

**CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING**

Regular Workshop Session of Monday, May 20, 2013
Library Meeting Room – 5:50 p.m.***

***Time approximate following special Council meeting in St. Peter Room

I. CALL TO ORDER

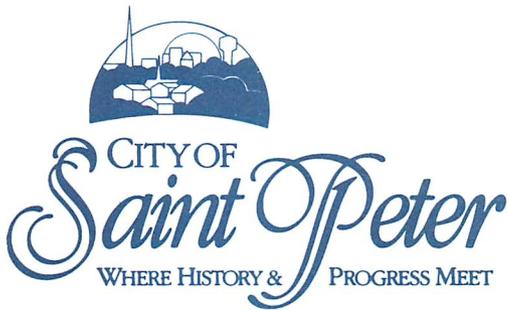
II. DISCUSSION

- A. Park Row Crossing Final Design
- B. Hospital Audit
- C. Hospital Electronic Medical Record Update
- D. Washington Avenue Link Project Trailer Disposition
- E. Digger Derrick Truck
- F. Others

III. ADJOURNMENT

Office of the City Administrator
Todd Prafke

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 5/16/13

FROM: Todd Prafke
City Administrator

RE: Park Row Crossing Design Update

ACTION/RECOMMENDATION

None needed. For your information and review.

BACKGROUND

The Council has taken numerous actions related to approval for this housing project planned with Southwest Minnesota Housing Partnership (SWMHP).

Instead of reiterating many of those previous decisions, this memo will focus on the next steps in the process. We have included a memo that you have read previously that articulates the financial complexities of the project.

My goal for your workshop is for the Council to have opportunity to review the 95% plus plans. I hope to have you focus on the building exteriors and site plan so that you can provide feedback and be in a position to provide final approval of the project in the next few weeks.

That final approval will come in two processes:

- The first is authorizing the Mayor and City Administrator to enter into a purchase agreement for the properties. Those properties include the block that is known as the Old Hospital Block and about 8,250 square feet of the parking lot that is just south of that location.
- The second process is implementation of the TIF District. As you know, a hearing on the district is planned for your meeting on May 28th and then action would be required to establish that district.

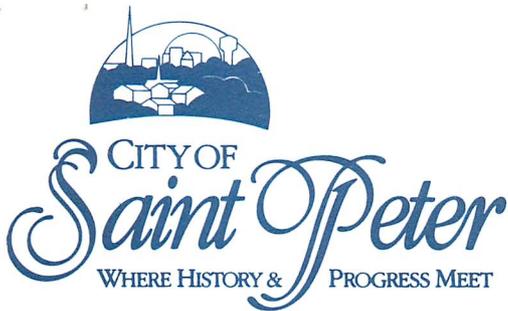
Staff from SWMHP and their architects will be at the workshop on Monday evening to review the project. Issues that the Council has discussed as wanting additional review in the past have included: outside lighting, accessibility, color, garbage container screening, site plan, stormwater, and timeline. This is a great opportunity to make sure the developer has addressed your questions in these areas.

This project is good for the community in that it is specifically designed to meet needs that were identified in the Housing Study that was completed in the fall of 2012. Those needs are

described as being in a couple of different areas, the most significant of which is helping to reduce a vacancy rate that is less than 1%. Through portions of it's' design, the project also addresses priorities set by the Council to be more attractive to young families.

Please let me know if you have any questions or concerns on this agenda item.

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 6/10/11

FROM: Todd Prafke
City Administrator

RE: Old Hospital Site (Park Row Crossing Townhomes)

ACTION/RECOMMENDATION

Approve the attached resolution that provides specific City support for a development on the Old Hospital Site (corner of Broadway and Washington) in partnership with Southwest Minnesota Housing Partnership for a funding application to be submitted to Minnesota Housing Finance Agency.

BACKGROUND

The City Council has discussed opportunities for development of this site at many, many different meetings. That discussion centered around two primary re-use opportunities. Those two opportunities included a City Hall/Fire Hall/Police Station development and a second opportunity of a multi-family housing development that would be similar to Central Square helping to meet various housing density and financial goals. Without taking lots of space to re-describe those discussions, the direction from the Council has been to work towards whichever project has opportunity in the nearest future. At this time that appears to be housing development.

It should be noted that other opportunities have also been discussed including single family development which poses a unique set of issues at that site including value, community inventory, time for redevelopment, density, driveway access to Washington and Broadway among others.

