

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

The City of Ramsey Economic Development Authority (EDA) conducted a regular meeting on Thursday, November 8, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Chris Riley
 Member Wayne Skaff
 Member Jim Steffen
 Member Kristine Williams

Members Absent: Member John LeTourneau
 Member Colin McGlone
 Member Jeffrey Wise

Also Present: Patrick Brama, Management Analyst
 Tim Gladhill, Development Services Manager
 Kurt Ulrich, City Administrator

Guest: Councilmember David Elvig

1. CALL TO ORDER

Chairperson Riley called the Economic Development Authority meeting to order at 7:37 a.m.

2. APPROVE AGENDA

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

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

3. APPROVE MINUTES

3.01: Approve Meeting Minutes Dated October 11, 2012

Motion by Member Steffen, seconded by Member Skaff, to approve the minutes dated October 11, 2012.

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

4. EDA BUSINESS

4.01: Prospect Update, Mike Mulrooney

Management Analyst Brama suggested moving this item to the end of the agenda.

4.02: Business Retention & Expansion Program Introduction, Update

Management Analyst Brama advised that 60 businesses have been contacted to schedule visits and 30 visits have been scheduled. He indicated that a business visit and tour of Life Fitness has been scheduled for January 10, 2013, at 9:30 a.m. and the EDA members are invited to attend this meeting, which will take place after the EDA meeting. He stated that staff will continue to look for opportunities for tours with other businesses and the EDA is welcome to attend any of the visits.

Member Steffen requested information regarding the first several business visits.

Management Analyst Brama advised that staff met with Mr. Jim Lundeen of RJM and RJM is looking to expand its 130,000 square foot facility. He indicated that RJM had some concerns with the City that were addressed by staff. He advised the meeting with American Print and Digital was overall positive and stated this company has 5,000 square feet and is looking to expand an additional 5,000 square feet. He advised that he had a positive meeting with Minnesota Tool and Die yesterday and received a tour of their operations. He stated this company is looking at a 10,000 square foot expansion in the future and the owners raised questions regarding finding qualified employees; staff will follow up on their questions. He stated that he will be meeting with Summit Arrow next week, which is a women-owned company that has indicated they are excited the City will be meeting with them. He reported that the meeting with RV World was positive and stated he met with Mr. Darren Mann who mentioned that the RV industry has grown 20% and they are excited to be in Ramsey and are happy that the City is embracing this industry. He added he intends to include a summary of each of these visits in the EDA packet each month.

Chairperson Riley commended Management Analyst Brama's efforts in reaching out to the business community and scheduling these visits.

4.03: 15153 Nowthen Blvd., Old City Hall Site, Development Planning Update

Management Analyst Brama reported that following the last EDA meeting, staff has continued working on preparing this site for shovel ready certification and is partnering with Connexus Energy about a possible data center, including developing scenarios for the property to determine cost/benefits of a data center or a residential development. He advised staff is also reviewing zoning options given the surrounding residential properties. He added that staff has no new information regarding Prospect Delta and Connexus Energy will continue working with that prospect. He stated the City Council will be reviewing this project next week at its work session and staff is making progress on the soil borings, environmental testing, and survey work with a goal to have the site ready to be shovel ready certified by the spring. He indicated that Connexus

Energy and the City will work together to develop professional marketing materials for the site and staff will provide further analysis regarding the various scenarios at a future meeting. He advised that staff contacted Hakanson Anderson to see if historical survey records were available and learned that no records were found. He added staff has learned that this work was done in the 1970's and the City Engineer has suggested that the records be updated.

Councilmember Elvig stated when the City originally looked at the sketch plans there was discussion regarding a possible school site and suggested it may be worth talking to the school district one more time. He stated that one of the properties to the west of this site is vacant and there may be opportunities to further explore that site. He added he previously worked on a data center site in an industrial park near a residential development in the Shady Oak Road area. He stated the data center required significant cooling units and they had to build a shrouding system on the roof to buffer the noise from the residential area, which added approximately \$500,000 to the project. He agreed to provide further information to the EDA regarding this.

Development Services Manager Gladhill noted that the zoning process for the site will include buffering, landscaping, and noise analysis.

