



South St. Paul

WORKSESSION AGENDA

SSP City Hall
125 3rd Avenue North
Training room

Monday, April 8, 2024
7:00 pm

AGENDA:

1. National League of Cities Conference Discussion
2. 110 Bridgepoint Court Update
3. Armour Gatehouse Structures Discussion
4. Council Comments & Questions



AGENDA ITEM: National League of Cities Conference Discussion

DESIRED OUTCOMES:

- Discuss attendance at NLC City Summit in Tampa, Florida

OVERVIEW:

This year, the National League of Cities will be hosting their annual City Summit in Tampa, Florida in from November 13 – 16, 2024. Several Council members have expressed an interest in attending the conference. As indicated above, the conference is set to begin one week after this year's general election, at which three Council members and the Mayor will presumably be on the ballot. Staff would like to discuss attendance at this conference.

The City does have an Elected Official Out-of-State Travel Policy, approved by Council in 2015, which is attached for reference. The Policy gives the City discretion about (among other things):

- Limitations on the number of council members who can attend the same event
- Limitations on paying for council members who have announced their intention to resign, not to seek reelection, or who have been defeated in an election

FUNDING SOURCES AND OTHER FISCAL CONSIDERATIONS:

The City's 2024 Budget includes funding for 2 council members to attend the National Conference, and for 2 members to attend a State Conference.

ATTACHMENT:

Elected Official Out-of-State Travel Policy (2015)

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: 12-7-15 Issue Date: Revised Date:
SUBJECT: ELECTED OFFICIAL OUT-OF-STATE TRAVEL POLICY	

I. PURPOSE

The City of South St. Paul recognizes that its elected official may at times receive value from traveling out of the state for workshops, conferences, events and other assignments. This policy sets forth the conditions under which out-of-state travel expenses will be reimbursed by the City. The City Council approved budget provides specific detail on any anticipated out of state conferences, training and workshops.

II. POLICY

The event, workshop, conference or assignment must be approved in advance by the City Council at an open meeting and must include an estimate of the cost of the travel. In evaluating the out-of-state travel request, the Council will consider the following:

- Whether the elected official will be receiving training on issues relevant to the city or to his or her role as the Mayor or as a council member;
- Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the City or on the official roles of local elected officials.
- Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the City where the purpose for the trip is to study the facility or function to bring back ideas for the consideration of the full council.
- Whether the elected official has been specifically assigned by the Council to testify on behalf of the city at the United States Congress or to otherwise meet with federal officials on behalf of the city.
- Whether the city has sufficient funding available in the budget to pay the cost of the trip.

No reimbursements will be made for attendance at events sponsored by or affiliated with political parties.

The Assistant City Administrator will make payments in advance for airfare, lodging and registration on the city purchasing/credit card on behalf of the elected officials. The City will reimburse for travel expenses using the same procedures, limitations and guidelines outlined in the Employee Travel Policy. There are two differences from the employee travel policy. The first is that elected officials can

request an advance to cover their meals and incidental costs. The second difference is that elected officials should turn in all detailed receipts for documenting the costs they incurred while traveling.

OTHER PROVISIONS THE CITY MAY WANT TO CONSIDER:

- Limitations on the number of council members who can attend the same event;
- Limitations on paying for council members who have announced their intention to resign, not to seek reelection, or who have been defeated in an election (however, there may be some benefit to the city in having newly elected officials who have not yet taken office attend training beforehand);
- Requirements for council members to give oral or written reports on the results of the trip at the next Council meeting;
- Requirements for the council members to turn over materials received to the city;
- The ability for the city to make exceptions to the policy;
- The requirement for all frequent flyer miles to accrue to the city;
- Requirements to use the most cost-efficient mode of travel available taking into consideration reasonable time constraints; or
- The requirement to use a city car when available;

III. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

State Statutes require that all Cities have an Elected Official Out-of-State Travel Policy. The City Administrator and the Mayor/City Council are responsible for setting the policy and enforcing the policy. The Finance Director is responsible for coordinating the ongoing implementation and enforcement of this Policy, under general supervision by the City Administrator and Mayor/City Council.



AGENDA ITEM: 110 Bridgepoint Court Update

DESIRED OUTCOMES:

- Generate consensus response to Developer’s proposal to reduce building size for 110 Bridgepoint Court Development (Binder)

OVERVIEW:

At the November 6, 2023 meeting of the Economic Development Authority (EDA), the EDA considered and approved entering a purchase and development agreement for the acquisition and development of vacant EDA-owned property at 110 Bridgepoint Court. The buyer, Binder & Binder, LLC, proposed constructing a 17,000 - 20,000 square foot office-warehouse building that would house their HVAC company, Binder Heating and Air Conditioning, in approximately 60% of the building. In addition, the developer proposes offering the balance of the building for additional general business/light industrial tenants.

