lothenbach Avenue.

All members present voted aye. Motion carried.

7. Old Business

There was no old business to discuss.

8. Adjourn

Motion was made by Commissioner Vitelli and seconded by Commissioner Pace to adjourn the meeting at 6:25 p.m.

All members present voted aye. Motion carried.

David J. Napier
President
City of West St. Paul

**City of West St. Paul
Economic Development Authority
Work Session “A” Minutes
March 11, 2019**

1. Call To Order

President Napier called the EDA Work Session “A” meeting to order at 6:08 p.m.

2. Roll Call

Present: President Dave Napier
Commissioners Wendy Berry, Lisa Eng-Sarne,
Anthony Fernandez, John Justen, 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

A. North Gateway Development Proposal

Executive Director Hartshorn said Sweet Living made a proposal a year ago to Dakota County but it was turned down. He said the Applicant is back with another proposal for a 22,000 square foot facility with 32 single beds and 14 units of memory care. Hartshorn said they may need a variance.

For transportation purposes, Hartshorn said they need to be on Robert Street. He also said they need their proposal approved by the Dakota County Community Development Agency (CDA) and that the Council’s approval may help their chances with the CDA.

Joe Larson, CEO and Owner of Sweet Living and Hampton Companies, answered questions from the Council.

Councilmember Vitelli asked what the monthly fee is for assisted living. Mr. Larson said \$989 base plus services. On average, he said it is about \$6,200 per month with services. He said this is an end of life transition.

Mr. Larson said they employ about 25 staff at the facility. Mr. Larson provided plan two options for Council’s review. Councilmember Vitelli said he likes it and that it fits the block well.

Mr. Larson said they put an offer in to the CDA. Hartshorn said they are meeting in April.

Mayor Napier said we need to look at all areas. He suggested asking the CDA how this ties in to the business across the street. Mr. Larson said they may look across the street for a second phase in the future.

Councilmember Vitelli said he likes the look of their Little Canada facility. Mr. Larson invited Council to visit and look at it in person.

Councilmember Fernandez said he is in favor of moving forward with this.

Hartshorn said he spoke with the CDA this morning who said they like it but need to be sure it's what the City wants.

Councilmember Vitelli asked if there is a demand for beds; Mr. Larson said the demand is pretty high.

City Attorney Land said this will come back with comp site plans. She said if Council rezones it, the Council will have a planning application to review.

Council agreed that they like it and thanked Mr. Larson for coming to the meeting.

4. Adjourn

Motion was made by Commissioner Justen and seconded by Commissioner Eng-Sarne to adjourn EDA Work Session "A" meeting at 6:20 p.m.

All members present voted aye. Motion carried.

