



**AGENDA
BOARD MEETING
JULY 25, 2017 - 2:00 P.M.**

LOCATION: 380 St. Peter Street, Suite 850, Saint Paul, MN 55102

MINUTES

1. Approval of the Minutes from the June 27, 2017 Regular Board Meeting

CONFLICT OF INTEREST

NEW BUSINESS

CREDIT COMMITTEE

1. **Resolution No. 4602** Release of Declaration of Governmental Purpose for DEED Redevelopment Grant Parcel 5 East Beacon Bluff

GENERAL MATTERS

1. Such Other Business as May Come Before the Board

**PORT AUTHORITY OF THE CITY OF SAINT PAUL
MINUTES OF THE REGULAR BOARD MEETING
JUNE 27, 2017**

The regular meeting of the Port Authority Board was held on June 27, 2017 at 2:04 p.m. in the Board Room of the Saint Paul Port Authority located at 380 St. Peter Street, Suite 850, Saint Paul, Minnesota.

The following Commissioners were present:

John Bennett	Dan Bostrom	Harry Melander
Dai Thao	Paul Williams	

Also present were the following:

Laurie Hansen	Monte Hilleman	Bruce Kessel
Pete Klein	Ann Kosel	Dana Krueger
Lee Krueger	Ava Langston-Kenney	Michael Linder
Andrea Novak	Sarah Savela	Laurie Siever
Linda Williams		
Eric Larson, General Counsel, City of Saint Paul		

APPROVAL OF MINUTES

Motion was made by Commissioner Bostrom, seconded by Commissioner Williams, to approve the minutes of the Board meeting held on April 25, 2017. The motion carried unanimously.

CONFLICT OF INTEREST

There were no conflicts with any of the items on the agenda.

NEW BUSINESS

CREDIT COMMITTEE

RESOLUTION NO. 4599

**PUBLIC HEARING – AMENDMENTS TO THE
SNELLING-MIDWAY, MAXSON STEEL/DALE STREET SHOPS
AND ENERGY PARK INDUSTRIAL DEVELOPMENT DISTRICTS**

Motion was made by Commissioner Williams to approve Resolution No. 4599 which was reviewed by the Credit Committee and recommended for approval by the Board.

Chair Melander stated that in accordance with Minnesota Law, the Port Authority is required to hold a public hearing regarding Resolution No. 4599, and declared the Public Hearing open. He asked if anyone in attendance wished to address the Board. No one came forward and, therefore, Chair Melander declared the Public Hearing closed and asked to take a roll call vote.

Chair Melander stated that a roll call vote is required under Chapter 469 and the Commissioners voted as follows:

Commissioner Bennett	- aye	Commissioner Bostrom	- aye
Commissioner Thao	- aye	Commissioner Williams	- aye
Chair Melander	- aye		

The motion carried unanimously.

RESOLUTION NO. 4600
APPROVAL OF MODIFICATIONS TO THE ENERGY LANE
BUSINESS CENTER REDEVELOPMENT AND THE GREAT NORTHERN
BUSINESS CENTER PHASE II REDEVELOPMENT TAX INCREMENT
FINANCING DISTRICTS, EXPANDING THE GEOGRAPHIC PROJECT
AREA, MODIFYING THE BUDGETS AND ISSUING THE RELATED TIF NOTES

Motion was made by Commissioner Williams to approve Resolution No. 4600 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

RESOLUTION NO. 4601
DISTRICT ENERGY ST. PAUL, INC. – AUTHORIZATION
FOR TAX-EXEMPT FINANCING ALLOCATION APPLICATION

Motion was made by Commissioner Williams to approve Resolution No. 4601 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion carried unanimously.

There being no further business, the meeting was adjourned at 2:08 p.m.

By: _____

Its: _____

/amk

SAINT PAUL PORT AUTHORITY

MEMORANDUM

TO: BOARD OF COMMISSIONERS
(Regular Meeting of July 25, 2017) **DATE:** July 20, 2017

FROM: Monte M. Hilleman 

SUBJECT: RELEASE OF DECLARATION OF GOVERNMENTAL PURPOSE FOR
DEED REDEVELOPMENT GRANT PARCEL 5 EAST BEACON BLUFF
RESOLUTION NO. 4602

Action Requested:

Approval of a resolution releasing the declaration of governmental purpose for a DEED Redevelopment Grant at Beacon Bluff Business Center – Parcel 5 East.

Public Purpose:

The public purpose for this project, and the associated DEED grant, was the generation of tax base and job retention and creation at Beacon Bluff. Both of those purposes have been accomplished through the project described below.

Business Subsidy:

N/A

Background:

Beacon Bluff Business Center lies within the Port Authority's Phalen Boulevard Industrial Development District. Parcel 5 East is a 5.5-acre development parcel within Beacon Bluff Business Center. As Parcel 5 East was being redeveloped and replatted, the Port Authority secured a \$519,000 grant from the MN Department of Employment and Economic Development (MN DEED). A declaration was recorded with the property describing conditions for future disposition of the property. As the grant was funded by state general obligation bonds, the use of funds was restricted to those areas under permanent public ownership or control. As to Parcel 5 East, the funds were expended on the installation of a private pipe that drains water from the private development, as depicted in Exhibit A.

