

**Administrative Committee
Credit Committee
Regular Board Meeting**

Board Chair Slaven and Committee Chairs Mullin and Marshall are calling a meeting of the Administrative Committee, Credit Committee and Board of Commissioners for **Tuesday, February 27, 2024.**

The Committee meetings will start at 1:30 p.m., and the Board meeting will start at 2:00 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street No., Suite 240, St. Paul, MN.

**Administrative Committee
February 27, 2024**

Minutes

Approval of the Minutes from the January 23, 2024 Administrative Committee Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

1. Acceptance of 2024 Legislative Priorities

Such Other Business That May Come Before the Committee

**Credit Committee
February 27, 2024**

Minutes

Approval of the Minutes from the January 23, 2024 Credit Committee Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

1. Special Appropriation Funding for The Heights

Such Other Business That May Come Before the Committee

Regular Board Meeting
February 27, 2024

Minutes

Approval of the Minutes from the January 23, 2024 Regular Board Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

Administrative Committee

1. Acceptance of 2024 Legislative Priorities

Credit Committee

1. Resolution No. 4773 - Special Appropriation Funding for The Heights

Such Other Business That May Come Before the Board

1. Update on The Heights

Closed Session

1. Performance Evaluation of St. Paul Port Authority President Todd Hurley

cc: City Clerk
Reporters

**ADMINISTRATIVE COMMITTEE MEETING
JANUARY 23, 2024**

The meeting of the Port Authority Administrative Committee was held on January 23, 2024, at 1:36 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street No., Suite 240, Saint Paul, Minnesota 55102.

The following Committee Members were present:

John Marshall
John Bennett

Matt Slaven

Don Mullin

Also, present were the following:

Amanda Bauer

Tonya Bauer

Rick Howden

Todd Hurley

Holly Huston

Sarah Illi

Bruce Kessel

Annamarie Kosel

Dana Krueger

Emily Lawrence

Andrea Novak

Kathryn Sarnecki

Laurie Siever

Gao lab Thao

Eve Turner

Phoua Vang

Kristine Williams

Linda Williams

Ayesha Khan, City of Saint Paul

Cheniqua Johnson, City of Saint Paul

Melanie Johnson, City of Saint Paul

APPROVAL OF MINUTES

Committee Member Bennett made a motion to approve the minutes of the November 28, 2023, Administrative Committee meeting. The motion was seconded by Committee Member Mullin and carried unanimously.

CONFLICT OF INTEREST

Committee Member Slaven stated that he would abstain from discussion and voting on Agenda Item Number One.

OATH OF OFFICE

Ms. Lawrence administered the Oath of Office to Saint Paul City Council Member Cheniqua Johnson. The Board along with Port Authority staff welcomed Commissioner Johnson to the Board.

AGENDA ITEMS

SELECTION OF EXTERNAL AUDITORS

Mr. Kessel reviewed his memorandum with the Committee requesting approval of the selection of Clifton Larson Allen as the external auditor for Saint Paul Port Authority for the year ending December 31, 2023. Committee Member Mullin made a motion to approve the request. The motion was seconded by Committee Member Bennett and carried by a vote of three to one, with Committee Member Slaven abstaining.

OTHER BUSINESS


There being no further business, the meeting was adjourned at 1:42 p.m.

By: _____
Its: _____

MEMORANDUM

To: ADMINISTRATIVE COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: February 27, 2024

From: Tonya Bauer 

Subject: ACCEPTANCE OF 2024 LEGISLATIVE PRIORITIES

Action Requested:

Acceptance of the 2024 Legislative Priorities of the Port Authority of the City of Saint Paul (the “Port Authority”).

Session Overview:

Minnesota legislators returned for the second year of the legislative biennium on February 12, 2024. The Democratic Farm Labor (“DFL”) party’s control over all three branches of state government enabled a flurry of action on a wide range of issues in the 2023 legislative session. This year’s focus on the formulation of a bonding bill is projected to prioritize preserving and enhancing the State of Minnesota’s (the “State”) publicly owned assets and infrastructure.