As the Developer works on construction budgeting and financing, they have inquired as to the EDA’s openness to a reduction in building size as a means to fit the project within budget and assure that the property can appraise at a level to meet loan requirements. The Developer is proposing a building of 15,500 square feet, which is a reduction from the originally proposed 17,000 – 20,000 square feet. The reduction in building size saves the project almost 15% in construction cost, and will significantly increase the probability of the project “penciling out”. It should be noted that the property is located within the City’s GB (General Business) Zoning District, which does not have a minimum Floor Area Ratio (FAR) requirement – this is a requirement in the City’s Industrial Zoning Districts where a minimum FAR of 0.2 (meaning the gross building square footage is equal to or greater than 20% of the site area). Nonetheless, the 15,500 square foot building size would be just slightly above 20% of the total lot size, so the EDA’s general rule of thumb of meeting the FAR for light industrial buildings would be accomplished even with the 15,500 square foot building size.

FUNDING SOURCES AND OTHER FISCAL CONSIDERATIONS:

The EDA-owned property is currently exempt from property taxes, and has been for most of the past 25 years. Using existing comparable development as a barometer, it is estimated that the proposed development, with this downsizing, would generate between \$45,000 and \$57,000 per year in total property tax payments beginning in Pay 2026 (assuming 2024 completion).



AGENDA ITEM: Armour Gatehouse Structures Discussion

DESIRED OUTCOMES:

- Discuss disposition options for the Armour & Company Gatehouse Structures located on EDA-owned property in the Industrial Park.
- Generate consensus for Council’s preferred option and provide staff with direction.

DISCUSSION:

The South St. Paul Economic Development Authority (EDA) owns an approximately 4-acre site at the southwest corner of Armour Avenue and Hardman Avenue North, commonly referred to as the “Armour Gates Property”, and has discussed disposition and development options for this site periodically throughout its ownership. The property was acquired by the Housing and Redevelopment Authority of South St. Paul (HRA) almost 30 years ago, and the HRA also had many development opportunities stall out for the property from the late 1990s through mid 2010s. Prior to the HRA/EDA taking ownership, the property was a part of the much larger (45 Acre) Armour complex which fronted the Mississippi River, although with the exception of the two entry monuments which still stand today in the north central portion of the property, no structures are known to have ever stood on the 4 Acres in question. The property was generally used for surface parking and outdoor storage during the Armour years, and has remained vacant and zoned “Industrial” (currently “I-1, Light Industrial”) for the entire time that the HRA/EDA have owned it.

The 1918 brick and limestone entry monuments on the property mark what once served as the only way in and out of the Armour & Co. Meat Packing Campus by foot, bike or vehicle and are understandably important reminders of the City’s history and legacy. However, the structures themselves are not significantly utilized by the community at large, or even the business park community. They are over 100 years old, and are showing signs of deterioration. Although there have been periodic flurries of community chatter and correspondence regarding preservation since early 1999, no party to date has stepped forward with a feasible or sustainable preservation solution. As the Council is aware, the most recent of these efforts came in 2022 – 2023, when a teacher and group of students in the South St. Paul School District launched a campaign to save the Armour Gates and ostensibly to (compel the City to) develop the property as a “multi-purpose commemorative park”.

As discussed at worksessions in the Fall of 2023, the City’s Parks and Recreation Master Plan – an update of which is set to be complete in Spring 2024 – does not identify this location, or any location generally within this section of the City, as desirable or appropriate for a recreation/park amenity of significant scale or activity level. As discussed by the City Council last fall, placing an active outdoor recreation area targeted at youth deep into the heart of a 600-acre industrial district with heavy truck traffic and myriad other contextual challenges present at this location given the surrounding uses and significant distance of the site from residential neighborhoods, does not resonate with the City’s parks and recreation system goals and priorities as identified through the [Parks Master Plan](#) (currently being updated) and [Comprehensive Plan](#) (Adopted in 2021).

As an alternative to establishing a formal public park around the structures in their current location, Staff is prepared to discuss the possibility of integrating the structures into an existing public space elsewhere in the City, with a focus for the April 8 discussion on Kaposia Landing. The City’s Parks and Recreation Master Plan Update identifies numerous opportunities to “activate” the southern portion of Kaposia Landing (see Plan excerpt below), and there may be an opportunity to integrate one or both of the gatehouse structures into the park as a complementary feature to some of the improvements and amenities proposed as part of the Master Plan Update. As just one example, the Plan proposes additional trail connections within the park. In discussions with Dakota County, there is an interest in potentially utilizing one or both of the gatehouse structures to complement the regional trail as it passes through the park, potentially as a rest area, trailhead, or overlook element. Another amenity suggested in the parks plan update is a Kayak Launch; could a gatehouse structure be “repurposed” to function as a canoe/kayak rental station, or (water) wayside, for example? Staff is interested in discussing any possible synergies Council would identify between the Parks Plan update and the repurposing of the gatehouse structures, if Council is of a consensus that relocation to Kaposia Landing represents the best opportunity to recognize and preserve the structures’ importance in our community’s identity into the future.



