

City of Ramsey
Joint Agenda
Economic Development Authority (EDA) and City Council
Thursday April 14, 2011
7:30 am
Lake Itasca Room, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Approve Agenda**
- 3. Approve Minutes**
 1. Approve the following EDA meeting minutes:
Thursday, March 10, 2011
- 4. EDA Business**
 1. Staff Update (will be presented at the meeting)

Business Expo
Minneapolis Manufacturing Company
Multi-Source Manufacturing
Former Diamonds Property
Other
 2. Joint EDA/City Council General Discussions
- 5. Member/Staff Input**
- 6. Adjournment**

Date: 04/14/2011

By: JoAnn Shaw
Community Development

Information

Title:

Approve the following EDA meeting minutes:

Thursday, March 10, 2011

Background:

n/a

Observations:

Funding Source:

Staff Recommendation:

EDA Action:

Approve the March 10, 2011 EDA meeting minutes.

Attachments

EDA 03.10.11

Form Review

Inbox

Aaron Backman

Form Started By: JoAnn Shaw

Final Approval Date: 04/08/2011

Reviewed By

Aaron Backman

Date

04/08/2011 02:44 PM

Started On: 04/08/2011 02:40 PM

**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, March 10, 2011, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Chris Riley
 Member John LeTourneau
 Member Colin McGlone
 Member Wayne Skaff
 Member Kristine Williams
 Member Jeff Wise

Members Absent: Member Jim Steffen

Also Present: Aaron Backman, Economic Development/Marketing Manager
 Heidi Nelson, Deputy City Administrator/Community Development Director

CALL TO ORDER

Chairperson Riley called the Economic Development Authority meeting to order at 7:34 a.m.

APPROVE AGENDA

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

Motion carried. Voting Yes: Chairperson Riley, Members, LeTourneau, Williams, McGlone, Skaff, and Wise. Voting No: None. Absent: Member Steffen.

APPROVE MINUTES

Motion by Member Skaff, seconded by Member LeTourneau, to approve February 10, 2011 and February 24, 2011 minutes as presented.

Motion carried. Voting Yes: Chairperson Riley, Members Skaff, LeTourneau, McGlone, Williams, and Wise. Voting No: None. Absent: Member Steffen.

EDA BUSINESS

Case #1: DISCUSS REVISED 2011 EDA WORK PLAN

Economic Development/Marketing Manager Backman presented the Staff Report.

Members discussed the Revolving Loan Fund (RLF) and Business Subsidy guidelines as they relate to restaurant subsidies. In the past the EDA has primarily worked with the manufacturing sector, however, not all business subsidies have to be based on the number of new employees making a livable wage; there is also the desire to bring a new business service to the community, and secondary benefits, such as the traffic generated by the project.

Economic Development/Marketing Manager Backman will email members the RLF and Business Subsidy guidelines for their review prior to the April EDA meeting.

Motion by Member LeTourneau, seconded by Member Williams to approve the 2011 EDA Work Plan.

Motion carried. Voting Yes: Chairperson Riley, Members LeTourneau, Williams, Skaff, McGlone, and Wise. Voting No: None. Absent: Member Steffen.

Case #2: STATUS OF FALLS CAFÉ/WELLS CATERING

Economic Development/Marketing Manager Backman presented the Staff Report that discussed the approval by the Ramsey City Council.

Wells Catering hopes to have the Falls Café opened by the end of June.

CASE #3 MINNEAPOLIS MANUFACTURING COMPANY DEVELOPMENTS

Economic Development/Marketing Manager Backman presented the Staff Report.

Economic Development/Marketing Manager Backman stated meetings have been positive with senior management, the development team, and staff. This project could potentially replenish the Public Works Enterprise Fund, which would be accomplished with land sale proceeds and Tax Increment Financing (TIF).

Economic Development/Marketing Manager Backman will be making a presentation regarding the project to Connexus Energy staff.

CASE #4 STAFF UPDATE

Economic Development/Marketing Manager Backman presented an update on the Business Expo, EDA partnership with Anoka Area Chamber for the Anoka Area Chamber Map, his meeting with Representative Gunther as an EDAM representative and shared the example of Hutchinson Technology as why cities might want to consider diversification among retail, manufacturing and services.

Deputy City Administrator/Community Development Director Nelson presented an update on the COR.

Discussion ensued regarding access management on the county roads.

MEMBER INPUT

ADJOURNMENT

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

Motion carried. Voting Yes: Chairperson Riley, Members Skaff, LeTourneau, McGlone, Williams, and Wise. Voting No: None. Absent: Member Steffen.

The regular meeting of the Economic Development Authority adjourned at 8:45 a.m.

Respectfully submitted,

Aaron Backman
Economic Development/Marketing Manager

ATTEST:

JoAnn Shaw
Planning Division Secretary

Date: 04/14/2011

By: JoAnn Shaw
Community Development

Information

Title:

Staff Update (will be presented at the meeting)

Business Expo
Minneapolis Manufacturing Company
Multi-Source Manufacturing
Former Diamonds Property
Other

Background:

n/a

Observations:

Funding Source:

Staff Recommendation:

EDA Action:

Attachments

Business Expo Postcard

Form Review

Inbox

Aaron Backman

Form Started By: JoAnn Shaw

Final Approval Date: 04/08/2011

Reviewed By

Aaron Backman

Date

04/08/2011 03:09 PM

Started On: 04/08/2011 02:59 PM

Ramsey Business Expo
NEW LOCATION THIS YEAR
The Fountains of Ramsey
7533 Sunwood Dr NW



Saturday
April 30, 2011
9 a.m. to 2 p.m.



Ramsey Environmental
Expo and Tree Sale
Ramsey Municipal Center
7550 Sunwood Drive NW

These two events will feature something for everyone. Come meet local businesses, hear from keynote speaker and polar explorer Lonnie Dupre, learn about our environment, check out some trees and shrubs available for purchase and help support our local economy. Admission is FREE!

The Ramsey Business Expo will feature...

- Construction and Home Improvement Ideas
- Medical, Nutrition, and Healing Alternatives
- Real Estate and Development Professionals
- Restaurants and Other Food Options
- Retail & Commercial Products

From home ideas to photography and from jewelry to event hosting, you'll find it all at the 2011 Business Expo.

It's your chance to meet businesses in your community, learn more about the services they offer, and sample or purchase their products.

