



CITY OF SOUTH ST. PAUL MEETING AGENDA

ECONOMIC DEVELOPMENT AUTHORITY

Council Chambers
125 3rd Avenue North
South St. Paul, MN 55075

Monday, January 6, 2025

IMMEDIATELY FOLLOWING THE CONCLUSION OF THE 7:00 P.M. MEETING OF THE CITY
COUNCIL

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered routine by the Economic Development Authority and will be approved by one motion. There will be no separate discussion of these items unless a Commissioner or citizen requests, in which case the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

A. Meeting Minutes for 12/2/2024

B. Extension of Professional Services Contract with Krueger Real Estate Advisors

5. GENERAL BUSINESS:

A. Election of Officers

6. ITEMS FOR FUTURE FOLLOW-UP:

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

7. ADJOURNMENT



ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: January 6, 2025
DEPARTMENT: Economic Development
PREPARED BY: Deanna Werner
AGENDA ITEM NUMBER: 4.A.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Minutes for the Regular EDA Meeting held on Monday, December 2, 2024.

OVERVIEW

Minutes for the EDA Meeting held on Monday, 12-2-2024.

SOURCE OF FUNDS

N/A

ATTACHMENTS

1. 12-2-2024 EDA Minutes



SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY MINUTES OF DECEMBER 2, 2024

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

Moved by: Joe Kaliszewski / Matt Thompson

Moved: To Approve agenda as presented.

Vote: 7 ayes / 0 nays, motion Passed

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered routine by the City Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member or citizens requests, in which case the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

Moved by: Tom Seaberg / Pam Bakken

Moved: To Approve

Vote: 7 ayes / 0 nays, motion Passed

A. Property Maintenance Agreement - North Ridge Outdoor Services

B. 11/4/2024 EDA Minutes

C. Termination of Purchase Agreement

5. GENERAL BUSINESS:

6. ITEMS FOR FUTURE FOLLOW-UP:

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

7. ADJOURNMENT

Moved by: Pam Bakken / Lori Hansen

Moved: To Adjourn

Vote: 7 ayes / 0 nays, motion Passed

/s/: Deanna Werner
City Clerk



ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: January 6, 2025
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 4.B.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Through Consent, motion to approve Amendment #1 to Consulting Contract with Krueger Real Estate Advisors.

OVERVIEW

In September 2023, the EDA approved an agreement with Krueger Real Estate Advisors (KREA) to provide economic development and real estate advisory services in support of the City's Economic Development Strategy. The original agreement has lapsed, however Staff is of the opinion that it would be beneficial to retain KREA through July 31, 2025 while we continue to work towards a formal development agreement with ZAS, LLC / TE Miller Development on the south end of the Hardman Triangle redevelopment area. In addition, KREA continues to be engaged on several other fronts in advancement of the Strategy. KREA will be attending the January 16 Worksession to provide a quarterly update to the EDA on these efforts.

The proposed Amendment #1 includes updates to the Scope of Services and extends the term of the engagement through July 31, 2025. Staff recommends approval of the Amendment.

SOURCE OF FUNDS

The EDA's 2025 Budget includes funds for Professional Services, and specifically identified funds to support this contract.

ATTACHMENTS

1. Amendment #1 - Professional Services Agreement with Krueger Real Estate Advisors



CONSULTING CONTRACT – AMENDMENT #1
KRUEGER REAL ESTATE ADVISORS
AND SOUTH SAINT PAUL ECONOMIC DEVELOPMENT AUTHORITY

1. Scope of Work

Krueger Real Estate Advisors (KREA) will conceive and execute a comprehensive strategy as follows:

- a. “Hardman Triangle” site.
 1. Development approach and strategy.
 2. Developer recruitment.
 3. Additional acquisition opportunities.
 4. Possible Public/Private Partnership opportunity.
- b. SSP Library Site.
 1. Support City-led reuse planning efforts in partnership with New History Team.
 2. Work with business and brokerage community to identify opportunities for new/emerging small businesses.
- c. Envision Hotel Site.
 1. Work with hotel brokerage community to gauge interest in property.
 2. Acquire acknowledgement from property owner that solicitations will be made on their behalf. No owner fee to KREA.
- d. Craft/Maker Economy Strategies
 1. Business recruitment.
 2. Work with business and brokerage community to identify opportunities for new/emerging small businesses.
 3. Identify real estate opportunities in City that could accommodate businesses; engage property owners if not City/EDA controlled.
- e. City Elements.
 1. Krueger Real Estate Advisors to attend necessary EDA meetings as requested.
 2. Will leverage existing City marketing materials.

2. Project Consultant Team

a. *Lee Krueger, Principal* (see attached resume).

Lee has over 35 years of commercial real estate experience with the majority of his experience being in retail real estate focusing on the property owner/landlord side of the table. Before starting Krueger Real Estate Advisors in 2022, Lee was the president of the Saint Paul Port Authority (SPPA). At the SPPA Lee created several Public-Private Partnerships that led to completed development projects. Working to bridge the divide between the public interests and the private sector development community allowed for certain projects to advance that would not have occurred otherwise.

