


MEMORANDUM NOTICE

To: CREDIT COMMITTEE
From: Lee Krueger 
Subject: **REGULAR CREDIT COMMITTEE MEETING
JANUARY 25, 2022, 1:45 P.M.**

Date: January 20, 2022

Chair Mullin is calling a meeting of the Credit Committee for **Tuesday, January 25, 2022 at 1:45 p.m.** Chair Mullin has determined, due to the emergency declared by the Mayor regarding the COVID-19 health pandemic, that it is not practical nor prudent for the Saint Paul Port Authority Board of Commissioners 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 of Commissioners 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 N, Suite 240, St. Paul, MN. Members of the public may monitor this meeting remotely at 651-395-7858, Conference ID: 826 500 190#. The purpose of the meeting is:

Minutes

Approval of Minutes of the November 23, 2021 Credit Committee Meeting

Conflict of Interest

Conflicts with any items on the agenda

Agenda Items

1. Conveyance of Land to 781 Vandalia, LLC d/b/a Soldier Trucking (former Bix Produce Building) – Arlington Jackson Business Center
2. Such other business that may come before the Committee

**SAINT PAUL PORT AUTHORITY
MINUTES OF THE REGULAR CREDIT COMMITTEE MEETING
NOVEMBER 23, 2021**

The regular meeting of the Port Authority Credit Committee was held on November 23, 2021 at 1:56 p.m. via Microsoft Teams.

The following Committee Members were present:

John Bennett
John Marshall

Brianne Hamm
Don Mullin

Matt Hill
Matt Slaven

Also, present were the following:

Andrea Novak
Brittany Nelson
David Johnson
Linda Williams
Pete Klein

Angie Helms
Bruce Kessel
Lee Krueger
Monte Hilleman
Todd Hurley

Ann Kosel
Dana Krueger
Linda Tran
Nelly Chick
Tonya Bauer

Eric Larson, City of Saint Paul
Rebecca Noecker, City of Saint Paul

APPROVAL OF MINUTES

Committee Member Marshall made a motion to approve the minutes of the October 26, 2021 Credit Committee meeting. The motion was seconded by Committee Member Hamm. The motion was submitted to a roll call vote and carried unanimously.

CONFLICT OF INTEREST

Committee Member Bennett stated that he would abstain from discussions and voting on agenda item numbers: 3. Finish Line Wellness Group, LLC – Forbearance Agreement and 5. MTC Fitness, LLC d/b/a Conquer Ninja Gym – Forbearance Agreement.

AGENDA ITEMS

CHRISTOPHER AND HOLLY DAHL – APPROVAL OF A \$93,900 TRILLION BTU LOAN

Mr. Klein reviewed his memorandum with the Committee requesting approval for the Port Authority to initiate a Trillion BTU loan for approximately \$93,900 with Christopher and Holly Dahl for the installation of 40-kW solar array on an agricultural property located in Albert Lea, Minnesota. Committee Member Marshall made a motion to approve the request. The motion was seconded by Committee Member Hill, submitted to a roll call vote, and carried unanimously.

APPROVAL OF A 2022 LEASE – DISTRICT ENERGY – SOUTHPORT TERMINAL

Ms. Williams reviewed her memorandum with the Committee requesting approval of a 2022 Lease for the leased premises at 571 Barge Channel Road in Saint Paul at the Southport Terminal with District Energy St. Paul, Inc. Committee Member Slaven made a motion to approve

the request. The motion was seconded by Committee Member Hill, submitted to a roll call vote, and carried unanimously.

FINISH LINE WELLNESS GROUP, LLC – FORBEARANCE AGREEMENT

Mr. Hurley reviewed his memorandum with the Committee requesting approval of two 12-month forbearance agreements with Finish Line Wellness Group, LLC until November 1, 2022. Committee Member Marshall made a motion to approve the request. The motion was seconded by Committee Member Hamm. Committee Member Slaven recommended that the motion be amended to include approval from DEED before moving forward with the forbearance agreements. Committee Members Marshall and Hamm accepted the amended motion, submitted to a roll call vote, and carried by a vote of five with Committee Member Bennett abstaining.