The site is under contract for sale to Opus Development Company, LLC for the development of an approximately 90,000 square foot office/warehouse building for lease.

Current Status:

The property is currently under contract for sale pursuant to the contingent purchase agreement approved by the Port Authority Board on August 23, 2016. The requested declaration allows the sale to move forward by meeting the State's requirements for this funding source.

BOARD OF COMMISSIONERS

July 20, 2017

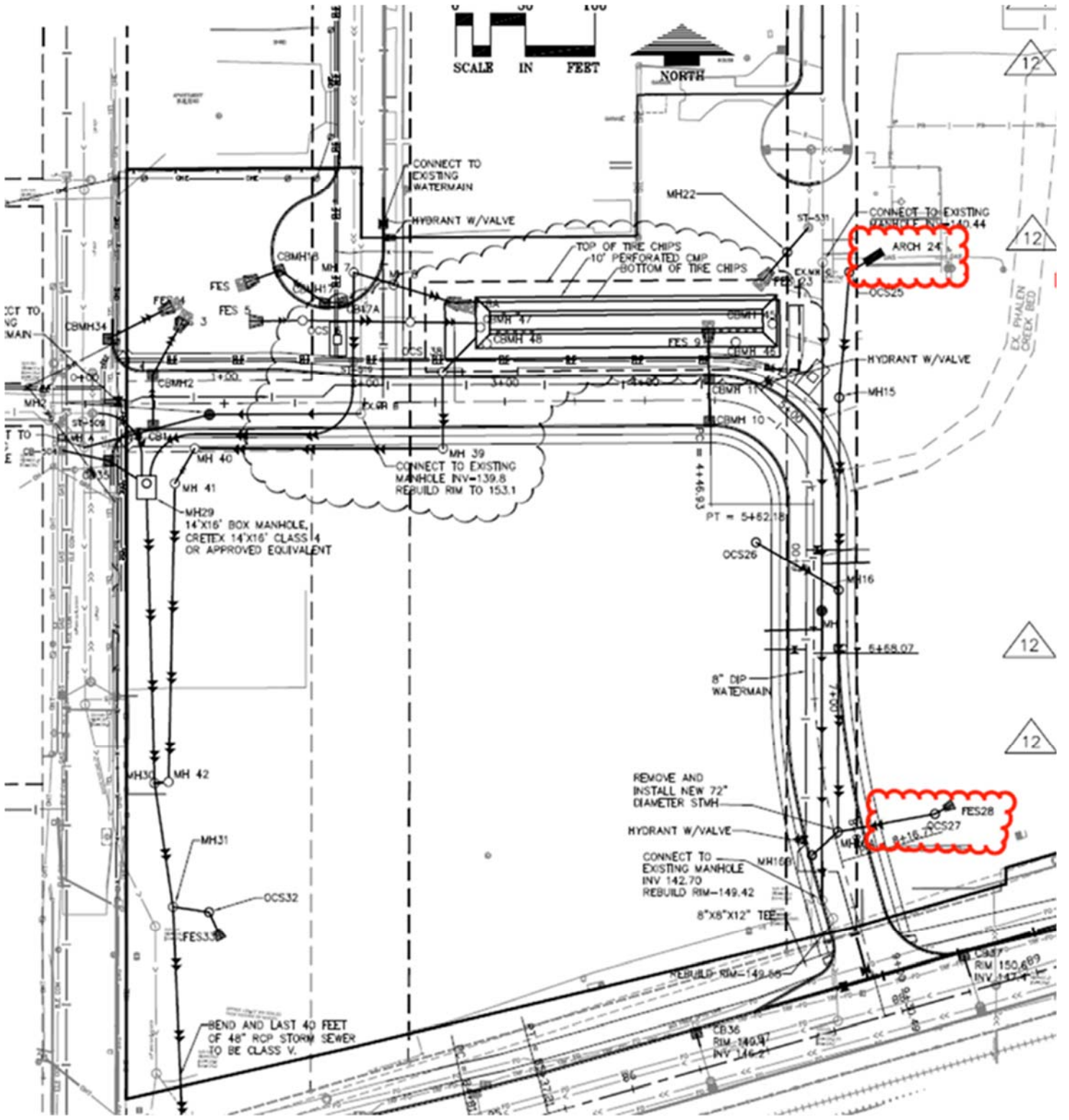
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In order for the declaration to be released and the sale to proceed to closing, MN DEED requires that the Port Authority declare its official intent that the Property is no longer usable or needed to carry out the governmental purposes for which it was originally acquired and redeveloped, and should be sold by Seller to Buyer. In addition, to release the declaration with respect to the Property, MN DEED requires the Port Authority to repay \$5,298.10, representing the amount of grant proceeds that were used to better and improve the Property.