David J. Napier
President
City of West St. Paul

City of West St Paul Economic Development Authority Income Statement

Through 3/31/2019

Account	Account Description	2019 Budget Amount	Actual Amount	2019 YTD Actual Amount	Budget Less YTD Actual	% of Budget
REVENUE						
	Tax - Ad Valorem-Current	337,043.00	.00	.00	(337,043.00)	0%
	Investment - Interest	5,000.00	.00	.00	(5,000.00)	0%
	Other Interest Earnings	50,000.00	.00	.00	(50,000.00)	0%
	Investment - Market Adjus	.00	.00	.00	.00	
	Insurance - Policy Dividn	.00	.00	.00	.00	
	Misc Revenue - All Other	10,000.00	.00	.00	(10,000.00)	0%
	Sale of Real Property	.00	.00	.00	.00	
	Transfers In	.00	.00	.00	.00	
		<u>\$402,043.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>402,043.00</u>	<u>0%</u>
	REVENUE TOTALS	\$402,043.00	\$0.00	\$0.00	402,043.00	0%
EXPENSE						
	Full Time Reg Wages	128,645.00	14,553.60	38,894.92	89,750.08	30%
	PERA	9,649.00	1,091.52	2,722.85	6,926.15	28%
	FICA	9,841.00	1,020.33	2,713.26	7,127.74	28%
	Health Insurance	17,508.00	1,359.00	4,777.00	12,731.00	27%
	Other Grp Insurance	400.00	22.73	68.19	331.81	17%
	Office Supplies	300.00	.00	.00	300.00	0%
	Motor Fuels & lubricants		.00	.00	.00	
	General Supplies	500.00	.00	.00	500.00	0%
	Auditing Services	2,000.00	.00	.00	2,000.00	0%
	Civil Legal Fees	9,000.00	1,418.00	2,219.00	6,781.00	25%
	Travel,Conference,Schools	4,715.00	94.54	235.48	4,479.52	5%
	Advertising	5,000.00	.00	1,250.00	3,750.00	
	Postage	150.00	6.80	6.80	143.20	5%
	Printing & Publishing	1,000.00	.00	.00	1,000.00	0%
	Insurance - Gen Liability	1,800.00	1,791.45	1,791.45	8.55	100%
	Water/Sewer Charges	.00	.00	.00	.00	
	Contractual Services	45,970.00	9,486.48	9,726.48	36,243.52	21%
	Subscriptions,Memberships	775.00	.00	.00	775.00	0%
	Loss on Sale of Asset	.00	.00	.00	.00	
	Misc Expenses	1,500.00	.00	.00	1,500.00	0%
	Business Subsidy	161,785.00	25,000.00	45,000.00	116,785.00	28% More Space
	Land Held for Resale	.00	.00	.00	.00	
		<u>\$400,538.00</u>	<u>\$55,844.45</u>	<u>\$109,405.43</u>	<u>\$291,132.57</u>	<u>27%</u>
	EXPENSE TOTALS	\$400,538.00	\$55,844.45	\$109,405.43	\$291,132.57	27%
	REVENUE TOTALS	402,043.00	.00	.00	402,043.00	0%
	EXPENSE TOTALS	400,538.00	55,844.45	109,405.43	291,132.57	27%
		<u>\$1,505.00</u>	<u>(\$55,844.45)</u>	<u>(\$109,405.43)</u>	<u>\$110,910.43</u>	

Cash Balance:

12/31/2018	571,139
1/31/2019	535,070
2/28/2019	519,452
3/31/2019	468,009

TO: EDA President and Board Members
FROM: Jim Hartshorn, Executive Director 
DATE: April 08, 2019
SUBJECT: **Business Subsidy Request – 879 Stryker Avenue (Tappers Pub).**



City of West St. Paul

BACKGROUND INFORMATION:

Staff met with Loui Hawkins, owner of Tappers Pub, regarding proposed exterior work on the building. He is requesting \$9,517 (half of the remodel project costs). The project includes new building exterior renovations, new signage and new awnings and meets the required criteria of the program. The exterior renovations will enhance and activate the façade and property with a new clean modern look, which will improve the appearance and attractiveness of the area. The project is consistent with the comprehensive plan.

FISCAL IMPACT:

		Amount
Fund:	EDA Fund	\$9,517.00
Department:	EDA	
Account:	209-41121-40495	

STAFF RECOMMENDATION:

Staff recommends approval of the exterior grant request for \$9,517.00.

ATTACHMENTS:

1. Exterior Grant Application
2. Project Estimates

***Application for *Tappers Pub* Commercial Grant Program**

CITY OF WEST ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY (EDA)

COMMERCIAL EXTERIOR GRANT PROGRAM

Purpose

The purpose of the program is to encourage commercial building owners to reinvest in their properties and make improvements to the exteriors of commercial buildings thereby enhancing the esthetics of commercial districts.

Matching Grant:

Minimum allowed is \$5,000

Maximum allowed is \$10,000

Owners are eligible for only one grant per year.

Eligible Properties:

Businesses that are zoned for commercial uses, as shown in the Comprehensive Plan.

Properties that are not the recipient of tax increment financing, tax abatement or other City financing programs.

Eligible Owners:

Only an existing building owner is eligible to apply.

Eligible Projects:

Exteriors and façade improvements for **existing buildings** and additions, such as patio installation for customer use, signage and awnings.