GO WILD, LLC – FORBEARANCE AGREEMENT

Mr. Hurley reviewed his memorandum with the Committee requesting approval of a 60-month forbearance agreement with Go Wild, LLC until July 1, 2023. Committee Member Bennett made a motion to approve the request. The motion was seconded by Committee Member Hill, submitted to a roll call vote, and carried unanimously.

MTC FITNESS, LLC d/b/a CONQUER NINJA GYM – FORBEARANCE AGREEMENT

Mr. Hurley reviewed his memorandum with the Committee requesting approval of a 12-month forbearance agreement with MTC Fitness, LLC d/b/a Conquer Ninja Gym until November 1, 2022. Committee Member Hill made a motion to approve the request. The motion was seconded by Committee Member Slaven, submitted to a roll call vote, and carried by a vote of five with Committee Member Bennett abstaining.

TWIN CITIES ATHLETIC TRAINING, LLC – FORBEARANCE AGREEMENT

Mr. Hurley reviewed his memorandum with the Committee requesting approval of an 18-month forbearance agreement with Twin Cities Athletic Training, LLC until November 1, 2022. Committee Member Marshall made a motion to approve the request. The motion was seconded by Committee Member Bennett, submitted to a roll call vote, and carried unanimously.

OTHER BUSINESS


There being no further business, the meeting was adjourned at 2:26 p.m.

By: _____

Its: _____

MEMORANDUM

To: CREDIT COMMITTEE **Meeting Date:** January 25, 2022

From: Kathryn Sarnecki 

Subject: **CONVEYANCE OF LAND TO 781 VANDALIA, LLC, d/b/a SOLDIER TRUCKING
1415 L'ORIENT STREET (FORMER BIX PRODUCE BUILDING)
ARLINGTON JACKSON BUSINESS CENTER
RESOLUTION NO: _____**

Action Requested:

Approval of the conveyance of approximately 4.91 acres of land to 781 Vandalia, LLC (d/b/a Soldier Trucking) for the property located at 1415 L'Orient Street in Saint Paul in the Arlington Jackson Business Center (former Bix Produce building) for the operation of an approximate 81,355 square foot commercial trucking facility.

Background:

The Port Authority of the City of Saint Paul ("Port Authority") acquired the former Bix Produce building on November 30, 2021. Bix Produce outgrew their facility and moved to Little Canada in 2019. At the beginning of the COVID-19 pandemic, the State of Minnesota purchased the site for emergency use. The state only used the building for storage and distribution of personal protective equipment (PPE) and in 2021 the State began its disposition of the site.

The Port Authority's goal was to buy the property and then re-sell to the "right" buyer who would bring good paying jobs with low barriers to entry to a low-income neighborhood in Saint Paul. After a robust marketing effort, the Port Authority received a robust offer from Soldier Trucking. Soldier trucking was a great partner for their ability to close the deal quickly and put the site back into operations while bringing living-wage jobs back to Saint Paul. Soldier Trucking plans to relocate 20 administration jobs from Mendota Heights, retain 52 positions in Saint Paul, and add 60-70 new positions over the next 18 to 24 months.

Soldier Trucking is a small, family owned and operated trucking company that has been in business since 2006. They have a dedicated customer base that is served by reliable, high-quality employees. Soldier Trucking was founded by Travis Smith, who was deployed to Iraq in 2003. When he returned home, his ambition was to own and operate a business that reflected everything he learned in the Army. To this day, Soldier Trucking reflects the values Smith learned in the military of Loyalty, Duty, Respect, and Integrity. Soldier Trucking is dedicated to the economic prosperity of the community, and desires to partnering with the Port Authority, local workforce solution providers, and other community partners to scale up and hire from the neighborhood and surrounding community.

Attached is a memorandum outlining the terms of the land conveyance transaction.

