

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, August 28, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

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

Members Absent: None

Also Present: HRA Executive Director Kurtis G. Ulrich
 Development Services Manager Timothy Gladhill
 Management Analyst Patrick Brama
 City Attorney William Goodrich
 Development Manager Darren Lazan

1. CALL TO ORDER

Chairperson McGlone called the regular meeting of the Housing and Redevelopment Authority to order at 8:42 p.m.

2. CITIZEN INPUT

There was none.

3. APPROVAL OF AGENDA

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

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

4. APPROVAL OF MINUTES

- None.

5. HRA BUSINESS

5.01: Consider Housing Assistance Policy

Development Services Manager Gladhill reviewed the staff report and answered questions of the HRA relating to the need for the projects to identify a stated goal, noting there is a broad range of grants to which this will relate. He asked whether this addresses grant opportunities or solely HRA opportunities.

Commissioner Strommen suggested a two tiered ranking system depending on whether it is HRA funded or grant funded. She questioned whether staff was suggesting a policy to provide or a program that includes specific guidelines.

Following a brief discussion, it was the consensus of the HRA to refer the Housing Assistance Policy to a future Work Session as it merited additional discussion.

5.02: Discuss Format and Request for Authorization for Resident Roundtable Discussions

City Administrator Ulrich stated this topic came from a strategic planning session as a tactic and was an issue relating to mature neighborhoods, foreclosed homes, deteriorating neighborhoods, and how the City Council or HRA can help.

Development Services Manager Gladhill reviewed the staff report and requested basic feedback for a staff drafted policy.

The HRA discussed the merits of holding resident roundtable discussions to hear from residents of mature neighborhoods and foster a group discussion as opposed to hearing from residents individually. It was noted the intent is not to provide answers to the issues or fund any initiatives but, rather, an educational opportunity to learn more of what residents desire. With regard to timing, it was suggested this effort be delayed until the spring of 2013.

Chairperson McGlone expressed concern with the costs to hold such neighborhood meetings, noting residents have opportunities to voice concerns through the City's website, Facebook, or attending a Council meeting.

The majority consensus of the HRA was to support a limited round table discussion, refer this item to a Work Session for further discussion, and direct staff to provide recommendation on possible meeting formats.

5.03: Review COR TWO Fees and Construction Cost Allocation

Commissioner Wise stated he will not participate in this discussion or vote as he is the owner of one of the properties under discussion. He stepped down from the HRA dais at 9:07 p.m. and took a seat in the audience.

Development Manager Lazan reviewed the staff report and answered questions of the HRA relating to the limited value of the properties under discussion due to drainage and utility easements. He clarified the properties could accommodate drives, parking, patio, and/or signage.

The HRA asked questions of Development Manager Lazan related to cash flow and development fees, requesting he provide that information to assure the project cash flows. It was noted that staff's recommendation results in an exception to the allocation policy by keeping sale proceeds from the Wise purchase in "play" to make improvements.

Development Manager Lazan encouraged the HRA to consider the three lots as one project, noting once improvements are completed and the three lots are sold, land sales will then disburse. This recommendation results in deferred allocation of \$750,000.

The HRA discussed and questioned ownership of the stormwater facility that would serve the three lots.

Development Manager Lazan noted the location of public sewer and water mains that would be covered by public easements managed by the City. He described the private storm sewer system and established concept that the first person in takes the lead on that maintenance and has the right to recoup costs from the other two lots. To avoid overhead costs of an association, the private utility easement would spell out maintenance requirements, prescribed controller, rights of reimbursement and recourse, provide the City with right to inspect and perform, if needed, and be recorded with the property.

City Attorney Goodrich noted the need for additional escrow to address the option in the purchase agreement for rent reimbursement.

Motion by Commissioner Ramsey, seconded by Commissioner Elvig, to approve the proposed allocation of development fees and construction costs and direct the Development Team to incorporate necessary language into the current purchase agreements.

Further discussion: Commissioners Strommen and Elvig stated the caveat of receiving the final cash flow numbers including development fees.

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

Commissioner Wise returned to the HRA dais at 9:31 p.m.

5.04: Consider Policy for the Replacement of Streetscape Disturbed by Construction

Development Manager Lazan reviewed the staff report and answered questions of the HRA relating to estimated costs depending on the scope of the project and types of streetscape involved.

The HRA discussed options available, noting the City currently has a policy for the contractor to make repairs and that is the case with this situation as well. It was clarified that the streetscape is already installed and the issue before the HRA is to work through a process going forward.

Commissioner Backous stated this should have been anticipated and he is disappointed that things like this (resulting in additional costs) keep coming back. Rather, it should have been built into the costs. Commissioner Backous advocated for only patching the sidewalk.

Commissioner Elvig requested additional information on costs, noting it may be the case that all of the streetscape is damaged by projects.

Commissioner Wise felt the HRA/City had impeded the properties by installing streetscape prior to development, noting that should have been thought about since it was planned to construct to the property line.

Commissioner Tossey stated it is clear that damage would happen and the developer has agreed to pick up the costs on what they damaged. He agreed it should have been anticipated; however, it wasn't and he preferred that the HRA not put any money forward unless it is covered retroactively by Anoka County HRA funds.

