



CITY OF SOUTH ST. PAUL MEETING AGENDA

WORK SESSION

Training Room
125 3rd Avenue North
South St. Paul, MN 55075

Monday, October 27, 2025
7:00 PM

1. CALL TO ORDER

2. DISCUSSION ITEMS

- A. County Administrator Heidi Welsch - Update on Impacts of Federal Shutdown
- B. 106 3rd Avenue North (former SSP Library) Developer Interest
- C. City Precinct Realignment for 2026 Elections - Addition of a City Precinct
- D. Marie Avenue Reconstruction Project – Next Phase Design and Staging
- E. City Administrator's Update

3. COUNCIL COMMENTS & QUESTIONS

4. ADJOURNMENT



WORK SESSION AGENDA REPORT

DATE: October 27, 2025
DEPARTMENT: City Administrator
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 2.A.

MEETING TYPE

Regular Meeting

AGENDA ITEM

County Administrator Heidi Welsch - Update on Impacts of Federal Shutdown

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

For information only.

OVERVIEW

Dakota County Administrator Heidi Welsch will be in attendance to provide a brief synopsis of the impacts of the ongoing Federal government "shutdown" on County Services, including many which directly impact South St. Paul residents.

SOURCE OF FUNDS

N/A

ATTACHMENTS

None



WORK SESSION AGENDA REPORT

DATE: October 27, 2025
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 2.B.

MEETING TYPE

Regular Meeting

AGENDA ITEM

106 3rd Avenue North (former SSP Library) Developer Interest

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Representatives of [Minneapolis Gymnastics](#), LLC will be in attendance at the worksession to provide information about their business' interest in repurposing the former South St. Paul Library building into a community-centered indoor play facility. Staff and the business are seeking feedback from the City Council about this concept at the worksession. If the concept resonates well with the Council, formal actions related to the public-private partnership would need to be developed and considered at future City Council meetings.

Staff strongly encourages Council to review the [2024 Facilities Master Plan](#) and [2025 Library Reuse Study](#) in preparation for the worksession in order to have a fresh understanding of the opportunities and challenges involved in repurposing the former Library.

OVERVIEW

The building at 106 3rd Avenue North served the City of South St. Paul as its public library building from the time of its construction in 1927 until its closure as a public library in December 2023. Between 2016 – 2018, the City conducted various assessments and studies for the modernization, upgrade, and expansion of the building to continue use as a public library. Ultimately, the site's and building's limitations, coupled with the financial commitment required to successfully operate a public library in an era where regional/county libraries are the "norm", led the Council to conclude that a partnership with Dakota County for a transition of library services to a County model was in the best interests of the community. In partnership with Dakota County, further analysis of building, program, and site requirements resulted in the conclusion that the property and building at 106 3rd Avenue North would not meet the needs of a new County library, and the Kaposia Library concept emerged for the corner of 7th and Marie Avenues. With that, in 2023 the City began to shift its attention to the future of the building after it was vacated.

2024 Facilities Master Plan

In 2023 and 2024, the City enlisted BKV Architects, Oertel, and Kraus-Anderson to undertake a [comprehensive assessment of City Facilities](#). In addition to a detailed physical conditions analysis of the City's buildings, this study included an assessment of relocating some existing

City departments/functions from City Hall to the vacant Library, but the team came to the conclusion that such a relocation would not "solve" current issues with City Hall or Police Department space needs without significant additional investment in City Hall. Further, the study acknowledged that relocating departments/functions to the Library would introduce additional separation which may negatively impact the effectiveness of service delivery and organizational culture. Ultimately, the Facilities Master Plan recommended divestment (sale) of the property for adaptive reuse or redevelopment. Given the significant investment required to address deferred maintenance at the facility and the lack of "low hanging fruit" or justification to repurpose the Library for a City function, the City decided to take a closer look at alternatives for adaptive reuse and sale of the building.

2025 Library Repurposing Study

In 2024, the City received funding through a grant from the Minnesota Department of Employment and Economic Development (DEED) to help study options for repurposing the former South St. Paul Library. At the August 5, 2024 City Council meeting, the City Council awarded the project to New History, and [New History delivered the Final Report](#) in late-May 2025. The purpose of the reuse study was to explore practical reuse strategies based on the physical condition of the building, community input, and market information. The purpose of the study was not to select (an) individual(s) or business(es) to take over occupancy, ownership, and / or operation of the building.