MEMORANDUM

Points of interest regarding Soldier Trucking:

1. Soldier Trucking prides itself on having a diverse workforce. Today, their employees represent 19 different ethnic communities.
2. The lowest wage at the Saint Paul location will be \$18.25 per hour with drivers having the potential to make between \$70K and \$80K per year with a standard drivers' license and DOT medical card.
3. Soldier Trucking is committed to putting veterans back to work, including those with prior justice system involvement.
4. Soldier Trucking works closely with employment-focused nonprofit organizations including Union Gospel, Summit Academy, and Wounded Warriors.
5. In 2019, Soldier Trucking was recognized as Amazon's "Number One Delivery Company in the Nation." In addition, Soldier Trucking staff members have been recognized 56 times as Amazon Drivers of the month since 2020.
6. Soldier Trucking hopes to convert the building to 100 percent renewable energy. Soldier Trucking is in conversations with the Saint Paul Port Authority to potentially use the Port's Property Assessed Clean Energy (PACE) finance program.

Recommendation:

We recommend approval of the conveyance of approximately 4.91 acres of land to 781 Vandalia, LLC (d/b/a Soldier Trucking) for the property located at 1415 L'Orient Street in Saint Paul in the Arlington Jackson Business Center (former Bix Produce building) for the operation of an approximate 81,355 square foot commercial trucking facility.

Attachments: Site Map and Survey
 Resolution

**SAINT PAUL PORT AUTHORITY
LAND CONVEYANCE TRANSACTION**

Action Requested:

To approve the conveyance of real property, generally located at 1415 L'Orient Street, Saint Paul for the operation of an approximate 81,355 square foot trucking facility.

Development Officer:

Kathryn L. Sarnecki, SVP Real Estate and Development

Buyer/Grantee:

781 Vandalia, LLC, d/b/a Soldier Trucking

Buyer/Grantee Address:

781 Vandalia Street
Saint Paul, MN 55114

Location of Property to be Conveyed:

The site is as per the attached site map and measures approximately 4.91 acres.

Conveyance Structure:

Conveyance of land via Quit Claim Deed. The property is being sold for \$5,650,000 plus buyer obligations that include adherence to the Arlington Jackson Protective Covenants and demonstrating their ability to bring jobs to the site. Both Buyer and the Port Authority have conditions that must be met prior to transferring title of the real estate. The Port Authority's contingencies include Board of Commissioner's approval and approval of the Buyer's site and architectural design. The closing is anticipated to take place no later than February 28, 2022, subject to Force Majeure. Renovation of the building is slated to commence upon execution of a License Agreement allowing for work to begin in January 2022.

Terms and conditions of the Purchase Agreement include:

- A. Purchase Price: \$5,650,000 plus a "Seller's Cost Payment" that will reimburse Seller for all out-of-pocket costs incurred by Seller in acquiring the property from the State and selling the property to Buyer.
- B. Earnest money deposit: The Buyer has agreed to pay a \$50,000 earnest money deposit which is held by the Port Authority until the completion of the building and site improvements.
- C. Effective Date: January 10, 2022

D. Closing Date: No later than February 28, 2022

E. Seller will share all due diligence documents from recent purchase from the State of Minnesota.

Nature of Intended Use:

This facility will be a trucking facility for Soldier Trucking. Soldier Trucking is a veteran-owned transportation company that focuses on putting people to work. Their core business lines focus on hauling bread for clients including Alpha Bakery, Baldinger Bakery, Chick-fil-A, and Costco; delivering auto parts to John Deere and local dealerships; and providing final-mile delivery for Amazon in both the Minneapolis and Saint Paul urban core.

