



## Legislation Text

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**File #:** RES 16-1407, **Version:** 2

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### Committing to Community Benefits at the Snelling-Midway Redevelopment Site

WHEREAS, the City of Saint Paul (hereinafter “the City”) has approved certain agreements with MUSC Holdings LLC (hereinafter “the Team”) with its wholly-owned subsidiary, Minnesota United Soccer Club, LLC (hereinafter “the Club”) for the development of a stadium (hereinafter “the Stadium”) for a Major League Soccer team on or near 400 N. Snelling Avenue (“Stadium Site”) including but not limited to a Development Agreement; a Playing and Use Agreement; and an Environmental Project Management Agreement; all approved by the City Council, RES-PH 16-64, on March 2, 2016; and

WHEREAS, abutting the Stadium Site to the north are parcels owned by RK Midway (“RKM”) which are presently used for a number of commercial uses commonly known as the Midway Shopping Center (“MSC Site”); and

WHEREAS, RKM has expressed a desire to redevelop the MSC Site; and

WHEREAS, the Team and RKM desire to integrate their redevelopment plans for the Stadium Site and the MSC Site in order to create a 35-acre mixed-use neighborhood bounded by Interstate-94, Snelling and University Avenues, and Pascal Street (hereinafter “the Snelling-Midway Redevelopment Site”); and have proposed a master plan to that effect; and

WHEREAS, the Planning Commission reviewed and recommended approval of the master plan, and articulated additional goals for future development of the Snelling-Midway Redevelopment Site, based on community input received from the Snelling-Midway Community Advisory Committee, Snelling-Midway Jobs Strategy Workgroup, and other public engagement opportunities; and

WHEREAS, construction of the Stadium will be the first phase of the Snelling-Midway Redevelopment Site; and

WHEREAS, the City has determined that the construction and operation of the Stadium is in the best interests of the City and serves a public purpose. Among other things, the construction and operation of the Stadium will provide a multi-purpose stadium and related infrastructure for professional soccer and other events, further the vitality of the Snelling-Midway Redevelopment Site by generating increased economic activity and further economic development and stimulate the local economy overall; and

WHEREAS, the City strives to leverage the development of the stadium to provide benefits to the community;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Saint Paul that the City acknowledges and commits to providing the following community benefits through the development and operations of the Stadium, as specified in the agreements between the City and Team referenced above:

1. The Construction Contract shall include provisions requiring that the General Contractor for the Stadium and Public Infrastructure will comply with the prevailing wage law under Minnesota Statutes Sections 177.41 to 177.43;
2. In the construction of the Stadium, the Team shall require that the General Contractor comply with Business Utilization Goals and provide status and progress reports to the City as

requested. These include Workforce Inclusion Goals of at least:

- a. 32% Minority participation; and
- b. 6% Women participation;

And Business Utilization Goals of at least:

- a. 10% Small Business Enterprise,
- b. 10% Woman-Owned Business Enterprise; and
- c. 5% Minority-Owned Business Enterprise.

The Team may use the Central Certification Program (CERT), the Minnesota Unified Certification Program ("DBE") and/or the State of Minnesota Targeted Group Business ("TGB") directories to certify eligible business.

3. In the construction of the City Funded Public Infrastructure, the Team shall require that the General Contractor comply with Chapter 84 and Chapter 86.06 of the Saint Paul Administrative Code which includes the Business Utilization Goals and Workforce Inclusion Goals of at least:

- a. 32% Minority participation; and
- b. 6% Women participation;

And Business Utilization Goals of at least:

- d. 10% Small Business Enterprise,
- e. 10% Woman-Owned Business Enterprise; and
- f. 5% Minority-Owned Business Enterprise.

The Team must provide status and progress reports to the City as requested. The Team must use the Central Certification Program (CERT) to certify eligible businesses. The Team shall also require the General Contractor to follow the "best value" procurement approach. The General Contractor and the City shall jointly establish the "best value" process to be utilized for the City Funded Public Infrastructure.

4. The Team shall cause the General Contractor to negotiate and enter into a project labor agreement ("PLA")
5. ~~The City intends to~~ Under the Master Development Plan, and subject to approval of the City Council and Mayor of the specific improvement projects identified and proposed in the Master Development Plan, the City has the present intent to enter into a public-private partnership to fund green spaces or public plaza and will collaborate with the Club and the Team on the design of public plaza and green spaces contiguous to the Stadium.
6. The Club will encourage the Concessionaire to include ethnic food from local community food vendors when food is sold at ~~Events~~ in the Stadium at Club Events open to the public.
7. The Club will engage in outreach programs and opportunities to support youth sports in the community, the State of Minnesota and in particular the City of Saint Paul Parks and Recreation center fields and services, with emphasis on servicing low income Saint Paul youth who lack access to affordable youth programming and soccer facilities in the community, non-profit soccer organizations

and amateur soccer programs, such as youth soccer training camps and player appearances and affordable programming for soccer.

