



City of Saint Paul
Mayor Melvin Carter III

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**SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET
COMMITTEE MEETING**

Monday, October 8, 2018 at 3:30 p.m.

Wilder Center 451 Lexington Parkway – Room 2610, Saint Paul 55104

MEETING MINUTES

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| Members Present: | Rebecca Airmet, Larvel Bunker, Joel Clemmer, Raymond Hess, Amy Huerta, Samakab Hussein, Chai Lee, Mary Morse Marti, Patrick McQuillan, Corina Serrano, Darren Tobolt |
| Members Excused: | Kellie Charles Connor, Elizabeth Matakis, Paul Raymond |
| Members Absent: | |
| Visitors and City Staff Present: | John McCarthy – OFS Marissa Peterson – OFS Michael Hahm – Parks Director Alice Messer – Parks Anne Weber – Public Works Andrew Hestness – PED Noel Nix – Mayor’s Office Martin Schieckel - PED |

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Office of the Mayor
Office of Financial Services

Todd Hurley, Director



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1. Call to order – The meeting was called to order by Chair Huerta at 3:42 p.m.
2. Approval of Agenda
Ms. Airmet moved to approve the agenda, Ms. Bunker seconded. The agenda was approved.
3. Approval of revised September 10, 2018 Meeting Minutes

Ms. Airmet moved to approve the previous meeting minutes, Mr. Hussein seconded. The minutes were approved.
4. Action Items

Parks

RES PH 18-245

- Ms. Messer presented RES PH 18-245 on establishing a financing and spending plan in the Parks department in the amount of \$323,191 to utilize Parkland Dedication funds for park space creation at 700 Emerald Street, known as the Westgate project.
- Ms. Morse Marti asked if this park is in Minneapolis.
- Ms. Messer stated no but that it bordered Minneapolis.
- Ms. Airmet asked what the total cost of the project was and the size of the park.
- Ms. Messer stated that the \$323,191 includes both design and construction and the park is ½ acre in size.
- Ms. Airmet motioned for approval, Ms. Morse Marti seconded. All approved

RES PH 18-301

- Ms. Messer presented RES PH 18-245 on amending the Parks department's budget in the amount of \$40,120 to reflect cost share from Ramsey County. Ms. Messer stated that this project would create a pedestrian crosswalk between the golf course and Lake Como.

- Ms. Bunker asked if there are signs that can slow down vehicles from speeding.
- Ms. Messer stated that there are signs notifying drivers that there is a pedestrian crossing up ahead.
- Ms. Airmet asked if the sign was by the fountain, and if the community was in support of the project.
- Ms. Messer stated it was north of that and stated yes D10 was in support of this project.
- Mr. Tobolt motioned for approval, Mr. Hess seconded. All approved.

RES PH 18-311

- Ms. Messer presented on RES PH 18-311 on the acceptance of an additional \$100,000 from the MN China Friendship Garden Society for the Changsha China Friendship Garden project in Lake Phalen.
- Mr. Hess stated that he recently walked by the lake and enjoyed how the project was coming together and that it would enhance the lake for residents and visitors.
- Mr. Hess motioned for approval, Ms. Airmet seconded and all approved.

RES PH 18-314

- Ms. Messer presented on RES PH 18-314 which would amend the financing and spending plan in the Parks department in the amount of \$20,000 to utilize Parkland Dedication funds for the Rice Park Revitalization project.
- Mr. Tobolt asked what the \$20,000 would be going towards.
- Ms. Messer stated that the \$20,000 would go towards new benches, lights, and poles.
- Mr. Tobolt motioned for approval, Ms. Morse Marti seconded. All approved.

RES PH 18-307

- Ms. Peterson presented RES PH 18-307 which would amend the Parks department's 2017 capital improvement budget in the amount of \$45,000 to reflect an amendment to a grant received from the State of Minnesota for the replacement of publicly owned shade trees. Ms. Peterson stated that this amount would go towards removal of EAB infected trees, since the bonding bill did not require the City to pay an administration fee of \$45,000.
- Mr. Clemmer asked how the city is doing or progressing in its EAB efforts.
- Director Hahm stated that the city is on course for its 2024 goal of completing the removal of EAB infected trees.
- Ms. Airmet motioned for approval, Mr. Samakab seconded. All approved.

RES PH 18-281

- Mr. Hestness from the department of Planning and Economic Development presented to the CIB Committee RES PH 18-281, which would amend the financing and spending budgets in the department of Parks and Recreation in the amount of \$3,746,810.76 for the Pedro Park project. Mr. Hestness stated that the Fitzgerald park precinct plan was adopted by the City Council as an addendum to the Saint Paul comprehensive plan in 2006; and that the plan recommended development of a park on the block bounded by Minnesota St, 10th St, Robert St, and 9th St; and that the Pedro family donated the land at 103-124th 10th street East for the purpose of developing a new city park. Mr. Hestness further explained that the city established land at 104-124th 10th Street East as a park in 2013 with the completion of a temporary public art installation known as Urban Flower Field and that the city was in search of funds to implement permanent improvements at 104-124 10th St E.
- Mr. Hestness then explained that in 2017 the Housing and Redevelopment Authority (HRA) marketed the Public Safety Annex (PSA) at 100 10th St. E for potential redevelopment in 2017. The HRA board of commissioners voted on November 11, 2017 to award tentative developer status to the Ackerberg Group to explore a sale and redevelopment of the PSA.
- Mr. Hestness explained to the Committee that the Ackerberg group offered more than the appraised value for the public safety annex building. In 2017 they received tentative developer status, which granted exclusive rights to one developer. Mr. Hestness further explained that this is a unique opportunity because the building is owned by the city. He

