



South St. Paul

WORKSESSION AGENDA
SSP City Hall
125 3rd Avenue North
Training room

Monday, February 26, 2024
7:00 pm

AGENDA:

1. Enhancing Partnerships - Dakota County
2. Butler/Concord Development Interest
3. MACTA Resolution
4. Council Comments & Questions



AGENDA ITEM: Enhancing Partnerships – Dakota County

DESIRED OUTCOMES:

- For information only. No action requested/required.

OVERVIEW:

As a part of the City Council’s most recent goal setting process in Spring 2023, the Council agreed to a continued effort towards improvement of partnerships and relationships with Dakota County, including a focus on fostering a deeper involvement by Dakota County in the provision of social services in South St. Paul. In June 2024, the Council agreed to an action plan to include hosting a collaborative workshop with key Dakota County representatives in Q1 2024, with the following topics identified as potential discussion points:

1. Public Safety (broadly/generally)? Are there opportunities to get more “visibility” around Dakota County Sheriff’s role and partnerships in northern Dakota County?
2. Can the County help us finance certain public improvements (parks, infrastructure, Armour Gates), potentially even as a low-interest lender?
3. Would like to see additional county investment (countywide, potentially including SSP) in housing, addressing homelessness, and renovation of housing stock.
4. Additional County (potentially social) services.
5. Additional mental health resources (expand embedded social worker program).
6. County role in Licensing/inspections of “group homes” within the County.

County Administrator Matt Smith, County Board Chair Joe Atkins, and key leaders of relevant Dakota County departments will be present at the collaborative workshop to begin to explore whether and to what degree these Council priorities might be addressed through increased coordination, communication, collaboration, and/or partnership.



COUNCIL WORK SESSION REPORT

DATE: FEBRUARY 26, 2024

DEPARTMENT: ECONOMIC & COMMUNITY DEVELOPMENT

PREPARED BY: Ryan Garcia

ADMINISTRATOR:

2

AGENDA ITEM: EDA Property Development Interest

DESIRED MEETING OUTCOMES:

We're looking for the EDA to discuss and form consensus around the following topics:

- Is there EDA support for the proposed use at EDA-owned property at Butler and Concord?
- If so, does the EDA support the proposed general development characteristics (building size/character, site design)?
- If so, is the EDA supportive of staff negotiating a development agreement consistent with the terms proposed by the developer? If not, what changes would the EDA suggest to the development and/or proposed terms?
- Is there EDA interest in utilizing EDA-owned property generally along Concord Street for van/truck/trailer parking?

OVERVIEW:

Staff has been approached by a development team that is interested in developing an approximately 12,000 square foot, two-story mixed-use building (6,000 SF per floor) at the northwest corner of North Concord Street and Butler Avenue North. While the developer is the owner of several parcels of land at the corner, the EDA owns a 10,000 square foot property along Concord Street that the developer believes is necessary to accommodate their proposal. The developer is seeking EDA feedback and response to the concept, which proposes that the building would be leased to one or more commercial tenants (currently undefined) and have 3 – 5 residential units on the 2nd story. At this stage, the developer has suggested a purchase price of \$25,000 and submitted very basic development concept sketch. However, we do not want to advance the concept any further without receiving guidance and feedback from the EDA about the proposed sale and development of the EDA-owned property as proposed by the developer.

Separately, Staff would like to engage in a brief discussion about the EDA's disposition towards allowing certain EDA-controlled properties to be leased for parking of fleet vehicles such as vans, trucks, trailers, and/or potentially larger commercial vehicles and trailers. Currently, the EDA has two long-standing agreements with businesses for passenger vehicle parking (in one case, inventory, in the other case, employees), but generally speaking we have gotten away from utilizing EDA-owned property for leased parking in recent years. The Council recently adopted changes to the City's Ordinances that restrict or all out prohibit commercial vehicle parking in most locations along Concord Street, however there have been recent comments by the members of the Council (and ongoing interest from the private market) to suggest that the EDA/City might have a role to play in providing off-street commercial vehicle parking within the City. Staff seeks to clarify the EDA's intentions and direction as it relates to providing space for leased parking on EDA-owned property within the City.

