

# City of South St. Paul

## Economic Development Authority Agenda

Monday, March 21, 2022 – SPECIAL MEETING  
IMMEDIATELY FOLLOWING THE CONCLUSION OF THE 7:00 P.M. MEETING OF THE  
City Council

**1. CALL TO ORDER:**

**2. ROLL CALL:**

**3. AGENDA:**

*A. Approval of Agenda*

*Action – Motion to Approve*

*Action – Motion to Approve as Amended*

**4. CONSENT AGENDA:**

*All items listed on the Consent Agenda are items, which are considered to be routine by the Economic Development Authority and will be approved by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event the item will be removed from the consent agenda and considered at the end of the Consent Agenda.*

A. EDA Meeting Minutes of February 7, 2022

B. Approval of Satisfaction of Mortgage, Resolution 2022 - 3

**5. GENERAL BUSINESS:**

A. First Amendment to Development Agreement with Linn Diversified Investments, LLC

**6. ITEMS FOR FUTURE FOLLOW-UP:**

*General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.*

**7. ADJOURNMENT:**

Respectfully Submitted,



Ryan Garcia, EDA Executive Director

This meeting is being taped by Town Square Television (NDC4).  
Replays can be viewed on Government Channel 19.  
Replay Times – Friday following Meeting at 1:00 p.m. & 7:00 p.m.  
651-451-7834

MINUTES OF  
THE ECONOMIC DEVELOPMENT AUTHORITY  
CITY OF SOUTH ST. PAUL  
DAKOTA COUNTY, MINNESOTA

Regular Meeting  
February 7, 2022  
City Council Chambers – South St. Paul City Hall

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**1. CALL TO ORDER**

The Regular Meeting of the South St. Paul Economic Development Authority was held on February 7, 2022 in the South St. Paul City Council Chambers. President Francis called the meeting to order at 7:48 p.m.

**2. ROLL CALL**

*Members Present: President Francis, Commissioners Bakken, Dewey, Hansen, Podgorski, Seaberg, and Kaliszewski.*

*Staff Present: EDA Executive Director Ryan Garcia, City Administrator Joel Hanson, and Legal Counsel Amanda Johnson.*

**3. AGENDA**

Motion/Second: Commissioner Kaliszewski moved and Commissioner Dewey seconded approval of the agenda.

Motion carried            7 ayes / 0 nays

**4. CONSENT**

- A. EDA Annual Meeting Minutes of January 3, 2022
- B. Approval of Right of Entry Agreement
- C. Approval of Mortgage Satisfaction, Resolution 2022 – 2

Motion/Second: Commissioner Bakken moved and Commissioner Dewey seconded approval of the consent agenda.

Motion carried            7 ayes / 0 nays

**5. GENERAL BUSINESS**

- A. Approval of Purchase Agreement for Property adjacent to unvacated Pitt Street south of Grand Avenue West

Motion/Second: Commissioner Seaberg moved and Commissioner Kaliszewski seconded the motion to approve entering into a Purchase Agreement with Grand Hill Owners Association, Inc. for the acquisition of real property located generally southeast of the Veterans Memorial Lane and Grand Avenue West intersection.

Motion carried 7 ayes / 0 nays

**6. FUTURE FOLLOW-UP**

President Francis requested an “Economic Development Project Update” presentation at a future meeting.

**7. ADJOURNMENT**

Motion/ Second: Commissioner Seaberg moved and Commissioner Hansen seconded the motion to adjourn the meeting at 7:55 p.m.

Motion carried 7 ayes / 0 nays

Approved:



Ryan Garcia, Secretary



**EDA Agenda Item Report**

Date: April 4, 2022

EDA Executive Director: \_\_\_\_\_

*[Handwritten signature]*

4-B

**Agenda Item: Approval of Satisfaction of Mortgage – #2006– Resolution No. 2022-3**

**Action to be considered:**

Motion to approve Resolution No. 2022-3

**Overview:**

Applicant #2006 received an HRA rehabilitation loan of \$16,000.00 in 2006, with a mortgage recorded at that time. The loan was paid back in full and the mortgage thus satisfied; therefore, the EDA is advised to approve Resolution No. 2022-3, which will authorize the designated officers of the City's Housing and Redevelopment Authority to execute all necessary documentation required to record the satisfaction of mortgage.