Highlights of the Environmental Expo & Tree Sale:

- 11:00 am - Awards Presentation for the Winners of the Ramsey Elementary School Coloring Contest
- 11:10 am - Keynote Speaker and Polar Explorer Lonnie Dupre (Council Chambers)
- 9:00 am - 2:00 pm LIVE Reptiles and Raptors all day
- 9:00 am - 2:00 pm Tree Sale in the Parking Ramp
- Drawings for FREE shade trees

It's a great opportunity to learn more about our local environment, check out some green cleaning products, and get a jump start on spring planting!

For more information visit the City of Ramsey website at www.cityoframsey.com and click on the 'Community Events' tab. For questions about the Business Expo, contact Aaron Backman at 763-433-9829 or abackman@ci.ramsey.mn.us. For questions about the Environmental Expo & Tree Sale, contact Chris Anderson at 763-433-9905 or canderson@ci.ramsey.mn.us

You're Invited!

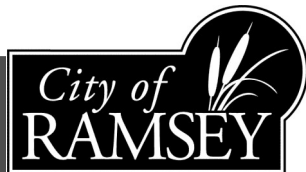
The City of Ramsey
Business Expo and
Environmental Expo
and Tree Sale

Saturday, April 30th
from 9 am to 2 pm

Both events include
food, give-aways,
samples, and prizes!

Fun for the whole
family and its FREE!!

See other side for
additional details.



Ramsey Municipal Center
7550 Sunwood Drive NW
Ramsey, MN 55303

Presort Standard
U.S. Postage
PAID
Anoka, MN 55303
Permit No. 131

ECRWSS
POSTAL CUSTOMER

Economic Development Authority (EDA)

Item #: 4.2.

Date: 04/14/2011

By: Aaron Backman
Administrative Services

Information

Title:

Joint EDA/City Council General Discussions

Background:

At the March EDA meeting it was discussed that it would be beneficial to hold a joint meeting between the Ramsey City Council and the Economic Development Authority. This was scheduled for the EDA's regular meeting in April. (The City Council will be meeting with other City commissions as well during 2011.) The purpose of the joint meeting is to review the EDA's 2011 Work Plan to see if there are any suggestions, questions or concerns with what has been adopted by the EDA. It also is an opportunity to provide other input or questions regarding the development process in the City of Ramsey.

Additional background documents have been attached in case members would like to refer to them. These are the Business Subsidy Policy (this document also includes the Tax Abatement and Tax Increment Policies that were adopted at the same time in early 2009), the Economic Development Revolving Loan Fund Guidelines (adopted in 2005), and Submittals for RLF loans.

Observations:

Funding Source:

Staff Recommendation:

EDA Action:

No specific action by the two bodies is requested at this time.

Attachments

[2011 EDA Work Plan](#)

[Business Subsidy Policy](#)

[RLF Guidelines](#)

[Submittals for RLF Loans](#)

Form Review

Inbox

Aaron Backman (Originator)

Form Started By: Aaron Backman

Final Approval Date: 04/08/2011

Reviewed By

Aaron Backman

Date

04/08/2011 03:53 PM

Started On: 04/08/2011 03:11 PM

2011 WORK PLAN FOR THE RAMSEY ECONOMIC DEVELOPMENT AUTHORITY

The 2011 Work Plan for the Ramsey EDA outlines existing guidelines for economic development policies, and priority focus areas delineating the highest and the next highest priorities for the current year.

Guidelines for the 2011 Work Plan for the Ramsey EDA:

- Work to sustain moderate growth or recovery of industrial, commercial, retail, and housing activities in the City.
- Begin work on the redevelopment of the 167th/Hwy 47 commercial node, including the potential land acquisition of available lots, the design of infrastructure, creation of TIF District, and additional residential development to support commerce.
- Target family-wage to high salary employment opportunities in a variety of industries.
- Continue to target businesses in specific industries, including medical, precision manufacturing, aerospace, and other high tech fields.
- Encourage the retention and growth of existing local firms.
- Ensure quality growth and land use by streamlined, effective regulations and code enforcement.
- Continue to respond to specific requests for assistance from local companies.
- Use infrastructure investment to attract new firms and for development of designated areas.
- Maximize private, local, state, and federal funding for projects.

Priority Focus Areas for 2011:

Highest Priorities

- Communicate with existing Ramsey businesses through the Ramsey Resident newsletter, Business Network meeting, Business Appreciation Day, and Business Expo.
- Facilitate the Falls Coffee and Deli/Wells Catering project moving forward with its relocation to the COR.
- Although Ramsey does have a variety of fast-food restaurants, there is a strong desire for additional “sit-down” or full-service restaurants in the community. Develop a coherent Full-Service Restaurant subsidy policy.
- Begin work on the redevelopment of the 167th/Hwy 47 commercial node, including the potential land acquisition of available lots, the design of infrastructure, creation of TIF District, and additional residential development to support commerce.
- Expand, retain and create new employment in the City’s existing industrial parks.
- Support the work of the Development Management (DM) Team to bring potential developers, retailers and office users to sites in the Center of Ramsey (COR); and provide regular updates about the COR to the EDA.
- Review the financial obligations and resources of the City’s TIF districts and submit modifications as necessary.

Moderately High Priorities

- Actively contact and work with prospects concerning the possibility of a second grocery store for Ramsey.
- Continue to promote multiple modes of transportation, including supporting the efforts to obtain funding for the railroad station.
- Follow-up on the results of the Retail Site Assessment of Ramsey's Customer Profile undertaken by Buxton in 2008.
- Consider the feasibility of a Medical-related or Biotech Business incubator in the City of Ramsey. This could include working with Genesis Business Centers, UEL or other entities.
- Develop long-term marketing strategy to improve area businesses and to attract new businesses.
- Utilize the City's website and a software provider (such as E-Gov Link or Co-Star) to improve the community's real estate and business intelligence platform.

Medium Priorities

- Develop a plan to recapitalize the Ramsey Revolving Loan Fund.
- Move forward with new Village Profile map of the City of Ramsey, as well as the new Anoka Area Chamber of Commerce map.
- Work with the new owner of the property formerly known as the Diamonds Sports Bar & Grill (an 15.5 acre parcel south of Highway 10) in terms of redevelopment and infrastructure requirements.
- Work with other City Departments to submit an application to DEED to seek the designation of the area near the transit station as a Transit Improvement Area (TIA).
- Support efforts by EDAM and other statewide organizations to seek funding for Brownfields Redevelopment and for TIA Loan Programs.
- Pursue a separate Zip Code and Post Office for the City of Ramsey.
- Consider the establishment of new industrial/business park in the City of Ramsey. This could include doing a site evaluation of the industrial area south of LCA or the Pearson farm.