Staff has received updated budget-level estimates related to the concept of relocating the gatehouse structures, summarized below:

- *Relocation of Structures to Kaposia Landing*: \$110,000 each
 - Does not include any significant repair, replacement, or restoration of gate structures themselves
 - Does not include site preparation, or construction of new foundations (costs may vary by conditions at site/location)

- *Restoration of structures*: \$95,000 - \$115,000 each
 - Includes replacement/repair/restoration of brick and limestone as needed
 - Includes joint repair
 - Includes any cleaning and infilling needed
 - Does not include any roofing needed (est. moderate cost)
 - Does not include any utilities (if needed)
 - Does not include site preparation, or construction of new foundations (costs may vary by conditions at site/location)

Given the soil conditions present at Kaposia Landing (it is a former demolition landfill) and the weight of the structures (estimated at 160 tons each), some level of site engineering, excavation/subgrade preparation and foundation placement will be needed to place the structures in a different location. Unfortunately, it is difficult to estimate the cost for these elements without identifying a specific location or locations within the Park, as soil conditions will dictate approach to a large degree. In any event, site prep and foundation work could add anywhere between 8% - 20% to the costs identified above.

FINANCIAL CONSIDERATIONS:

Currently, none of the EDA, HRA, or City budgets have dedicated any funds towards restoration or relocation of the structures. In early 2024, the EDA designated its Development Fund (20284) as a resource to broadly support the redevelopment of the City's key industrial and mixed-use redevelopment areas such as the Hardman Triangle, Bridgepoint, and Concord Exchange Corridors. As such, this could serve as a funding source for any work related to the gatehouse structures, although doing so would obviously reduce the funding available to support things like property acquisition, site cleanup and preparation, and redevelopment assistance. Similarly, the City's Capital Improvement Plan has nothing to say about the structures, so any focus of CIP resources towards the structures would come at the expense of already-programmed CIP investments.

While it is true that in 2022 the City was awarded a \$50,000 appropriation through special legislation to support relocation (our request/proposal to the legislature was \$300,000), Staff would warn that it is highly unlikely that any request for State Assistance for this project will be successful in this legislative session. Not to oversimplify, but to get funding from the State, we'd need legislative support (through votes) and the fact that we did not act on the previous funding would challenge our ability to build support in the legislature as they wind down the 2024 session.

Staff is obviously not in a position to speak for Dakota County, but it has been suggested by members of the community in previous discussions that Dakota County could be a partner in

funding a reinvestment into the structures. While it is encouraging that Dakota County Parks has expressed general interest in repurposing the structures to complement their trail network, such a concept would need to be more deeply vetted before we'd have any clarity around cost and cost-sharing. Candidly, I have the strong impression that the County (rightfully) expects the City to take a lead on identifying specifically *what we plan to do* with the structures, then engage the County in earnest to determine if there is a County role of support.

CONCLUSION:

Over the past 25 years, the community has worked to balance the desire to preserve and honor the City's history with the need to expand our property tax base and support the growth of small businesses. Staff respects the decision made in 1999 to maintain the Armour Gatehouse Structures in their place and to establish a modest small sitting area and plaza around them, and completely understands that decision in its time and context. This decision was well-intended, but in Staff's opinion the structures have not proven to be a significant draw for public use, reflection, and enjoyment. This too is understandable; there is little occasion for the general public to choose this location as a place to recreate. As the packinghouse and stockyards days fade further into memory, it's reasonable to think that there will be even less occasion for the public to be drawn to this site as a public oasis. It is also obvious that with time, the structures themselves will continue to deteriorate without reinvestment.

We find ourselves at a crossroads. Do we "lean in" to the gatehouse structures by investing more into their preservation and attempting to build around them? Do we compromise the perfectly valid policy position of maximizing the site's development potential in the name of preservation (essentially just for preservation's sake)? Or, do we consider an alternative – giving one or both structures a new home and a new purpose for the South St. Paul residents and visitors of today and the future? Obviously, there is a cost – benefit to any approach, and there is not a right or wrong answer to these questions (although there are certainly strong opinions one way or the other). However, Staff believes that continued inaction will sacrifice and stunt clear and present opportunities to best meet the City's goals.