

Regular Board Meeting

June 22, 2021 - 2:00 p.m.

400 Wabasha Street No., Suite 240 | Saint Paul, MN 55102

Chair Bennett is calling a meeting of the Board of Commissioners for Tuesday, June 22, 2021 at 2:00 p.m. Chair Bennett has determined, due to the emergency declared by the Governor of Minnesota and the Mayor of Saint Paul regarding the COVID-19 health pandemic, that it is not practical nor prudent for the Saint Paul Port Authority Board and members of the staff to meet in-person or pursuant to Minnesota Statutes, Section 13D.02. In light of the COVID-19 health pandemic, it is not feasible for any member of the Saint Paul Port Authority Board and staff to be present at the regular location, and all staff and Board members of the Saint Paul Port Authority will attend this meeting by telephone or other electronic means.

It is also not feasible for members of the public to attend the meeting at its regular location due to the health pandemic and emergency. Accordingly, no meeting will be held at the Saint Paul Port Authority offices which are located at 400 Wabasha Street No., Suite 240, St. Paul, MN. Members of the public may monitor this meeting remotely at 651-395-7858, Conference ID: 787 292 09#. The purpose of the meeting is:

Minutes

Approval of Minutes of the May 25, 2021 Regular Board Meeting

Conflicts of Interest

Conflicts with any Items on the Agenda

New Business

1. Resolution No. 4698 - Variance to the Protective Covenants for the Arlington Jackson Business Center for the Installation of a Pylon Sign at 240 Arlington Avenue, Saint Paul, Minnesota

Credit Committee

1. Resolution No. 4699 - License Agreement with the Metropolitan Council for the Installation of an ADA Accessible Bus Boarding Pad at the Bus Stop Located at 1500 Energy Park Drive, Saint Paul, Minnesota

General Matters

1. Strategic Plan Update
2. Such Other Business That May Come Before the Board

**SAINT PAUL PORT AUTHORITY
MINUTES OF THE REGULAR BOARD MEETING
MAY 25, 2021**

The regular meeting of the Port Authority Board was held on May 25, 2021 at 2:01 p.m. via Microsoft Teams.

The following Board Members were present:

John Bennett
Matt Slaven

John Marshall
Dai Thao

Don Mullin
Rebecca Noecker

Also, present were the following:

Tonya Bauer
George Hoene
Bruce Kessel
Dana Krueger
Andrea Novak
Linda Tran

Nelly Chick
Todd Hurley
Pete Klein
Lee Krueger
Kathryn Sarnecki
Linda Williams

Monte Hilleman
David Johnson
Ann Kosel
Michael Linder
Laurie Siever

Eric Larson, City of Saint Paul

APPROVAL OF MINUTES

Commissioner Mullin made a motion to approve the minutes of the April 27, 2021 regular Board meeting. The motion was seconded by Commissioner Marshall, submitted to a roll call vote, and carried unanimously.

CONFLICT OF INTEREST

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

NEW BUSINESS

CREDIT COMMITTEE

RESOLUTION NO. 4695

2020 LEASE RENEWAL AND RENTAL RATE ADJUSTMENT – QWEST CORPORATION

Motion was made by Chair Mullin to approve Resolution No. 4695 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was submitted to a roll call vote and carried unanimously.

RESOLUTION NO. 4696

CITY OF SAINT PAUL/SAINT PAUL

PORT AUTHORITY EMERALD ASH BORER ('EAB') TREE PROGRAM

Motion was made by Chair Mullin to approve Resolution No. 4696 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was submitted to a roll call vote and carried unanimously.

RESOLUTION NO. 4697

**RED ROCK ROAD MILL AND OVERLAY PROJECT MEMORANDUM OF
UNDERSTANDING AND PROJECT MANAGEMENT AGREEMENT WITH THE CITY OF SAINT PAUL**

Motion was made by Chair Mullin to approve Resolution No. 4697 which was reviewed by the Credit Committee and recommended for approval by the Board. The motion was submitted to a roll call vote and carried unanimously.