The Economic Development Authority and City of Ramsey, Minnesota

**Business Subsidy Policy
Tax Abatement Policy
Tax Increment Policy**

Dated January 13, 2009

Table of Contents

1. CITY AND EDA OF RAMSEY BUSINESS SUBSIDY POLICY	1
A. Mandatory Criteria	1
B. Policy	1
C. Project Evaluation Criteria.....	2
D. Additional Considerations	4
E. Financial Assistance Not Considered A Business Subsidy.....	5
2. CITY AND EDA OF RAMSEY TAX ABATEMENT AND TAX INCREMENT FINANCING POLICY	7
A. Purpose	7
B. Public Purpose Objectives	7
C. Policy Positions	8
D. Project Requirements	8
E. Application Process.....	9
Exhibit A: Business Assistance Application	10
Exhibit B: Business Assistance Review Worksheet for Commercial/Industrial Projects	25
APPENDIX I: BUSINESS SUBSIDY STATUTE 2008	
APPENDIX II: SAMPLE BUSINESS SUBSIDY AGREEMENT	
APPENDIX III: BUSINESS SUBSIDY REPORTING FORM	

1. City and EDA of Ramsey Business Subsidy Policy

The following business subsidy criteria are intended to satisfy the requirements of Minnesota Statutes, §§116J.993 through 116J.995 (the "Act"). The term "City" means the City of Ramsey. The term "project" means the property with respect to which the business subsidy is provided.

A. MANDATORY CRITERIA

All projects must comply with the following criteria:

1. *But For Test*. There is a substantial likelihood that the project would not go forward without the business subsidy.
2. *Wage Policy*. If the project results in the creation of any jobs, the wage for each part-time and full-time job created must be, within two years of the date assistance is received (as defined in the Act), at least equal to 70% of the most recent median wage figure for the Twin City 7 County Metro County as published by the Minnesota Department of Employment and Economic Development or such greater amount as the City may require for a specific project.
3. *Economic Feasibility*. The recipient must demonstrate to the satisfaction of the City that it has adequate financing for the project and that the project will be completed in a timely fashion.
4. *Compliance with Act*. The business subsidy from the City must satisfy all requirements of the Act.
5. *Minimum Subsidy Amount*: Financial assistance in the form of a business subsidy of \$25,000 or more; and business loans and guarantees of \$75,000, must be reported to the Department of Employment and Economic Development. A public hearing is only required if the business subsidy is greater than \$150,000.

B. POLICY

1. The City recognizes that the creation of good paying jobs is a desirable goal which benefits the community. Nevertheless, not all projects assisted with subsidies derive their public purposes and importance solely by virtue of job creation. In addition, the imposition of high job creation requirements and high wage level requirements may be unrealistic and counter-productive in the face of larger economic forces of influence and the financial and competitive circumstances of an individual business. In determining the requirements for a project under consideration for a business subsidy, the determination of the number of jobs to be created and the wage levels therefore will be guided by the following principles and criteria:

- a. The evaluation of projects will take into consideration the project's importance in and benefit to the community from all perspectives, including created or retained jobs.
 - b. If a particular project does not involve the creation of jobs, but is nonetheless found to be worthy of support and subsidy, assistance may be approved without any specific job or wage goals if permitted by applicable law.
 - c. In cases where the objective is the retention of existing jobs, the recipient of the subsidy will be required to provide evidence which demonstrates that the loss of those jobs is specific and demonstrable.
 - d. The setting of wage and job goals will be informed by (i) prevailing wage rates, (ii) local economic conditions, (iii) external economic forces over which neither the City nor the recipient of the subsidy has control, (iv) the financial resources of the recipient and (v) the competitive environment in which the recipient's business exists.
2. Because it is not possible to anticipate all the needs and requirements of every type of project and the ever-changing needs of the community and in order to retain the flexibility necessary to respond to all proposed projects, the City retains the right to approve projects and business subsidies which may vary from the principles and criteria set forth herein.

C. PROJECT EVALUATION CRITERIA

The project review and evaluation criteria are the following:

1. Jobs and Wages
 - a. New Jobs. The minimum net number of direct full time equivalent jobs to be created or retained by the proposed project for a period of at least two years from the estimated benefit date.
 - b. Payroll. The minimum annual net payroll (including employer contributions for health benefits) to be generated at the end of the second anniversary date of the estimated benefit date.
2. Tax Base
 - a. Increase in Tax Base. The net increase in property taxes estimated to be generated by the project in the second full year of operation.

3. Land Use
 - a. Compliance with Comprehensive or Other Plans. Whether, apart from any needed services to the community described in section 5 below, the project is compatible with the comprehensive plan and permitted uses for the property.
 - b. Marginal Property. Whether the project is located on property which needs but is not likely to be developed or redeveloped because of blight or other adverse conditions of the property. For example property may be so blighted that the cost of making land ready for redevelopment exceeds the property's fair market value.
 - c. Design and/or Other Amenities. Whether, as a result of the business subsidy, the project will include design and/or amenity features not otherwise required by law. For example, the project may, at the request of the City, include landscaping, open space, public trails, employee work out facilities or day care facilities which serve a public purpose but are not required by law.
4. Impact on Existing and Future Public Investment
 - a. Utilization of Existing Infrastructure Investment. Whether and to what extent (a) the project will utilize existing public infrastructure capacity and (b) the project will require additional publicly funded infrastructure investments.
 - b. Direct Monetary Return on Public Investment. Arrangements made or to be made for the City to receive a direct monetary return on its investment in the project. For example, the business subsidy may be in the form of an interest bearing loan or may involve a project sharing arrangement.
5. Economic Development
 - a. Leveraged Funds. For every dollar of business subsidy to be provided for the project, the minimum amount of private funds which will be applied towards the capital cost of the project.
 - b. Spin Off Development. The dollar amount of non-subsidized development the project is expected to generate in the surrounding area and the need for and likelihood of such spin off development.

- c. *Growth Potential*. Based on recipient's market studies and plans for expansion, whether and to what extent the project is expected within five years of its completion, be expanded to produce a net increase of full time equivalent jobs and of payroll, over and above the minimum net increase in jobs and payroll described in section 1 above.

6. Quality of Life

- a. *Community Services*. Whether the project will provide services in the community and the need for such services. For example, the project may provide health services, retail convenience services such as a nearby grocery store, or social services needed in the community.
- b. *Natural Environment*. Whether the project will add to, or detract from, the environment. It is a reflection of what is important to the community - clean air and water, beautiful scenery, recreational opportunities, and a strong desire to pass along these attributes to future generations.

7. Other

- a. *Other Factors*. Depending on the nature of the project, such other factors as the City may deem relevant in evaluating the project and the business subsidy proposed for it.

D. ADDITIONAL CONSIDERATIONS

The City will give consideration to one or more of the issues listed below in determining whether to provide financial or other assistance to a project as a business subsidy:

1. The City may consider the requirements of any other business subsidy received, or to be received, from a grantor other than the City.
2. If the business subsidy is a guaranty, the amount of the business subsidy may be valued at the principal amount of the guaranteed payment obligation.
3. If the business subsidy is real or personal property, the amount of the subsidy will be the fair market value of the property as determined by the City.

4. If the business subsidy is received over time, the City may value the subsidy at its present value using a discount rate equal to an interest rate which the City determines is fair and reasonable under the circumstances.

As used herein "benefit date" means the date the business subsidy is received. If the business subsidy involves the purchase, lease, or donation of physical equipment, then the benefit date occurs when the recipient puts the equipment into service. If the business subsidy is for improvements to property, then the benefit date refers to the earliest date of either: when the improvements are finished for the entire project, or when a business occupies the property.

E. FINANCIAL ASSISTANCE NOT CONSIDERED A BUSINESS SUBSIDY

The following forms of financial assistance are not a business subsidy as per Minnesota Statutes, §§116J.993, Subd.3 and therefore do not require a public hearing:

1. A business subsidy of less than \$150,000;
2. Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
3. Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
4. Redevelopment property polluted by contaminants as defined in section [116J.552](#), subdivision 3;
5. Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50 percent of the total cost;
6. Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
7. Assistance for housing;
8. Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance subdistrict as defined under section [469.174](#), subdivision 23;
9. Assistance for energy conservation;
10. Tax reductions resulting from conformity with federal tax law;

11. Workers' compensation and unemployment insurance;
12. Benefits derived from regulation;
13. Indirect benefits derived from assistance to educational institutions;
14. Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
15. Assistance for a collaboration between a Minnesota higher education institution and a business;
16. Assistance for a tax increment financing soils condition district as defined under section [469.174](#), subdivision 19;
17. Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
18. General changes in tax increment financing law and other general tax law changes of a principally technical nature;
19. Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
20. Funds from dock and wharf bonds issued by a seaway port authority;
21. Business loans and loan guarantees of \$150,000 or less; and
22. Federal loan funds provided through the United States Department of Commerce, Economic Development Administration; and
23. Property tax abatements granted under section 469.1813 to property that is subject to valuation under Minnesota Rules, chapter 8100.

Adopted by: Ramsey EDA / City Council

Date of Adoption: 11-13-08/1-13-09

Date of Public Hearing: 1-13-09

2. City and EDA of Ramsey Tax Abatement and Tax Increment Financing Policy

A. PURPOSE

The purpose of this policy is to establish the City's position relative to the use of Tax Abatement (§§469.1812 through §§469.1815) and Tax Increment Financing (§§469.174 through §§469.1799) (TIF), also referred to in this document as the *business assistance programs*, or *business assistance*. This policy shall be used as a guide in the processing and review of applications requesting the use of Tax Abatement and Tax Increment Financing. It is the expressed intent of the City to minimize the risk and amount of business assistance to a project and to leverage its public dollars to maximize private sector funding.

The City is granted the power to utilize the business assistance programs by Minnesota Statutes 2008 as cited. The fundamental purpose of the business assistance programs is to encourage desirable private development or redevelopment within the City that would not occur *but for* the assistance provided. Further information related to the States business assistance programs and links to State Statutes can be found at www.state.mn.us.

The City will approve or reject requests for business assistance on a case by case basis taking into consideration established policies, project criteria, and the project's demonstrated public purpose. Meeting all policy criteria does not guarantee approval of the requested business assistance. The City maintains its ability to approve or deny the request at its discretion.

B. PUBLIC PURPOSE OBJECTIVES

The City will consider the use of business assistance programs which demonstrate the achievement of one or more of the following public purpose objectives:

1. To encourage redevelopment of priority sites within the City as determined by the City Council and EDA.
2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
3. To enhance and/or diversify the City's economic base.
4. To encourage additional unsubsidized private (re)development.
5. To remove blight and/or encourage (re)development of commercial and industrial areas.

6. To assist in creating environmental sustainability.
7. To provide a diversity of family housing and alternative housing choices.
8. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.
9. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government, or any of the following:
 - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - Mitigation of project impact on the natural environment.

C. POLICY POSITIONS

1. Business assistance shall be provided in a form that minimizes the risk of public participation.
2. Business assistance requests for up-front project financing through the sale of bonds or other internal sources may require personal guarantees of the developer. These requests shall be addressed on a case by case basis.
3. Business assistance shall not be provided for projects requiring land and/or building purchases at prices in excess of fair market value.
4. Business assistance shall not be provided to developers/projects that cannot adequately demonstrate an ability to complete the proposed project on time and on budget.
5. Assistance will be provided based on \$25,000 per qualified job created as referenced in Section 1.A.2 in the Business Subsidy Policy unless a waiver is provided by the City Council.

D. PROJECT REQUIREMENTS

All projects requesting business assistance must demonstrate the following:

1. That the project is not financially feasible but-for the use of Revolving Loan Fund, Tax Abatement or Tax Increment Financing.
2. That the project will comply with all provisions set forth in Minnesota Statute chapters 116j.993 through 116j.995, as amended (Business Subsidies).

3. That the business assistance request complies with all provisions set forth in Minnesota Statutes 2008 chapters 469.1812 through 469.1815 as amended (Tax Abatement), and chapters 469.174 through 469.1799 as amended (Tax Increment Financing).
4. That the project is consistent with the City's comprehensive plan, land use plan, and zoning ordinances.