stated that the purchase price is \$1.14 million and the Ackerberg Group will pay \$20,000 a year for 40 years for operating cost of the park space. He explained that this sale would put this commercial building back on the city's tax rolls and would also create 150-170 new jobs, retail space, lower level parking and connection to the park.

- Chair Huerta asked if community meetings have taken place on this proposal.
- Mr. Hestness answered that yes, there are 3 community meetings this year and that the 1st and 2nd happened in March and July with the 3rd to follow this fall. Mr. Hestness also stated that after the October 24th HRA vote, there will be 1-2 more community meetings.
- Mr. Hess asked if the existing parking lot would be enough space for parking for visitors, tenants and employees.
- Mr. Hestness stated that there will be 30 parking spaces underground but there wouldn't be public parking, which is typical of office buildings.
- Mr. Hess asked what the option was for having the parking lot as park space.
- Mr. Hestness stated that the parking lots are currently privately owned but that did not preclude the possibility of integrating the land into future designs if and when those properties become available.
- Mr. Clemmer asked what a creative commercial space is or means.
- Mr. Hestness stated that a commercial creative space is needed for startups and those who want to scale up.
- Mr. Clemmer stated that currently the unoccupied rate for commercial buildings in downtown St. Paul is at 20%.
- Mr. Hestness stated that the vacancy rate in downtown is 8.8% but that there are lots of dynamics at play such as age and design of current buildings, but most new commercial spaces tend to be well occupied and full.
- Mr. Hess asked if the capital maintenance contribution that Ackerberg would be contributing is enough for capital maintenance of the park.
- Director Hahm stated that that wouldn't be enough to cover the full maintenance costs but that his department and the city are happy with the opportunity to leverage public-private partnerships.
- Director Hahm also stated that this project is in compliance with the original agreement.
- Ms. Airmet asked if it would be fair to say the city implied a larger park.
- Director Hahm stated the agreement was to name the park as 'Pedro Park' and have it be from 0.4 to 1 block. But as change happens, the city will look to grow/expand the park in this area.
- Mr. Lee stated that after 10 years it's time to make this park a reality.
- Mr. Tobolt stated that he would feel better if we had further plans. This is still a great opportunity but this is thinking small and doesn't provide programming or space for young families.
- Ms. Airmet asked if the annex building will be returned to the city's tax rolls unencumbered.
- Mr. Hestness stated yes, the building will contribute approximately \$50,000 of property taxes per year will be back to the city.
- Chair Huerta asked if the city had a conversation with neighboring property owners and organizations in regards to expanding the park in the future.
- Mr. Hestness stated that the city has communicated with neighboring properties.
- Ms. Morse Marti gave an overview of the Ackerberg group's work in Minneapolis and stated they do a fabulous job and wanted to know if the city could work closely with the developer.
- Director Hahm stated that for \$2.3 million investment, the City can leverage \$4 million until this phase is resolved. He further stated that the alternative is that nothing happens, which would mean no opportunity to engage other owners in the future on possibly expanding the park.

- Ms. Airmet stated that \$4 million for 0.5 acre park seems high given that we heard in an earlier resolution that a park of similar size would cost \$300,000 total.
- Ms. Messer stated the cost of building a full park with amenities in downtown costs a lot more than the Westgate Park which is just an open lawn.
- Mr. Clemmer stated that he would be voting no because the plans aren't aligning with the original vision and agreement with the Pedro family.
- Mr. Tobolt stated that this design doesn't meet the expectations and needs of families.
- Ms. Bunker stated that this project is a start, and that while not ideal, this will get this project off the ground and hopeful in future years the park will expand.
- Ms. Airmet stated that while this project isn't perfect in its current form it's a start in getting a park in downtown that leverages public-private partnership and could eventually lead to a larger park in downtown in the future. Ms. Airmet further stated that this plan is in alignment with the priorities put forward in the new CIB process in terms of strategic investment and fiscal responsibility.
- Mr. Hess stated that he is for this project because it brings a park to downtown while creating jobs as well.
- Chair Huerta stated that while this project isn't perfect, it creates a park in downtown with private and public partnership and could one day be expanded.
- Ms. Morse Marti motioned for approval, Mr. Lee seconded. 10 CIB committee members voted yes and 1 voted no.

CIB Bylaws

- Mr. Ali stated that discussion on the CIB bylaws would be tabled for next month.

5. Announcements:

Meeting Locations:

- The Committee discussed having the meeting at other locations across the city.

6. Adjournment

Mr. Lee moved that the meeting be adjourned; Mr. Clemmer seconded. All approved.

Staff:

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