The Port Authority’s 2024 Legislative Priorities are focused on funding capital improvements and necessary infrastructure needs essential to the success of the redevelopment of the former Hillcrest Golf Course, now known as The Heights, the working harbor, and the Port Authority’s mission.

We continue to coordinate closely with our community and economic development partners and have retained Sarah Erickson, United Strategies, LLC for legislative services for the 2024 session. In addition, as part of the Minnesota Ports Association, we have retained Sam Richie of the Fryberger Law Firm for legislative services.

Port Authority Priorities:

The Heights – Affordable Housing:

As we embark on the redevelopment of The Heights, we are working in coalition with project partners to ensure adequate resources to support the housing funding request for The Heights. We are supporting legislation being brought forward by The Heights Affordable Housing Partnership (Habitat for Humanity, Sherman and Associates, and JO Companies) requesting that the State provide already appropriated funds to support the development of 1046 new workforce and affordable homes for all ages and income at The Heights on the Greater East Side of St. Paul.

The Heights – Geothermal Energy:

With our commitment to sustainability and advancing our local, state, and national clean energy goals, we continue to strive for The Heights redevelopment to be one of the first carbon-free communities in the country with Platinum LEED for Community certification. We are persistently seeking innovative ways to accomplish these goals, including the exploration of district-wide geothermal systems and support of legislation to provide for the permitting of larger capacity aquifer thermal energy storage (“ATES”)

MEMORANDUM

systems. In addition, in partnership with Ever-Green Energy and the City of Saint Paul, we are encouraging the Minnesota Climate Innovation Finance Authority (“MnClFA”) to assist in the development of the State’s first district geothermal system at The Heights.

Bonding Bill/Harbor Improvements:

The working river is crucial to our local, state, and national economies. It connects our region’s farmlands, industry, and commodities to global markets and is a key component in our nation’s supply chain. The Saint Paul harbor is the northernmost inland port on the Mississippi River, and there are significant funding needs to address the ongoing maintenance of the aging infrastructure in our river shipping terminals. These efforts include the upkeep and construction of dock walls, refurbishment of buildings, and various other critical infrastructure investments to maintain our working river.

In collaboration with our partners in the Minnesota Ports Association, including the port authorities of Duluth, Red Wing, Wabasha, and Winona, we are advocating for legislative appropriations to MnDOT for the Port Development Assistance Program (“PDAP”) seeking approximately \$43 million in funds, with immediate project needs of \$20 million to fund improvements to the Saint Paul harbor.

PACE Legislation:

Minnesota’s Property Assessed Clean Energy (“PACE”) program has provided low-cost financing for businesses implementing hundreds of clean energy projects across the State, stimulated investment, improved business cash flows, and reduced energy costs and environmental impacts. The Port Authority serves as the primary PACE administrator for the State. We are supportive of modifying legislation that expands the PACE program for more efficient use.

Department of Employment and Economic Development (“DEED”) Grant Funds and Programs:

The Port Authority will continue to support DEED funding requests for competitive grant programs that support brownfields redevelopment initiatives. DEED’s remediation and redevelopment grants, as well as demolition loans, are all critical to the success of many brownfields redevelopment efforts both in the metro and greater Minnesota. Furthermore, funding opportunities provided by programs like the Minnesota Investment Fund (“MIF”) and the Job Creation Fund (“JCF”) play a pivotal role in enabling communities and businesses to foster the development and growth of their local and regional economies. We advocate for consistent and sustainable funding for MIF and JCF to support communities in creating, growing, and retaining jobs.

Maintain Tax Increment Financing (“TIF”):

TIF continues to be an important tool available to fund community development and redevelopment efforts. Over time, the TIF law has become increasingly complex as the legislature seeks to provide cities with the resources to grow the State’s economy while maintaining limits on the use of property taxes. Further restrictions on TIF would render this critical tool less effective, hindering local efforts to support job creation, housing, redevelopment, and remediation. The Port Authority will monitor and respond to any proposed TIF legislation that may impede the use of this vital financing mechanism.

