

Memorandum

TO: Economic Development Authority

FROM: Tom Simonson , Assistant City Manager and Community Development Director

DATE: December 1, 2025

SUBJECT: Consulting services agreement - repurposing of city-owned Fire Station 140

ITEM NUMBER: 5.b

SECTION: GENERAL BUSINESS

REQUESTED MOTION

To approve an agreement with IAG Commercial for consulting services to advise and assess the future reuse of city-owned Fire Station 140.

INTRODUCTION

With the new headquarters fire station under construction in Arden Hills for the Lake Johanna Fire Department, the Shoreview-owned Station 140 located at 3615 Victoria Street North will be vacated by next summer. This provides the city with a unique and exciting opportunity to repurpose the property. In October, staff discussed with the EDA and City Council the status of the property and suggested a process to explore potential reuses of the building. One of the recommendations was to hire a professional consultant experienced in the commercial retail market to advise the city through the process. Staff is now seeking board approval to enter into a consulting services agreement with IAG Commercial to assist with the project.

DISCUSSION

Background

Here is some background information on the fire station property:

- The city acquired the 1-acre parcel within Island Lake Park from the Ramsey County back in January, 1988 for the purpose of building a new fire station to cover the south end of the service area
- Station 140 was opened later in 1988, and has undergone expansion and renovations in 2005 and 2012
- As part of the transaction to take a portion of the county park, the deed included a restriction that the land be "for public purposes only"
- The city approached the county to about either releasing this deed restriction or amend it to allow possible "non public" uses
- The county informed the city that the quit claim deed may not have been recorded property back in 1988, and regardless has expired, releasing the "for public purposes only" restriction (Ramsey County confirmed in writing just this week that the property is free and clear of any restrictions relating to the original conveyance to the city)
- The new headquarters fire station under construction in Arden Hills will be completed next year and Station 140 is expected to be vacated by the fire department by July, 2026

Over the past year, there has been some interest expressed by the Ramsey County Parks Department to use the building for a suburban maintenance facility, and by the Ramsey County Sheriff's Department to use the property for storage. Staff has also received some general inquiries from the private sector with interest in office space.

However, it was the consensus of the EDA and City Council that this property could be better repurposed for use(s) that would be of greater benefit as a destination/attraction for the community. The city has a special opportunity to explore exciting and creative uses that takes advantage of the location adjacent to the beautiful lake and county park, the Seven Lakes project becoming a major job center that will have upwards of a 1,000 employees, and the hundreds of apartments with plans to double in size over the next decade or so. Additionally, the site is easily accessible from all areas including the interstate, and is situated away from the Lexington Avenue corridor in an area not served by commercial retail.

City staff held a recent "brainstorming" group meeting to generate ideas on the potential re-use of the city-owned property. Suggestions included:

- restaurant that could include outdoor seating (similar to dining establishments at Como Pavilion and Minnehaha Park - perhaps in partnership with Ramsey County)
- brew pub and/or distillery
- arts and cultural center
- recreation center
- incubator/maker spaces

Staff believes the next step would be to engage a real estate/marketing consultant specializing in the commercial and retail sectors. The consultant would be able to work with us on engaging potential uses and users that the city may consider. This approach would be more appropriate than going out seeking proposals, as it would really focus on finding a specific use(s) that meet our desired goals for the property. The city will also need to determine if we should continue to own the property and lease to a user, or sell the land and building. A lease arrangement provides the city with greater control of the property long term. It would also be recommended that an assessment of the structure be undertaken to determine if there are any design or code issues that could potentially impact and limit the re-use of the building.

Consulting Services Proposal

Staff reached out to Jeff LaFavre, President of IAG Commercial. Led by Mr. LaFavre, IAG is an experienced and highly respected commercial real estate firm. They specialize in working with municipalities on strategic planning for redevelopments and reuse of publicly owned properties. Additionally, the city previously engaged IAG to assist with seeking developers to potentially acquire and redevelop the Shoreview Village Mall property.

Attached for review and consideration is a professional services agreement with IAG Commercial to provide consulting expertise to the city as we explore the repurposing of the fire station.

The scope of this agreement is for what could be defined as Phase I services, the advisory component. This could evolve into a future separate Phase II services agreement, which would be a brokerage component. These additional services are referenced in the agreement presented, only for the purpose of outlining the possible next steps, but the city would only be executing the Phase I services at this time.

Services provided would include:

- Kickoff discussion with EDA and City Council to confirm desired outcomes, process, and identify issues
- Due diligence review of the property including structural assessment on improvements necessary for reuse requirements
- Analyze market demands and assess potential reuse options
- Complete feasibility studies to determine financial feasibility and economic benefit of agreed upon scenarios
- Develop infrastructure report on potential costs to undertake potential improvements needed

Estimated cost of the Phase I services from IAG is between \$10,000 to \$15,000. It would be recommended the cost be paid through existing tax increment resources.

RECOMMENDATION

Staff believes that it is strongly advisable to engage a professional commercial real estate consultant to help the city assess what is required to successfully repurpose the fire station property and identify potential uses in the market. IAG has both the experience in working with cities on similar, and in some cases, much larger redevelopments. Therefore, staff is recommending the EDA approve an agreement with IAG Commercial for consulting services to advise and assess the future reuse of city-owned Fire Station 140.

ATTACHMENTS

[Services Agreement - IAG and City of Shoreview - Fire Station Reuse](#)