8. The Club will make the Stadium available, in the Club's reasonable discretion, for:
  - a. Soccer matches involving non-professional organizations, including the Minnesota State High School championships, the MYSA championships and select recreational league and organized community games, and
  - b. Public and amateur sports, community and civic events and other public events; provided that the Club shall have the right to turn down any request for which the Club reasonably determines there is an unacceptable rise of damage to the playing field or other area of the stadium or may interfere with the Club's use of the Stadium. Any such use of the Stadium is subject to the scheduling provisions of Section 4.5(b) of the Playing and Use Agreement and must be scheduled at least sixty (60) days in advance of the Event. The user must reimburse the Club for the Club's direct costs for the use of the Stadium unless otherwise agreed by the Club, must provide insurance reasonably acceptable to the Club based on the proposed use of the Stadium and must agree to a customary use agreement.
9. The Club shall provide affordable access to the Home Games in a manner materially consistent with the affordable seating plan attached to the Playing and Use Agreement.
10. The Club shall list any vacant or new positions at the Stadium that it may have with state workforce centers in Minnesota Statutes Section 116L.66, as such statute may be amended, modified or replaced from time to time.
11. Advertising related to tobacco products is prohibited in all areas of the Stadium including the interior and exterior areas of the Stadium, the Appurtenant Areas Displays and the Projection Tower.

AND BE IT FURTHER RESOLVED, The General Contractor for the stadium construction will provide a single point of contact to the City and Union Park District Council to facilitate construction communications and mitigate construction-related complaints (related to noise, litter, traffic disruption, etc.) for the local neighborhood.

AND BE IT FURTHER RESOLVED, The Team and RKM will work collaboratively with the City on the ongoing efforts to create safe, efficient, multi-modal transportation options including improved bicycle connections for all employees, visitors and residents of the future site.

AND BE IT FURTHER RESOLVED, that for future phases of the Snelling-Midway Redevelopment Site that use public subsidy, the City will work with the Team and RKM or any future developer will work to pursue one or more of the following community benefits:

- a) **Expansion of life cycle and aAffordable housing choices.** ~~The City has identified the opportunity to build a mixed-income community at the Snelling Midway Development site to provide diverse housing opportunities. It is important for the Snelling Midway development to demonstrate the success of market rate residential units in the Midway area, while also recognizing the importance of including housing affordable to a mix of incomes. Outside of downtown, all of the new construction housing units built or proposed along the Green Line east of Snelling Avenue have been affordable. The only market rate units that have been constructed are west of Snelling Avenue. Affordable housing goals include those laid out in t~~The Housing Chapter of the City's Comprehensive Plan which states that for City/HRA-assisted new rental units, at least 30 percent will be affordable to households earning 60 percent of the AMI, of which at least one third will be affordable to households earning 50 percent of the AMI, and at least one third will be affordable to households earning 30 percent of the AMI. For

City/HRA-assisted new ownership units, at least 20 percent will be affordable to households earning up to 80 percent of the AMI, and an additional 10 percent will be affordable to households at 60 percent of AMI. These are calculated on a citywide basis. City/HRA assisted housing developed at Snelling-Midway will strive to meet the City's affordability goals. The City also has a goal to integrate affordable housing into mixed-income communities. Because the City has made significant investment in affordable housing in the neighborhood around the Snelling-Midway Redevelopment site, the City also welcomes market rate housing as part of the site's redevelopment.

- b) **Discouraging displacement.** The proposed urban village should be a place where all people can live, work, and play. It should have high quality architecture, well-designed public spaces, diverse housing opportunities, and a vibrant local economy. It should be a place that integrates a broad mix of people and cultures into a vibrant mixed use community that is well-integrated with the existing neighborhoods around it. It should also be a model for economic, environmental, and social sustainability. Working with existing residents and businesses in the Snelling-Midway area this vision can be accomplished and involuntary displacement can be minimized.
- c) **Enhancing private sector employment growth and job retention of living wage job opportunities, including business and employee retention and attraction.** Goals include working with existing businesses and employees in the Midway area and attract new businesses to the Snelling-Midway Redevelopment Site, including entrepreneurs and local, women, and minority businesses, and developing business incubator space. The Snelling-Midway Jobs Working Group report includes specific strategies and recommendations designed to address these goals.
- d)e) **Local hiring.** Goals include working with community partners to support local hiring on the Snelling-Midway Redevelopment Site.
- e)f) **Increasing the City's tax base. Community liaison.** Request the Team and RKM or future master developer designate community liaisons who can serve as single points of contact for community members who have questions or concerns during and after construction of the stadium and future phases of development.
- f)g) **Upgrading obsolescent facilities. Community fund.** Establish a community fund with contributions from the Team and RKM or future master developer to support and address neighborhood issues arising from stadium events and operations and future redevelopment at the Snelling-Midway Redevelopment Site.
- g) **Pollution remediation.** Goals include remediating brownfields sites.
- h) **Eliminating blighting influences throughout the City.** Goals include removing or renovating vacant and blighted structures.
- i) **Encouraging redevelopment activities that enhance the urban features and amenities and historic structures.**

AND BE IT FURTHER RESOLVED, that the City requests the following:

- a) Community liaison. Request the Team and RKM or future master developer designate community liaisons who can serve as the single points of contact for the community members who have questions or concerns during and after construction for the stadium and future phases of development.
- b) Community fund. Request representatives from the Union Park District Council, the Team, and RKM to participate in a task force with the City to propose to the City Council the creation of a reasonable community fund. The taskforce will recommend who will contribute to the fund, how the fund will be governed, and how it will be used to address neighborhood issues arising from the stadium events and

operations and future redevelopment at the Snelling-Midway Redevelopment Site.

c) The recipient of public subsidy shall meet with Union(s) representing grocery retail workers in stores larger than 20,000 square feet in order to negotiate a labor peace agreement to the extent a labor peace agreement is permitted by law.