CONCORD PROPERTY - BACKGROUND OF THE DEVELOPMENT SITE:

The EDA-owned property totals approximately 10,000 square feet and is a former single-family housing lot at 1419 Concord Street North. The property was acquired by the Housing and Redevelopment Authority of South St. Paul (HRA) in late 2009 with the dilapidated structure demolished at that time. The property has remained vacant since, and was recently re-zoned to the Mixed Markets and Makers – 1 District which allows mixed residential and commercial structures as a conditional use. The EDA-owned property abuts property owned by the developer to the south, which measures about 13,000 square feet, to create a total “development” parcel of just under ½ acre in size. Notably, the developer-owned parcels are almost entirely comprised of vegetated, sloping bluffland, while the EDA-owned property is also somewhat covered by vegetated slopes of the river bluff. Candidly, it is questionable whether development of this site is feasible, or even permissible given the sloping bluff conditions and potential “Mississippi River Critical Corridor Area” (MRCCA) zoning overlay that encumbers the property.

ABOUT THE PROPOSED DEVELOPMENT AND THE DEVELOPER:

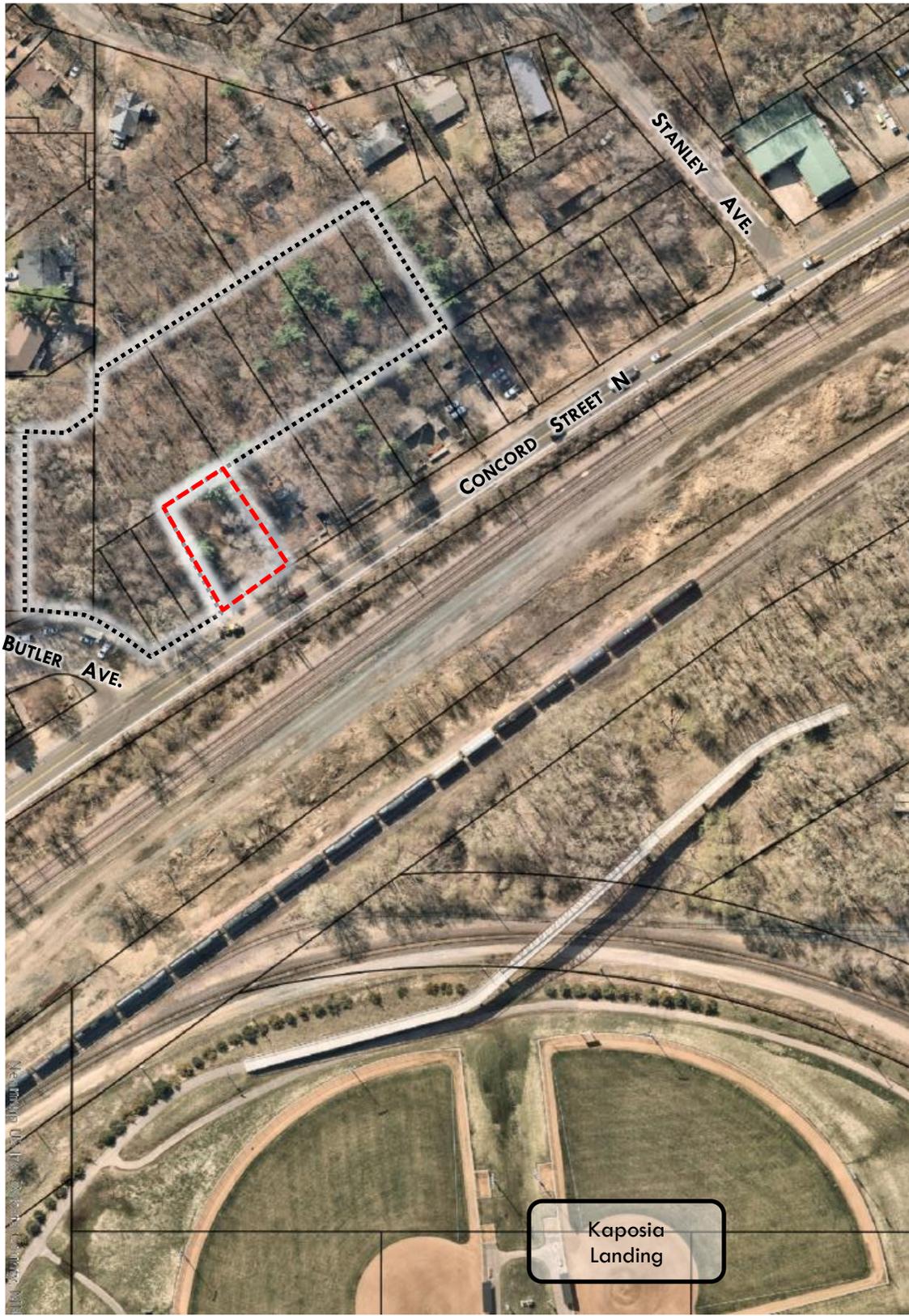
Although quite preliminary, the developer proposes development of the site to a multi-tenant mixed-use building situated towards Concord Street. The developer is focused on establishing the development to meet the anticipated demand for commercial and retail amenities and rental housing. The developer, a team of Carlos Cortes-Arriza and Orlando Ponce, have been active in South St. Paul in recent years, however all of their SSP experience has been in the single-family residential market (including a few Rediscover SSP projects). This would be the developer’s first commercial new construction project. The developer is proposing to self-finance the project and to general contract the construction themselves (both are involved in the construction industry). Candidly, it is not clear that the developer has begun to explore the development cost for this site, which as mentioned above has some significant grade change and would require significant earth retention if (and it’s a big IF) the slopes could even technically be disturbed.

