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July 21, 2023

Via Hand Delivery and Email

Saint Paul City Council
15 Kellogg Blvd. West
310 City Hall
Saint Paul, MN 55102
Contact-Council@ci.stpaul.mn.us
CouncilHearing@ci.stpaul.mn.us

Saint Paul City Clerk
Attn: Shari Moore
15 Kellogg Blvd. West
310 City Hall
Saint Paul, MN 55102
cityclerk@ci.stpaul.mn.us

**Re: Supplemental Opposition to Hearing And Prospective Ordinance to Enlarge
Saint Paul Downtown Special Service District**

Dear Ladies and Gentlemen:

I write to supplement my letter dated July 18, 2023, which was delivered to you by email and courier on that same date. Again, this firm represents Cossetta's, Inc., and its associated entities (including Bocce, LLC) (collectively, "Cossetta's") with respect to real property owned by Cossetta's at 207, 211 Seventh St. W.; and 212 Smith Ave. N., Saint Paul, Minnesota 55102.

The City Council has laid over the agenda item related to the proposed enlargement to the Saint Paul Downtown Special Service District ("SSD") until its meeting on July 26, 2023. Cossetta's has serious concerns about a one-week delay. First, none of the defects in the City's notice to property owners have been cured. Those defects are outlined in detail in my July 18 letter, so you are well aware of them. Until those defects are remedied, there should be no hearing and certainly no vote on the enlargement of the SSD.

Second, the entire process is still quite opaque. Importantly, the governing statute lays out two possible ways for the City Council to calculate the 25% threshold for property-owner approval. But Cossetta's (and presumably the other affected property owners within the SSD) have not been told by which method the 25% threshold is being calculated in this instance. That is important information, because the property owners should know how much each owner's vote counts. And, as Mr. Cossetta stated in his oral remarks to the City Council on July 18, it is also

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critical in understanding how the three property owners who have withdrawn their petitions of support affect the calculation of the 25% threshold.

Further, it is not clear whether the property owners that will be exempt from paying the service charge associated with the proposed enlarged SSD are included in the 25% threshold calculation. This is a particularly important question in this instance because it seems that the largest property owner in the proposed enlargement area is a nonprofit entity. If that entity (and any others that are exempt from paying the proposed service charge) are indeed included in the calculation of the 25% threshold, that is fraught and, we believe, violates the governing statute. It cannot be the case that those who will receive only the purported benefit but will bear none of the cost have a say in whether their neighboring property owners must foot the bill for an enlarged SSD.

Until the foregoing concerns are addressed, and the notice's deficiencies are corrected, the City Council should not take up this matter at a hearing. At the July 18 hearing, Mr. Cossetta asked that this issue be laid over until at least September so that the affected property owners will have time to investigate further—and so that the City can provide the requisite information to do such an investigation. Cossetta's respectfully reiterates that request here. Further, Cossetta's restates all the objections included in its July 18 letter, and reserves the right to modify its objections as more information becomes available. As I requested previously, please direct any future notices and correspondence to Cossetta's and to me. Thank you.

Sincerely,

STINSON LLP



Benjamin Eastburn