New History conducted a "deep dive" into the physical condition of the building, the building's neighborhood context, and historical significance to better define the building within the context of potential reuse or redevelopment. This step revealed that overall, the building's physical condition is generally good but that deferred maintenance and replacement of core building systems and remedial work would be necessary for any reuse. The work identified through the study includes updates to the mechanical systems (including a new boiler), a new roof, hazardous material abatement, and waterproofing of the building. The Study also acknowledged that the significance of the library building in the community's culture and history during the twentieth century indicates that there is a high likelihood that the building is eligible for the National Register of Historic Places.

In addition to their examination of the building's condition and context, New History looked at how the building could be repurposed, exploring both the most practical uses for the physical space as well as developing some basic, theoretical operating model assumptions for various uses. This step involved extensive community engagement that started at On the Road Again in 2024 and spanned through an Open House in February 2025. Community engagement ranged from surveys to in-person discussions to open houses. Targeted engagement of key stakeholders such as community leaders and representatives was also leveraged to understand their level of support and opportunities for reuse. Finally, the project team engaged with a handful of private developers to get a read on the level of interest in taking on this type of reuse project and how market forces impact the potential for the project. The community and stakeholder engagement revealed a strong interest in reusing the building and a general interest in using the space for public/community/recreational use or a commercial use such as a restaurant, coffee shop or other commercial use. While many private developers have been intrigued by the property, a common refrain was that market conditions were a barrier to matching a tenant mix with the financials

(renovation costs and rents necessary to support that level of investment) and generally speaking developers were not interested in taking on the property (and certainly not speculatively and without significant public subsidy). Some seemed more willing to take on the project if there was a commitment from a future tenant. Although discouraged by the lack of private developer interest, Council's preference was to continue to keep the door open for eventual sale to a private owner under a development agreement.

Current Developer Interest

Although only a few months have passed since the Library Repurposing Study was finalized, efforts to identify and engage a prospective buyer/developer of the former library have been ongoing in earnest for the past eighteen months, with many local organizations, businesses, and entities introduced to the opportunity but essentially none having a defined near-term need and access to the resources to move any particular project forward. While somewhat discouraging, in Staff's experience the lack of a robust market for an aging, somewhat obsolete building with significant capital investment needs is not at all surprising. Many private real estate investors, owners, and brokers can attest to the difficulty and high degree of patience and perseverance needed to hold on to a property like our library before finding a good "fit". All that aside, we've continued to press on, maintaining open communications with those parties that have taken the time to walk the property and constantly working to expand the number of contacts we provide the development/business community to the building.

At Monday's worksession, we look forward to giving the floor to representatives of Minneapolis Gymnastics, LLC, a small family-owned business that has grown to a two-location, nearly \$2M business in just over 5 years. Since first touring the property in early August, the business has worked on developing a compelling vision for the property which would transform the building to house a community-centered, indoor play facility for youth. The business is highly motivated to gauge the Council's receptiveness to the concept and vision, and assuming the response is positive we'd look to move forward to navigate and negotiate the details of a potential public-private partnership to transition the ownership and operation of the property to the business for this exciting community destination.

At the Worksession, the business will present an overview of the company's history and values, as well as their vision for the space and a high-level overview of their financial capacity and expectations to make the project a reality. As articulated in the 2025 Library Repurposing Study, there is recognition by the developer that a feasibility gap exists and they would seek for the City to assist with the "Base Building Scope" so that the building core, shell, and site deficiencies are addressed by the City to have the property "shovel (or hammer, in this case) ready" for the developer to finance the improvement of the space specific to their business' use. To be clear, the details of this public-private partnership are not yet formed and would involve specific and collaborative due diligence to maximize efficiency (and minimize cost) for both parties, and would be spelled out in formal agreements that would be reviewed by the Council in the future. However, before investing in such an effort, the business naturally wanted to confirm the Council's level of interest in the proposed use and the potential for partnership.