**Funding Sources and other fiscal considerations:** N/A

South St. Paul Economic Development Authority  
Dakota County, Minnesota

**RESOLUTION NO. 2022-3**

**WHEREAS**, the City Council transferred all administration of the South St. Paul Housing and Redevelopment Authority (HRA) programs to the South St. Paul Economic Development Authority (“EDA”) by City Council Resolution 2015-197; and

**WHEREAS**, one of those programs was a rehabilitation loan program, for which there are several outstanding loans; and

**WHEREAS**, the South St. Paul Housing and Redevelopment Authority of the City of South St. Paul, Minnesota issued a mortgage to Applicant #2006 in the amount of \$16,000.00;

**WHEREAS**, such mortgage recorded on March 14, 2006 in Dakota County has been satisfied in full by the applicant;

**NOW, THEREFORE, BE IT RESOLVED** by the Economic Development Authority of the City of South St. Paul that:

1. The EDA shall secure the signatures of the appropriate representatives of the HRA to execute the required documents to satisfy the loan and mortgage.

Adopted this 4<sup>th</sup> day of April 2022

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President, James P. Francis

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Executive Director, Ryan Garcia

(Top 3 inches reserved for recording data)

**MORTGAGE SATISFACTION  
by Individual(s)**

**Minnesota Uniform Conveyancing Blanks  
Form 20.5.1 (2011)**

DATE: April 4, 2022  
(month/day/year)

THAT CERTAIN MORTGAGE owned by the undersigned, dated March 3, 2006, executed by \_\_\_\_\_  
(month/day/year)

John Jones and Sarah Scott, joint tenants  
(insert name of mortgagor)

as mortgagor, to Housing and Redevelopment Authority for the City of South St. Paul  
(insert name of original mortgagee)

as mortgagee, and recorded on March 14, 2006, as Document Number 2412445 (or in Book \_\_\_\_\_  
(month/day/year)

of \_\_\_\_\_ Page \_\_\_\_\_), in the Office of the  County Recorder  Registrar of Titles of Dakota  
(check the applicable boxes)

County, Minnesota, is with the indebtedness thereby secured, fully paid and satisfied.

\_\_\_\_\_  
(signature) Sharon Dewey, Chairperson

\_\_\_\_\_  
(signature) Pam Bakken, Secretary

State of Minnesota, County of Dakota

This instrument was acknowledged before me on \_\_\_\_\_, by Sharon Dewey, Chairperson and  
*(month/day/year)*

Pam Bakken, Secretary of the Housing and Redevelopment Authority of the City of South St. Paul

(Stamp)

\_\_\_\_\_  
*(signature of notarial officer)* Debra M. Breitenfeldt

Title (and Rank): \_\_\_\_\_

My commission expires: \_\_\_\_\_  
*(month/day/year)*

THIS INSTRUMENT WAS DRAFTED BY:  
*(insert name and address)*

Housing and Redevelopment Authority  
of the City of South St. Paul  
125 Third Avenue North  
South St. Paul, MN 55075  
(651) 554-3270



**EDA Agenda Item Report**

Date: March 21, 2022

EDA Executive Director:

5-A

**Agenda Item: First Amendment to Development Agreement with Linn Diversified Investments, LLC (12<sup>th</sup> & Southview)**

**Action to be considered:**

Approve the First Amendment to Development Agreement with Linn Diversified Investments, LLC.

**Overview:**

**Background**

On October 4, 2021 the EDA approved a Purchase and Development Agreement with Linn Diversified Investments, LLC to acquire the EDA-owned property at the northwest corner of 12<sup>th</sup> Avenue South and Southview Boulevard. The purpose of this acquisition is to facilitate a substantial redevelopment of an existing gas station and convenience store at 1214 Southview Boulevard. One particularly challenging element of this development relates to the vacation and re-routing of an existing N-S alley which separates the EDA-owned sites from the 1214 Southview Boulevard site. The alley is encumbered by numerous easements to private utility providers, and although progress has been made in coordination of utility relocations, no final solution and plan has been settled upon just yet. Due to this “open-ended” issue relating to the alley and private utilities, it is no longer possible to meet the target closing date found in the original Purchase and Development Agreement, which was March 31, 2022. The City Attorney’s office, the Developer, and City Staff recommend amending the Development Agreement to acknowledge the Developer’s obligations related to the Alley/Utilities and to extend the Closing Date to on or before April 30, 2022. We expect to close on or about April 8, 2022.

**Funding Sources and other fiscal considerations:**

The proceeds of the Sale, as needed, will be used to offset up to \$20,000 of environmental cleanup costs for the development. Net proceeds stay with the EDA’s Development fund, which is used for a variety of economic development purposes including environmental assessments, business and development loans, and acquisitions consistent with City Policy.

