

Costco plans St. Cloud store along 33rd Avenue South at Heritage Park

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Purchase price has not been finalized, but developer plans to offer zoning and development plans to city boards in coming weeks

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St. Cloud Mayor Dave Kleis unveiled Aug. 1 possible plans for redevelopment at Heritage Park and Cooper Avenue, as well as two possible park purchases. Wochit



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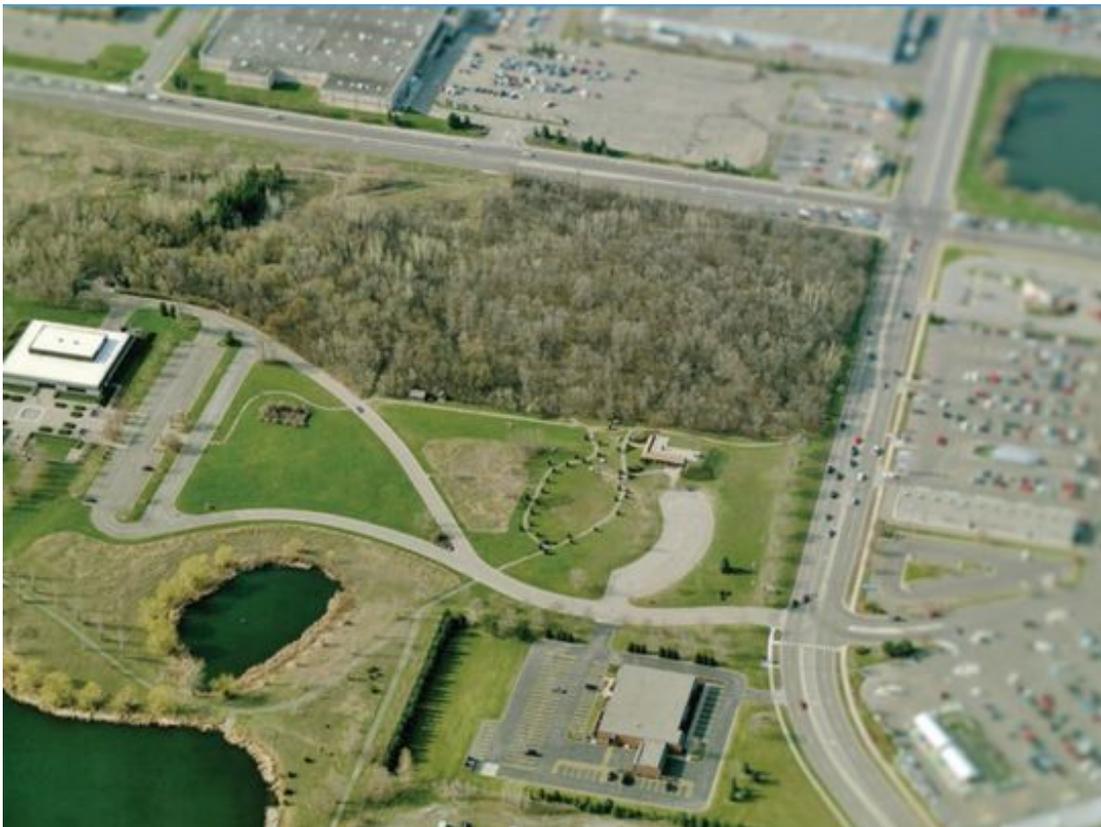
St. Cloud Mayor Dave Kleis talks about plans for a sale of about 18 acres of city land currently part of Heritage Park during a bus tour focused on economic development projects Tuesday, Aug. 1, in St. Cloud. (Photo: Dave Schwarz, dschwarz@stcloudtimes.com) Buy

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Four months after St. Cloud Mayor Dave Kleis teased of a redevelopment possibility on 18 acres of Heritage Park, he can finally publicly say what retail store might be built on the land between Minnesota Highway 15 and 33rd Avenue South.

An unnamed developer is proposing to build a Costco on 18 acres of Heritage Park along Second Street South.

"It's an exciting project," Kleis said. "I don't think in my time as mayor — at least in the last six years or so — that a week goes by where someone doesn't ask, 'When are we getting a Costco?'"



(Photo: City of St. Cloud)

In August, Kleis unveiled plans for a redevelopment on part of the 100-acre Heritage Park. He said the sale of the property could fund the purchase of land for two city parks, as well as provide money for neighborhood parks not eligible for upgrades through half-cent sales tax revenues because they are not regional destinations.

"We have been working with (the developer and retailer) this whole time on the price of the land and the access," Kleis said.

Kleis said the purchase price has not yet been finalized, but the developer plans to bring forward a number of items — such as zoning and development plans — to the city's planning commission and City Council in the coming weeks. As of Friday, Kleis said he could not yet name the developer.

"I'm hopeful by this time next year people will have an opportunity to shop in Costco in St. Cloud," Kleis said.

Some of the biggest challenges with redevelopment were site access, Kleis said. The Stearns County Board of Commissioners last week denied a left-turn access on Second Street, which the city preferred. There will be a right-in access off Second Street, but the store's main access will be on 33rd Street, Kleis said.

"When the county board denied that, we just worked harder with the developer to offset that challenge," Kleis said.

The city's skate park off of 33rd Avenue will need to be "reconfigured," according to Kleis. It will most likely be rebuilt farther west than its current site. The cost for roadwork and skate park reconfiguration will be part of the purchase price, according to Kleis.

At least \$1 million of the sale price of the land will go into the city's park maintenance fund, as well as allow the city to purchase the 26-acre Talahi Woods and land on the north end of Friedrich Park.

The redevelopment would not require tax-increment financing or tax credits, yet it would add about about \$110,000 to the city's tax roll and provide about \$200,000 annually in sales tax to the city, according to Kleis.

The retail development would also help clean up the north end of the park, where the city often deals with excess amounts of garbage and encampments. The city has been working with Stearns County History Museum, which will be adjacent to the development, Kleis said.

The development should increase the accessibility to the history museum and Heritage Park, which Kleis called "underutilized."

Costco is headquartered in Issaquah, Washington. The company opened its first warehouse in Seattle in 1983, and now has nearly 750 warehouses worldwide. This year, Costco was named America's best large employer by Forbes.

The closest Costco locations to the St. Cloud metro are Baxter, Coon Rapids and Maple Grove.

"There's been a very strong public demand for a Costco in the area," Kleis said. "Not only is it a great asset, the city gains a huge benefit for giving up a small piece of park land."

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