SOURCE OF FUNDS

Council has maintained a placeholder in the City's Capital Improvement Plan since 2022 for

certain renovations/repairs/replacements at the former Library. The current CIP (final adoption anticipated in December) identifies an investment of \$2,300,000 at the property, aligning with the estimates articulated in the "Base Building Scope" of the 2025 Library Repurposing Study. The City's Capital Programs Fund is identified in the study as the source of all funding for the project. At this early conceptual stage, the Developer suggests that significant developer investment (as much as \$800,000) in the buildout of the facility would be committed to the project.

ATTACHMENTS

1. Minneapolis/St. Paul Business Journal - Fast 50 Article

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From the Minneapolis/St. Paul Business Journal:

<https://www.bizjournals.com/twincities/news/2025/10/23/2025-fast-50-minneapolis-gymnastics-number-22.html>

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FAST 50

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Fast 50: Minneapolis Gymnastics leaps onto The List



Jonah Traaseth, Minneapolis Gymnastics
MINNEAPOLIS GYMNASTICS

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Minneapolis Gymnastics leaps onto the Fast 50 List for the first time, ranking No. 22 with a growth rate of 66.79% since 2022. The company, founded in 2019, offers classes, camps and special events for young people. It reported revenue of around \$1.5 million last year.

More on Minneapolis Gymnastics from Co-owner Jonah Traaseth:

How is AI affecting your business? AI is helping with backend organization and streamlining menial administrative tasks. This has helped cut our costs and improve our efficiency.

How has U.S. tariff policy this year affected your business? As a business providing a service versus a manufactured product, we are not directly impacted by the tariffs.

Where do you want your company to be five years from now? We hope to consistently exceed 1,000 enrollments monthly per gym, with a willingness to open more locations in [areas] that lack access to gymnastics.

Minneapolis Gymnastics

Rank: 22

Growth rate: 66.79%

Top executives: Nicole Traaseth, Jess Haagenson, Andy Haagenson, Jonah Traaseth

Headquarters: Minneapolis

2022 revenue: \$891,253

2023 revenue: \$1,141,195

2024 revenue: \$1,486,549

Employees at end of 2022: 37; Now: 74



WORK SESSION AGENDA REPORT

DATE: October 27, 2025
DEPARTMENT: City Clerk
PREPARED BY: Deanna Werner
AGENDA ITEM NUMBER: 2.C.

MEETING TYPE

Regular Meeting

AGENDA ITEM

City Precinct Realignment for 2026 Elections - Addition of a City Precinct

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Discussion on precinct realignment - Addition of a precinct for the 2026 Election Cycle

OVERVIEW

At the September 8, 2025, WS, we discussed realigning our city precincts to allow for a more even distribution of voters across the city. Precinct 3, located at Luther Memorial Church, and Precinct 5, located at the Kaposia Education Center, are both very large, with P5 ranking as the largest precinct in Dakota County (3800+ voters). In addition, Precinct 4, located at the Lawshe Museum is very small, with just over 800 voters assigned to the precinct.

At the September 8th, Work Session, there seemed to be agreement that reorganization of polling locations to create a more uniform distribution of the voters across the city was necessary. However, there was concern about whether the polling location for Precinct 4, Lawshe Museum, could accommodate an additional 2,100 voters, with parking being the main concern. A suggestion was also made to consider the use of Woog Arena as a polling location.

As was communicated at the 9/8/2025 Work Session, the best option to achieve a more even distribution of voters across the city would be to create additional precincts. Due to concerns raised over parking at Lawshe and the suggestion of using Woog Arena, a second proposal is being brought forward. This proposal would even out the voters across the city by adding a 6th precinct in the area north of I494, which is currently a part of Precinct 5 and using Woog Arena as a polling location.

The new Precinct 6 would contain approximately 1,873 voters and would be comprised specifically of all the voters north of I494, who were previously assigned to Precinct 5 (1774 registered voters), and a small portion of voters from P3 (99 registered voters).

I have worked with the Dakota County GIS Team to determine the proposed changes. The goal was to disrupt the least number of voters and still have precinct boundaries that make sense. In this new proposal, there would be no changes to the boundaries of Precinct 1 or Precinct 2. The breakdown of how the proposed realignment would affect voters is as follows:

Precinct 1, St. John Vianney

Registered voter count:

Current: 2,793

Proposed: 2,793

No changes to this precinct. Estimated registered voters will be unchanged.