Chairperson Riley stated it will be important to make sure the City Council is on board with this project particularly since the decisions being made will require a new fire station and a significant amount of funding. He agreed with the phased approach being taken by the City.

4.04: Ramsey EDA Business Networking Breakfast Event Update

Management Analyst Brama advised that flyers have been sent to 200 businesses, flyers with a personalized invitation have been sent to the top 50 businesses, and emails have been sent to approximately 60 businesses. He stated that 38 RSVPs have been received and he requested input regarding increasing attendance at the event.

Member Steffen suggested that each EDA member reach out with phone calls to five or six names on the list.

Member Skaff stated he would be willing to help with recruiting businesses to attend the breakfast. He indicated that Northgate Church has never been on the list and questioned whether the list was comprehensive enough to reach all businesses in the community. He felt the City should invite them because they are part of the business community.

Management Analyst Brama agreed to add nonprofit businesses and religious organizations to the invitation list.

Councilmember Elvig stated there are a couple of networking groups that meet once per month at City Hall and suggested that staff invite these groups and hand out flyers to them.

Chairperson Riley requested that Management Analyst Brama send the invitation list to the EDA members so that follow-up phone calls can be made.

4.05: Discuss Potential RV Expo

Management Analyst Brama indicated that staff contacted five local dealerships about holding an RV expo in conjunction with the 2013 annual business expo and the dealerships have indicated an interest in being involved and were pleased that the City came up with this initiative.

Chairperson Riley felt this was a great idea and felt the RV dealerships could take the lead on putting together the RV expo.

Management Analyst Brama stated the environmental expo is separating from this event and will be combining with the Happy Days event. He stated that an RV expo will not have a drastic effect on the budget and should not involve significant staff time.

Member Skaff asked if the dealerships will be charged for booth space.

Management Analyst Brama replied in the affirmative.

Member Skaff urged the City to find a way to make this event revenue neutral and felt that an RV expo would bring a lot of synergy to the business expo event.

Management Analyst Brama suggested that staff put together a proposal for review by the EDA at its next meeting, including possible dates, location, and the fee to be charged to participants.

Member Williams stated it will be important to make sure the date does not compete with other shows the dealerships might be attending. She also suggested the City determine if it will contribute to any marketing for the event.

Member Steffen indicated that marketing for an RV expo will likely expand outside of Ramsey.

Management Analyst Brama agreed to schedule a planning meeting with the RV dealerships to further discuss the RV expo and answer any questions raised by this group.

4.06: Discuss Future Development of 8020 147th Ave NW

City Administrator Ulrich explained that the property at 8020 147th Avenue NE was purchased with \$600,000 of EDA money and the City Council has given authority to the HRA to market the property. He stated that options include selling the property immediately, or the City could acquire the property to the south which would add approximately one acre to this parcel, or the City could combine all the parcels in this block into a 3.5-4 acre parcel, realizing that this option is a longer term strategy given the Armstrong and Highway 10 interchange is likely ten years away. He stated this property remains an important commercial parcel and staff recommends that an updated appraisal be prepared of the current condition based on the improved access to the site. He added staff also recommends some preliminary marketing be done to contact prime users such as Walgreens or CVS to determine if this site would be a good fit for them.

Development Services Manager Gladhill discussed the property's retail zoning stating that the same standards apply to this property as The COR. He stated that the intersection with Sunwood will be signalized by the end of the year. He advised that the City can work off an RFP for this property because it is outside of the Landform contract and noted that staff can do some basic planning in-house before further dollars are spent on a consultant.

Discussion ensued regarding the surrounding properties.

Member Steffen felt the City should not put the property up for sale until a final determination is made regarding which option to pursue.

Member Williams stated she was hesitant to authorize an appraisal at this time and felt that an updated appraisal in approximately six months would provide a more accurate reflection of the value once the new business is in place across the street.

It was the consensus of the Economic Development Authority to postpone the appraisal and to bring this matter back to the EDA in six months or sooner if necessary.

4.07: 2013 EDA Work Plan

Management Analyst Brama requested input from the EDA regarding the 2013 work plan given the recent election and upcoming changes on the City Council and EDA; in addition, input from the EDA is needed regarding whether to engage in a more structured strategic planning process and if so, whether to wait until January to engage in that process.