Ineligible Projects:

Land acquisition, financing fees, landscaping, sidewalks, refinancing of existing debt, personal property, working capital, machinery, interior remodeling, roof repair, electrical and plumbing upgrades, energy upgrades, HVAC systems, furniture and fixtures, previously completed projects, and projects started prior to EDA approval.

Application Deadline:

Applications will be accepted year round on a first come, first served basis.

Application Process:

Applicant should contact primary lending institution to determine private financing, if any.

Applicant will meet with City staff to obtain program information/application forms and discuss the project.

Applicant will complete and submit application to City staff.

City staff will review the application for completeness and to determine if it conforms to program guidelines.

Economic Development Authority (EDA) will consider approval or denial of all applications.

Selection Criteria: Applications will be reviewed and analyzed against the following criteria:

Location within the City, i.e. preference to redevelopment area or heavily commercialized area with high visibility.

Ability to encourage improvements to surrounding businesses.

Ability to improve the appearance and attractiveness of an area.

Consistency with Comprehensive and Robert Street Plans.

Compliance with City Codes.

Building owners who have not previously been awarded a grant will be considered before those who have already received grant funding.

Project Completion: The project is to be completed within 180 days (6 months) from approval date.

Disbursement Process: Payment to the applicant will be made upon completion of work following:

- Inspection by City staff to verify completion of work and code compliance.
- Submittal of paid invoices for the work outlined in the application.
- Verification of payment of all permits and closed by the Building Official.
- Property taxes are current.

COMMERCIAL EXTERIOR GRANT APPLICATION –Tappers Pub

1. Provide a brief project description and the following information:

- a. Building square footage: 3,177
- b. Size of property: 0.17 acres
- c. Description of building: 2 story brick building-commercial
- d. Materials and other additional relevant building information: Built in 1914

2. Provide a brief description of your business and the following information:

- Tappers Pub is a locally owned and operated Neighborhood Bar. We provide a fun, safe, and clean establishment that caters to our neighborhood and community.

- a. Business Name: Neighborhood Pub, Inc. DBA Tappers Pub
- b. Address: 879 Stryker Ave West St. Paul, MN 55118
- c. Telephone: 651-457-6784
- d. Contact Name: Steve Iverson

3. Provide information on the present ownership of the building:

- a. Name: Louis Hawkins, Iverhawk, LLC
- b. Address: 879 Stryker Ave West St. Paul, MN 55118
- c. Phone Number: 651-755-0981
- d. Contact Name: Steve Iverson

4. Identify Estimated Qualified Project Costs:

- a. Exterior: \$15,890 (see attached estimate)
- b. Signage: \$720.00 (see attached estimate)
- c. Awnings: \$2,425.00 (see attached estimate)
- d. Other:

TOTAL ESTIMATED COSTS \$19,035

5. Estimated Project Funding:

- a. Private financing institution:
- b. Building owner equity: \$9,517.50
- c. Other public funds: \$9,517.50

TOTAL ESTIMATED SOURCES \$19,035

(Should equal Total Estimated Costs)

6. Are Real Estate Property Taxes Current: Yes XX No _____

7. Provide Construction Rehab Schedule:

a. Estimated rehab start date: 4/1/2019
b. Estimated rehab completion date: 7/30/2019

8. Provide pictures of project before start and drawings/stenches after project completion: (See attached)

9. How will the rehab activities enhance the value of this property and surrounding businesses?

- Tuck-pointing the exterior of our building will greatly improve the aesthetics of the property. It will remove numerous cracks in the façade. We will replace the existing mortar with new mortar; we will replace any bricks that are cracked or broken. This will help improve the appearance of the building, but will dramatically help keep the integrity of this 100 year old structure.
- Replacing the existing awnings will obviously improve the aesthetics of the building. Adding our logo and "Tappers Pub" lettering will make our building stand out and improve the overall look of our corner and neighborhood.

We hope that reinvesting in our business and property will please the community and inspire our neighbors and area businesses to do the same.