Coordination and Support with Partner Organizations

The Port Authority collaborates very closely with the City of Saint Paul, Ramsey County, the Minnesota Ports Association, the Saint Paul Area Chamber of Commerce, Greater MSP, Economic Development

MEMORANDUM

Association of Minnesota (“EDAM”), State Building Trades Council, and other economic development partners on various legislative matters. We have reviewed and are supportive of the legislative initiatives brought forward this session by the City of Saint Paul, Ramsey County, and other economic development partners.

Recommendation:

Acceptance of 2024 Legislative Priorities of the Port Authority of the City of Saint Paul.

**CREDIT COMMITTEE MEETING
JANUARY 23, 2024**

The regular meeting of the Port Authority Credit Committee was held on January 23, 2024, at 1:43 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota 55102.

The following Committee Members were present:

Don Mullin	Matt Slaven	John Marshall
John Bennett	Angela Riffe	Trinidad Uribe

Also, present were the following:

Amanda Bauer	Tonya Bauer	Rick Howden
Todd Hurley	Holly Huston	Sarah Illi
Bruce Kessel	Annamarie Kosel	Dana Krueger
Emily Lawrence	Andrea Novak	Kathryn Sarnecki
Laurie Siever	Gao lab Thao	Eve Turner
Phoua Vang	Kristine Williams	Linda Williams

Ayesha Khan, City of Saint Paul
Cheniqua Johnson, City of Saint Paul
Melanie Johnson, City of Saint Paul
Nelsie Yang, City of Saint Paul
Nneka Constantino, Merrill Lynch
Pete Klein, MNCIFA

APPROVAL OF MINUTES

Committee Member Uribe made a motion to approve the minutes of the November 28, 2023, Credit Committee meeting. The motion was seconded by Committee Member Riffe and carried unanimously.

CONFLICTS OF INTEREST

Committee Member Bennett stated that he would abstain from discussion and voting on Agenda Item Number Five.

AGENDA ITEMS**APPROVAL OF A LEASE AMENDMENT AND RENTAL RATE
ADJUSTMENT – ALTER TRADING CORPORATION – SOUTHPORT TERMINAL**

Ms. Williams reviewed her memorandum with the Committee requesting approval of a Lease Amendment and Rental Rate Adjustment for Alter Trading Corporation to continue leasing and adjust the rental rates for Tenant's lease of 304,920 square feet of land in Southport Terminal at 780, 750, and 740 Barge Channel Road, Saint Paul, Minnesota. Committee Member Slaven made a motion to

approve the request. The motion was seconded by Committee Member Bennett and carried unanimously.

**AUTHORIZATION TO ACCEPT GRANT FUNDING FROM THE MINNESOTA
DEPARTMENT OF TRANSPORTATION'S PORT DEVELOPMENT ASSISTANCE PROGRAM**

Ms. Illi reviewed her memorandum with the Committee requesting authorization to accept grant funding from the Minnesota Department of Transportation's Port Development Assistance Program for proposed capital improvement projects at Port Authority-owned property located within Barge Terminal 1 (area leased by Bulk Silos, LLC) and Barge Terminal 2 (area leased by Upper River Services, Inc) in Saint Paul, Minnesota. Committee Member Uribe made a motion to approve the request. The motion was seconded by Committee Member Riffe and carried unanimously.

OATH OF OFFICE

Ms. Lawrence administered the Oath of Office to Saint Paul City Council Member Nelsie Yang. The Board along with Port Authority staff welcomed Commissioner Yang to the Board.

2024 GRANT APPLICATION AND ACCEPTANCE AUTHORIZATION

Ms. Williams reviewed her memorandum with the Committee requesting approval for the President of the Port Authority of the City of Saint Paul or anyone acting under his direction to apply for and accept any grant or other financial or resource assistance for the year 2024, so long as the assistance furthers the Port Authority's mission. Committee Member Marshall made a motion to approve the request. The motion was seconded by Committee Member Bennett and carried unanimously.

**APPROVAL OF COMMUNITY ENGAGEMENT,
MARKETING EVENTS AND PROMOTIONAL PARTNERSHIPS**

Ms. Novak reviewed her memorandum with the Committee requesting approval for the President of the Port Authority of the City of Saint Paul or any authorized personnel acting under his direction, to pursue, apply for, and accept financial assistance, including contributions, participation, and sponsorships from external organizations, to support the Port Authority's mission, such as community engagement, marketing events, and promotional partnerships. Committee Member Slaven made a motion to approve the request. The motion was seconded by Committee Member Riffe and carried unanimously.