The developer has offered to purchase the EDA property for \$25,000. Staff’s opinion is that a \$25,000 purchase price is unreasonable regardless of market dynamics, even for what may be a desirable development concept, in this particular case. Frankly, this developer is unproven and it would be a tremendous leap of faith on the EDA’s part to grant them ownership and development rights under any proposal, let alone agreeing to reduce the perceived market value of the property by almost 50%. By reducing the price of our land (which really is the “lynchpin” to making the property that they own even plausibly buildable), we’re unduly lowering the bar for a development partner that has no proven history of performing as it relates to commercial / mixed-use development. This development – and this site – is dramatically different from typical single-family home construction (this developer’s primary experience), and the EDA has full discretion to approach commercial development opportunities on EDA property with scrutiny and caution. Staff believes that is warranted in this case.

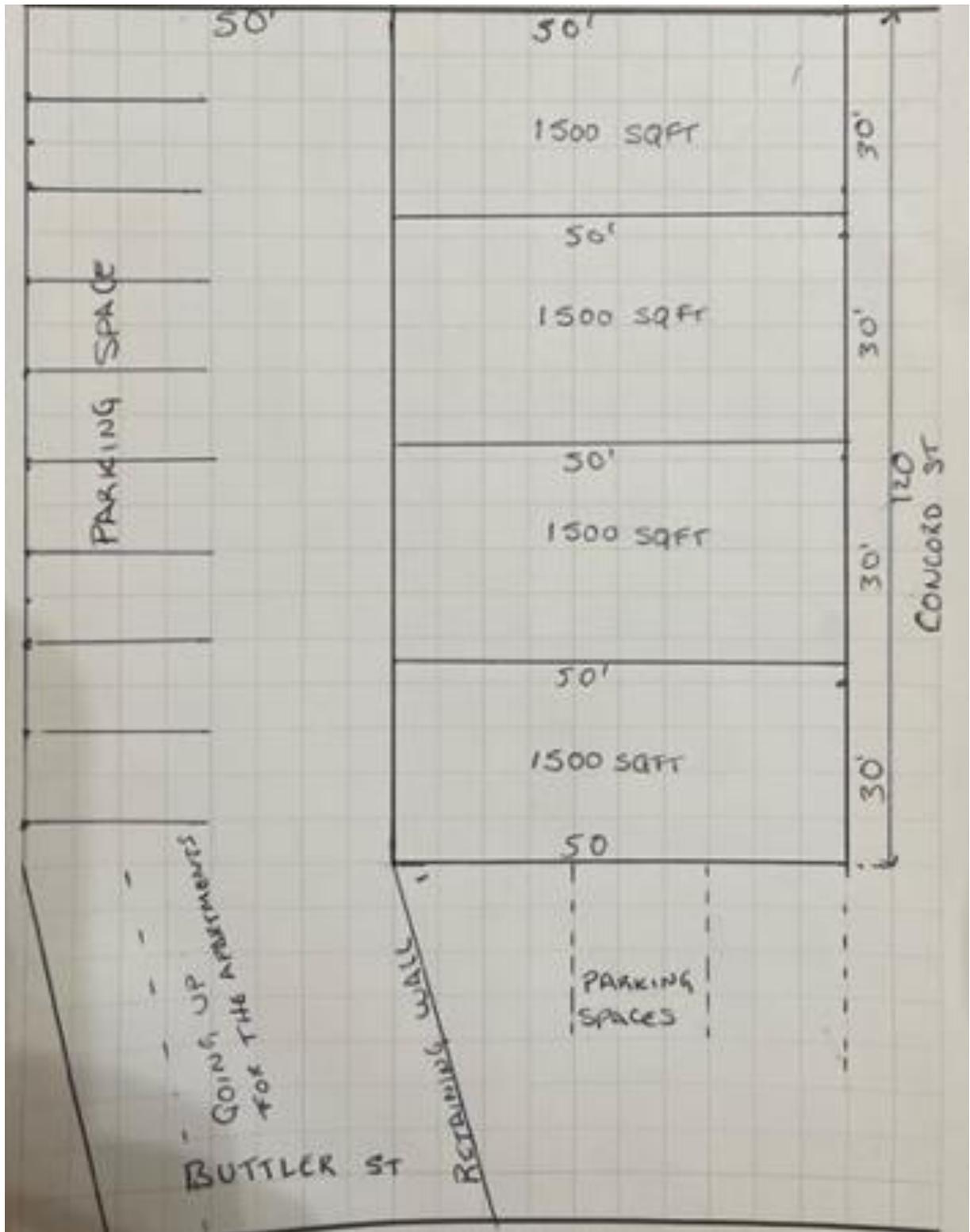
ATTACHMENTS:

Orientation Map
Site Concept Sketch

Orientation Map



Site Concept Sketch







COUNCIL WORK SESSION REPORT

DATE: FEBRUARY 26, 2024

DEPARTMENT: ADMINISTRATION

PREPARED BY: Ryan Garcia

ADMINISTRATOR:

3

AGENDA ITEM: MACTA Resolution

DESIRED MEETING OUTCOMES:

- Discuss and provide direction to staff about a proposed resolution supporting the Minnesota Association of Community Telecommunications Administrators efforts to modernize public, education, and government (PEG) programming and public access funding.

OVERVIEW:

Town Square Television (TST) has provided local access programming to South St. Paul for decades. As consumer options for viewing content have evolved, TST (like most traditional “television” based services) has struggled with revenue losses due to “cord cutting” and the decision by large broadcast cable media companies’ transition towards streaming services. TST continues to see revenue losses (mostly attributable to decreasing franchise/PEG fees) year over year and projects a 7% decrease in 2024. TST feels that while consumer and provider approaches to delivering content have certainly evolved, the funding structure underpinning TST’s relationship to providers has not. Namely, while TST distributes programming on multiple platforms including cable TV, online streaming, and social media, ONLY the cable operator is required to provide financial support to TST, and ONLY on their traditional cable TV service, NOT their streaming or internet services.

TST Executive Director Jodie Miller, in representing the NDC4 Cable Commission, has advanced a resolution asking our legislative delegation to support MACTA and LMC bills that would modernize funding for local PEG Programming ([HF 4186](#)). TST is also supporting the League of MN Cities bill to franchise broadband users of the public rights-of-way ([HF 4182](#)). The bills as drafted would provide funds to SSP (and other Cities in MN) to replace declining franchise fees and PEG fees, and support PEG programming and the management, repair, and maintenance of the public rights-of-way which broadband rely upon for transmission of high-speed data, video and streaming. TST has reached out to City Staff and Mayor Francis, and I would like to gauge the Council’s interest in and support for adopting a resolution in support (attached) of these bills.

ATTACHMENTS:

Draft Resolution

City of South St. Paul
Dakota County, Minnesota

RESOLUTION NO. 2024-x

**A RESOLUTION SUPPORTING MINNESOTA ASSOCIATION OF COMMUNITY
TELECOMMUNICATIONS ADMINISTRATORS (MACTA) EFFORTS TO
MODERNIZE PUBLIC, EDUCATION, AND GOVERNMENT (PEG) PROGRAMMING
AND PUBLIC ACCESS FUNDING**

WHEREAS, community television programming allows community members to stay connected and entertained through public, education, and government (PEG) programming; and

WHEREAS, public television programming includes local community and nonprofit submissions, City Council and board and commission meetings, and community events; and

WHEREAS, public television programming has primarily been funded through franchise fees which allow cable providers to utilize the public right-of-way for private use; and

WHEREAS, with the recent consumer trend of moving from traditional cable providers to digital/video streaming services, the funds available for public television programming has decreased; and

WHEREAS, the Minnesota Association of Community Telecommunications Administrators (MACTA) is a statewide organization of municipal and nonprofit staff that advocates for cities and their residents; and

WHEREAS, MACTA is launching a campaign to create legislative changes at the state and federal level that will respond to consumer changes and allow current practices to modernize in response to these shifts; and

WHEREAS, MACTA is working with Minnesota cities to gain support for their legislative efforts.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of South St. Paul that the City Council offers their support to the Minnesota Associate of Community Telecommunications Administrators (MACTA) effort to modernize local access funding through legislative change.

Adopted this xth day of March, 2024.

City Clerk