Precinct 2, 1st Presbyterian Church

Registered voter count:

Current: 1,689

Proposed: 1,689

No changes to this precinct. Estimated registered voters will be unchanged.

Precinct 3, Luther Memorial

Registered voter count:

Current: 3,221

Proposed: 2,358

A total of approximately 863 registered voters from Precinct 3 would be relocated.

764 voters would be moved to Precinct 4, 99 voters would be moved to the new Precinct 6, decreasing the registered voters in Precinct 3.

Precinct 4, Lawshe Museum

Registered voter count:

Current: 820

Proposed: 1,584

No current voters in Precinct 4 will be affected; but approximately 764 voters from Precinct 3 would be relocated to Precinct 4, increasing the registered voters in Precinct 4. This polling location is well suited to accommodate more voters. There is ample space at the site to accommodate the additional people and voting booths and there is sufficient parking for voters on the street in front of the building as well as parking lots on both sides of the building.

Additionally, the 2023 School District Election, Lawshe Museum was used as the sole polling location for the entire city; 1,308 voters turned out for that election, and we did not run into any issues.

Precinct 5, Wakota Ridge Campus, Woodbury Lutheran Church

Registered voter count:

Current: 3,873

Proposed: 2,099

A total of approximately 1,774 Precinct 5 voters would be moved to a new Precinct 6.

The Kaposia Education Center will not be used as a polling location for the 2026 Election. The Wakota Ridge Campus of Woodbury Lutheran Church has been secured as a Precinct 5 polling location for the 2026 election cycle. The property has been renovated, there is ample parking in the rear of the building where voters will enter and the interior of the space is well apportioned for the flow of voters in and out of the polling location.

Precinct 6, Woog Arena

Registered voter count:

Current: 0

Proposed: 1,873

A total of approximately 1,774 voters from Precinct 5 and 99 voters from Precinct 3 would be moved to this new precinct.

Woog Arena has ample space and ample parking to house the two elections to be conducted in 2026. The main concern with the use of this site would be the hockey traffic. In discussions with the Parks and Recreation Director, we have agreed that the August Primary would likely not have any issues with hockey traffic, causing congestion for voters trying to access the poll. For the November election, we foresee the greatest potential for congestion and parking issues to occur between the peak hours of 4:00 PM - 6:00 PM. To offset this, we would block off parking spaces near the front of the arena as "Election Parking Only." Exhibit A has an outline of the proposed parking that would be reserved for voters.

The costs associated with this proposed realignment would be minimal, which would be mailed to those voters impacted by the change, but the benefits outweigh the cost. The plan also smooths out, to the best of our ability, the hills and valleys that currently exist in our precinct population, making for a better experience for the voters. The State Statute requires Council approval of new precinct boundaries as well as a change of polling location to take place by December 1 of the year prior to the next Statewide Election. If there is Council consensus on this change, I hope to place these before the Council at the November 17th, 2025 Council Agenda. The action does not require a public hearing, but in an effort to begin the process of communication to the voters, I would present this as a General Business Item, so the plan can be viewed by the public. The key to a change like this will be to communicate to voters why the change is being made and where their new polling location is, well in advance of Election Day. It will also be extremely important we continue to communicate the new polling locations to residents as Election Day nears.