GENERAL MATTERS

There being no further business, the meeting was adjourned at 2:22 p.m.

By _____

Its _____

MEMORANDUM

To: BOARD OF COMMISSIONERS  **Meeting Date:** June 22, 2021

From: Monte M. Hilleman

Subject: **VARIANCE TO THE PROTECTIVE COVENANTS FOR THE ARLINGTON JACKSON BUSINESS CENTER FOR THE INSTALLATION OF A PYLON SIGN AT 240 ARLINGTON AVENUE, SAINT PAUL, MINNESOTA**
RESOLUTION NO: 4698

Action Requested:

Authorization for a variance from the Protective Covenants at the Arlington Jackson Business Center permitting the installation of a pylon business sign located at 240 Arlington Avenue, Saint Paul, Minnesota.

Background:

As part of the Port Authority of the City of Saint Paul's ("Port Authority") creation of an industrial business center, community-focused Protective Covenants ("Covenants") are recorded against the property. The purpose of the Covenants, together with the City of Saint Paul zoning and building codes, are to guide the design and development (beyond technical criteria) that are not easily prescribed by rules and regulations. Among these are intangibles such as special relationships of structures, open spaces, architectural compatibility and signage requirements and restrictions, site usage, the patterns of human activity and other general design framework to the development project. The scope and terms of Port Authority Covenants are considered as supplemental to the requirements of existing zoning ordinance and building codes of the City or other governing authorities. In essence, the Covenants are to ensure the Port Authority's business centers operate as a safe, functional industrial center while maintaining the highest level and stability of property value and aesthetic appeal to the community.

The Port Authority Board may in its sole and absolute discretion grant variances from the strict application of the provision of the Covenants in cases where, by reason of extraordinary and exceptional conditions of any site of circumstances, strict application of any standard would result in peculiar and practical difficulties or undue hardship upon the owner or tenant or where otherwise deemed appropriate by the Port Authority.

Project Summary and Variance Request:

240 Arlington Avenue, which is located in the Port Authority's Arlington Business Center, was sold by the Port Authority to 3N Properties in 1997. Protective Covenants were recorded against the property and 3N Properties built an 84,000 square foot manufacturing facility, where ADDCO and Actus Manufacturing operated until 2019. In June of 2019, ADDCO and Actus Manufacturing downsized and relocated to a new facility in the Port Authority's Beacon Bluff Business Center. 3N Properties then sold 240 Arlington Avenue to Brock St. Paul Opportunity Business, I, LLC, a subsidiary to Veritas Family Partners, Ltd. ("Veritas").

MEMORANDUM

Veritas is a private family operation located in Austin, Texas. Their investment mandate is to acquire and develop commercial real estate within the climate-controlled, self-storage and multi-family residential property sectors throughout the nation. With Veritas's acquisition of 240 Arlington Avenue, they partnered and entered a lease with Public Storage Company.

Veritas has invested approximately \$7.9M into remodeling the site into a top-notch indoor storage facility, which opened in May of 2020. Despite a pandemic, the project has been operating successfully and with continued market demand for indoor storage options, Veritas is looking to expand their footprint on this site even further. Their investments have resulted in increased tax base. In fact, from 2019 to 2020 the property's taxable value increased by more than 9%, garnering \$211,798 in 2021 payable property taxes.

To better serve their tenant, Veritas submitted a request to the Port Authority for the placement of a pylon sign along the east side of their property facing the I35E corridor. While pylon signs are allowable within the city zoning code, they are restricted within the Port Authority's Arlington Jackson Covenants. Veritas requested further review and a variance from the Covenants for a pylon sign stressing the importance of highway visibility and brand exposure as a part of their client's business model.

The Port Authority understands the business model for Public Storage and the importance for Veritas to adequately serve their clients. Port Authority staff suggested that Veritas seek formal community support of the project including that the installation of a pylon sign would not cause a negative visual impact to the surrounding community in order to provide a supportive record for the Board.