E. APPLICATION PROCESS

1. Applicant submits a Business Assistance Application (Exhibit A) to the EDA and/or City.
2. Staff reviews the application and completes the Application Review Worksheet (Exhibit B).
3. Staff uses results of the Worksheet to inform the EDA/City.
4. EDA reviews proposal, provides comments, and makes an advisory recommendation to the City Council on denial or approval of the request within 30 days.
5. If advisory approval is granted, staff prepares all necessary notices, resolutions and certificates.
6. City Council holds public hearing(s) on the proposed project to consider the advisory recommendation(s).
7. The City Council grants final approval or denies the request.

B. PROJECT INFORMATION

The project will be: (Check all that apply)

- Industrial: (New Construction Redevelopment/Rehab Expansion)
- Office/research facility: (New Construction Redevelopment/Rehab Expansion)
- Commercial: (New Construction Redevelopment/Rehab Expansion)
- Housing: (New Construction Redevelopment/Rehab Expansion)
- Other _____

The project will be: Owner Occupied Leased Space

- If leased space, please attach a list of names and addresses of future tenants and indicate the status of commitments or lease agreements. **Attach as Part 5.**

Project Address _____

- Include Legal Description and PID number(s). **Attach as Part 6.**

Site Plan Attached: Yes No

Current Real Estate Taxes on Project Site:\$_____

Estimated Real Estate Taxes Upon Completion: Phase I \$_____

Phase II\$_____

Phase III \$_____

Total \$_____

Construction Start Date: _____

Construction Completion Date: _____

If Phased Project: _____ % Completed in ____years

_____ % Completed in ____years

_____ % Completed in ____years

C. PUBLIC PURPOSE OBJECTIVES

It is the policy of the City and EDA of Ramsey that the business assistance should result in a public benefit as identified in items 1-10 below. Please indicate how the proposed project will accomplish this by checking the appropriate boxes. **Attach additional narrative as Part 7.**

- 1. To encourage redevelopment.
- 2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- 3. To enhance and/or diversify the City's economic base.
- 4. To encourage additional unsubsidized private (re)development.
- 5. To remove blight and/or encourage (re)development of commercial and industrial areas.
- 6. To create housing opportunities.
- 7. To provide a diversity of housing.
- 8. To provide a variety of family housing ownership alternatives and housing choices.
- 9. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.
- 10. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
 - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - Mitigation of project impact on the natural environment.

D. SOURCES & USES OF FUNDS

Attach additional information as Part 8

<u>SOURCES</u>	<u>AMOUNT</u>
Bank Loan	\$ _____
Other Loans	\$ _____
Owner Equity	\$ _____
Fed Grant/Loan	\$ _____
State Grant/Loan	\$ _____
Industrial Development Bonds	\$ _____
Tax Increment Financing	\$ _____
Tax Abatement	\$ _____
Revolving Loan Fund	\$ _____
Other	\$ _____
TOTAL	\$ _____

<u>USES</u>	<u>AMOUNT</u>
Land Acquisition	\$ _____
Site Development	\$ _____
Construction	\$ _____
Machinery & Equipment	\$ _____
Architectural/Engineering Fees	\$ _____
Debt Service Reserve	\$ _____
Contingencies	\$ _____
Other	\$ _____
TOTAL	\$ _____

Total Amount of business assistance requested from either Revolving Loan Fund, Abatement, Tax Increment Financing or another source: \$_____

E. ADDITIONAL DOCUMENTATION AND CHECKLIST

Applicants will also be required to provide the following documentation. All personal financial information will be kept private and confidential.

- 1. Written business plan or a description of the business, ownership/ management, date established, products and services, and future plans.
- 2. Financial statements for past two years, including profit and loss statements and balance sheets.
- 3. Two year financial projections.
- 4. Personal financial statements of all major shareholders (principals) including the most recent 2 years of tax returns. (If requested.)
- 5. Letter of commitment from other sources of financing, stating terms and conditions of their participation in the project.
- 6. Administrative fee of up to \$5,000. In addition to defraying the cost of staff time, the fee will be used to pay costs associated with processing this request for financial assistance such as legal, engineering and financial analysis. The City reserves the right to stop the processing of the request until additional fees are paid should the original amount be insufficient to pay such costs. That portion which remains unspent, if any, will be returned only if the project is denied approval.
- 7. Attach the following documentation:
 - _____ Part 1 – Corporation/Partnership Description
 - _____ Part 2 – List of Shareholders/Partners
 - _____ Part 3 – Description of Project
 - _____ Part 4 – *But For* Analysis
 - _____ Part 5 – List of Prospective Lessees (If requested)
 - _____ Part 6 – Legal Description, Property Identification Numbers, maps of the project area, and project renderings
 - _____ Part 7 – Public Purpose Narrative
 - _____ Part 8 – Sources & Uses of Funds – Additional Information

The undersigned certifies that all information provided in this application is true and correct to the best of the undersigned’s knowledge. The undersigned authorizes the City and EDA of Ramsey to check credit references, verify financial and other information, and share this information with other political subdivisions as needed. The undersigned also agrees to provide any additional information as may be requested by the City after the filing of this application.

Applicant Name _____ Date _____

By _____

Its _____

EXHIBIT B
BUSINESS ASSISTANCE REVIEW WORKSHEET
FOR COMMERCIAL/INDUSTRIAL PROJECTS
TO BE COMPLETED BY APPLICANT AND CITY STAFF

A. The project meets which of the following objectives as set forth in Section C of the Business Assistance policy:

- 1. To encourage redevelopment.
- 2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- 3. To enhance and/or diversify the City's economic base.
- 4. To encourage additional unsubsidized private (re)development.
- 5. To remove blight and/or encourage (re)development of commercial and industrial areas.
- 6. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
 - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
 - Mitigation of project impact on the natural environment.