APPROVAL OF WRITING OFF THE MARIO HOLDINGS, LLC LOAN

Mr. Kessel reviewed his memorandum with the Committee requesting approval to write off Mario Holdings, LLC's Business Development Fund loan. Committee Member Slaven made a motion to approve the request. The motion was seconded by Committee Member Marshall and carried by a vote of five to one, with Committee Member Bennett abstaining.

WRITE OFF EMERGENCY BUSINESS DEVELOPMENT FUND LOANS

Ms. Huston reviewed her memorandum with the Committee requesting approval to write off the remaining principal and interest on three Emergency Business Development Fund loans. DEED has paid 80% of the principal balance of the loans, and this request is to write off the remaining 20% plus accrued interest. Committee Member Marshall made a motion to approve the request. The motion was seconded by Committee Member Uribe and carried unanimously.

SUCH OTHER BUSINESS

Ms. Huston reviewed her quarterly report on outside funded PACE projects for the fourth quarter of 2023. Chair Mullin thanked Ms. Huston for providing this report.

There being no further business, the meeting was adjourned at 2:15 p.m.


By: _____

Its: _____

MEMORANDUM

To: CREDIT COMMITTEE
BOARD OF COMMISSIONERS

Meeting Date: February 27, 2024

From: Rick Howden 

Subject: SPECIAL APPROPRIATION FUNDING FOR THE HEIGHTS
RESOLUTION NO. 4773

Action Requested:

Seeking approval for the authorization to provide evidence of full funding for the redevelopment of The Heights, located at 2200 Larpenteur Avenue East, Saint Paul (“The Heights”) to Minnesota Department of Employment and Economic Development (“DEED”) and Minnesota Department of Management and Budget (“MMB”).

Background:

In September 2023, the Port Authority Board of Commissioners approved Resolution 4753 authorizing the Port Authority to apply for and accept special appropriation funding from DEED in the sum of \$11,000,000.

Current Status:

MMB has requested that the Port Authority provide evidence of full funding for The Heights project before a grant agreement authorizing the release of the special appropriation funding can be executed. Land sale proceeds at The Heights have not yet been realized, as sales are pending. As such, MMB requested evidence of additional funding sources in the interim, which include a \$10 million line of credit authorized by the City of Saint Paul and the availability of up to \$18 million in Port Authority Development Funds.

Recommendation:

Approval for the authorization to provide evidence to DEED and MMB of full funding for the redevelopment of The Heights.

Attachment: Resolution

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL**

SPECIAL APPROPRIATION FUNDING FOR THE HEIGHTS

WHEREAS, the Port Authority of the City of Saint Paul (the “Port Authority”) is a public body corporate and politic and governmental subdivision organized pursuant to Chapter 469 of Minnesota Statutes;

WHEREAS, the Port Authority’s Board of Commissioners are appointed by the Mayor of the City of Saint Paul subject to the approval of the Council of the City of Saint Paul;

WHEREAS, the Port Authority has undertaken numerous redevelopment projects of industrial sites in the City of Saint Paul; and

WHEREAS, the Port Authority has submitted a grant application to the Minnesota Department of Employment and Economic Development (“DEED”) requesting an amount of \$11,000,000 of Special Appropriation funds for use at The Heights (f/k/a Hillcrest Redevelopment Site) (“The Project”), located at 2200 Larpenteur Avenue East, Saint Paul, Minnesota.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL: That the Port Authority has the legal authority to apply for financial assistance and the institutional, administrative, and managerial capability to ensure adequate acquisition, construction, maintenance, and protection of the Project.

BE IT FURTHER RESOLVED that the Port Authority hereby pledges to complete the project or phase if it exceeds the total funding provided by the proposed \$11 million grant from DEED.

BE IT FURTHER RESOLVED that the Port Authority has the financial capability to provide any required matching funds and that the source of the Port’s matching funds shall be a \$10 million line of credit authorized by the City of Saint Paul and \$18 million in Port Authority’s Development Funds and will not include other State of Minnesota (“State”) funding sources.

