

**ECONOMIC DEVELOPMENT AUTHORITY  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

The City of Ramsey Economic Development Authority (EDA) conducted an EDA meeting on Thursday, December 9, 2010, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Chairperson Chris Riley  
                          Member John LeTourneau  
                          Member Wayne Skaff  
                          Member Jim Steffen  
                          Member Kristine Williams  
                          Member David Elvig  
                          Member Matt Look

Members Absent:     None

Also Present:         Aaron Backman, Economic Development/Marketing Manager  
                          Kurt Ulrich, City Administrator  
                          Mike Mulrooney, Economic Development Consultant

**CALL TO ORDER**

Chairperson Riley called the Economic Development Authority meeting to order at 7:32 a.m.

**APPROVE AGENDA**

Motion by Member LeTourneau, seconded by Member Skaff, to approve the agenda.

Motion carried. Voting Yes: Chairperson Riley, Members LeTourneau, Skaff, Steffen, Williams, Elvig, and Look. Voting No: None. Absent: None.

**APPROVE MINUTES**

Motion by Member Steffen, seconded by Member Skaff, to approve November 18, 2010 minutes as presented.

Motion carried. Voting Yes: Chairperson Riley, Members LeTourneau, Skaff, Steffen, Williams, Elvig, and Look. Voting No: None. Absent: None.

**EDA BUSINESS**

**Case #1:           CONSIDER RLF LOAN FOR MS HOLDINGS, LLC AS IT PERTAINS TO  
                          THE SALE OF THE PROPERTY AT 6690 SUNWOOD DRIVE NW**

Economic Development/Marketing Manager Backman presented the Staff report and introduced Gary Hadley, President and CEO of MultiSource Manufacturing.

Mr. Hadley spoke to the EDA about his company's interest in purchasing the Harber Industries building. His company currently owns five facilities in Minnesota, which are located in Burnsville, Minnetonka, Fridley, Blaine, and Anoka, and operates a facility in Colorado. The Fridley location is at capacity, and MultiSource Manufacturing is interested in consolidating their Fridley and Blaine operations in Ramsey, resulting in approximately 85 jobs moving to the city. A few renovations would need to be done to the building to accommodate for their needs, and at some point, the company would look to do some additional build-out. Mr. Hadley stated that they would like to close on the building by the end of the year, and would hope for a time-frame of late March or early April for move-in.

Motion by Member LeTourneau, seconded by Member Elvig, to move to closed session.

Motion carried. Voting Yes: Chairperson Riley, Members LeTourneau, Skaff, Steffen, Williams, Elvig, and Look. Voting No: None. Absent: None.

Mr. Hadley thanked the EDA for allowing him to speak at the meeting and proceeded to leave the meeting so the EDA could discuss financial information.

The EDA moved into closed session at 7:50 a.m.

Chairperson Riley re-opened the EDA meeting at 9:04 a.m.

Motion by Member Elvig, seconded by Member LeTourneau, to move forward with the underwriting process of a \$250,000 Revolving Loan Fund for MultiSource Manufacturing as proposed by staff with the requirement that MultiSource Manufacturing provide three years of tax returns which will be reviewed and kept confidential by Consultant Mulrooney with staff providing Findings of Fact in the affirmative to support this action.

Further discussion continued regarding the information Economic Development Consultant Mulrooney is in possession of, as well as the additional information MultiSource Manufacturing has agreed to provide.

Mr. Mulrooney summarized the checklist of information that will be obtained, and it includes a copy of signed purchase agreement, documentation of improvements made to the building, sources and uses of funds, history description of the business, current financials, articles of incorporation, bylaws, etc., and resumes of the key managers involved in the organization.

Motion carried. Voting Yes: Chairperson Riley, Members LeTourneau, Skaff, Steffen, Williams, Elvig, and Look. Voting No: None. Absent: None.

**Case #2: STAFF UPDATE**

Economic Development/Marketing Manager Backman presented the Staff report.

The city has aggressively been trying to find money for the Armstrong Boulevard interchange project. A grant application prepared by staff is currently at the Anoka County offices and is being paired with their documentation before it is submitted to MnDOT. The sought after grant is through a new program called TED (Transportation Economic Development), which was created this fall by MnDOT and DEED. The requirements of the application process are currently being worked on and letters of support have been coming in from local businesses. Six other communities are also vying for the funds.

In Mid-November, the City's Economic Development/Marketing Manager was contacted by a real estate broker regarding a prospect interested in leasing a portion of the Old Municipal Center. The prospect toured the building and provided a letter of interest to the City to lease approximately 6,100 sq. ft. of the main level starting in February 2011. The lease would not impact space occupied by the Ramsey Fire Department and the prospect would pay for its portion of the utility costs and for any leasehold improvements. The City's Economic Development/Marketing Manager presented this opportunity to the City Council at its November 30, 2010 Work Session. The City Council directed staff to pursue development of a lease agreement between the City and the prospect that would be considered at a future meeting. An Interim Use Permit application was also provided to the broker and prospect for the activity that was proposed for the Old Municipal Center. In early December, after further discussions, it was conveyed to staff that the prospective lessee had decided to lease space on an interim basis at the Ramsey Elementary School on Nowthen Boulevard. There is a possibility that in the future the prospect may revisit a lease arrangement for the Old Municipal Center.

The Shop Local project will be presented at the next meeting.

A precision manufacturing prospect contacted Economic Development/Marketing Manager Backman with interest in locating to Ramsey. The company is from the U.K. and is a family-owned company employing approximately 30 people. The company originally contacted Coon Rapids, but Coon Rapids did not express interest in bringing the business to their city.

## **MEMBER INPUT**

Member Steffen recognized Member Matt Look as this is his last EDA meeting and thanked him for his service on the EDA.

## **ADJOURNMENT**

Motion by Member Steffen, seconded by Member LeTourneau, to adjourn the meeting.

Motion carried. Voting Yes: Chairperson Riley, Members LeTourneau, Skaff, Steffen, Williams, Elvig, and Look. Voting No: None. Absent: None.

The regular meeting of the Economic Development Authority adjourned at 9:25 a.m.

Respectfully submitted,

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Aaron Backman  
Economic Development/Marketing Manager

ATTEST:

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Amy Dietl  
Deputy City Clerk