

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, February 9, 2010, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson John Dehen
 Commissioner David Elvig
 Commissioner David Jeffrey
 Commissioner Matt Look
 Commissioner Bob Ramsey
 Commissioner Jeffrey Wise (arrived at 8:54 p.m.)

Members Absent: Commissioner Colin McGlone

Also Present: City Administrator Kurtis G. Ulrich
 Deputy City Administrator Heidi A. Nelson
 Planning Manager Amber Miller
 Economic Development Coordinator Sean Sullivan
 City Attorney Bill Goodrich
 Darren Lazan, Landform

CALL TO ORDER

Chairperson Dehen called the regular meeting of the Housing and Redevelopment Authority to order at 8:52 p.m.

OPEN FORUM

There was none.

APPROVAL OF AGENDA

Motion by Commissioner Look, seconded by Commissioner Ramsey to approve the agenda as submitted.

Motion carried. Voting Yes: Chairperson Dehen, Commissioners Look, Ramsey, Elvig, and Jeffrey. Voting No: None. Absent: Commissioner McGlone and Wise.

APPROVAL OF MINUTES

Motion by Commissioner Look, seconded by Commissioner Ramsey, to approve the following minutes:

Special Meeting Minutes dated Tuesday, January 12, 2010
Special Meeting Minutes dated Tuesday, January 19, 2010
Special Meeting Minutes dated Tuesday, January 26, 2010

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

Commissioner Wise arrived at the meeting at 8:54 p.m.

HRA BUSINESS

Case #1: Review and Adopt 2010 Housing and Redevelopment Authority Operating Budget

Planning Manager Miller reviewed the staff report.

Commissioner Ramsey stated he understands the need for the City to have an operating fund balance but questioned why the HRA has a fund balance when it does not extend salaries or other expenses.

Deputy City Administrator Nelson explained the City's practice to use the current year levy for operating and the rest in reserve that could potentially be used for projects.

The HRA discussed the actual revenues and amount levied.

Commissioner Elvig left the meeting at 8:56 p.m.

Commissioner Look recalled the HRA did levy the full amount with the understanding there would be additional expenses for the Town Center and the City had cut taxes in other areas.

Motion by Commissioner Jeffrey, seconded by Commissioner Ramsey, to adopt Resolution #HRA-10-02-002, Adopting the 2010 Housing and Redevelopment Authority Operating Budget and to adopt Resolution #HRA-10-02-003, Amending the 2009 Housing and Redevelopment Authority Operating Budget.

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

Case #2: ICSC Conference Preparation and Attendance

Deputy City Administrator Nelson reviewed the previous discussion held regarding the City's branding exercise and role of the developer. She requested input whether the HRA is comfortable moving forward as the developer of the Town Center and in that context to consider the ICSC Conference, overall branding, and overarching management issues.

Commissioner Elvig returned to the meeting at 9:00 p.m.

The HRA discussed attendance at the ICSC and the benefits of having a booth and enough attendees to make development contacts.

Darren Lazan, Landform, presented a budget of \$27,127 that included registration for eight, lodging, meals and entertainment, miscellaneous, two hosted dinners, travel, and a booth.

Economic Development Coordinator Sullivan stated the EDA had already authorized the allocation for two staff members to attend and \$2,000 for a booth.

Deputy City Administrator Nelson advised that six have pre-registered and reviewed their names.

Chairperson Dehen stated he sees there is some benefit but questioned the need for eight to attend this conference.

Commissioner Ramsey described the benefit of having enough attend that they can form groups to make contacts and staff the booth. In addition, he felt there was benefit to have elected officials in attendance when contacting developers.

Mr. Lazan reviewed the budget for a booth of \$6,525, noting it can be scaled back and he expects they will get an adjusted price. He described how the booth is set up, features it includes, and that it is taken down and stored by the vendor.

Commissioner Look commented on the wholesale costs for a booth and raised the option for the HRA to purchase a booth that can be utilized at City Hall.

Mr. Lazan stated that is a good idea for some conventions but the ICSC Conference requires you to use their booths. He advised the City's 10' by 10' booth would be well placed, located across from Bass Pro.

Commissioner Elvig stated he felt this booth budget was reasonable for this show.

Mr. Lazan made some suggestions to share a booth with others to economize.

HRA indicated they did not want to share booth space and discussed the valuable leads they got from last year's ICSC Conference.

Economic Development Coordinator Sullivan advised of staff's follow up contacts with these leads through emails and phone calls.

Mr. Lazan stated they put together 30 packages with construction schedules, the Town Center location, and will finalize that package with a branded brochure and information.

The HRA discussed that this Conference is large, covering about 80 acres so it is a bit daunting to adequately cover.

Mr. Lazan agreed that eight is a large number to attend the Conference but would allow two to host the booth and three teams of two people to attend meetings and make contacts.

Commissioner Ramsey offered to not attend to allow someone else to have the experience.