Per the attached documentation and letters of support from the Ward 5 City Council office and from the North End Neighborhood Organization (District 6), the community has agreed that this sign installation will not cause a negative visual impact to the surrounding community and are supportive of the project and recommend a variance for the installation of a pylon sign.

Recommendation:

As it is in direct contradiction with longstanding protective covenants, Port Authority staff does not recommend approval for a variance from the Protective Covenants at the Arlington Jackson Business Center permitting the installation of a pylon business sign at 240 Arlington Avenue, Saint Paul, Minnesota.

MMH/tkb/lkw

Attachments: Veritas Letter Request
Letter of Support from Ward 5
Letter of Support from North End Neighborhood Organization (D6)
Signage Diagram
Resolution

VERITAS FAMILY PARTNERS

May 7, 2021

Eric Larson
General Counsel
Saint Paul Port Authority
400 Wabasha Street North, Suite 240
St. Paul, MN 55102

Dear Mr. Larson,

Please consider this letter as an official request from Veritas Family Partners to the Saint Paul Port Authority's Board of Directors for a variance to grant permission to install a pylon sign at our facility at 240 Arlington Avenue in Saint Paul. The location is within the Port's Arlington Business Center.

While we understand and are aware of the existing covenants for the business center that prohibit the installation of a pylon sign, we believe our request for a variance and the specific circumstances related to the Public Storage business should be considered and, upon review, be approved by the board.

Veritas has worked with its design team and a sign company to create a tasteful pylon sign that would promote the storage facility to traffic driving on 35E. Residents in the immediate area around the business center would not be able to see the sign or any light it would be projecting at night. Included with this letter is information about the sign's design and other technical information.

We think the fact the sign would not visually impact the surrounding community or other tenants within the business center supports our request for the variance. The sign would also help support the business and the investment we have made in the city and specifically in this business center.

As part of the process the Port staff shared with our team, we have met with the North End Neighborhood Association (NENO) that represents the immediate area and presented information related to our request. The NENO board voted to approve our request and we have included the letter that reflects their action to support this application.

We have also met with Saint Paul City Councilmember Amy Brendmoen and her staff about this matter and our specific request. After reviewing the information and our specific request, she has sent you a letter supporting our request for the variance.

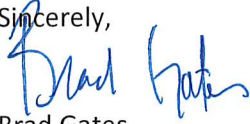
While we respect the importance of the covenants and other guidelines that govern business centers, this would not be the first request your organization has approved for a variance to install a sign. The Port's board, in the past, granted a variance to another similar business in the Crosby Lake business center that allowed for the installation of a sign.

The Public Storage project opened in May of 2020 and serves people in the immediate area. There is a growing demand from people and businesses for safe, secure places to store everything from personal items to business records and other property. We are committed to making sure this continues to be a well-run and successful business that serves the community with an important service. A key element of

the success for this specific facility is to increase its awareness with potential customers – primarily people travelling on 35E.

Thank you for your consideration of this request and we look forward to continuing to work through the process and to have an opportunity to directly present this request to your board of directors. Please let us know if there any questions related to this matter and what the next steps are in the process.

Sincerely,



Brad Gates
President and COO
Veritas Family Partners

cc via email: Lee Krueger, SPPA President
Todd Hurley, SPPA Chief Operating Officer and Chief Financial Officer
Monte Hilleman, SPPA Vice President and Director of Development
Tonya Bauer, SPPA Director of Strategic Development
David Johnson, SPPA Development Services Associate

Attachment: Sign specifications
NENO Letter
Councilmember Brendmoen Letter



May 6, 2021

Lee Krueger, President
Todd Hurley, Chief Operating Officer
Saint Paul Port Authority
400 Wabasha Street North, Suite 240
St. Paul, MN 55102

Dear Lee and Todd,

As the councilmember representing Saint Paul's Ward 5 that includes the Arlington Jackson Business Center, I am sending this letter of support for Veritas Family Partners, LLC's request for a variance from the St. Paul Port Authority's Board of Directors to allow for the installation of a sign at their facility at 240 Arlington.