SOURCE OF FUNDS

N/A

ATTACHMENTS

1. Exhibit A - WS 10-27
2. 2026 Election Precinct Realignment

Exhibit A

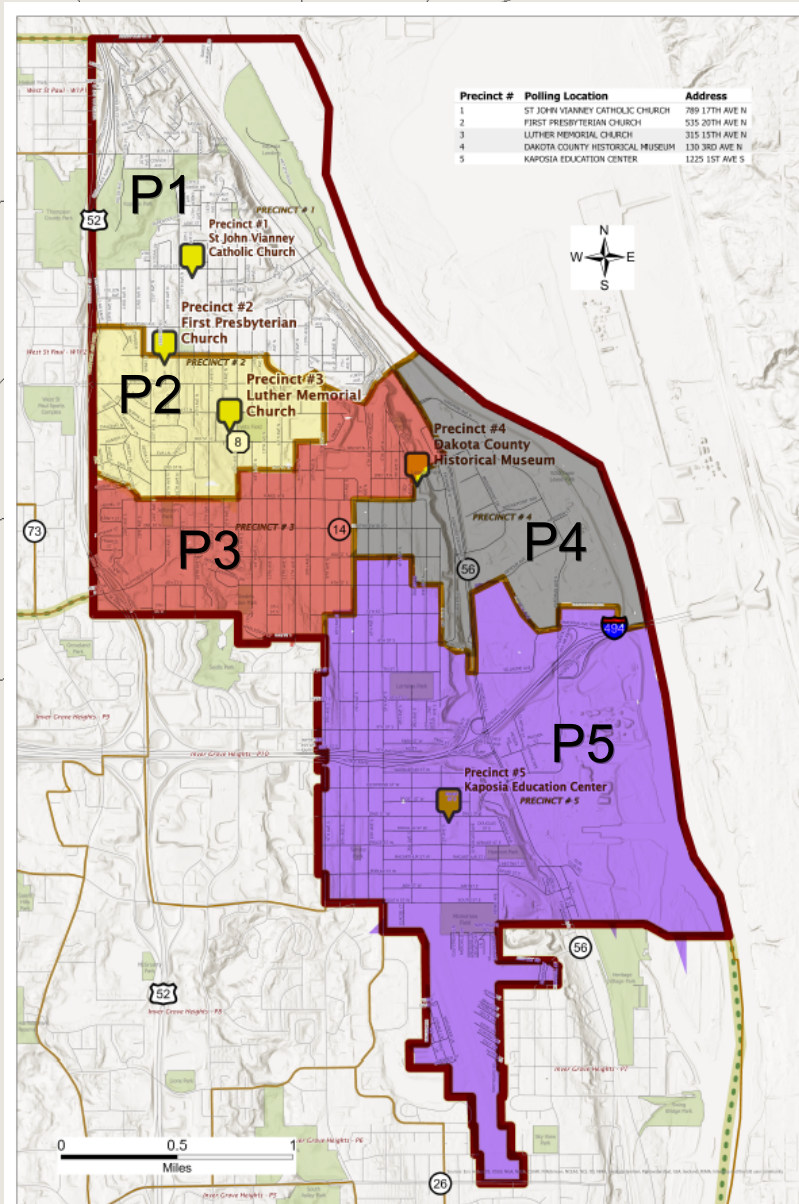




