

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, June 12, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Colin McGlone
 Commissioner Randy Backous
 Commissioner Bob Ramsey
 Commissioner Sarah Strommen
 Commissioner Jason Tossey (left at 10:01 p.m.)
 Commissioner Jeffrey Wise

Members Absent: Commissioner David Elvig

Also Present: HRA Executive Director Kurtis Ulrich
 City Engineer Tim Himmer
 City Attorney Bill Goodrich
 Development Manager Darren Lazan

1. CALL TO ORDER

Chairperson McGlone called the regular meeting of the Housing and Redevelopment Authority to order at 9:11 p.m.

2. CITIZEN INPUT

There was none.

3. APPROVAL OF AGENDA

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

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

4. APPROVAL OF MINUTES

- None.

5. HRA BUSINESS

5.01: Approve Development Plan 6.0

Development Manager Lazan presented Development Plan 6.0 and answered questions of the Commissioners relating to the proposed use of the COR 6 plat that changed from neighborhood commercial to residential due to access restriction and the potential uses for the five-acre Sunwood Retail site. He noted the potential relocation site for Wisser Choice Liquor and described points of access.

Motion by Commissioner Ramsey, seconded by Chairperson McGlone, to approve Development Plan 6.0.

Further discussion: City Engineer Himmer recommended the Development Plan reflect the access and median change on Sunwood Drive; assure adequate space to accommodate a roundabout; and, address proximity of access to Ramsey Boulevard at the southeast corner of Ramsey Boulevard and Sunwood Drive. Commissioner Tossey stated his intent to not support approval and concern that such action may result in locking the HRA into having to approve certain projects. He stated he does not think it is for government to do this type of planning. Development Manager Lazan explained the Development Plan acts as a sales tool, can be changed to react to the market, quantifies the City's vision for the property, and is useful for calculating traffic loads, AUAR and Metropolitan Council considerations, and grant applications. He indicated this Development Plan resulted from a community-based effort, received input from all property and business owners, and allows the Development Team to do its work while the HRA oversees and assures it reflects the City's vision for the project.

Motion carried. Voting Yes: Chairperson McGlone, Commissioners Ramsey, Backous, Strommen, and Wise. Voting No: Commissioner Tossey. Absent: Commissioner Elvig.

5.02: Update on Sunwood Drive Realignment Project – Portions of this discussion may be closed to the public

Commissioner Wise recused himself due to a potential conflict of interest and left the Council Chambers at 9:37 p.m.

Development Manager Lazan reviewed the staff report.

Commissioner Ramsey referred to the original TIF Plan that calculated roads, parking, and future roads.

Commissioner Strommen stated the action is whether to contribute land proceeds in deviation of the HRA's disbursement policy for land proceeds. She indicated additional information is needed related to the balance sheet on proceeds from this user as well as development fees to Landform since this is a unique situation involving a sitting member of the HRA and having to pay relocation fees.

Development Manager Lazan explained the expenses in general were included in the TIF Plan, but the question is if the HRA has the revenue to contribute those dollars. He noted a spending plan was developed. Expected revenue derived from the land sales is \$85 million and expenses

are \$65 million. Because of the need to address cash flow, an informal policy was set to contemplate each project as it comes forward, to calculate TIF from that project, and use it to support that specific project. He asked the HRA if it wanted to step in advance of receiving revenue, or wait for revenue to be in place.

City Administrator Ulrich indicated the HRA's basis in the land is \$2.50/square foot. He noted the Sunwood Drive project adds both value and costs, and eventually the City needs to reach a break-even point for the money it put into the project. City Administrator Ulrich stated land proceeds are an important part of the disbursement policy to pay back the Water Fund for money borrowed to purchase the land. He believed there was a good argument to say the HRA was still investing in the property to do a land trade between the HRA and City and put the land proceeds into infrastructure costs to make it more probable to get additional land proceeds.

Commissioner Ramsey supported the recommendation of staff and the Development Team for the HRA to give this parcel to the City to invest into this project.

Commissioner Tossey agreed and stated he could also support, in this particular case, to use those proceeds for this project.

City Engineer Himmer asked if the HRA knows the size of the parcel, noting it has not yet been platted.