BE IT FURTHER RESOLVED that the Port Authority has not violated any federal, state, or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest, or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that the Port Authority certifies that it will comply with all applicable laws and regulations as stated in the applicable grant/assistance agreements.

BE IT FURTHER RESOLVED that upon approval of its application by the State, the Port Authority may enter into an agreement with the State for the above-referenced grant, and that the Port Authority certifies that it will comply with all applicable laws and regulations as stated in such agreement.

NOW, THEREFORE BE IT RESOLVED that the President or Chief Financial Officer or anyone acting under their direction is hereby authorized to execute such agreements as are necessary to implement the Project or accept the grant funding described herein on behalf of the Port Authority.

Adopted: February 27, 2024

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

ATTEST:

By _____
Its Secretary

**REGULAR BOARD MEETING
JANUARY 23, 2024**

The regular meeting of the Port Authority Board was held on January 23, 2024, at 2:17 p.m. in the Board Room of the Saint Paul Port Authority, 400 Wabasha Street, Suite 240, Saint Paul, Minnesota 55102.

The following Board members were present:

Matt Slaven	John Marshall	Don Mullin
John Bennett	Cheniqua Johnson	Nelsie Yang
Nneka Constantio		

Also, present were the following:

Amanda Bauer	Tonya Bauer	Rick Howden
Todd Hurley	Holly Huston	Sarah Illi
Bruce Kessel	Annamarie Kosel	Dana Krueger
Emily Lawrence	Andrea Novak	Kathryn Sarnecki
Laurie Siever	Gao lab Thao	Eve Turner
Phoua Vang	Kristine Williams	Linda Williams
Melanie Johnson, City of Saint Paul		
Pete Klein, MNCIFA		

APPROVAL OF MINUTES

Commissioner Marshall made a motion to approve the minutes of the November 28, 2023, regular Board meeting. The motion was seconded by Commissioner Yang and carried unanimously.

CONFLICT OF INTEREST

Chair Slaven stated that he would abstain from discussion and voting on Agenda Item Number One - Resolution No. 4765.

NEW BUSINESS

ADMINISTRATIVE COMMITTEE

**RESOLUTION NO. 4765
SELECTION OF EXTERNAL AUDITORS**

Motion was made by Commissioner Marshall to approve Resolution No. 4765, which was reviewed by the Administrative Committee and recommended for approval by the Board. The motion carried by a vote of six to one, with Chair Slaven abstaining.

CREDIT COMMITTEE**RESOLUTION NO. 4766****APPROVAL OF A LEASE AMENDMENT AND RENTAL RATE****ADJUSTMENT – ALTER TRADING CORPORATION – SOUTHPORT TERMINAL**

Motion was made by Commissioner Mullin to approve Resolution No. 4766, which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4767**RESOLUTION NO. 4768****RESOLUTION NO. 4769****AUTHORIZATION TO ACCEPT GRANT FUNDING FROM THE MINNESOTA****DEPARTMENT OF TRANSPORTATION'S PORT DEVELOPMENT ASSISTANCE PROGRAM**

Motion was made by Commissioner Mullin to approve Resolution Numbers 4767, 4768, and 4769 which were reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4770**2024 GRANT APPLICATION AND ACCEPTANCE AUTHORIZATION**

Motion was made by Commissioner Mullin to approve Resolution No. 4770 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4771**APPROVAL OF COMMUNITY ENGAGEMENT,****MARKETING EVENTS AND PROMOTIONAL PARTNERSHIPS**

Motion was made by Commissioner Mullin to approval Resolution No. 4771 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

GENERAL MATTERS

Such Other Business That May Come Before the Board

RESOLUTION NO. 4772**RECOGNITION OF PETE KLEIN**

Chair Slaven read Resolution No. 4772 honoring Pete Klein for his accomplishments and achievements during his 26 plus years of service at the Saint Paul Port Authority. Commissioner Constantino made a motion to approve Resolution No. 4772. The motion was seconded by Commissioner Marshall and carried unanimously.

There being no further business, the meeting was adjourned at 2:49 p.m.

By _____

Its _____