Motion by Commissioner Elvig, seconded by Commissioner Ramsey, to approve the attendance of City Administrator Ulrich, Economic Development Coordinator Sullivan, Deputy City Administrator Nelson, Mayor Ramsey, and Councilmembers McGlone, Elvig, and Look at the ICSC Conference and establish a maximum budget of \$27,127 to cover associated costs and marketing materials.

Further discussion: Deputy City Administrator Nelson stated that either she or Economic Development Coordinator Sullivan will attend, not both. Chairperson Dehen stated the HRA needs to consider the value the City is getting and asked what other communities are doing. Commissioner Look stated a lot of cities were at the Chicago show. Commissioner Ramsey stated the number attending could be scaled back but having four groups of two allows one group to host the booth while others attend meetings. Chairperson Dehen stated his support to scale back the number because of the cost. Commissioner Elvig stated that at a previous convention they contacted GoldStar and then were able to come back again to get more information and GoldStar was impressed that Ramsey had sent elected officials and "meant business." The broker for CVS had also asked how many elected officials Ramsey sent, was impressed, and asked to see Ramsey's information. Economic Development Coordinator Sullivan pointed out one change is that the City now owns the land and can make the deal. Mr. Lazan stated his contract is for a fixed fee, plus expenses. Commissioner Elvig noted some funds will be coming from the EDA. Economic Development Coordinator Sullivan raised the option to have the HRA cover one-half and the EDA cover one-half for the cost of the booth. Chairperson Dehen stated it is all tax dollars regardless of the fund used.

Motion carried. Voting Yes: Commissioners Elvig, Ramsey, Jeffrey, Look, and Wise. Voting No: Chairperson Dehen. Absent: Commissioner McGlone.

Case #3: Authorize Budget for Marketing Material Development for Ramsey Town Center

Deputy City Administrator Nelson reviewed the staff report and requested direction on a budget for marketing the Brand Strategy.

Commissioner Look stated he was not impressed with the artwork presented, feeling it was "Arizona-ish." He stated it is not business-to-business but selling confidence to invest in Town Center and that you are not alone in that investment.

Commissioner Elvig stated he also felt the presentation was weak and suggested meeting with VyWay to give examples of what Ramsey is looking for.

Mr. Lazan suggested talking with VyWay about adding other team members that can create more edgy graphics. He noted the need to negotiate the cost to assure it is all under the same umbrella.

Chairperson Dehen asked what is the dollar amount where the HRA can reasonably evaluate VyWay's work product. He suggested authorizing \$20,000 and then authorizing more if the HRA is satisfied with the work product.

Mr. Lazan stated he does not know about the experience of VyWay in marketing real estate projects. He commented how the City's branded material will be woven into this process. Mr. Lazan noted VyWay is not yet done with the message matrix to different audiences and a more prolific document is needed.

Commissioner Look commented on the need to get a key message matrix and test that will fit, not something that the artist or VyWay likes. He noted the design of the logo needs to incorporate the key talking points and questioned buying the final product directly from a designer.

Mr. Lazan explained that doing all graphics is more manageable than to piecemeal it out and VyWay, as a design professional, will assure all pieces tie into the brand.

The HRA discussed staff's experience with other branding projects and the costs involved.

Commissioner Elvig stated he had gone through a branding process twice for his business and did not find these numbers of concern. He noted the HRA has a huge investment in the Town Center property and want it to be a quality project. The City Hall is a "gem" and this vision needs to be articulated on paper and tied together with visuals for a seamless flow of feeling and sensitivity. Commissioner Elvig stated he felt Anne Berg of VyWay was quite good and noted that \$10,000 is a low bid so he did not believe she was over priced. He noted the Town Center is a billion dollar project so he did not want to make a wrong decision here.

Motion by Commissioner Elvig, seconded by Commissioner Jeffrey, to approve a budget for the marketing of the Ramsey Town Center at \$50,000 including both logo and secondary marketing scheme.

Further discussion: Commissioner Jeffrey supported milestone check-in points before the product is finished with ability to have an out. Commissioner Elvig stated Ms. Berg has articulated that she knows what the HRA is are looking for and when the HRA said it was "too touchy/feely" she articulated it. Commissioner Ramsey stated he has little artistic ability and does not understand the entire branding process but has a vision of what he wants the Town Center to be, and he does not know if Ms. Berg fully grasped "Urban Jackson Hole." Mr. Lazan stated he is more concerned about Ms. Berg's ability to hit a real estate market but also felt the graphics were light. He suggested staff work with Ms. Berg and populate the seven points with dates and detail. Commissioner Elvig supported having milestones and noted this comes down to the HRA's ability to steer VyWay. He noted that photographs could be used to articulate what the HRA is looking for so Ms. Berg can put together illustrations and write the words to make it all fit. Chairperson Dehen stated he will not support the motion to expend \$50,000 but would

support authorizing \$25,000 and then checking progress and deciding whether to authorize another \$25,000. Commissioner Jeffrey stated support to consider payments based on milestones and output, perhaps in increments of \$10,000. Mr. Lazan stated he will draft a detailed scope with milestones.