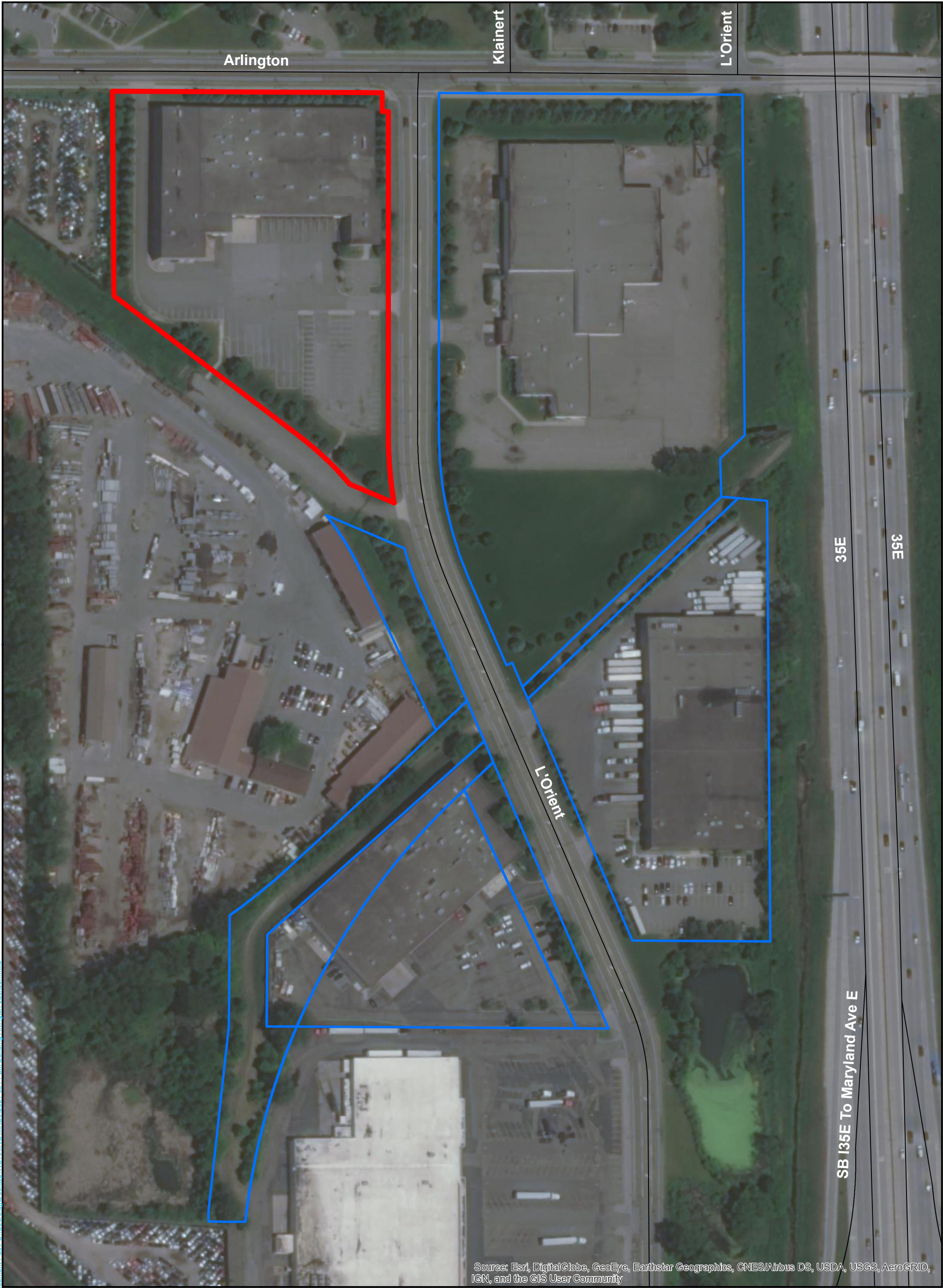
Business Subsidy Agreement

There is not a business subsidy agreement for this transaction.

Development Officer's Comments:

The Port Authority acquired this site less than two months ago and we are excited to bring forward a sale to a business that will expand in Saint Paul and satisfies the Port Authority economic development goals of creation and retention of living-wage jobs and adding tax base in Saint Paul. Additionally, the transfer of this property with these conditions will cover the Saint Paul Port Authority's out of pocket expenses involved with the purchase and transfer of the property.

FORMER BIX PRODUCE BUILDING
4.91 ACRES
1415 L'ORIENT STREET, ST. PAUL, MN



Document Path: C:\Users\j\i\Desktop\WORKING\MXDs\2021_0914 Bix Building Arlington - Jackson.mxd

Data contained on this map has not been field verified and should be used as reference only. It is the user's responsibility for field verifying elevations, locations, dimensions, etc. to conduct detail design.

The Saint Paul Port Authority specially disclaims all warranties, expressed or implied, including but not limited to implied warranties of fitness for a particular purpose, with respect to the information contained on this map. The Saint Paul Port Authority shall have no liability with respect to any loss or damage directly or indirectly arising out of the use of this data.



SPPA Business Center

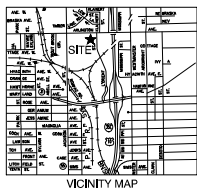


Arlington - Jackson



Bix Building





Lot 1, Block 1, Arlington Business Park, Ramsey County, Minnesota.
(Abstract Property)

To Buy a variety of the City of Salt Lake Land Slot American Tilt Leisure Company

This is to certify that this map or plat and the survey on which it is based were made in Minimum Standard Data Requirements for ALTA/NSPS Land Title Surveys, jointly established by ALTA and NSPS, and includes Items 1, 2, 3, 4, 6(b), 7(a), 7(c), 8, 9, 13, and 16 of Table A the completed on October 15, 2021.

Date of Birth or Mar: November 22, 2021

Daniel P. Eber, Professional Land Surveyor
Minnesota License No. 57365
Email: deber@stallmark.com

1. This survey and the property description shown here on are based upon information found in the commitment for Title Insurance prepared by First American Title Insurance Company National Commercial Services as agent for First American Title Insurance Company, Inc., NCS-1008203AMPPL, dated 10/10/2021.
2. The locations of public underground utilities are depicted based on Gopher State One Call, available city maps, records and field findings and may not be exact. Verify critical utilities prior to construction or design.
3. The orientation of this bearing system is based on Ramsey County Coordinate System NAD 83(06) adj.
4. All distances are in feet.
5. The property has vehicular access to Arlington Avenue and L'Oriont Street, public rights of way, via cuts

[illegible]

● FOUND RAIL MONUMENT	BOUNDARY
▲ SET BACK NAIL	STRAK
● SET SORBED "X"	0 GAS
○ HYDRANT	0 SANITARY SEWER
○ WATER VALVE	1 STORM SEWER
● FIRE HOOP	1 WATERMAN
○ STORM MANHOLE	1 UNDERGROUND ELECTRIC
● CATCH BASIN	1 OVERHEAD UTILITY
● ELECTRIC BOX	1 UNDERGROUND TELEPHONE
○ SIGN	1 FENCE
● STORM MANHOLE	[] PLAT BEARINGS
○ POWER POLE	
● BOLLARD	
○ HAND HOLE	
● ELECTRIC OUTLET	
○ TELEPHONE BOX	
● MONITORING WELL	
○ ROOF DRAIN	
● SIGN	
● PARKING STALL COUNT	
○ ELECTRIC METER	

The following are recommended corrections to be made to Form 4-75, Form 4 of the Bureau referenced in the above captioned letter.

Item No. 9 - Arlington Business Center Protective Covenants dated March 7, 1997, recorded April 3, 1997, a Document No. 2980024. Said document lists the following entities:

- From Arlington Avenue: setback from back of curb, 40' for parking lot, curbing, and building (setback depicted on the survey)
- From L'Orfere Street: setback from back of curb, 20' for parking lot, curbing, building, and landscaping (setback depicted on the survey)
- From west and southwest sides: setback from top of slope, 4' for parking lot and curbing and 10' for building (top of slope not located - setback not depicted on the survey)

Item No. 10 - Terms and conditions of State of Minnesota Pollution Control Agency Commissioner's Certificate of Completion of Response Actions Under Land Recycling Act of 1992, as Amended, dated March 28, 1997, recorded April 3, 1997, as Document No. 2986026. Amended by Amendment to State of Minnesota Pollution Control Agency Commissioner's Certificate of Completion of Response Actions Under Land Recycling Act of 1992, as Amended, dated August 21, 1997, recorded December 12, 1997, as Document No. 301282. Further amended by Second Amendment to State of Minnesota Pollution Control Agency

Commissioner's Certificate of Completion of Response Actions Under Land Recycling Act of 1992, as Amended, dated December 16, 1997, recorded January 16, 1998, as Document No. 303690. Monitoring wells were located and depicted on the survey. The two in the parking lot along L'Orchest Street have been perched. Per a Technical Letter from the Minnesota Pollution Control Agency to Mr. Mike Koskinen, dated December 1, 2015, the monitoring wells were sealed and subsequently abandoned in 2015.