B. Ratio of Private to Public Investment in Project:

\$ _____ Private Investment

\$ _____ Public Investment

_____ **Ratio Private : Public Financing**

Points:

5:1	5
4:1	4
3:1	3
2:1	2
Less than 2:1	1

C. Job Creation:

_____ Net *new* jobs (minimum 40 hours per week) or
 _____ fulltime equivalents

Points:

50+	5
20+	4
10+	3
5+	2
Less than 2	1

D. Wage Level of jobs created:

Average hourly wage _____
 Of *new* jobs _____

Points:

Over \$21/hour	5
\$18-21/hour	4
\$14-17/hour	3
\$10-13/hour	2
Under \$10/hour	1

E. Ratio Of Business Assistance To New Jobs Created:	Points:
\$ _____ Business assistance requested	\$5,000 or less <u>5</u>
_____ Number of net <i>new</i> jobs created	\$15,000 or less <u>4</u>
\$ _____ of business assist. per net <i>new</i> job created	\$25,000 or less <u>3</u>
	\$50,000 or less <u>2</u>
	Over \$75,000 <u>1</u>

F. Project size:	Points:
The project will result in the construction of _____ square feet	75,000+ <u>5</u>
	50,000+ <u>4</u>
	25,000+ <u>3</u>
	10,000+ <u>2</u>
	5,000 or less <u>1</u>

G. Type of Project:	Points:
_____ 100% Owner Occupied	<u>5</u>
_____ Mix Owner Occupied & Investment	<u>3</u>
_____ Investment Property	<u>1</u>

H. Likelihood that the project will result in unsubsidized, spin-off development:	Points:
_____ High	<u>5</u>
_____ Moderate	<u>3</u>
_____ Low	<u>1</u>

I. _____

Sub-Total Points _____ of a possible 35 points.

Bonus Points	Bonus Points:
The project will be 100% <i>pay-as-you-go</i> financing.	<u>3</u>
The project is a redevelopment project.	<u>3</u>

Total Points: _____

Overall project analysis:	High	35 points
	Moderate	25 points
	Low	15 points
	Not Eligible	5 points

APPENDIX I
Business Subsidy Statute 2008

APPENDIX II
Sample Business Subsidy Agreement

APPENDIX III
Business Subsidy Reporting Form

City of Ramsey

Economic Development Revolving Loan Fund Guidelines

As Amended February 2005

City of Ramsey
Community Development Division
15153 Nowthen Boulevard NW
Ramsey, Minnesota 55303

Table of Contents

Economic Development Revolving Loan Guidelines

I	Purpose	Page 1
II	Authorization	Page 1
III	Mission	Page 1
IV	Program Objective	Page 1
V	Eligible Activities	Page 1
VI	Ineligible Activities	Page 2
VII	Loan and Term Conditions	Page 2
VIII	Administration	Page 5
IX	Delinquency	Page 9
X	Default	Page 9
XI	Recaptured Funds	Page 9
XII	Fund Acknowledgement	Page 10
XIII	State Economic Development Revolving Loan Fund Guidelines	Page 10

Economic Development Revolving Loan Guidelines

I. Purpose.

The purpose of these guidelines is to establish policies and procedures to regulate, coordinate, and facilitate the workflow for underwriting new financing requests, servicing revolving loans, and ensuring borrower compliance with loan terms and conditions.

II. Authorization and Funding Sources.

Chapter 469 of the Minnesota State Statutes, as amended, authorizes the City of Ramsey to make loans to prospective private businesses. The revolving loan fund was capitalized through funds made available by the City of Ramsey and the Minnesota Department of Employment and Economic Development.

III. Mission.

The mission of the revolving loan fund is to increase the City's tax base, create and retain permanent private sector jobs and improve economic opportunity and living standards for the citizens of Ramsey by promoting local business development and expansion, by attracting out-of-state business expansion, leveraging private sector funds, and assisting with the development of new technologies.

IV. Program Objective.

The objective of the revolving loan fund is to fill the financing gap between project costs and private debt financing and private equity by making direct low-interest rate loans for certain approved activities to businesses within the Ramsey city limits.

V. Eligible Activities.

- A. Loan funds may be used to assist small businesses primarily by providing financial assistance for the following types of activities, including but not limited to: growth and expansion, rehabilitation, code compliance, employee recruitment and retention through housing initiatives, and facade enhancement.

B. Eligible costs. Eligible costs may include the following:

1. Land improvements. Improvements to the land which are a portion of the project cost including but not limited to: grading, new streets or street improvements, parking lots, utilities, and landscaping.
2. Purchase or renovation of building. Purchase and, if necessary, renovation of an existing industrial or commercial facility is permitted.
3. Purchase machinery or equipment. Purchase of major items of machinery and equipment independent of land and buildings. These items must be defined to have a useful life of at least 5 years.
4. Building construction. Construction of a new building and/or a major addition to an existing building.
5. Leasehold improvements. Revolving loan funds may be used for certain leasehold improvements provided the lease is equal to or greater than the term of the loan and the City secures a lien on the land or building, and improvements.

VI. Ineligible Activities. Certain applicants, projects, activities, and costs are ineligible for revolving loan funds.

- A. Ineligible activities. Funds may not be used for nonprofit institutions, retail businesses, gambling organizations, lending or investment organizations, land speculation, or any activity deemed illegal by federal, state, or local law or ordinance.
- B. Ineligible costs. Ineligible costs include but are not limited to: management fees, financing costs, franchise fees, debt repayment or consolidation, moving costs, refinancing, and operating costs or working capital.

VII. Loan Terms and Conditions

The City shall make available to eligible applicants direct low-interest loans for the purpose of encouraging economic development, job creation and job retention to meet business needs, and preservation of business districts in the City of

Ramsey.

- A. Loan amount. There are maximum and minimum loan amounts for eligible projects.
 - 1. Maximum loan amount. The maximum loan available from the revolving loan fund for each eligible project is limited to \$300,000.00 or 40% of total project cost, whichever is less.
 - 2. Minimum loan amount. The minimum loan amount available from the revolving loan fund for each eligible project is \$25,000.00.

- B. Interest rate. The interest rate shall be a fixed-rate and will be equal to the 10-year Treasury bond rate at the date of funding but shall not be less than 3.0%.

- C. Term. The term of the loan will be tied to the useful life of the assets being financed. The following general terms apply:
 - 1. Machinery/equipment. The term of the loan for machinery/equipment shall not exceed 7 years.
 - 2. Land/building acquisition. The term of the loan for land/building shall not exceed 15 years.
 - 3. New construction/renovation. The term of the loan for new construction/renovation shall not exceed 15 years.
 - 4. Balance due. All balances will be due and payable if and when the loan recipient sells or otherwise transfers any or part or his/her interest in the property or fails to meet any of the guidelines established within this document before the maturity date of the loan or relocates any part or all of the business outside the City of Ramsey.