Council has met and worked through a process that was very similar to the process with Central Square which has included site review, concept and layout level of design review and discussion on financing. In addition, Minnesota Housing Finance Agency has competitive funding guidelines and as the Council may remember, certain forms of assistance receive points towards funding. The commitments contemplated in the resolution are an effort to receive enough points to score high so that the project would then receive funding.

The project would consist of 38 units in two buildings with underground parking for each unit. Each unit would have its own walk up entry and interior entry from the underground parking. A concept plan and elevation has been included for you in the packet. These are not final. You may note the design is similar to a walk up with a courtyard in the center with opportunity for small play area and additional off-street ground level parking to the south. In addition, the plan includes a higher percentage of handicap units, as compared to other developments we have done and those units will be both one and two bedrooms. We have not done multiple bedroom handicap units in the past. That is a shortfall the Council has been determined to correct in the future. Due to design and other considerations it is believed that these units would be attractive to a wide variety of households including younger families.

SWMHP was asked to provide a Market Study related to this type of development. The market study was done by Community Partners and has been included in your packet. Community Partners is the organization that has done the last two Housing Studies commissioned by the City. Again, this is a market study not a housing study. The market study discusses many things but the bullet points below touch on a few bigger picture issues that the Council should consider.

- A market rate vacancy rate of 0.9% and a tax credit/moderate rent vacancy rate of 0.7% is unhealthy and does not provide choice for those seeking rental options. Generally a vacancy rate of 5% is looked at as healthy. We are well below that rule of thumb number.
- The most comparable properties have been successful and are 100% occupied with established waiting lists.
- The City of Saint Peter, Primary Market Area and Nicollet County have all experienced sustained growth over the last two decades. The growth rate for the City exceeds those of the market area or County.
- The centralized location, attractive design and underground parking amenities provide a competitive advantage.

The Southwest Minnesota Housing Partnership has a proven record of providing affordable housing options in cooperation with the City Council. The other cooperative housing development including Nicollet Meadows Townhomes, Central Square and single family housing projects in Nicollet Meadows and Washington Terrace have all performed above projection and have helped continue to meet goals of young families, utility sales, density, additional tax base and development.

Fiscal Impact:

The resolution and application commitment is significant but very similar to that made for Central Square. The City would promise to sell the property for \$1.00. The City would receive \$210,000 for the property at the time of closing with an amount equal to \$100,000 over the term of the TIF District. In addition, the City will agree to abate \$100,000 in anticipated assessment to the property. Those two sums equal the approximate cost of the demo. The total value to SWMHP is about \$550,000 in present value over the term of the TIF which would be about 26 years. and reduce its SAC and WAC fees by 10% or about \$500 and forgive either the TIF application cost of \$2,500 or reduce its building permit fee by 10% or about \$3,500. The City will allow for development of a Planned Unit Development and zoning changes under current rules from its use for a hospital to residential with a higher density. It should be noted that the density would obviously be lower than Central Square which is 55 units. Lastly the City would provide for a fast tracking of building permits which means that review would take place in two weeks which, for a building of this type is within our usual and customary review time line.

Alternatives/Variations:

Do nothing. Staff will wait for additional direction. The timing of the request is important as the application deadline is this next week. If the Council wishes to delay action it would mean a wait until the next application cycle which would likely be in the fall depending on state agency activity which may be impacted by any state shutdown that may or may not occur.

Negative vote. Staff will contact SWMHP and let them know you are no longer interested in this project.

Modification of the resolution. This is always an option of the Council. Please note that many of the issues addressed in the resolution are worded in such a way that they articulate and maximize the points need to score well in the competitive application process.

Please contact me if you have any questions or concerns.

TP/bal

**City of Saint Peter, MN
Housing Project - Old Hospital Site**

Tax Increment Projections

Valuations & Projected Increases

	Market	Tax Capacity
Original Values	141,100	2,117
Increased Value: (New Development)	4,100,000	30,750

Tax Rate Assumptions:

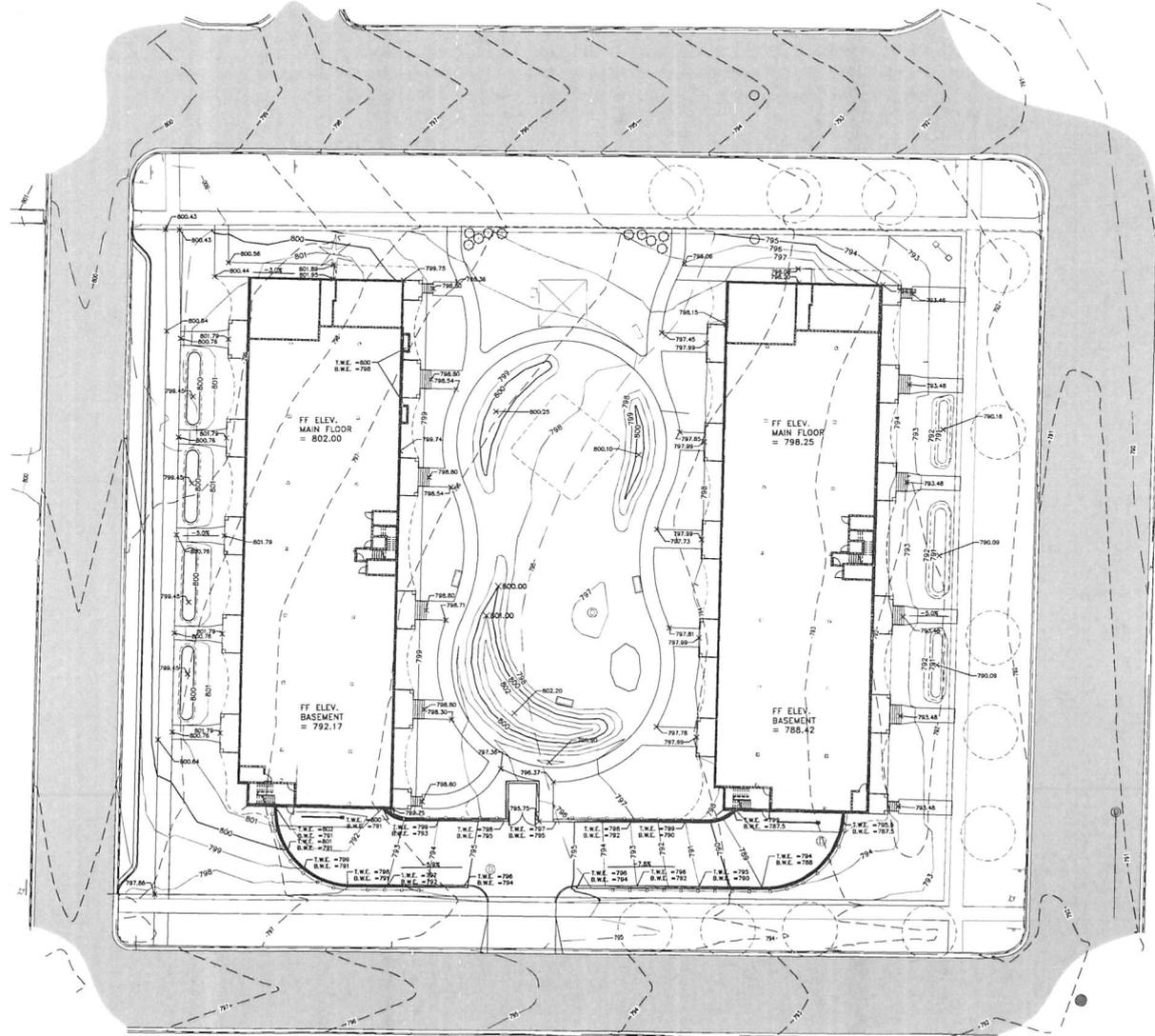
	2011 Tax Rate
City of St. Peter	43.530%
Nicollet County	52.770%
School District 508	15.553%
Other	0.544%
	<u>112.397%</u>

Projected Tax Increment

Payable Year	Original Tax Capacity	Projected Tax Capacity	Net Captured Tax Capacity	Less Fiscal Disparities	Retained Net Captured Tax Capacity	Projected Tax Rate*	Gross Tax Increment	Adjustments		GROSS REVENUES to SWMHP	Net Present Value @ 2.7%
								5.00% Admin. Retainage	0.36% State Auditor's Deduction		
2012	2,117	2,117	-	-	-	112.40%	-	-	-	-	-
2013	2,117	2,117	-	-	-	112.40%	-	-	-	-	-
2014	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	28,878
2015	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	28,119
2016	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	27,379
2017	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	26,659
2018	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	25,959
2019	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	25,276
2020	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	24,612
2021	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	23,965
2022	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	23,335
2023	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	22,721
2024	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	22,124
2025	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	21,542
2026	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	20,976
2027	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	20,424
2028	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	19,887
2029	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	19,365
2030	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	18,855
2031	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	18,360
2032	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	17,877
2033	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	17,407
2034	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	16,949
2035	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	16,504
2036	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	16,070
2037	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	15,647
2038	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	15,236
2039	2,117	30,750	28,634	-	28,634	112.40%	32,183	1,609	116	30,458	14,835
							836,763	41,838	3,012	791,913	548,961