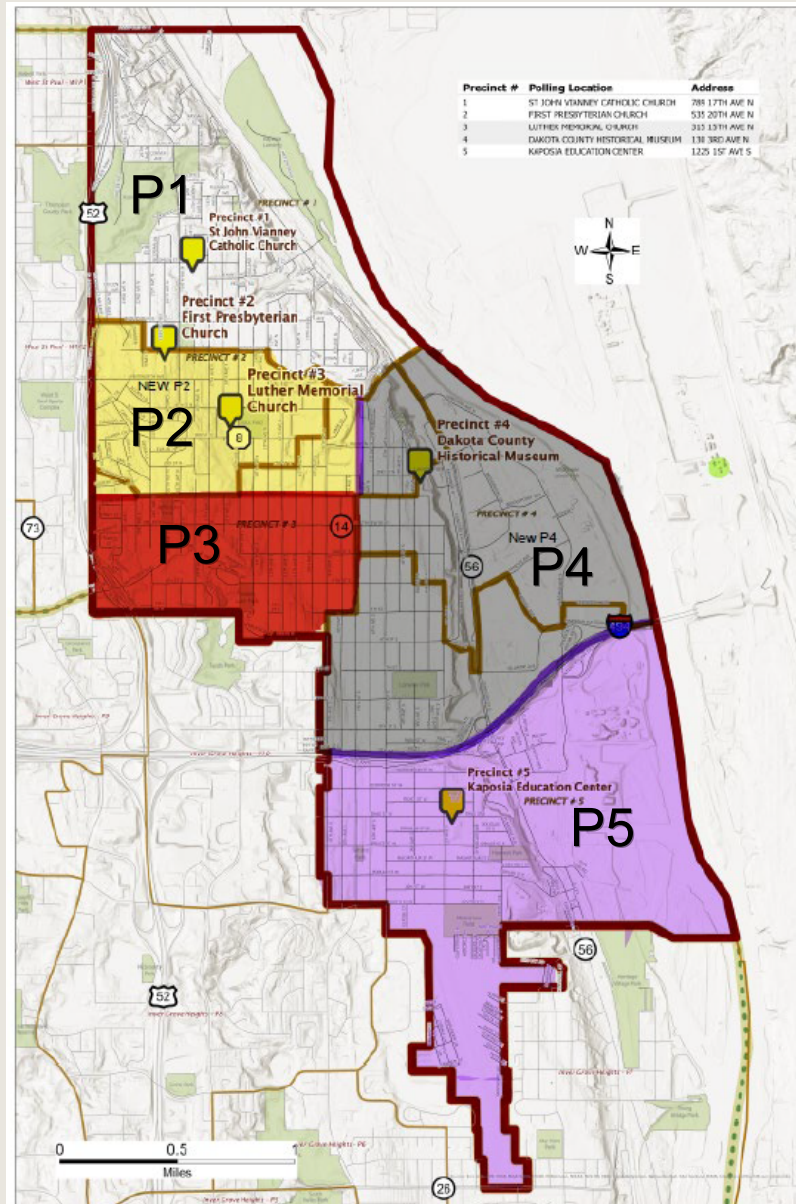
2026 ELECTION

***PRECINCT
REALIGNMENT***

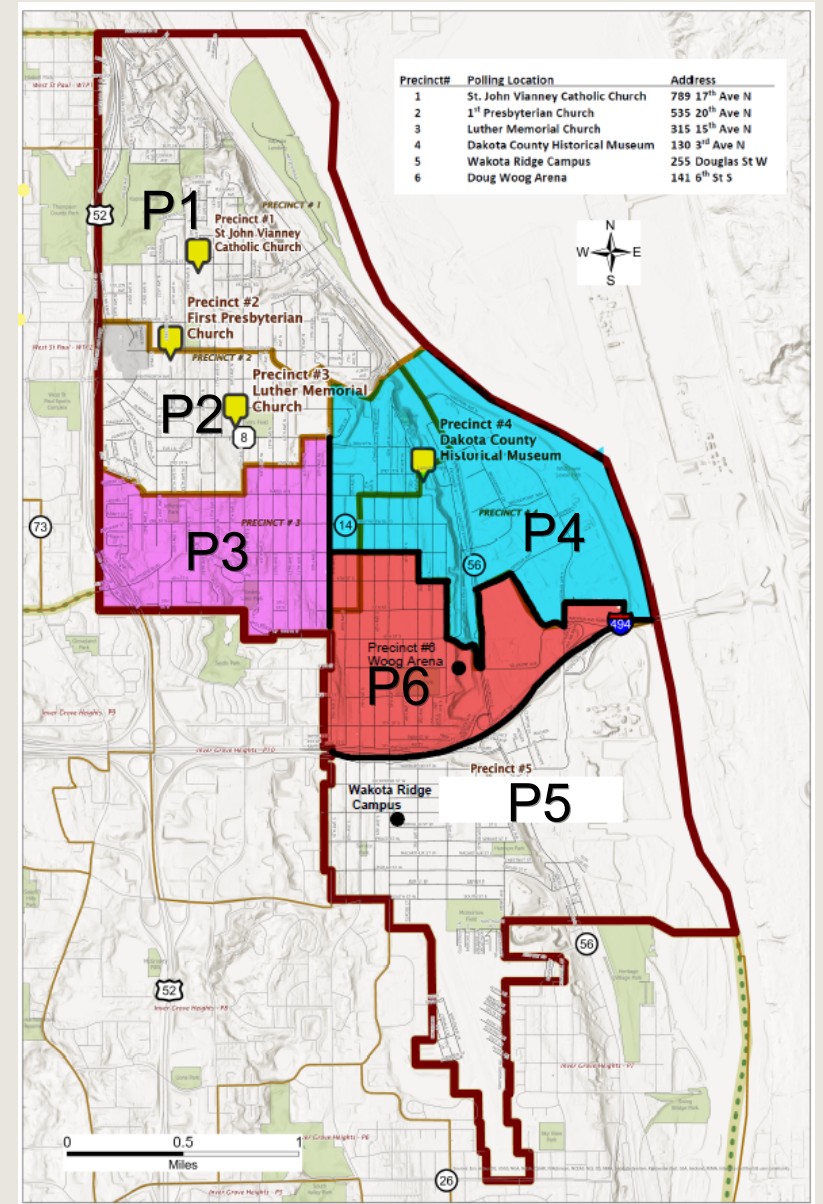