Lee has a Real Estate Broker's license for the state of Minnesota.

b. *Ron Barze, Director of Development.*

Ron Barze brings his experience as a real estate salesperson specializing in multi-family deals to the team. Recently as a member of the NAI Legacy office, Ron worked with investors to buy and sell real estate assets. Prior to that, he spent time at Marcus and Millichap focusing on the acquisition and disposition of investment grade properties, primarily in the category of commercial multi-family real estate. Ron holds a Bachelor of Arts Degree in Criminal Justice from the University of St. Thomas in Saint Paul and received a Master of Arts Degree in Criminal Justice Leadership from Concordia University in Saint Paul. He has taken additional training through the City of Minneapolis with their Small Developers Technical Assistance Program, as well as the Real Estate Developer Training opportunities provided by the Minnesota Urban Land Institute (ULI). Ron is also a chair for ULI Developer Training. Ron has a Real Estate Salesperson's License for the State of Minnesota.

c. *LeeAnn Krueger, Associate.*

Starting her second year at Krueger Real Estate Advisors, LeeAnn will function as the Research Analyst for this endeavor. She will also assist with creating written agreements with brokers and owners and coordinate showings and meetings with the same entities.

LeeAnn will represent the projects at industry events locally and nationally.

LeeAnn has a Real Estate Salesperson's license for the state of Minnesota.

3. Term of Contract: Commencing September 1, 2023, and ending July 31, 2025.

4. Compensation and Payment

a. Client agrees to pay Krueger Real Estate Advisors for the Services in accordance with the Fee Schedule in Section 4.2 and the Scope of Work in Section 1. Changed conditions or additions to the scope of work will be subject to change orders or other amendments to the scope of work agreed to by the Client and Krueger Real Estate Advisors and unless stated otherwise will also be subject to the Fee Schedule and the Proposal.

b. Fee structure:

1. \$6,000.00 per month, payable monthly.

2. Lee \$250.00 per hour, will devote a minimum of 12 hours per month.

3. Ron \$150.00 per hour, will devote a minimum of 20 hours per month.

c. While performing services, Krueger Real Estate Advisors will submit invoices and any applicable supporting documentation on a periodic basis. Payment will be due within thirty (30) days from

the invoice date. Interest at the rate of 1.5% per month will accrue on any outstanding principal balance on invoices remaining unpaid commencing thirty (30) days from the date of the invoice.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of _____.

**SOUTH SAINT PAUL
ECONOMIC DEVELOPMENT AUTHORITY**

By: _____
Its: _____

KRUEGER REAL ESTATE ADVISORS

By: _____
Lee Krueger, President

ADDENDUM

Industry Experience.

1. Lee will be the primary contact for this project.
2. Team memberships include:
 - a. Minnesota Shopping Center Association (MSCA).
 - b. Innovating Commerce Serving Communities (ICSC, formerly entitled International Council of Shopping Centers.
 - c. Minnesota Commercial Association of Real Estate/Realtors (MNCAR).
3. Team Member of MN Urban Land Institute.
4. Member of Economic Development Association of Minnesota (EDAM).
5. Regular attendee at all groups' events where South Saint Paul can be represented.
6. Krueger Real Estate Advisors is a licensed real estate company in Minnesota (license number 40792372).

References:

1. Angie Helms, Sr. Property Manager, Hillcrest Development. Former colleague. (570) 460-4914 cell; AngieH@Hillcrestdevelopment.com
2. Marshall Nguyen, Vice President, Wyn Group. Developer. (612) 327-1059; marshall@wyngroup.com
3. Julie Bauch, Owner, Bauch Enterprises. Colleague at Keg & Case Market. (612) 860-2467; julie@bauchenterprises.com
4. Josh Krsnak, Principal, Hempel Companies. Developer. (612) 355-2602; josh@hempelcompanies.com

5. Bill Ashton, owner Jersey's Bar & Grill.
(612) 867-4871; bill@jerseysbar.com
6. Todd Geller, Saint Paul landlord and developer.
(612) 730-5430, todd@terracegroupplc.com
7. Todd Olson, Director of Special Programs, MN Urban Land Institute.
(612) 242-9192, todd.olson@uli.org



ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: January 6, 2025
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 5.A.

MEETING TYPE

Regular Meeting

AGENDA ITEM

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Motion(s) to elect Officers of the EDA.

OVERVIEW

All members of the EDA are considered Commissioners and are members of the EDA Board. Per its Bylaws, the EDA Board has the following officers, which must be elected on an annual basis:

President
Vice-President (currently Commissioner Seaberg)
Treasurer
Assistant Treasurer (Clara Hilger as Finance Director)
Secretary (Deanna Werner)

The President and Treasurer positions are to be held by the Mayor (Bylaws Sections 2.2 and 2.4). The Secretary and Assistant Treasurer positions need not be held by a commissioner (Bylaws Section 2.1). The Bylaws (Section 2.5) also suggest that the Assistant Treasurer of the Board “may be” the City’s Finance Director.

Staff recommends that the board call for appointment/nomination of Vice President, Secretary and Assistant Treasurer offices, in keeping with the EDA’s bylaws.

- *Vice President* – This office is currently held by Commissioner Tom Seaberg.
- *Secretary* – At the 2024 Annual Meeting, the EDA agreed that it made sense for the City Clerk to also serve as Secretary of the Authority. Generally, the Secretary is responsible for retaining minutes and other records of the EDA.
- *Assistant Treasurer* – This office has always been held by the City’s Finance Director, so it would make sense to continue in that fashion.

SOURCE OF FUNDS

ATTACHMENTS

None