PROJECT TITLE:
**PARK ROW CROSSING
 APARTMENT PROJECT
 ST. PETER, MN**

- NOTES**
- UNDERGROUND UTILITIES SHOWN HEREON ARE AS PER AVAILABLE UTILITY MAPS AND MEASUREMENTS TO VISIBLE ON-SITE LOCATE MARKINGS. CONTRACTOR TO LOCATE AND VERIFY ALL UTILITIES WHICH MAY AFFECT THIS WORK AND NOTIFY OWNER OF ANY CHANGES. CONTACT LOCAL UTILITY COMPANIES FOR EXACT LOCATIONS PRIOR TO BEGGING THE PROJECT AND COMMENCING WORK.
 - CONTRACTOR SHALL VERIFY CRITICAL ELEVATIONS TO ENSURE CONFORMANCE WITH GRADING PLAN PARTICULARLY WITH WALK AND/OR PAVEMENTS TO REMAIN. MEET EXISTING GRADES ALONG STREETS, PROPERTY LINES AND DRIVEWAY ENTRANCES RESTORE ALL PAVEMENTS THAT REMAIN TO THEIR ORIGINAL IF NOT BETTER CONDITION. NOTIFY OWNER OF ANY CONFLICTS.
 - AREAS NOT PAVED AND TO BE LANDSCAPED SHALL RECEIVE A MINIMUM OF 6" DEPTH AS HEADGRED IN PLACE OF TOPSOIL. TOPSOIL FURNISHED AND INSTALLED BY GENERAL CONTRACTOR.



1 GRADING PLAN
 SCALE: 1"=20'-0"

No.	Description	Date

I HEREBY CERTIFY THAT THIS PLAN REPRESENTS THE BEST AND MOST ACCURATE INFORMATION OF WHICH I AM AWARE AND THAT I AM A duly LICENSED PROFESSIONAL ENGINEER AND THE SIGNER OF THESE PLANS AND SPECIFICATIONS.

Engineer: **JAMES R. FANKO**
 Certificate No. 46715
 Signature: _____ Date: 05-06-13

NOTE:
 THESE PLANS ARE AN INSTRUMENT OF SERVICE AND/OR PROPERTY OF PAULSEN ARCHITECTS. INSTRUMENTS WILL BE PROVIDED TO GENERAL CONTRACTOR TO VERIFY ALL CONDITIONS AND EXISTING UTILITIES PRIOR TO COMMENCEMENT OF ANY WORK. INSTRUMENTS SHALL BE RETURNED TO THE ARCHITECT'S ENGINEER PRIOR TO THE COMMENCEMENT OF ANY WORK.