Item No. 11 - Certificate of the Port Authority of the City of Saint Paul dated November 10, 1909, recorded January 28, 1909, as Document No. 3117746. Not a statable item.

733 Marquette Ave, Ste 700
Minneapolis, MN 55402
612.758.3080 MAIN
612.758.3099 FAX
www.alliant-inc.com

ALTA/NSPS
LAND TITLE
SURVEY

1415 L'ORIENT STREET

ST. PAUL, MINNESOTA

DRAWN BY	DPE
CHECKED BY	DPE
DATE ISSUED	11/22/21
SCALE	1"=30'
JOB NO.	210181
FIELD	CN

Drawing name: X:\2021\2101817\survey\alta\210181alta.dwg Nov 22, 2021 - 8:48am

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

**[PUBLIC HEARING – CONVEYANCE OF LAND TO 781 VANDALIA, LLC,
d/b/a SOLDIER TRUCKING-1415 L'ORIENT STREET (FORMER BIX
PRODUCE BUILDING) – ARLINGTON JACKSON BUSINESS CENTER]**

WHEREAS, the Port Authority of the City of Saint Paul (the "Port Authority"), pursuant to Minnesota Statutes, Section 469.065, did place a notice, a copy of which with proof of publication is on file in the office of the Port Authority, of a public hearing on the proposed conveyance of property owned by the Port Authority in a legal newspaper, said hearing to be held to determine whether it is in the best interests of the port district of Saint Paul and the people thereof and in furtherance of the general plan of port improvement and industrial development to convey real estate located at the * Business Center, and by reference made a part hereof and any personal property of the Port Authority included therewith (collectively, the "Property").

WHEREAS, the Port Authority did conduct a public hearing pursuant to said notice on January 25, 2022, at which hearing all taxpayers in the port district, both for and against the conveyance, were allowed to state their views.

WHEREAS, 781 Vandalia, LLC d/b/a Soldier Trucking ("Soldier Trucking") has entered into a Purchase Agreement to purchase real estate at the Arlington Jackson Business Center, which Property is owned by the Port Authority.

WHEREAS, it is in the best interests of the port district and the people thereof, and in furtherance of the general plan of port improvement and industrial development, to approve the real estate conveyance.

WHEREAS, the Port Authority has investigated the facts of the proposal with said investigation including the terms and conditions of said agreement, the proposed use of the Property, and the relationship thereof to the port district of Saint Paul and the business facilities of the Port Authority in general.

WHEREAS, the proposal presented meets the terms and conditions set forth by the Port Authority as its guide in determining if such proposals are in the best interests of the port district and of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE PORT AUTHORITY OF THE CITY OF SAINT PAUL:

1. That the Board of Commissioners of the Port Authority hereby finds, determines and declares that it is for the best interests of the port district and the people thereof, and in furtherance of the general plan of industrial development, to enter into said agreement to convey the land; and
2. That the actions of the President of the Port Authority in causing public notice of the proposed conveyance, and in describing the terms and conditions of such conveyance, which have

been available for inspection by the public at the office of the Port Authority from and after the publication of notice of hearing, are in all respects ratified and confirmed; and

3. That the President of the Port Authority is hereby authorized to complete and execute said agreement to purchase in substantially the form as is on file in the office of the Port Authority, and the proper Port Authority officers are hereby authorized to complete and execute all documents necessary to convey title in form as approved by counsel.

Adopted: _____

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By _____
Its Chair

Attest:

By _____
Its Secretary