Recommendation:

We recommend the approval of a resolution releasing the declaration of governmental purpose for a DEED Redevelopment Grant at Beacon Bluff Business Center – Parcel 5 East.

MMH:djk



RESOLUTION
OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL
(Sale of Lot 1, Block 2, Beacon Bluff Business Center North)

WHEREAS, The Port Authority of the City of Saint Paul, Minnesota, a body corporate and politic ("Port Authority") is authorized by Minnesota Statutes 469.055, Subdivision 7 and 469.084, Subdivision 8 to redevelop and sell real property in the City of Saint Paul, Minnesota in furtherance of economic development and job creation.

WHEREAS, The Port Authority purchased the former 3M corporate campus in Saint Paul and has re-developed it into a business center known as Beacon Bluff.

WHEREAS, The Port Authority caused to be platted as part of Beacon Bluff a parcel known as Lot 1, Block 2, Beacon Bluff Business Center North, Ramsey County, Minnesota, located at the northeast intersection of Wells Street and Phalen Boulevard in the City of St. Paul, State of Minnesota (the "Property").

WHEREAS, The Port Authority funded a portion of the cost of the redevelopment of certain public sewer easement areas on the Property using a \$519,018 program grant (RDGP-09-0027-o-FY10) received from the Minnesota Department of Employment and Economic Development (the "Grant").

WHEREAS, The Grant was funded by state general obligation bonds.

WHEREAS, The Grant was used solely to fund redevelopment costs on a portion of the Property (the "Restricted Property"), namely to install a pipe that drains water from the private development to public easements in favor of the City of Saint Paul.

WHEREAS, The Port Authority recorded a Declaration dated December 8, 2010, and recorded on December 9, 2010, in the Office of the County Recorder of Ramsey County as Document #4257003, and on December 10, 2010, in the Office of the Registrar of Titles of Ramsey County as Document #2128922 (the "Declaration") against the Restricted Property as required under Minnesota law, evidencing that the Restricted Property was improved with state bond financing.

WHEREAS, The Port Authority granted easements for street, drainage and utility purposes to the City of Saint Paul ("City") over the Restricted Property pursuant to a Dedication of Easement for Street, Drainage and Utility Purposes dated December 14, 2010, and recorded on December 15, 2010, in the Office of the County Recorder of Ramsey County as Document #4258145, and on December 15, 2010, in the Office of the Registrar of Titles of Ramsey County as Document #2129454 (the "Dedication of Easements").

WHEREAS, The Port Authority caused the Restricted Property to be re-platted as part of Beacon Bluff Business Center North in 2012. The official plat of Beacon Bluff Business Center North (the "Plat") provides for dedicated easements for utilities, drainage and publicly dedicated streets all in favor of the City over the Restricted Property.

WHEREAS, The Port Authority has entered into a certain Contingent Purchase Agreement dated August 10, 2016, as amended, with Opus Development Company, L.L.C., a Delaware limited liability company and its successors and assigns ("Buyer") pursuant to which Seller intends to convey the Property to Buyer with a Limited Warranty Deed (the "Conveyance").

WHEREAS, the Port Authority desires to declare its official intent that the Property is no longer usable or needed to carry out the governmental purposes for which it was originally acquired and redeveloped, and should be sold by Seller to Buyer.

NOW, THEREFORE, BE IT RESOLVED by the Port Authority of the City of Saint Paul as follows:

1. The Port Authority hereby ratifies and confirms the recitals set forth above.
2. The Port Authority has reviewed and approved the Purchase Agreement between Seller and Buyer described above. The negotiated purchase price of \$996,653.00 reflected in the Purchase Agreement was arrived at following a national marketing effort of the Property by commercial real estate broker, CBRE, on behalf of the Port Authority.
3. This resolution constitutes a declaration of official intent of the Port Authority that the Property is no longer usable or needed to carry out the governmental purposes for which it was originally acquired and redeveloped, and should be sold by the Port Authority to Buyer in accordance with the Purchase Agreement.
4. The Grant proceeds used by the Port Authority in redevelopment of the Property were used solely on the Property. Following the sale of the Property to Buyer, the Declaration restricting the Property shall be released as to the fee title interest in the Restricted Property.
5. To release the Declaration, the Port Authority shall pay to Minnesota Management and Budget \$5,298.10, representing the amount of Grant proceeds that were used to better and improve the Property.
6. The President of the Port Authority or anyone acting under his direction is hereby authorized and directed to execute any and all necessary documents in furtherance of the conveyance of the Property to Buyer pursuant to the Purchase Agreement described herein.

7. All prior acts and doings of the officials, agents and employees of the Port Authority which are in conformity with the purpose and intent of this action, and in furtherance of the economic development and job creation purposes of the Port Authority, shall be and the same hereby are in all respects ratified, approved and confirmed.

Adopted: July 25, 2017

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By: _____
Its: Chair

Attest:

By: _____
Its: Secretary