***ADDITION OF 6TH
PRECINCT***



Current Precinct Boundaries



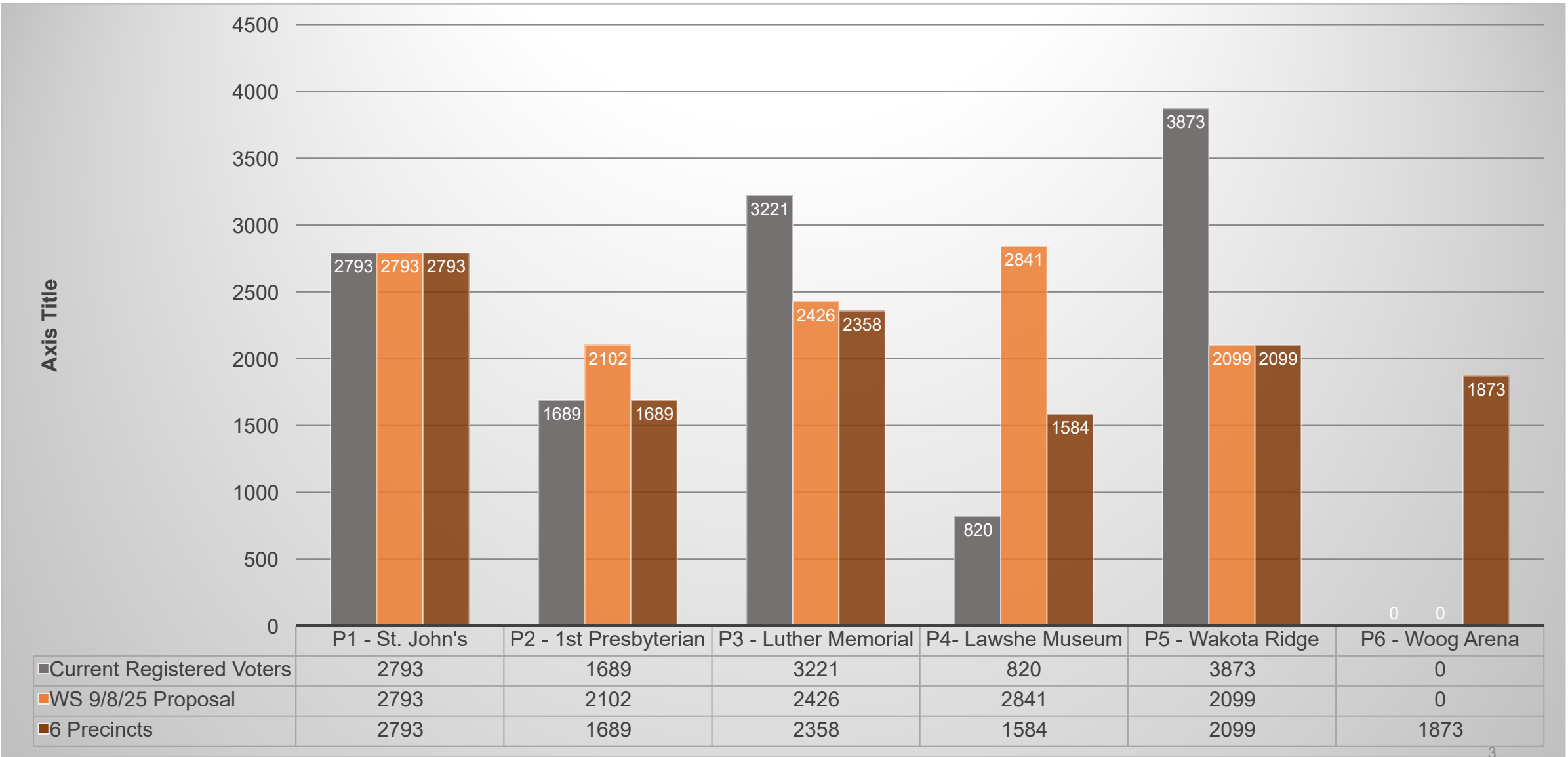
**Redrawn 5 Precinct
Boundaries (9/8/25 WS)**



**Proposed 6 Precinct
Boundaries**

VOTER DISTRIBUTION

CURRENT VS 5 PRECINCT REALIGNMENT VS 6 PRECINCT REALIGNMENT



PRECINCT - SUMMARY DATA

Precinct	Current Registered Voters	Estimated Registered Voters	Voter Increase or Decrease	Change to Precinct
P1 - St. John's	2793	2793	0	No Change
P2 - 1st Presbyterian	1689	1689	0	No Change
P3 - Luther Memorial	3221	2358	-863	Decrease: Remove a total of 863 voters from P3; 764 voters to P4 and 99 voters to P6
P4 - Lawshe Museum	820	1584	+764	Increase: Move 764 P3 voters to P4
P5 - Wakota Ridge	3873	2099	-1774	Decrease: 1774 P5 voters and move to new Precinct 6
New P6 - Woog Arena	0	1873	+1873	New: Move 1774 P5 voters and 99 P3 voters to form P6



WORK SESSION AGENDA REPORT

DATE: October 27, 2025
DEPARTMENT: Engineering
PREPARED BY: Kelsey Gelhar
AGENDA ITEM NUMBER: 2.D.

MEETING TYPE

Regular Meeting

AGENDA ITEM

Marie Avenue Reconstruction Project – Next Phase Design and Staging

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

Staff is seeking Council discussion regarding the proposed Marie Avenue Reconstruction Project from 9th Avenue to 21st Avenue

OVERVIEW

In May of 2025 engineering staff presented Council with preliminary ideas for the next phases of the Marie Avenue Reconstruction Project. Staff presented design options, costs, and funding sources for three design options: a Safe Routes to School design, a standard South St. Paul street design with a northern sidewalk extension, and a standard South St. Paul street design. At the May 19, 2025, council meeting staff presented the Safe Routes to School design and the standard South St. Paul street design. Due to the challenging nature of the project corridor, the Council opted to return the Safe Routes to School Grant and focus on designs that included a sidewalk extension along one side of Marie Avenue.

Staff worked on preliminary design efforts and are now seeking Council direction before presenting options for the design and the construction timelines at a neighborhood meeting for the project.

Options considered:

- Constructing the project over two years (2026 and 2027)
- Extending sidewalk along the north side to 15th Avenue only
- Extending sidewalk to 21st Avenue (switch from north side to south side on west end)
- Changes to the street layout that deviate from typical streets in South St. Paul

Details about the options will be presented for further discussion and guidance.

SOURCE OF FUNDS

NA

ATTACHMENTS

None



WORK SESSION AGENDA REPORT

DATE: October 27, 2025
DEPARTMENT: City Administrator
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 2.E.

MEETING TYPE

Regular Meeting

AGENDA ITEM

City Administrator's Update

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

For information and brief discussion only. Council may request additional detail or formal action on any of these topics at a future meeting.

OVERVIEW

The City Administrator will provide brief updates on the following:

- 417 Concord Street (Jiffy Gas) Demolition
- 314 - 318 2nd Street North Closing-Disposition
- Bonfe / Armour Gate site update
- Home Improvement Loan Admin - CEE Contract Renewal
- Hardman Triangle Update
- House Bonding Tour - Thursday, November 6 @ 6:00 PM - 400 Richmond Street East (Public Works)
- Wakota Industrial Groundbreaking - Monday, November 17 @ 3:30 PM - 843 Hardman Avenue (Danner)

SOURCE OF FUNDS

N/A

ATTACHMENTS

None