Motion by Commissioner Elvig, seconded by Commissioner Jeffrey, to amend the motion to approve a budget of \$50,000 with milestones and to make payment per milestones.

Further discussion: Commissioner Look stated he would not support the motion because he has not been happy with the output thus far.

Amended motion failed. Voting Yes: Commissioners Elvig, Jeffrey, and Wise. Voting No: Chairperson Dehen, Commissioners Look, and Ramsey. Absent: Commissioner McGlone.

Commissioner Wise noted that Mr. Lazan has gone through this process before and felt VyWay was good at marketing an item but this project involves a municipality and he felt the graphics were "cookie cutter."

Following discussion, the HRA agreed to meet with Ms. Berg to tell her that the HRA is not sold on what had been presented. Ms. Berg will be asked for more specifics on the breakdown of cost and it will be explained that the HRA will not consider giving \$50,000 without a milestone type of payment. Ms. Berg will also be asked to provide examples of graphics she developed for other projects.

Case #4: Update on Master Planning for Ramsey Town Center – East End

Mr. Lazan provided an update of the master planning process for Ramsey Town Center, described the three study areas that have been defined, and presented questions that will be raised at the meeting next week for each of the study areas.

The HRA briefly discussed the community center being used as an event center and how the PACT may utilize it, if constructed.

The HRA agreed to next consider Case #6.

Case #6: Discuss Flaherty and Collins Deal Structure

Deputy City Administrator Nelson noted this case involves a land transaction.

City Attorney Goodrich suggested that the HRA move into a closed session.

Motion by Commissioner Jeffrey, seconded by Commissioner Look, to move the Special Housing and Redevelopment Commission Meeting into a closed session.

Motion carried. Voting Yes: Chairperson Dehen, Commissioners Jeffrey, Look, Elvig, Ramsey, and Wise. Voting No: None. Absent: Commissioner McGlone.

The Special Housing and Redevelopment Meeting moved into a closed session at 10:20 p.m.

The open meeting was reconvened at 10:55 p.m.

Case #5: Review Development Management Contract Framework

Deputy City Administrator Nelson reviewed the staff report.

Commissioner Ramsey stated there is not enough time tonight to discuss this contract in detail and he would like the HRA to determine how fast it wanted to move forward.

Mr. Lazan explained he had drafted several versions of incentive and the intent tonight was to discuss the framework of the contract and ignore the fee; however, one iteration of the fee was included by mistake. Mr. Lazan commented on the high level of service included in the RFP and large investment in the Ramsey Town Center.

Commissioner Elvig stated he would like to see a cost summary as soon as possible, feeling a lot of decisions were being made in a vacuum. He stated he did not feel \$50,000 for marketing was too costly but it would be easier to understand with an overall scale of the finances.

Mr. Lazan offered to address the nuances of the contract and stated he will dedicate a fair amount of time to develop a potential budget, scale and tasks of the project, and a strategy map.

Commissioner Look raised questions regarding the timeframe, where market is going, and how much subsidizing the HRA has to do before reaching a tipping point. He commented on the budget for the ICSC Conference and Skip Greeby being part of the management team.

Mr. Lazan indicated that a lot of thought went into the structure and team members. He reviewed their contacts and projects.

Chairperson Dehen stated support for a contingent fee based on projects brought in. He noted that if we are paying a consultant \$30,000 a month for two years, the City could hire someone in house to handle this development at a lower cost.

Mr. Lazan explained the contract includes a development team to handle the scope for master planning, all conceptual layouts, preliminary engineering, plan review and approval of other's work. He stated this development team is the marketing piece to create a program that hits and addresses markets.

Chairperson Dehen asked for commitment to give staff the "dashboard" component within one week.

Mr. Lazan explained the dashboard is being customized to the City's project with added concepts to calculate tax and fees.

Consensus was reached to direct staff to schedule a Work Session for when this topic is discussed along with the Town Center, timing, and how much the HRA wants to spend.

Case #6: Discuss Flaherty and Collins Deal Structure

This case was discussed prior to Case #5.

COMMITTEE REPORTS

None.

EXECUTIVE DIRECTOR'S REPORT

None.

COMMISSIONER INPUT

None.

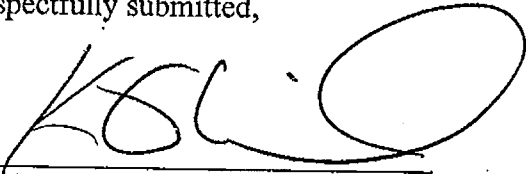
ADJOURNMENT

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

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 11:32 p.m.

Respectfully submitted,



Kurtis G. Ulrich
HRA Executive Director

ATTEST:

