

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, August 30, 2011, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

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

Members Absent: None

Also Present: Deputy City Administrator/HRA Exec Dir Heidi A. Nelson
 City Administrator Kurtis G. Ulrich
 Finance Officer Diana Lund
 Development Manager Darren Lazan
 City Attorney Bill Goodrich
 Police Chief James Way
 Fire Chief Dean Kaplar
 Park Supervisor Mark Riverblood
 Senior Planner Tim Gladhill

CALL TO ORDER

Chairperson Elvig called the regular meeting of the Housing and Redevelopment Authority to order at 8:30 p.m.

CITIZEN INPUT

There was none.

APPROVAL OF AGENDA

Chairperson Elvig requested Case #6: Discuss Development Management Contract, be considered first and move all other Cases down.

Motion by Commissioner Backous, seconded by Commissioner Wise, to approve the agenda as amended.

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

APPROVAL OF MINUTES

None.

HRA BUSINESS

Case #1 6: Discuss Development Management Contract

Chairperson Elvig explained he asked City Attorney Goodrich to give a legal opinion of the process regarding bringing an agenda item forward for discussion that was not on the agenda.

City Attorney Goodrich stated the City Code provides for Council to discuss only items on the agenda. However, the Council can consider an added item by agreement. The HRA has separate by-laws. In a regular Council meeting, people can expect to have other items brought up. City Attorney Goodrich advised it was handled properly at the last regular meeting and the Council or the HRA can vote to deny discussion on a new item if it is not on the agenda.

Chairperson Elvig noted some of the issues with this contract are difficult. The biggest issue is in how the developments and the developer are managed.

City Attorney Goodrich noted in reviewing the contract, there is a provision that the HRA representative for administering this agreement is Executive Director Nelson. She is the Development Manager and the contractors' direct supervisor. She cannot expend HRA funds unless provided by this agreement.

Commissioner Ramsey noted an email was sent last week concerning this issue. He requested a copy of that email be attached to the minutes for this meeting. ***Attached to the minutes is an email from Development Manager Lazan marked as Exhibit A.***

Executive Director Nelson stated she has had discussions with members of the HRA with regard to the work or the contract of the Development Manager. She highlighted changes from the former contract to the newer contract.

Commissioner Backous indicated he had an issue with operational processes

Commissioner Tossey stated his issue was that he did not anticipate this amount of public involvement in some of the projects. He said he was not in favor of the amount the City would have to bond for and in the future would like to see that when there is a project with a considerable amount of public financing, a third of that commission would be held until the taxpayers are made whole. He said he discussed with Mr. Lazan the handling of commissions and the perception of how they are managed; however, they did come to an understanding.

Commissioner Backous explained when he brought this issue forward it was to review the contract and not terminate it.

Discussion ensued regarding the sequence of events in projects. It was noted projects start because of one interested party and it could be six months later when they come back to discuss further. The first discussion may have been very informal and fact gathering with the Development Manager. If there is further interest, it gets moved into more meetings. The idea of the project can change over this time, and while they are brought forth to the HRA, discussions may have overlapped and the perceptions of the sequence can be different.

Commissioner Strommen pointed out there are seven individuals making up one body and not everyone can be involved in everything.

City Administrator Ulrich stated the specific projects and commissions should be negotiated. The contract that Executive Director Nelson administers serves as a rule for everyone. He suggested any interested parties use Executive Director Nelson as a contact point. By nature, a lot of what is worked on is confidential, involves judgment calls, and Staff must be trusted to do their job.

Commissioner Ramsey noted if Mr. Lazan does not approve of a proposed project, he would not spend time on it because he would not get paid. He has incentive to bring good, solid projects to the City.

City Administrator Ulrich said the staff has taken positive steps to bring decision makers together, and is committed to working forward with more solid communication.

Commissioner McGlone stated he has no issue with the contract for the Development Manager. He said he did take issue with the City Attorney stating that what was done at the last meeting, adding an agenda item at the last minute, was done correctly. He said he thinks the public deserves to know what is on the agenda as planned and any agenda item should be made public before the meeting.

Commissioner Backous agreed and said he would like time to talk to staff about the agenda items beforehand as well.

Development Manager Lazan said the Flaherty deal has had a lot of discussion. He explained he did not want to write a 30-page case, and the Commission didn't want to read it. He said the idea was to keep it in front of the Commission and in 30 days, ask for their vote. He pointed out he has received a lot of comments and ideas from the members, and it is a huge benefit to the project.

Commissioner Backous stated the contractor was out of line to send an email to the body he works for.

Case #2 4: Consider 2012 HRA Levy and Budget

Executive Director Nelson reviewed the staff report.

Finance Director Lund further explained how the TIF monies could be utilized. If they are left in the TIF fund, use of the funds is very restricted. The recommendation is to transfer the balance to the HRA.

City Administrator Ulrich suggested allocating to make this a balanced budget without lowering the reserve balance. The balance could be moved to a nonrestricted fund.

Consensus was reached to allocate the money to balance the budget and move the remainder to the HRA fund.

Case #3 2: Consider Land Sale Proceeds Policy for THE COR at Ramsey

Executive Director Nelson reviewed the staff report.

Consensus was reached to allocate the land sale proceeds as noted in the staff report.

Case #4 3: Consider Sporting Retail Concept on Sunwood Drive

Development Manager Lazan reviewed the staff report. He noted a couple of sketches have been prepared for the sporting retail concept. There is a City well, which would need to be protected, and there is a storm water line on the east side of the parcel and a 50-foot wellhead zone. Mr. Lazan indicated this project fits nicely in this parcel and the group proposing to develop has the financial backing to complete the project. The main purpose of the building would be firearms and they would offer archery. Mr. Lazan stated they would offer an exclusive law enforcement rate to the City and County entities.

Commissioner Ramsey said he has attended a few of the meetings where this has been discussed. He noted this may be the company's primary location.

Commissioner Strommen commented it is an intriguing idea, though it seems somewhat out of place to construct between senior living and the grocery store. She said she would be in favor of it anywhere else in Ramsey.

Commissioner Tossey agreed.

Development Manager Lazan answered they want to be visible and they know this community is a great demographic for them.

Chairperson Elvig asked if it was soundproofed.

Development Manager Lazan replied they have not researched the decibel rating. However, there is a restaurant next to the Rochester store.

Consensus was reached to move forward in considering this project.

Case #5 4: Consider Letter of Intent – West 30 Retail

Consensus was reached to move this item to the next HRA meeting.

Case #6 5: Consider Tour of Metro Area Mixed-Use Projects and Key Amenities

Consensus was reached to schedule the tour and move discussion of this item to the next HRA meeting.

COMMITTEE REPORTS

None.

EXECUTIVE DIRECTOR'S REPORT

None.

COMMISSIONER INPUT

Commissioner McGlone stated he did not approve of moving items to the next meeting. He said a lot of work goes into the items to be discussed and noted the Letter of Intent for the West 30 Retail must be completed by the 19th.

Chairperson Elvig noted he would prefer to spend over an hour in discussion on this item but the meeting was going too late to begin the discussion.

ADJOURNMENT

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

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 10:20 p.m.

Respectfully submitted,

Heidi Nelson
HRA Executive Director

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Chris Moksnes
TimeSaver Off Site Secretarial, Inc.