

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

The Housing and Redevelopment Authority conducted a Special Session meeting on Tuesday, February 21, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

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

Members Absent: Commissioner Bob Ramsey
 Commissioner Sarah Strommen

Also Present: City Administrator Kurtis G. Ulrich
 HRA Executive Director Heidi A. Nelson
 Development Manager Darren Lazan
 Planning Intern Patrick Brama

CALL TO ORDER

Chairperson McGlone called the special meeting of the Housing and Redevelopment Authority to order at 8:53 p.m.

OPEN FORUM

There was none.

APPROVAL OF AGENDA

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

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

APPROVAL OF MINUTES

None.

HRA BUSINESS

Case #1: Consider Fifth Amendment to Purchase Agreement – Suite Living

Development Manager Lazan reviewed the staff report to consider a fifth amendment to a purchase agreement with TOTI Holdings, LLC, Suite Living (TOTI) to extend the proposed closing date of February 15, 2012. TOTI proposes closing on the property in March with a \$20,000 extension fee and one-half the purchase price due, and the remainder on a six-month note payable to the HRA before construction can commence.

Commissioner Elvig commented the City was out paced by Anoka. He stated this project needs to move forward or risk losing the City's demographic. He stated the City and TOTI would share the land purchase.

Development Manager Lazan replied TOTI would get title to the property. He stated if they are unable to obtain further funding, TOTI would forfeit the property and the City would take the property back. He stated there is a benefit in moving forward.

Commissioner Elvig stated he has not heard of a situation like this and asked if the City's demographic is stable. He also asked if this project approach is acceptable to the City Attorney.

Chairperson McGlone replied he does not see the need to consult the City Attorney on this issue.

HRA Executive Director Nelson stated the documents were drafted by Tom Bray and stated if TOTI is unable to pay off the note and move forward, the title is surrendered to the City.

Development Manager Lazan stated the market is stable. He indicated TOTI has also been watching Lord of Life and noted Stoney River has 83 member beds. He stated the agreement needs to be executed by March 1.

Motion by Chairperson McGlone, seconded by Commissioner Elvig, to approve the proposed amendment to the purchase agreement and direct the Executive Director to execute the document upon receipt of the extension fee and prepare a notice of termination of March 1, 2012.

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

Case #2: Consider 2012 ICSC ReCON Attendance and Budget

HRA Executive Director Nelson reviewed the staff report for the HRA to attend and exhibit at the 2012 ICSC ReCON conference. She stated the conference is good for networking with real estate professionals, retailers and developers from throughout the country. She stated the marketing materials used for the conference are stocked and ready to be shipped. A commitment is needed soon in order to reserve booth space.

Development Manager Lazan agreed it is an important conference for the HRA to participate in.

Commissioner Wise agreed the convention is important for the HRA and a presence is important, but HRA should scale back the cost.

Commissioner Tossey stated the City should save the money and not attend.

Commissioner Backous stated attending the convention is worthwhile but if the expense schedule on meals and entertainment gets out to the public, it would be a hard sell.

Development Manager Lazan replied the per diem is based on the past two year's expenses and could be cut back.

Commissioner Backous stated the expenses need to be cut back because they seem high.

Chairperson McGlone stated this is a long-term investment and he favors being as frugal as possible. He suggested not having a booth and sending more people to cover the floor.

Commissioner Backous asked if the conference allows people to attend and not have a booth.

Development Manager Lazan replied about 15% of the companies have booths, others just send staff.

City Administrator Ulrich stated the first year, the HRA shared a booth with Buxton.

Development Manager Lazan stated the booth size would be 20 x 10 and the HRA had approached Osborne about sharing a booth.

Commissioner Elvig felt the last budget to cut is marketing. He agreed with cutting back expenses, but not cutting booth space because it may look cheap. He believed having a booth is critical, noting the HRA already has the marketing materials. He does not agree with partnering with Osborne.

Development Manager Lazan stated the booth rental is \$1,800.

Chairperson McGlone asked about attendees sharing rooms.

HRA Executive Director Nelson replied this is not an option.

Commissioner Elvig stated last year's room cost was \$49.

Chairperson McGlone stated he would advocate for more personnel attending.

Commissioner Wise stated image is what attracts people and it would be foolish not to go.

Commissioner Elvig stated it would be beneficial to have a couple more booths.

Commissioner Wise stated last year was his first year attending. He suggested Commissioner Tossey attend the convention.

Commissioner Tossey replied you are using the public's money to go to Las Vegas.

Chairperson McGlone stated attending the convention is still work and he would advocate for more booths.

Commissioner Elvig stated he would advocate for more attendees.

Development Manager Lazan asked if three staff and two Commissioners should attend the convention.

Commissioner Backous stated he was not a fan of the convention last year but he now sees the value in the convention and looks at it as marketing.

Commissioner Tossey stated the City does not need to attend this event, thinking it has not proven to be money well spent.

Commissioner Backous replied you never know who you will meet at this convention.

Commissioner Elvig stated advertising needs to keep going and the HRA needs to stay in the public's eye.

Chairperson McGlone believed the marketing effort at the convention was worthwhile.

HRA Executive Director Nelson stated the money is budgeted for HRA and she is seeking approval to make the arrangements.

Chairperson McGlone and Commissioner Wise indicated they were open to attending, Commissioner Backous passed on attending, and Commissioner Elvig asked to be second choice if someone cannot attend.

Development Manager Lazan stated he will budget for two Commissioners and three staff to attend and cut the per diem.

Commissioner Wise stated he did not take the per diem last year and paid \$400 out of his own pocket.

Chairperson McGlone stated he did not spend over the per diem last year.

Commissioner Elvig stated flexibility on expenses is important because you don't know what you are going to run into.

The consensus of the HRA was to have two Commissioners and three staff attend the 2012 ICSC ReCon Conference.

EXECUTIVE DIRECTOR'S REPORT

HRA Executive Director Nelson reported on the following:

- A conference call with Tom Bray today and another is scheduled for the morning. HRA should have something on the agenda for February 28.
- Senate realignment discussion will be in a closed session on February 28.
- City's Alternative Urban Area Review (AUAR) is expired and needs to be updated within six to nine months.
- North Gate will discussed at the February 28 Work Session or may be moved to March.
- Kwik Trip deal went away for the corner of Armstrong and Sunwood. Development Manager Lazan replied Kwik Trip wants to talk more to the City in 2013. HRA Executive Director Nelson stated they want exclusivity on site control.

COMMISSIONER INPUT

None.

ADJOURNMENT

Motion by Commissioner Wise, seconded by Commissioner Tossey, to close the Special Session meeting of the Housing and Redevelopment Authority.

Motion carried.

The special meeting of the Housing and Redevelopment Authority adjourned at 9:46 p.m.

Respectfully submitted,

Heidi A. Nelson
HRA Executive Director

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Linda Dahlquist
TimeSaver Off Site Secretarial, Inc.