I have had the chance to review their request to install a sign to support their Public Storage business and the proposed location. I strongly support the work the Port does via the business centers and the jobs and significant investment you help bring to our community. The centers have helped us find ways to bring brownfield and under-developed property back to life.

The proposed sign would be placed in a location that would focus on traffic on Interstate 35E and not create any significant visual impact on the broader community. I respect the rules and other guidelines that are part of your work related to the business centers but believe this specific request should be granted a variance.

For this reason, I am writing this letter to support the Veritas request for a variance from your board of directors.

Thank you for your time and consideration.

Sincerely,

Amy Brendmoen
Saint Paul City Council President



North End Neighborhood Organization (District 6)
171 Front Avenue
Saint Paul, MN 55117
651-488-4485
ed@nenostpaul.org

May 4, 2021

Lee Krueger, President
Todd Hurley, Chief Operating Officer
Saint Paul Port Authority
400 Wabasha Street North, Suite 240
St. Paul, MN 55102

Dear Lee and Todd,

On behalf of the North End Neighborhood Organization I am sending this letter of support for Veritas Family Partners, LLC's request for a variance from the St. Paul Port Authority's Board of Directors to allow for the installation of a sign at their facility in your Arlington Jackson business center.

Our organization voted to support of the variance after meeting with representatives from Veritas. We respect the work the Port Authority does, and its leadership related to work to develop and complete the critically important business centers. The guidelines and procedures for development and operation of the centers are important.

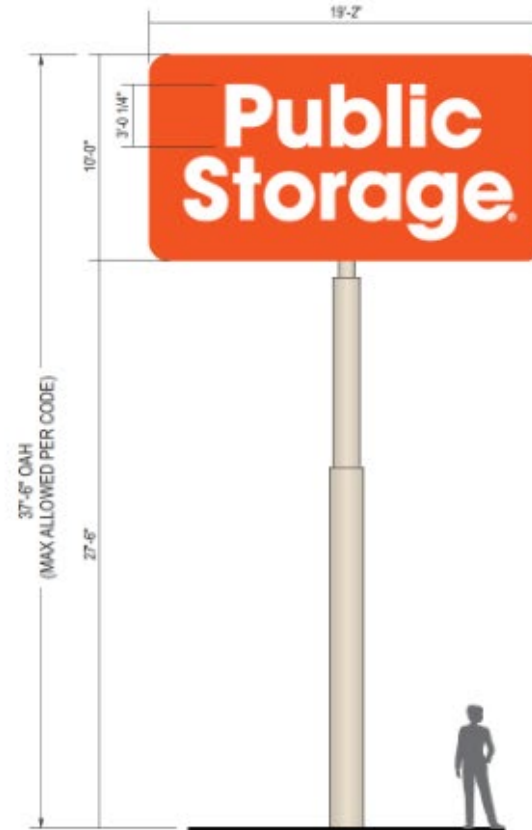
At the same time, we also believe there are situations where a special exception should be considered for a specific property and its operator. After reviewing the Veritas request, we agree that the sign for the property at 240 Arlington would help support their Public Storage business and be visible primarily by traffic on 35E having little to no visual impact on the broader community.

For these reasons, we support the Veritas request to your board for the variance to allow them to be able to install sign.

Sincerely,

Vito Sauro

Vito Sauro
Board Chair



PUBLIC STORAGE ORANGE
PPG PUBLIC STORAGE ORANGE

OFF WHITE
PPG 1024-1

12

NEW CUSTOM D/F ILLUMINATED PYLON SIGN
SCALE: 3/16" = 1'-0" AREA = 191.6 SF

- FLEXIBLE FACES W/ 3M VINYL GRAPHICS
- W/ CLEAR OVERLAMINATE
- ALUMINUM SIGNCOMP CABINET PAINTED PPG PS 101 "Orange"
- 11" RADIUS CORNERS
- INTERNAL GE LED ILLUMINATION
- SUPPORT PIPE SIZES TBD PER ENGINEERING
- SUPPORT PIPES PAINTED PPG 1024-1 "Off White"

