

**HOUSING AND REDEVELOPMENT AUTHORITY
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Housing and Redevelopment Authority conducted a special meeting on Tuesday, January 25, 2011, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson David Jeffrey
 Commissioner Randy Backous
 Commissioner David Elvig
 Commissioner Colin McGlone
 Commissioner Bob Ramsey
 Commissioner Jason Tossey
 Commissioner Jeffrey Wise

Members Absent: None.

Also Present: City Administrator Kurtis G. Ulrich
 Deputy City Administrator Heidi A. Nelson
 Public Works Director Brian Olson
 City Engineer Tim Himmer
 City Attorney Bill Goodrich
 Development Manager Darren Lazan

CALL TO ORDER

Chairperson Jeffrey called the regular meeting of the Housing and Redevelopment Authority to order at 8:46 p.m.

OPEN FORUM

There was none.

APPROVAL OF MINUTES

Motion by Commissioner Elvig, seconded by Commissioner Wise, to approve the minutes as submitted.

APPROVAL OF AGENDA

Motion by Commissioner Backous, seconded by Commissioner Tossey, to approve the agenda as submitted.

Motion carried. Voting Yes: Chairperson Jeffrey, Commissioners Backous, Elvig, McGlone, Ramsey, Tossey and Wise. Voting No: None. Absent: None.

HRA BUSINESS

Case #1: Consider Proposal for Theater Project in the COR – RJ's Stage and Screen

HRA Executive Director Nelson reviewed the staff report.

Rachel Wexler introduced herself, shared her background, then reviewed the proposed project and requested land donation. She also outlined the proposed partnership with the PACT School and Legacy.

Chairperson Jeffrey clarified the property donation for the theater and parkland to the south is intended to create the needed equity to make the financing whole. He discussed the current assessment of \$5 per square foot but noted it should net more than that and asked for an appraisal.

Ms. Wexler said the parkland may not be needed once the appraisal comes in.

Discussion was held on proposed materials, necessary parking, utility, and road construction costs.

HRA consensus was that while the demographic and concept is good, granting land to make the business plan feasible is not acceptable, including losing a future planned park.

Commissioner Elvig suggested locating an equity partner or grants to fill the financing gaps. He also challenged the location selection due to the intended activity level of future hotel and restaurant. He suggested the project would be better suited for off-peak uses such as offices and businesses.

Development Manager Lazan said the location is in the densest quadrant with minimum service parking and four ramps to serve all the uses. He suggested that staff review the project for one block instead at a reduced price and then come forward again to the HRA.

Ms. Wexler said they reviewed the land at Sunwood Drive and Ramsey Boulevard but felt this location was better for The COR plan.

Commissioner Ramsey asked if we donate the land how do we get it back before fully developed. He said he does not want to see another party develop the donated land and realize the gain.

Commissioner Elvig suggested a possible lease back.

Ms. Wexler said they were planning to develop the area as a park.

Commissioner Backous suggested donating a portion while retaining ownership on the other land.

Mr. Lazan said staff will work to pare the block down, better define the square, and research other solutions.

Commissioner Backous suggested a phased development plan instead.

Chairperson Jeffrey asked staff to obtain engineering costs for road construction as well as SAC/WAC charges.

Case #2: Consider Waiver of Rail Station Contingency for Flaherty and Collins – The Residence of The COR Project

HRA Executive Director Nelson reviewed the staff report.

Development Manager Lazan outlined the deadline of January 28 to object if we don't believe we can complete a rail station by summer 2012. He added no action allows the HRA to continue to a purchase agreement, noting this is not a ramp contingency but a train contingency.

HRA Executive Director Nelson said staff will need four months lead time before starting the ramp, adding that in order for Flaherty to use TIF funds they have to start work by June 30, 2011.

Commissioner Wise said he thought the date was for Flaherty to back out, adding this is a financing contingency that could be too late.

Mr. Lazan said if the HRA wants to moves forward with the ramp we must commit to MnDOT. He said the question is would the HRA build the ramp regardless of Flaherty and Collins' status.

Commissioner Backous asked about the risks, adding ramp space will be needed at a future point anyway.

Mr. Lazan said the risks include losing grant funds as no other extensions will be allowed, resulting in a poor relationship and image with MnDOT for pulling from the project.

Public Works Director Olson outlined the HRA's options and risks relating to both actions, adding the ramp has to start before June 2011 or the agreement will advance to the next year.

City Administrator Ulrich said if Flaherty and Collins backs out, we would have expended only \$40,000 of design costs for the revision portion.

Discussion was held on the associated risks of moving forward with the ramp, including Flaherty and Collins' ability to obtain financing and the likelihood of obtaining \$3.5 million in grant funding again.

City Administrator Ulrich provided a status update of the rail station. He indicated that all markers are encouraging for station construction in 2012.

Commissioner Wise asked about design changes should Flaherty and Collins back out.

Public Works Director Olson said the only connection is the west end with vestibules and that eventually we will connect a building to the ramp, so if necessary the area could be blocked.

HRA consensus was to not take action regarding the rail station contingency for Flaherty and Collins – The Residence at The COR Project.

Case #3: Consider Proposal for Mass Grading Plan for The COR

HRA Executive Director Nelson reviewed the staff report.

Development Manager Lazan reviewed the scope of work.

Public Works Director Olson said this is a needed improvement, adding the grading plan will provide answers regarding drainage on the west side while helping to create a three-dimensional site plan.

Commissioner Backous asked how they can be sure this is a good quote.

Mr. Lazan said the quote is based on similar work and will be contracted with custom hourly rates with a maximum. He suggested the HRA may want to create a policy purchasing material once the grading is complete.

Motion by Commissioner Elvig, seconded by Commissioner McGlone, to approve the proposal from Landform Professional Services for the preparation of design and documentation as outlined in the attached work order.

Motion carried. Voting Yes: Chairperson Jeffrey, Commissioners Backous, Elvig, McGlone, Ramsey, Tossey, and Wise. Voting No: None. Absent: None.

COMMITTEE REPORTS

None.

EXECUTIVE DIRECTOR'S REPORT

HRA Executive Director Nelson stated that during the recent Strategic Planning Session the HRA identified communication and other development management items for future discussion.

COMMISSIONER INPUT

None.

ADJOURNMENT

Motion by Commissioner Elvig, seconded by Commissioner Jeffrey, to close the regular meeting of the Housing and Redevelopment Authority.

Motion carried.

The special meeting of the Housing and Redevelopment Authority adjourned at 10:02 p.m.

Respectfully submitted,

Heidi A. Nelson
HRA Executive Director

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Cathy Sorensen
TimeSaver Off Site Secretarial, Inc.