PROJECT NUMBER: 1296.1
 DATE: 05/06/13
 DRAWN BY: ED
 CHECKED BY: JS

DRAWING TITLE:
GRADING PLAN

SET: _____ SHEET: **C1.3**

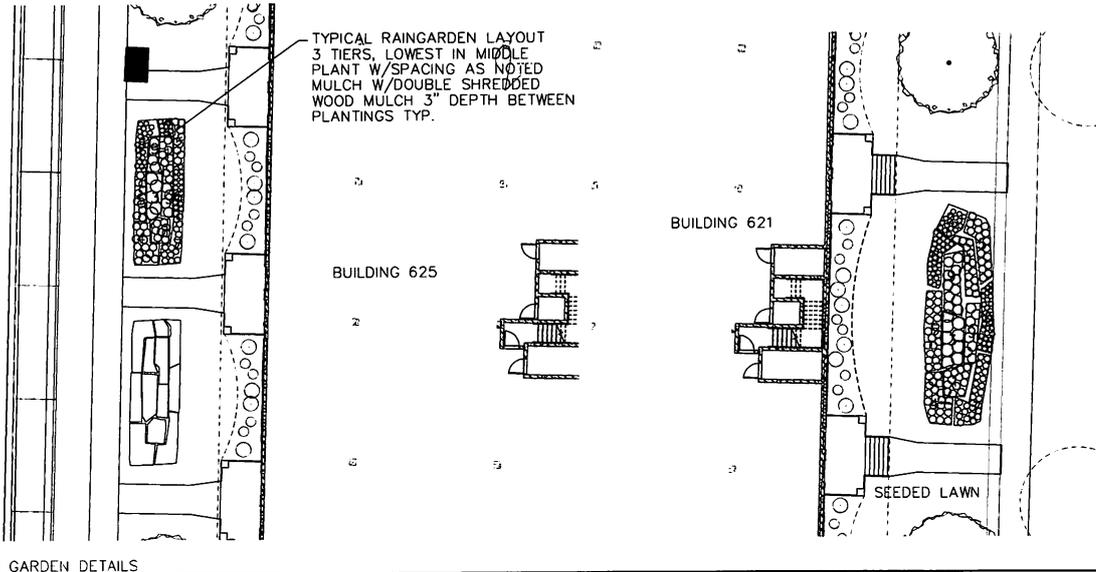
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PAULSEN ARCHITECTS 05-06-13 1296.1 C1.3

13

to Foot Right of Way



1 RAIN GARDEN DETAILS

SCALE: 1"=10'-0"

RAIN GARDEN PLANTING SCHEDULE

SYM	TOTAL QTY	RG-1 QTY	RG-2 QTY	RG-3 QTY	COMMON NAME BOTANICAL NAME	SIZE/CONT.	NOTES
1	62	17	17	28	BEE BALM BOTANICAL NAME	PLUG	18" O.C.
2	35	9	9	17	JOHNSON'S BLUE GERANIUM BOTANICAL NAME	SIZE/CONT.	12" O.C.
3	19	5	5	9	OXEYE SUNFLOWER BOTANICAL NAME	SIZE/CONT.	30" O.C.
4	49	14	14	21	MAY NIGHT SALVIA BOTANICAL NAME	SIZE/CONT.	18" O.C.
5	77	19	19	39	AUTUMN JOY SEDUM BOTANICAL NAME	SIZE/CONT.	18" O.C.
6	140	39	39	62	MOONBEAM COREOPSIS BOTANICAL NAME	SIZE/CONT.	12" O.C.
7	60	16	16	28	STELLA DE ORO DAYLILY BOTANICAL NAME	SIZE/CONT.	15" O.C.
9	27	8	8	11	NEW ENGLAND ASTER BOTANICAL NAME	SIZE/CONT.	24" O.C.
						SIZE/CONT.	

COMMERCIAL EDGER AROUND PLANTED RAIN GARDENS

1 PLANTING SCHEDULE

PROJECT TITLE:
 PARK ROW CROSSING
 APARTMENT PROJECT
 ST. PETER, MN

No.	Description	Date

NOTE:
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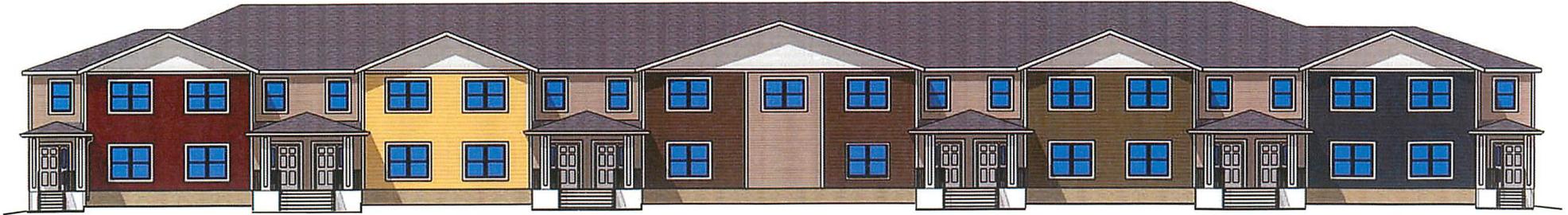
PROJECT NUMBER: 1056-1
 DATE: 09/06/13
 DRAWN BY: ED
 CHECKED BY: JB

DRAWING TITLE:
 LANDSCAPE PLAN
 DETAILS

SET: SHEET:

L13

DATE PLOTTED: 09/06/13 12:14 PM



East Elevation

Exterior Materials

Siding

Hardie Board Lap Siding 7" reveal
 Colors: Rookwood Red SW 2802
 Classical Gold SW 2831
 Anonymous SW 7046
 Artichoke SW 6179
 Needlepoint Navy SW 0032