VINYL SCHEDULE

COLOR	
	3M VINYL 3730-3109 PS ORANGE
	WEEDED WHITE COPY

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL
[VARIANCE TO THE PROTECTIVE COVENANTS FOR THE ARLINGTON
JACKSON BUSINESS CENTER FOR THE INSTALLATION OF A
PYLON SIGN AT 240 ARLINGTON AVENUE, SAINT PAUL, MINNESOTA]**

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

WHEREAS, the district of the Port Authority is the City of Saint Paul.

WHEREAS, under Minn. Stat. § 469.055, the Port Authority shall (1) promote the general welfare of the port district, and of the port as a whole; (2) try to increase the volume of the port's commerce; (3) promote the efficient, safe, and economical handling of the commerce; and (4) provide or promote adequate docks, railroad and terminal facilities open to all on reasonable and equal terms for the handling, storage, care, and shipment of freight and passengers to, from, and through the port.

WHEREAS, the Port Authority seeks to request a variance to the protective covenants for the installation of a pylon sign at 240 Arlington Avenue in Saint Paul, Minnesota, which is located in the Arlington Jackson Business Center.

WHEREAS, the Port Authority staff has determined that strict application of the Protective Covenants at this site and in this circumstance could result in undue hardship upon the tenant, and the staff has gained support of this project from Ward 5 City Council and the North End Neighborhood Organization (District 6).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL, that the Port Authority is granted a variance to the Protective Covenants at the Arlington Jackson Business Center for the installation of a pylon sign at 240 Arlington Avenue.

BE IT FURTHER RESOLVED, that the President or anyone acting under his direction is hereby authorized to execute any and all necessary documents to consummate the transaction.

Adopted: _____

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its _____

ATTEST:

By _____
Its _____

MEMORANDUM

To: BOARD OF COMMISSIONERS

Meeting Date: June 22, 2021

From: Tonya K. Bauer 

Subject: LICENSE AGREEMENT WITH THE METROPOLITAN COUNCIL FOR THE INSTALLATION OF AN ADA ACCESSIBLE BUS BOARDING PAD AT THE BUS STOP LOCATED AT 1500 ENERGY PARK DRIVE, SAINT PAUL, MINNESOTA
RESOLUTION NO: 4699

Action Requested:

Authorization to enter into a License Agreement with the Metropolitan Council for the installation of an ADA accessible bus boarding pad at 1500 Energy Park Drive, Saint Paul, Minnesota.

Background:

In the 1980's, the Saint Paul Port Authority remediated and redeveloped the former Koppers Company Superfund site into the 32-acre Saint Paul Energy Park Business Center ("Energy Park"). Today Energy Park is a successful mixed-use business center with a diverse portfolio of real estate including office, light industrial, medical clinics, hospitality and 780 affordable and market-rate residential units. Adequate and equitable access to public transportation for the businesses, residents and workers that live, work, and play at Energy Park is key to the success of this thriving economic corridor.

There is a current unimproved Metro Transit bus stop located along Energy Park Drive at the Energy Technology Center West entrance (see attached). This bus stop is adjacent to Port Authority-owned property located at 1500 Energy Park Drive. Metro Transit, at their own expense, is seeking to improve this bus stop with the installation of a handicap accessible bus boarding pad, which is a sidewalk slab with ADA ramps. This improvement is part of Metro Transit's Better Bus Routes program, an initiative to improve the experience of riding local bus routes by reducing stops, improving accessibility, and providing more shelters. To tie the new boarding pad into the driveway in an accessible way, it requires a site License Agreement to construct these improvements on the edge of 1500 Energy Park Drive, which is home to Energy Park Utility Company.