Development Manager Lazan stated they contemplated a one-acre parcel for a net usable one-acre parcel at just over \$500,000.

City Engineer Himmer noted it will be more than an acre because of the need to develop access roads and parking to support it and future lots.

Development Manager Lazan agreed the HRA also takes on the burden to reconfigure access from Sunwood Drive to the Colburn's anchored site.

Commissioner Strommen requested staff provide all of the details mentioned by City Engineer Himmer as well as the budget with all costs so the HRA has a full understanding of how to get to net proceeds.

The consensus of the HRA was to move forward and direct staff to prepare a resolution for consideration at a future meeting to donate the land sale proceeds.

Commissioner Wise returned to the meeting at 9:54 p.m.

5.03: Consider Offer to Purchase Land – North Commons – Portions of this discussion may be closed to the public

Development Manager Lazan reviewed the staff report.

City Attorney Goodrich advised that under Minnesota Statutes, the meeting can move into closed session to discuss confidential or non-public appraisal data and acquisition negotiations. He indicated closed session discussion will relate to an offer to purchase a single-family HRA-owned lot described as being in the northwest quadrant of Zeolite and Bunker Lake Boulevard. The closed session will be tape recorded and that tape will be maintained for a period of eight years.

Motion by Commissioner Ramsey, seconded by Chairperson McGlone, to move to closed session to discuss acquisition negotiations.

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

The HRA meeting moved into a closed session at 10:01 p.m.

The HRA reconvened in open session at 10:18 p.m. It was noted that Commissioner Tossey was not in attendance.

Motion by Commissioner Wise, seconded by Commissioner Backous, to approve the Purchase Agreement and authorize staff to execute Purchase Agreement and related documents and approve authorizing the preparation of engineering documents to complete the development, subject to review and approval by Attorney.

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

5.04: Review COR History and Exit Strategy

City Administrator Ulrich reviewed the staff report.

The HRA considered the history information and noted several corrections to reference the 2006 to 2007 Ramsey3 process and \$50,000 grant. It was also suggested including additional information relating to the RFP process used when Landform was hired and correctly reference the property as the Ramsey Town Center prior to rebranding as The COR, possibly creating differentiation by using a different color.

Commissioner Ramsey requested additional detail and meeting minutes from 2009 when the Council discussed its rationale to become involved in purchasing the Ramsey Town Center. He noted that to determine exit strategy, the HRA needs to first understand why the City got involved.

Commissioner Strommen asked if the purpose is for the HRA's information, to show the story to the public, or to market the property.

Commissioner Wise stated he wants to assure transparency so the public understands what is going on with their money.

Commissioner Backous stated he would like to see the story of how Landform was selected.

Due to the late hour, the HRA agreed to table consideration of the exit strategy to a future meeting.

Development Manager Lazan asked the HRA to provide its comments on the exit strategy prior to the next meeting so he can revamp that information for additional discussion.

The consensus of the HRA was to direct staff to revise the history information as discussed and create a narrative describing why the City became involved in the Ramsey Town Center property, the risk, benefit, hiring of Landform, and decisions the Council faced that resulted in the City getting into the development business.

6. EXECUTIVE DIRECTOR'S REPORT

6.01: Review Development Dashboard

The HRA supported the suggestion of Commissioner Backous to table this item for additional discussion.

6.02: Recap of Activities and Materials from ICSC Spring Conference

Development Manager Lazan presented a report on the International Conference of Shopping Centers (ICSC) Spring Conference. He indicated there was a fair amount of recognition and compliments on the City's booth and The COR marketing materials. Development Manager Lazan presented the ICSC budget, estimating costs will be \$14,000 to \$15,000 including all marketing materials, which is about \$2,000 under budget.

7. COMMISSIONER INPUT

Commissioner Ramsey stated a QuickTrip is being built in Anoka and he has been asked why Ramsey lost that project.

Development Manager Lazan clarified that QuickTrip was under contract to construct in Anoka prior to opening discussions with Ramsey. He stated he is hopeful to talk with QuickTrip again this fall if a parcel is available.

8. ADJOURNMENT

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

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 10:47 p.m.

Respectfully submitted,

Kurtis G. Ulrich
HRA Executive Director

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Carla Wirth
TimeSaver Off Site Secretarial, Inc.