The EDA-owned property has been property tax exempt for a number of years. The proposed development (including the demolition of the 1301 Southview Property) should be expected to generate a total market value for taxable purposes of between \$1,000,000 and \$1,500,000, which would result in a total annual property tax bill (in 2021 figures) of between \$30,000 and \$50,000.

Property Map



## **FIRST AMENDMENT TO DEVELOPMENT AGREEMENT**

**THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT** (this “First Amendment”) is entered into as of \_\_\_\_\_, 2022 (the “Effective Date”), by and between the South St. Paul Economic Development Authority, a public body corporate and politic organized under the laws of Minnesota (“EDA”), the City of South St. Paul, a Minnesota municipal corporation (“City”) and Linn Diversified Investments, LLC, a Minnesota limited liability company (“Developer”).

### **RECITALS**

**Recital No. 1.** EDA, City and Developer entered into a Development Agreement dated October 5, 2021 and recorded as Document No. \_\_\_\_\_ on \_\_\_\_\_ in the Dakota County Recorder’s Office (“Development Agreement”) for the purchase and sale of real property identified in the Development Agreement.

**Recital No. 2.** EDA, City and Developer mutually desire to amend the Development Agreement to extend the Closing Date.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants of each to the other contained in this First Amendment and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

1. The following sections in the Development Agreement shall be repealed and replaced:
  - 1(F). “Closing Date” means on or before April 30, 2022, unless otherwise agreed to by the parties.
  - 6.1(B)(5) On or before the Closing Date, the City shall vacate the public alley lying to the west of, and contiguous to, the Property, reserving any existing private utility rights located therein until such time as Developer has, at Developer’s sole expense, relocated all private utilities out of the existing alley, whereupon the City shall execute and record a release of the reserved utility rights against

the Property. The obligations set forth in this paragraph shall survive the Closing and shall not merge with the Deed.

16.3 Partial Vacation and Relocation of Alley. In order to facilitate the Developer's development of the Property for Developer's intended use, upon Developer providing the City with an ingress, egress and access easement that provides a right of access to the general public over that portion of the Property shown on Exhibit F as "Alley Easement", attached hereto and incorporated herein by reference, without charge to the City, the City shall vacate the existing alley lying to the west of, and contiguous to, the Property, reserving any existing private utility rights located therein until such time as Developer has, at Developer's sole expense, relocated all private utilities out of the vacated alley, whereupon the City shall execute and record a release of the reserved utility rights against the Property. The obligations set forth in this paragraph shall survive the Closing and shall not merge with the Deed.

2. The following Exhibit F attached hereto is added and incorporated into the Development Agreement.
3. Except as provided for above, the terms and provisions of the Development Agreement shall remain in full force and effect.
4. This First Amendment and all disputes or controversies arising out of or relating to this First Amendment or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of Minnesota, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Minnesota.
5. Nothing contained herein shall be deemed a waiver by the EDA or the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Developer or its successors or assigns, shall be subject to any governmental immunity defenses of the EDA and City and the maximum liability limits provided by Minnesota Statutes, Chapter 466.
6. This First Amendment may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by the parties and delivered to the other parties.
7. This First Amendment shall not be amended, modified or supplemented, except by a written instrument signed by an authorized representative of each party.

**[remainder of page intentionally blank]**

IN AGREEMENT, the parties hereto have hereunto set their hands as of the Effective Date.

**EDA:  
SOUTH ST. PAUL ECONOMIC  
DEVELOPMENT AUTHORITY**

By \_\_\_\_\_  
James P. Francis  
Its President

By \_\_\_\_\_  
Ryan Garcia  
Its Executive Director

STATE OF MINNESOTA            )  
  ) ss.  
COUNTY OF DAKOTA            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2022 by James P. Francis and Ryan Garcia, the President and Executive Director respectively, of the South St. Paul Economic Development Authority, a public body corporate and politic organized and existing under the Constitution and laws of Minnesota, on behalf of the EDA.

\_\_\_\_\_  
Notary Public

**CITY:  
CITY OF SOUTH ST. PAUL**

By \_\_\_\_\_  
James P. Francis  
Its Mayor

By \_\_\_\_\_  
Christy Wilcox  
Its City Clerk

STATE OF MINNESOTA            )  
  ) ss.  
COUNTY OF DAKOTA            )

On this \_\_\_ day of \_\_\_\_\_, 2022, before me a Notary Public within and for said County, personally appeared James P. Francis and Christy Wilcox, to me personally known, who being each by me duly sworn, each did say that they are respectively the Mayor and City Clerk of the City of South St. Paul, the municipality named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed on behalf of said municipality by authority of its City Council and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said municipality.

\_\_\_\_\_  
Notary Public



Exhibit F