Shingles

Certaineed Landmark
 Color: Colonial Slate

Masonry Block

County Anchor Block
 Color: Limestone, Rockface

Hardie Board Lap Siding 4" Reveal

Color: Worldly Gray SW 7043 (main color)

Hardie Shingle Staggered Edge

Color: White Ice Benjamin Moore OC-58

Decking

Trex Select
 Decking Color: Saddle
 Railing Color: Classic White

Hardie Trim 5 1/2" wide

Color: Arctic White (trim & Columns)

Hardie Trim 7 1/4" wide

Color: Arctic White (fascia)



209 South Second Street, Suite 201 Mankato, MN 56001
 Phone: 507.388.9811 Fax: 507.388.1751 www.paulsen-arch.com

Park Row Crossing

Exterior Elevations

February 12, 2013

Sheet

A1

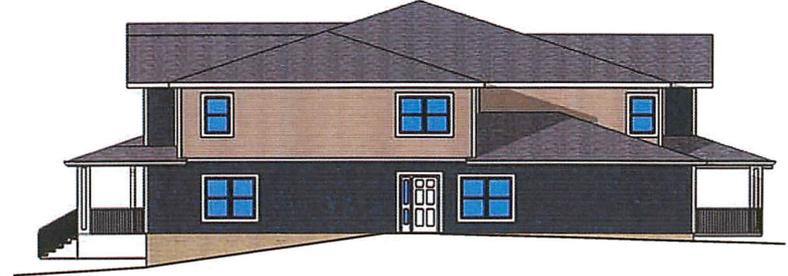


West Elevation

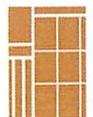
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South Elevation



North Elevation



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Park Row Crossing

Exterior Elevations
February 12, 2013

Sheet

A2



Perspective



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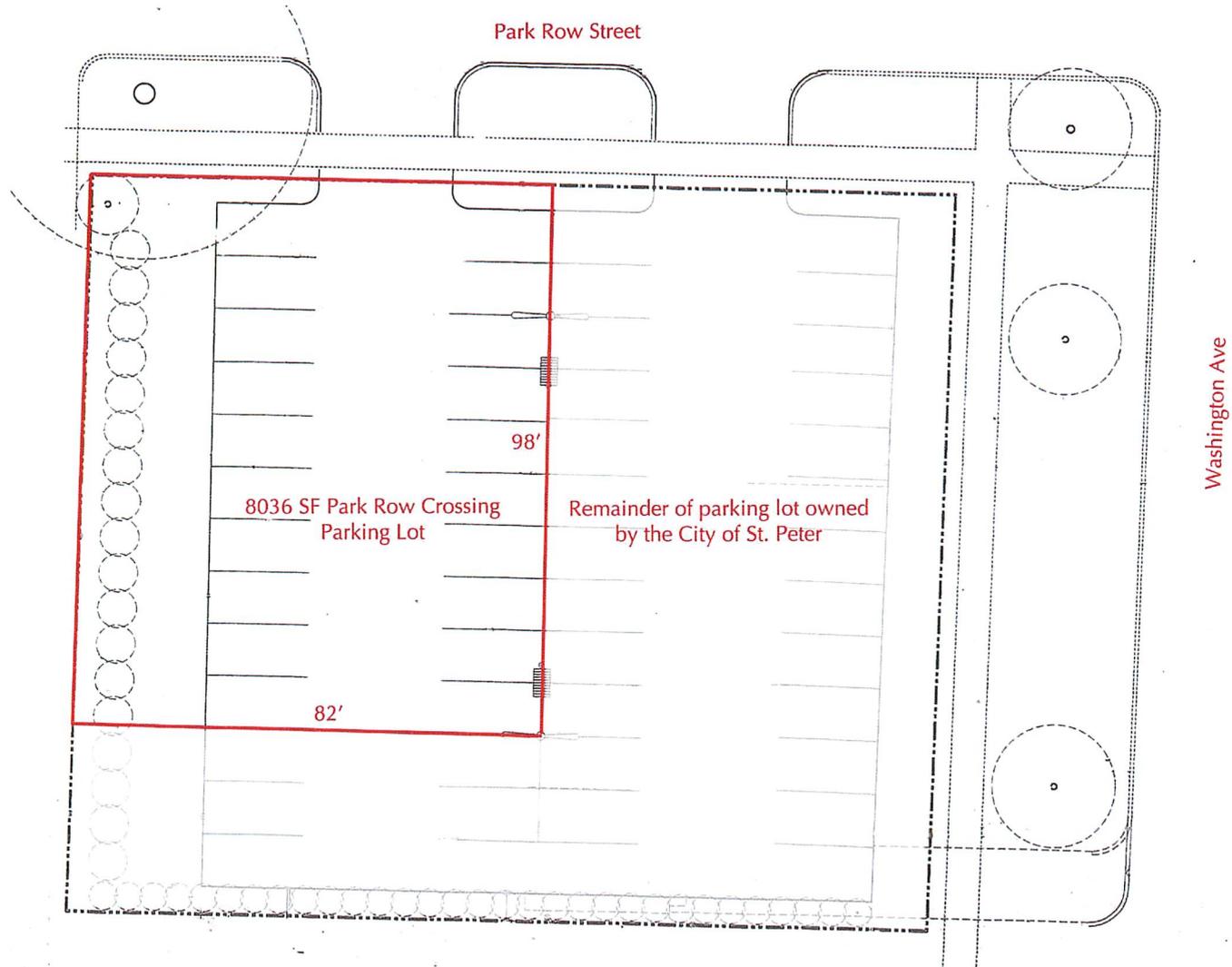
Park Row Crossing