Port Authority staff have reviewed the project in coordination with Met Transit, the City of Saint Paul Public Works, and Ever-Green Energy. It was concluded there are no negative impacts with the scope of work for this installation, and as part of the License Agreement the Port Authority is indemnified from and on account of any and all loss, injury, death, damage, claim of damage and liability for damage to any person or any property that may arise in any manner due to the location and use of the bus pad.

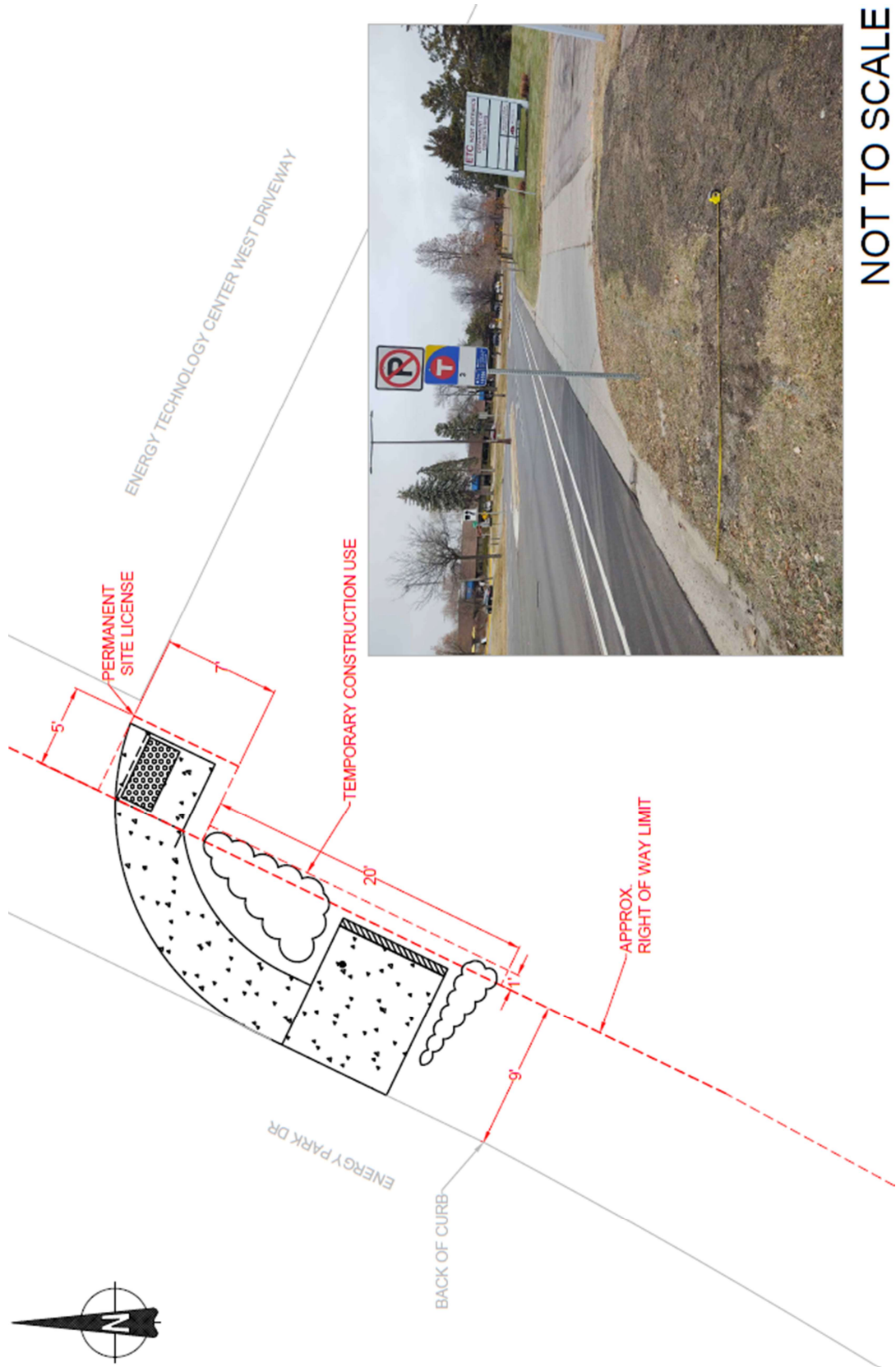
Recommendation:

Staff recommends approval for the authorization to enter into a License Agreement with the Metropolitan Council for the installation of an ADA accessible bus boarding pad at 1500 Energy Park Drive, Saint Paul, Minnesota.