- D. Wage and job goals.
 - 1. Wage and Job goals shall be established for all loans in excess of \$75,000. The wage and job goals will be identified in the Loan Agreement between the City of Ramsey and the borrower. The loan

agreement, must include: (1) the number of jobs created, which may include separate goals for the number of part-time or full-time jobs, or, in cases where job loss is specific and demonstrable, goals for the number of jobs retained; (2) wage goals for any jobs created or retained; and (3) wage goals for any jobs to be enhanced through increased wages. If the creation or retention of jobs is determined not to be a goal after a public hearing, the wage and job goals may be set at zero.

2. A business that receives revolving loan funds must agree to list any vacant or new position with the Minnesota Department of Employment and Economic Development.

- E. Equity participation. There shall be a minimum 10% owner equity investment of total project costs required of all applicants.
- F. Collateral requirements. All loan agreements will be secured by one or more of the following; promissory note, mortgage, or security agreement as required by the City; and
 1. The revolving fund may take a subordinate position to the primary lender on the assets financed; and
 2. Surety deposits shall be required for certain construction contracts as set forth in Minnesota Statutes 290.9705.
- G. Letters of Commitment. Letters of commitment from all funding sources must be submitted for the application to be deemed complete.
- H. Personal guaranty. Personal guarantees of persons with ownership interest of 20% or greater are required. Personal guarantees of persons with ownership interest between 5% to 19% may be required by the City but are discretionary.
- I. Loan repayments. Loan payments must begin within one month of receipt of the Revolving Loan. The City of Ramsey may make exceptions to this rule on a case-by-case basis.
- J. Loan prepayment. Prepayments are permitted where the Borrower makes the EDA whole for any losses or costs associated with the prepayment.

- K. Notice of award or denial. Applicants will be notified in writing not more than fourteen (14) days after final action has been taken on their revolving loan fund application by the City.
- L. Loan closing documents. The City will close the loan within sixty (60) days of final City approval of the loan application. At that time, the City will deliver to the Borrower all closing documents and a final debt service schedule. In exchange, the Borrower will deliver to the City its loan obligation which is defined as a bond, note, or other evidence of obligation issued by the Borrower to evidence its indebtedness under the loan agreement.
- M. Post closing amendments and modifications. Requests for amendments and modifications following award, closing or disbursement of funds to the underwriting of the original request require City approval and shall be presented at the next scheduled meeting of the EDA.
- N. Loan declination. The City will not make a loan if it determines the loan amount would place an undue burden on the financial resources of the Borrower or the Borrower cannot demonstrate adequate financial capacity to repay the loan or the City determines that making the loan is not in the best interest of the City.
- O. Appeal. There will be a complaint and appeal procedure for aggrieved applicants:
 - 1. Written notice. Applicants will receive written notice of denial of the loan and the reasons(s) for the determination within fourteen (14) days of the determination.
 - 2. Petition. The aggrieved applicant may petition the EDA in writing for reconsideration within fourteen (14) days from date of the written notice of denial. Any request to appear before the EDA must be in writing and must be submitted at least seven (7) days prior to the EDA's scheduled meeting. Upon receipt of the written petition for reconsideration, the EDA shall consider the petition at its next scheduled meeting and advise the petitioner in writing of its decision within fourteen (14) days of that meeting. The EDA's decision will be final.
 - 3. Re-application. Applicants aggrieved by the EDA's final decision may re-apply for revolving loan funds after ninety (90) days if the concerns in the

preceding application are adequately and appropriately addressed.

VIII. Administration.

- A. Loan review committee. The Ramsey EDA will serve as the loan review committee. The final determination on all revolving loan applications rests with the City Council.
- B. Conflict of Interest. All city officials and employees shall comply with the applicable conflict of interest regulations set forth in the City Code.
- C. Staff responsibility. Community development staff shall have the general responsibility for coordinating the application process, reviewing loan application, preparing applications and recommendations for review by the EDA, and coordinating the loan approval and service process as set forth in Subsections D -- G of this section.
- D. Pre-application process. All parties seeking revolving loan funds must file a pre-application. Pre-application forms may be obtained from the Community Development Department.
 - 1. There will be a pre-application form that must be completed and submitted to the Community Development Department for review and approval.
 - 2. The pre-application form will request information regarding the applicant, project scope, and project costs.
 - 3. Upon Community Development Department approval, the applicant will be forwarded a revolving loan fund application.
 - 4. Pre-application forms may be submitted on an open basis throughout the year.
- E. Application process. All parties seeking revolving loan funds must file an application. Application forms may be obtained from the Community Development Department.
 - 1. Components of application. Only completed applications will be reviewed for consideration by community development staff. A completed application is one that satisfies the checklist provided below:

- a. Business plan describing the scope of the project, including site plans, building plans, renderings, or blueprints;
- b. Project budget;
- c. Private financing commitment;
- d. Equity investment commitment;
- e. Proposed security;
- f. Company financial statements (3 years);
- g. Personal financial statements (2 years);
- h. Credit check release;
- i. Mortgage or lease of property to be improved;
- j. Proof of insurance of property to be improved;
- k. Number of jobs to be created or retained;
- l. Wage information;
- m. Amount of loan request; and
- n. Other documentation as requested.

2. Incomplete applications. Community development staff, in its sole discretion, will determine if the application is complete and actionable. Incomplete applications will be assigned *pending* status and the applicant will be informed in writing of the missing documentation.
3. Transmittal. Applications transmitted by oral, telegraphic, facsimile, or e-mail will not be accepted.
4. Determination of eligibility. Applicant eligibility will be determined by community development staff using criteria enumerated in subsection D (1) of this section.
5. Site inspection. As part of the eligibility determination process, the city will inspect the property or building designated for improvements for compliance with the city administrative ordinances and zoning codes.
6. Credit check. A credit check for the company and each of its principal owners shall be conducted by community development staff.

F. Loan approval process. Community development staff will prepare loan applications and make recommendations to the EDA.

1. EDA agenda. Upon determining the eligibility of the completed application

and reviewing for credit worthiness and soundness of plan, community development staff will place loan application the on the agenda for the EDA's next scheduled meeting.