Estimate

1062 Dodd Road
 West Saint Paul, MN 55118
 Voice: 651-451-8096
 Email: info@btdesign...
 Web: btdesignmn.com

Date	Estimate
10/5/2018	22751

Name/Address
Tappers Pub 879 Stryker Ave West St Paul, MN 55118

Ship To
Tapper's Pub 879 Stryker Ave West St Paul, MN 55118

PO Number
Full/Detailed Logo style

Item	Description	Qty	Rate	Total
Awning	<p>Produce custom Graphics on (2) brand-new Awnings (exterior wall-mount style) for outside-Bldg. walls.</p> <p>-Pricing for new Awning Graphic includes custom painting one new Tappers Logo about as large as it can go in height to fit on each specific awning (around 42" to 46" tall for overall size). Have the original version of your new 2-color Tappers logo (Keg-Barrel design) setup & used for pricing on these Awning graphics.</p> <p>*Depending on what your Final choice is for the Awning color then also if needed/want to adjust colors used in the logo you can adjust that to any combo of 2 colors (currently setup with the original Teal/Cream color comb. to start with)</p> <p>**Logo Graphics will be custom painted on each of the two Awnings here at our shop. After you purchase Awnings from Royal Shade Co. they will deliver both Awnings directly to us for the graphics production.</p> <p>***This estimate is for the Full/More Detailed Logo version (Has Lots/All of the "dots/small circles" throughout logo</p>	2	360.00	720.00T

Subtotal		\$720.00
Sales Tax (7.125%)		\$51.30
Total		\$771.30

JJV Rubber Mulch & Consruction

98 West Arion St.
West St. Paul Mn. 55118

Estimate

Date	Estimate #
5/16/2018	3867

Name / Address
Tapper's Pub 879 Styker Ave. Saint Paul,Mn. 55118 Ph, 651-457-6784

			Project
Description	Qty	Rate	Total
Grind existing brick mortar joints, Tuckpoint new mortar, Replace broken or deteriorated brick. All work to be performed all sides of above address. Includes materials, labor and clean-up		15,890.00	15,890.00
Project cost estimate good till 12/15/2018		0.00%	0.00
Thank You for Looking at Us JJV		Total	\$15,890.00

ROYAL SHADE and AWNING Co.

244 South Fairview Avenue
St. Paul, MN 55105

Phone 651-699-0530

QUOTATION

PLEASE INDICATE THE ABOVE NUMBER WHEN ORDERING

TO
TAPPER PUB
879 STRYKER AVE
WEST ST. PAUL 55118

QUOTATION DATE AUG 20/18	SALESPERSON MIKE
INQUIRY DATE	INQUIRY NUMBER

ESTIMATED SHIPPING DATE	SHIPPED VIA	FOB	TERMS
QUANTITY	DESCRIPTION	PRICE	AMOUNT
	RECOVER (3) WELDED FRAME AWNINGS (2) OVER WINDOWS (1) OVER DOOR ON THE FRONT OF BUILDING ALSO: (1) COMPLETE NEW DOOR STYLE AWNING OVER WALKWAY TO BACK DOOR • COLOR TO BE DETERMINED • PRICE DOES NOT INCLUDE ANY LETTERING OR GRAPHICS		\$2425.00
	Total :	→	\$2425.00

WE ARE PLEASED TO SUBMIT THE ABOVE QUOTATION FOR YOUR CONSIDERATION. SHOULD YOU PLACE AN ORDER, BE ASSURED IT WILL RECEIVE OUR PROMPT ATTENTION. THIS QUOTATION IS SUBJECT TO THE CONDITIONS PRINTED ON REVERSE SIDE, AND IS VALID FOR _____ DAYS. THEREAFTER IT IS SUBJECT TO CHANGE WITHOUT NOTICE.

BY *[Signature]* ACCEPTED _____ DATE _____

SIGN AND RETURN YELLOW ACCEPTANCE COPY WHEN ORDERING.

Thank You!