HRA Executive Director Ulrich stated that may be a good use of Anoka County HRA funds because it is a one-time expenditure.

Commissioner Ramsey stated this will be an issue to Zeolite and the concern is that it will have a patchwork appearance.

Commissioner Strommen stated there are two issues: the issue before the HRA tonight; and, the staff request on policy going forward for pre- and post-construction. She asked whether staff can provide estimated costs and stated she supports a policy if the HRA can get a pre-estimate and finalize it post construction.

Development Manager Lazan stated that is the input he is looking for, to create policy to protect the streetscape going forward. He explained that Flaherty & Collins is trying to protect the streetscape and is not making a request.

Commissioner Elvig stated he is looking for ideas that make sense, such as whether stained or bleached concrete is an option to eliminate a patchwork appearance.

Chairperson McGlone expressed his outrage about this situation because six years ago he had testified before the City Council on this very issue, that installing streetscape predevelopment is throwing money (\$750,000) away. He stated he wanted to remind all that he had made that argument and felt bituminous pathways should have been installed, similar to the temporary trail on the other side of the road.

Commissioner Backous agreed the streetscape should not have been installed, but it was. He stated he has no problem with the suggested policy but this situation should have been anticipated by the Development Manager.

Commissioner Elvig stated the City is responsible for building infrastructure and some residents have thanked the City for installing the streetscape because it gives a sense of completeness. He clarified the costs to make repairs are covered from contractors and the issue is whether the streetscape should be repaired or replaced.

Commissioner Tossey stated streetscape damage was anticipated because a policy is in place that requires Flaherty & Collins to make repairs. He stated if colored concrete is an option, it should be considered because it may be the cheapest alternative to address appearance.

The consensus of the HRA was to direct staff to draft a policy, as discussed, to hold a preconstruction evaluation to review the project and potential streetscape impacts. Following construction, a second evaluation of the portions damaged during construction will occur to determine the contractor's obligation to restore and the Development Team will make recommendations to the HRA on a case-by-case basis.

5.05: Review Sign Package and Design Framework Modifications

Commissioner Wise stated he will not participate in this discussion or vote as he is the owner of one of the properties under discussion

Development Manager Lazan reviewed the staff report and explained that one sign panel would be designated to the three lots. If there are multi-tenants, Mr. Wise would have to allocate use of the panel. He explained the intent of this agenda item is to approve a contribution to the planning budget so staff can start the effort of looking at locations throughout The COR, costs, scale, etc. The intent is not to develop a master sign appendix but to refine that information and solve the issues for these three lots. It is proposed that the users of the three lots each pay one-third of the capital costs and maintain their sign box. The HRA will maintain the streetscape and plantings. It was noted the capital purchase is incorporated into the real estate purchase.

The HRA discussed the proposal and asked questions of Development Manager Lazan.

Development Manager Lazan stated there is about \$8,000 to address all sign issues but he is requesting \$10,000 so funds are available for Development Services Manager Gladhill to collaborate as well.

Commissioner Elvig stated his intent to abstain on this item as he is ambivalent to this right now.

Motion by Commissioner Ramsey, seconded by Commissioner Backous to approve the contribution of \$10,000 to the Professional Services Budget and direct staff to prepare necessary amendments to the Design Framework.

Further discussion: Commissioner Strommen asked about the cost for the framework. Development Manager Gladhill stated the initial cost for the overall framework was \$6,000 to \$8,000 and involved reformatting/refining an existing document. This piece will address signage from a zoning perspective related to size, location, and construction and include more intensive graphics. Commissioner Strommen noted the requested funding is more than twice the framework cost. Development Services Manager Gladhill explained he has not looked at this proposal in detail but Development Manager Lazan feels the amount is appropriate for his staff time and need for graphics. He stated he will try to keep costs down and does not see any other large items such as this that requires such an intensive review and development of graphics. Commissioner Strommen noted this work is already in the professional services budget and she prefers to see the actual proposal before allocating the funds.

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

5.06: Consider Policy on COR Facebook Content

Development Manager Lazan reviewed the staff report, recommended comments be allowed on The COR Facebook, and requested direction.

The HRA discussed staff's recommendation and the importance of maintaining a positive image of The COR.

Motion by Commissioner Ramsey, seconded by Commissioner Wise, to approve an interim policy on the use of Facebook to promote The COR that continues to allow commenting and messaging on The COR Facebook page, and that offending comments be removed manually, as necessary with continued offenders being banned individually, as necessary, and that the Development Manager advise City Administrator Ulrich of comments removed and/or edits made.

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

6. DEVELOPMENT TEAM REPORT

6.01: Update on Game Fair

HRA Executive Director Ulrich reported on the success of the Game Fair, upcoming events, and ongoing projects.

Development Manager Lazan reported on the upcoming HRA sponsored event at The COR.

6.02: Update on Business Appreciation Golf Outing

Noted.

7. COMMISSIONER INPUT

Development Manager Lazan stated he will schedule a discussion of the Armstrong overpass campaign at a future HRA Work Session.

Commissioner Ramsey reported on the recent car show and go cart races.

Development Manager Lazan reported Flaherty & Collins got approval to make a \$500,000 early principal reduction payment with the next draw, so it is about nine months ahead of schedule.

8. ADJOURNMENT

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

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 10:32 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.