2. **Criteria.** The EDA will base their decision on the economic benefit to the City of Ramsey, credit underwriting typical to the lending community including the borrower's ability to repay the loan and the collateral offered to secure the loan, the number of jobs to be created or retained, wage rates of jobs created or retained, and increase in the local tax base.
 3. **EDA action.** Upon placement on the agenda, the EDA shall approve, deny, or postpone for consideration at a future meeting the loan application request.
 4. **Notification of EDA action.** The applicant shall be notified in writing within fourteen (14) days of the EDA's decision in accordance with the requirements set forth in Section VII, Subsection M of these guidelines.
 5. **Approval.** If approved, the applicant will be sent a written commitment letter that will outline the terms and conditions of the loan approval. A copy of the commitment letter will be signed by the Borrowers and Guarantors signifying acceptance of the terms and conditions of the loan proposal and the conditions for funding. Upon the return of the executed commitment letter, community development staff will begin the loan closing process with the City Attorney.
 6. **Closing.** The City Attorney will prepare documentation and coordinate the closing with the Borrower or the Borrower's counsel.
- G. **Loan servicing.** Community development staff will coordinate loan servicing activities.
1. **Monitoring.** Community development staff will monitor loans for compliance with the accepted terms and conditions including job creation statistics and wage and benefit levels.
 2. **Reports.** Community development staff and finance staff are responsible for ensuring that all required reports are filed in a timely manner.
 3. **Records.** Computer files and conventional paper files will be maintained for the purpose of documenting, tracking, and monitoring program and project

activities. Program records will be maintained by the Community Development staff and financial records will be maintained primarily by the Finance Division. Where applicable, the following records will be maintained:

- a. Program records. The following program information will be maintained in the program project file, including but not limited to:
 - i. Environmental report;
 - ii. Eligibility determination records as set forth in Section VIII, Subsection E (1) (a-n);
 - iii. Property inspection report;
 - iv. Progress reports;
 - v. EDA Resolutions;
 - vi. Correspondence;
 - vii. Loan documents; and
 - viii. Executed loan agreement.
 - b. Financial records. The following financial information will be maintained in the financial project file, including but not limited to:
 - i. Copy of the executed loan agreement;
 - ii. Disbursement data;
 - iii. Progress reports;
 - iv. Repayment data; and
 - v. Amortization tables.
4. Record retention. All program and financial records, supporting documents, statistical records, environmental review records and other records pertinent to the revolving loan program shall be maintained for a period of at least three (3) years from the final project report and project closeout date.

IX. Delinquency. There shall be a notification procedure for delinquent loans.

- A. The finance officer is responsible for the timely posting and of all loan repayments.
- B. Thirty day notice. Upon thirty (30) days delinquency, the finance officer will notify the Finance Director (FD) of the delinquency and the Director shall send the borrower a delinquency notice requesting payment within fifteen

(15) days. A copy of the letter shall be forwarded to the City Administrator (CA).

C. Forty-five day notice. If payment has not been received by the 45th day a second delinquency notice will be sent to the Borrower by the FD requesting payment within fifteen (15) days. A copy of the letter shall be forwarded to the CA.

D. Sixty day notice. If payment has not been received by the 60th day, the FD will attempt to contact the Borrower by telephone to the delinquency. The FD shall also send a notice of default to borrower via certified mail requesting immediate payment and advising the borrower the delinquency will be placed on the EDA agenda for discussion at the next scheduled meeting.

E. Ninety day notice. If no repayment plan is submitted by the Borrower, or if there is no attempt by the Borrower to negotiate the amount due, the FD will contact the CA and the City Attorney to sending a 90 day letter calling due the loan in full.

F. Negotiation. Throughout this process, every attempt will be made to preserve the company, the jobs, and the loan funds.

X. Default. If the EDA determines a loan to be in default it will pass a resolution declaring the entity in default and convey the matter to the City Attorney for disposition.

XI. Recaptured funds. The Ramsey Economic Development Revolving Loan Fund will serve as the repository for all loan repayments. These recaptured funds are available to other applicants for utilization as gap financing for certain approved economic development projects. The revolving loan fund shall be administered by a financial management system in compliance with all state and federal requirements.

XII. Funding acknowledgement. For projects financially supported by revolving loan funds the Borrower shall:

A. Acknowledge revolving loan fund support in certain written materials

including company brochures, reports, newsletters, and press releases; and

- B. On the building or expansion construction site post a sign acknowledging financial support from the State of Minnesota and the City of Ramsey.

XIII. Guidelines for the regulation of State Economic Development Revolving Loan Funds.

- A. General. The following rules, regulations, policies, and procedures govern state economic development revolving loan funds.
- B. Incorporation by Reference. The dissemination, use, and regulation of state economic development revolving loan funds shall be generally governed by guidelines including:
 - 1. The Minnesota Investment Fund (MS.116J.8731).

Submittals for the City of Ramsey Economic Development Revolving Loan Fund (RLF) Projects

In order to proceed with underwriting loan requests, businesses will typically need to provide the following information to CMDC, 1885 Station Parkway, Andover, MN 55304.

Project

- Copy of **signed** purchase agreement for land and/or building.
- Copy of Sworn Construction Statement, construction bids for remodel if any.
- Sources and Uses of Funds Statement related to the project.

Business

- History and description of business (OC).
- Current balance sheet and income statement (accrual basis) for the Operating Company (OC). Must be within 90 days of the application date.
- Accounts receivable and accounts payable aging reports corresponding with current balance sheet.
- Debt schedule, corresponding with current balance sheet, detailing all obligations for the OC.
- Complete copies of the past three years income tax returns, including all schedules and K-1's, for the OC. Copies of the past three fiscal year-end balance sheets and income/operating statements (accrual basis).

Business Misc.

- Filed copy of Articles of Incorporation and By-laws, and/or Partnership Agreement and/or Limited Liability Company Organizational documentation or Certificate of Assumed Name.
- Employer identification number/Tax identification number for the real estate holding company and/or OC.
- Names, addresses and last two fiscal year-end financial statements or tax returns of any subsidiaries and/or affiliates, if applicable.
- Copy of new lease between OC and real estate holding company, if applicable.

Personal

- Signed** (including spouse) personal financial statements for all owners owning 20% or more of the OC and/or EPC (not more than 90 days old from application date)
- Complete copies of the past three years tax returns, including all W-2's, schedules and K-1's from all owners of the OC.
- Resumes of all officers and key management of the OC.

Lender

- Commitment letter from first mortgage lender outlining the terms and conditions of their commitment.
- Business credit report for the OC.
- Copy of lender's credit memorandum.
- Appraisal of project (NOTE: this must be ordered by participating lender)
- Environmental investigation: Phase I or a Phase II or an environmental questionnaire and records search with risk assessment.
- Itemization of soft costs (include professional fees, contingencies and interim interest).