TKB/lkw

Attachments: Site Map
Metro Transit Request Letter
Resolution

Draft Plan View of Proposed Improvements





January 20, 2021

Monte Hilleman
Saint Paul Port Authority
400 Wabasha Street North, #240
Saint Paul, MN 55102
sent via email only

RE: Request for Site License for Metro Transit Bus Stop Improvements
Property Location: 1500 Energy Park Drive, Saint Paul

Dear Mr. Hilleman:

Metro Transit seeks to place an accessible bus boarding pad on Energy Park Drive at the Energy Technology Center West entrance. This is the eastbound bus stop adjacent to the Port Authority's property at 1500 Energy Park Drive. The improvement is proposed as part of Metro Transit's Better Bus Routes program, an initiative to improve the experience of riding local bus routes by reducing stops, improving accessibility, and providing more shelters. These collective changes will make transit trips faster, more comfortable, and more reliable. This accessibility improvement has been identified as part of broader planned Route 3 improvements following an ADA audit of the route's stops.

In order to tie the new boarding pad into the driveway in an accessible way, Metro Transit is requesting a site license to construct these permanent improvements on the edge of the property.

If you concur, Metro Transit will prepare a site license for your review, which would formally document the arrangement. You may decline the request. If you are not agreeable to the request, Metro Transit may choose to not make improvements at this stop. Please contact me if you are interested in entering into a site license agreement to allow Metro Transit to install improvements on the property.

If you have any questions or would like to discuss more, please contact me at christina.morrison@metrotransit.org or 612-349-7690. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christina Morrison'.

Christina Morrison
Principal Project Coordinator, Metro Transit

A service of the Metropolitan Council

**RESOLUTION OF THE
PORT AUTHORITY OF THE CITY OF SAINT PAUL
[LICENSE AGREEMENT WITH THE METROPOLITAN COUNCIL FOR
THE INSTALLATION OF AN ADA ACCESSIBLE BUS BOARD PAD AT THE
BUS STOP LOCATED AT 1500 ENERGY PARK DRIVE, SAINT PAUL, MN]**

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

WHEREAS, the district of the Port Authority is the City of Saint Paul.

WHEREAS, under Minn. Stat. § 469.055, the Port Authority shall (1) promote the general welfare of the port district, and of the port as a whole; (2) try to increase the volume of the port's commerce; (3) promote the efficient, safe, and economical handling of the commerce; and (4) provide or promote adequate docks, railroad and terminal facilities open to all on reasonable and equal terms for the handling, storage, care, and shipment of freight and passengers to, from, and through the port.

WHEREAS, the Port Authority requests authorization to enter into a License Agreement with the Metropolitan Council for the installation of an ADA accessible bus boarding pad at 1500 Energy Park Drive in Saint Paul, Minnesota, which is located in the Energy Park Business Center.

WHEREAS, the Port Authority staff has concluded that there are no negative impacts from the installation of this bus boarding pad and that the Port Authority is fully indemnified from any losses or damage that may arise due to the use of the bus pad.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL, that the Port Authority is authorized to enter into a License Agreement with the Metropolitan Council for the installation of an ADA accessible bus boarding pad located in the Energy Park Business Center at 1500 Energy Park Drive in Saint Paul.

BE IT FURTHER RESOLVED, that the President or anyone acting under his direction is hereby authorized to execute any and all necessary documents to consummate the transaction.

Adopted: _____

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its _____

ATTEST:

By _____
Its _____