City Administrator Ulrich stated that Mayor-elect Strommen has expressed an interest in strategic planning for the City Council and the objectives of the EDA naturally cascade down from the City Council's leadership on key issues for the City. He suggested it may be prudent to wait until January.

It was the consensus of the EDA to postpone further discussion of the 2013 EDA Work Plan until January 2013.

Member Steffen asked when the openings on the EDA will be filled.

City Administrator Ulrich stated that the City Council representatives on the EDA will be appointed at the first City Council meeting in January.

Development Services Manager Gladhill advised that the two openings on the EDA have been posted for advertising in the *Ramsey Resident* and interviews will be conducted in January and February with appointments made in March 2013.

Member Steffen expressed concern that the EDA will have two vacancies from January 1 until April 1 and requested the City accelerate the process for filling the two vacancies on the EDA.

It was the consensus of the EDA to direct staff to fill the vacancies on the EDA as soon as possible after January 1, 2013.

4.08: Review Proposed Sewer Availability Charge (SAC) Credit Policy and Recommend Policy for Credit Distribution

Development Services Manager Gladhill explained that the City has an opportunity to create a SAC credit bank that can be applied to other parcels under three categories, including net credits, minor transfers, or small business loans. He noted that staff recommends deferring implementation of a minor transfer program and moving forward with the net credits and small business loans at this time. He explained how net credits would be applied to a new land use based on reduced demand and how net credits can be converted to a new use. He stated this program allows the City to apply net credits anywhere the City chooses adding that a prime example is Highway 10 where the City could take those credits and use them elsewhere as an economic development tool. He indicated that credits can only be used if the City has credits available and might only represent a portion of a particular parcel's SAC payment. He stated that the minor transfer program will continue to be reviewed by staff and further information provided at a later date. He stated that the short-term loan is a deferred payment and the City would work out a loan arrangement with the Met Council adding that the short-term loan program does not cost the City anything and a short-term loan has to be ten SAC units or less.

Chairperson Riley stated this seems like a great tool and would be fairer to all users.

Development Services Manager Gladhill stated that the Finance Department would take care of the program and staff feels the program fits within the City's goals.

Member Williams asked if use of the bank of credits would require the consent of an existing land owner or building owner.

Development Services Manager Gladhill advised the City would ask for that consent to make the process more transparent and the City would want consent from the property owner and the tenant of that space.

Motion by Member Skaff, seconded by Member Steffen, to recommend that the City Council adopt a policy to allow Net SAC Credits to be applied Citywide and to create a SAC Small Business Loan/Deferred Payment Program and to recommend that the City Council monitor the success and administrative overhead required to implement these two programs before considering a Minor Transfer Program.

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

4.01: Prospect Update, Mike Mulrooney

This item was not discussed due to Mr. Mulrooney's absence.

5. Member/Staff Input

City Administrator Ulrich reported that the City Council approved the Northgate Church project. He also reported that the purchase agreement for McDonald's has been signed and construction will begin next year. He stated that the purchase agreement on the Super America site was cancelled by Super America due to the City Council's action on Wiser Choice and this item will come back to the HRA at its next meeting. He stated the City Council approved an option agreement to purchase the property for an assisted living center. He reminded the EDA of the rail ribbon cutting today at 1:00 p.m. and the Youth First Community of Promises Event at 5:30 p.m. tonight at Greenhaven. He advised the City has continued its discussions with Target and there will be an executive site team visit soon.

Member Steffen stated he has received feedback about the rationale for putting in a gas station and liquor store across the street from an existing gas station and liquor store. He added he has similar concerns for Coborn's.

City Administrator Ulrich stated the City always weighs the concerns of existing businesses and the City did not hear any objection from Coborn's either formally or informally. He agreed with Member Steffen's concerns about existing businesses but reiterated the objections were non-existent from Coborn's. He added the City has worked with Coborn's on access to the center and Coborn's appears to be pleased with the alignment and additional parking.

Member Steffen stated he has heard grumblings from Coborn's especially if Target comes in.

6. Adjournment

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

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

The regular meeting of the Economic Development Authority adjourned at 9:36 a.m.

Respectfully submitted,

Kurtis G. Ulrich, City Administrator

ATTEST:

Patrick Brama, Management Analyst

Draft by Barbara Hughes, *TimeSaver Off Site Secretarial, Inc.*