Exterior Elevations

February 12, 2013

Sheet

A3



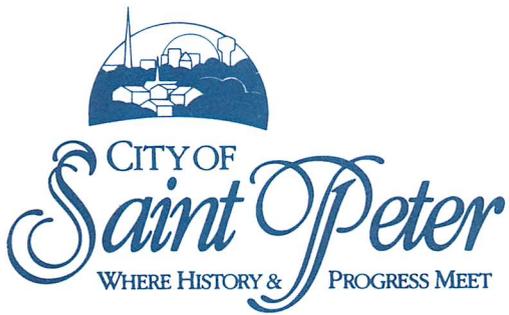
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209 South Second Street, Suite 201 Mankato, MN 56001
 Phone: 507.388.9811 Fax: 507.388.1751 www.paulsen-arch.com

Park Row Crossing
 Additional Parking
 February 27, 2013

Sheet
C1



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 5/16/13

FROM: Todd Prafke
City Administrator

RE: Hospital Audit

ACTION/RECOMMENDATION

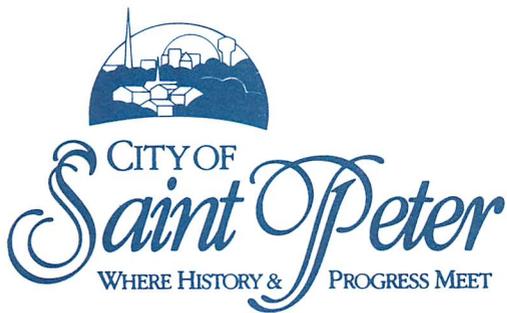
None needed. For your information and discussion only.

BACKGROUND

Hospital CEO Colleen Spike will be in attendance at the workshop on Monday evening to provide an overview of the most recent Hospital audit.

Please feel free to contact me if you have any questions or concerns on this agenda item.

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 5/16/13

FROM: Todd Prafke
City Administrator

RE: Electric Medical Record Update

ACTION/RECOMMENDATION

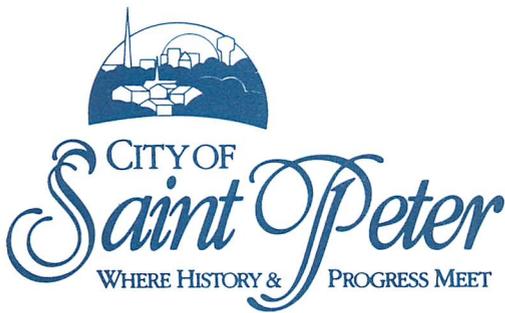
None needed. For your information and discussion only.

BACKGROUND

Hospital CEO Colleen Spike will be present at the workshop on Monday evening to provide an update on the progress of the project to convert all Hospital records to electronic format as required by federal law.

Please feel free to contact me if you have any questions or concerns on this agenda item.

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 5/16/13

FROM: Todd Prafke
City Administrator

RE: Disposition of Manufactured Homes Acquired For Washington Link Project.

ACTION/RECOMMENDATION

None needed. For your information and review.

BACKGROUND

Members know the Washington Avenue Link Project includes acquisition of manufactured homes along the planned right-of-way. We will acquire about 20 homes and it is my hope to have a process in place to take care of the disposition of those homes.

The Council has many opportunities related to this process, including keeping them and becoming a landlord, selling them one by one through a bid type process or even giving them away. As you might imagine, there are many variations on the theme that you could pursue.

My goal for your workshop is to review a couple ideas related to planning so we can narrow the process down and the Council can, in the near future, give final direction to staff as to how to sell or dispose of the trailers.

I believe that the Council wishes to have a process that provides opportunity for anyone to bid on the homes that are available. Based on that belief, I would suggest that when we have control of the trailers we establish a bid process that also includes, terms for removal (including time line), and allow for staff to sign the titles (just like a car title) for the properties. The process could be developed in a way that allows bidders to bid on each individual unit and the Council would then award bids to the highest bidder.

In addition, I would like some authority to offer these homes to the park owner, Continental Communities, as a potential part of a barter that could be put in place with the right-of-way acquisition process.

You should also be aware that for a number of different reasons, I might come back to you and look to trade trailers to current trailer owners who may be struggling in relocation efforts. These are likely folks whose current trailer is not eligible to be moved based on age or condition.

Lastly, we have a few trailers that you have acquired that will not be eligible to be moved due to age. These structures will be moved from the site, demolished and the materials recycled. This is proposed to be done by a local contractor that you have worked with before doing similar work as a part of the Blighted Manufactured Housing Program. The costs here range in the \$2,000 to \$3,500 range for each trailer depending on size, additions and other location specific factors.

Since this process involves many, many possible transactions, I think it is important for the Council to provide direction as to the amount of control you wish to exercise over each transaction. My suggestion would be just as you divided the process for property acquisition based on a key factor (real-estate/manufactured housing), that you divide these transactions in a couple of different ways.

First the barter of homes as a part of a real estate transaction with the owners of Summit. You should clearly maintain full authority for any of these based on the real estate transaction and full financial disclosure including the value provided based on trailer appraisals.

In relation to the demolition, I would suggest giving staff authority, either based on age or condition, to provide for the removal and demolition. There are very definable criteria in these areas.

Relative to homes that are to be traded to those folks who may be struggling, I would suggest that authority for action be based on an approved policy and staff be allowed to provide for the transaction if the value of the trailer traded is less than \$35,000 using the acquisition appraisal value. (The vast majority will fall under this amount.) I think this provides reasonable balance of control for the Council and meets goals relating to working with people the project is displacing. I am a bit concerned about other alternative processes that may require why a trade is taking place in that in most every instance of this, the reason will be the financial condition of the owners and I do not see value in pushing that information out. It may mean that many of these people will decide that they do not want that information revealed and, therefore, they will stop the process.

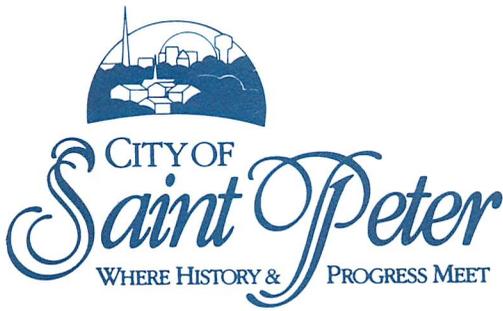
The last set of homes would be those that can be sold in an open process where the Council authorizes bidding process and acceptance of bids.

This action is good for the community in that it continues the process toward completing the construction. This roadway meets goals set by the Council in the mid-1990s for enhancing the City transportation system.

Costs associated with these activities are included in project funding.

Please feel free to contact me if you have any questions or concerns on this agenda item.

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 5/16/13

FROM: Todd Prafke
City Administrator

RE: Digger Derrick Update

ACTION/RECOMMENDATION

None needed. For your information and discussion

BACKGROUND

Members may recall that on November 2, 2012 the City sent two of our Electric Linemen, along with the City's digger derrick truck, to assist the Long Island Power Authority in the wake of Hurricane Sandy.

You may also recall the truck was heavily damaged in Pennsylvania on the way home, but none of our employees were injured.

Public Works Director Giesking will be at the workshop on Monday evening to provide an update as on repair of the truck and how that relates to work scheduled for this summer.

Please feel free to contact either Public Works Director Giesking or myself if you have any additional questions on this agenda item.

TP/bal