

City of Ramsey
Agenda
Housing and Redevelopment Authority (HRA)
Work Session (Portions may be closed to the public)
Tuesday January 17, 2012
Immediately following City Council Work Session
Lake Itasca Room, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Topics for Discussion**
 1. Consider Offer by Northgate Church to Purchase Property in The COR (portions may be closed to the public)
 2. Consider Offer to Purchase Property - Sunwood/Ramsey and Sunwood/Armstrong (portions may be closed to the public)
 3. Consider Offer to Purchase Land - Sunwood Retail Area (portions may be closed to the public)
 4. Review of 2011 Efforts and 2012 Goals and Objectives
- 3. Executive Director's Report**
- 4. Commissioner Input**
- 5. Adjournment**

HRA Work Session

2. 1.

Meeting Date: 01/17/2012

By: Heidi Nelson, Administrative Services

Information

Title:

Consider Offer by Northgate Church to Purchase Property in The COR (portions may be closed to the public)

Background:

The Development Management Team has been meeting with representatives of Northgate for the purchase of a site in The COR to construct a church facility. Wayne Skaff of Northgate Church will be present for the work session to present their proposal to construct a 21st century church in the heart of the COR. Attached to this case is the proposed site plan for the church, located at the corner of Sunwood Drive and the proposed Center Street alignment.

During discussions with the representatives of Northgate, much focus has been on the issues of purchase price, a potential payment in lieu of taxes, shared parking, and participation in the potential special service district for the increased level of service and maintenance in The COR. These items will be reviewed following the presentation. Staff will request that portions of this meeting be closed to discuss the purchase price for the land with the members of the HRA following the presentation by Mr. Skaff and discussion.

Recommendation:

Provide direction to the Development Management Team regarding the offer to purchase land in The COR by Northgate Church.

Funding Source:

Work performed to date is covered by the Development Management contract and staff time for the HRA.

Council Action:

HRA Direction:

Provide direction to the Development Management Team regarding the offer to purchase land in The COR by Northgate Church.

Attachments

Site Plans for Northgate Church

Form Review

Inbox	Reviewed By	Date
Heidi Nelson (Originator) Form Started By: Heidi Nelson	Heidi Nelson	01/12/2012 12:11 PM Started On: 01/12/2012 11:51 AM
	Final Approval Date: 01/12/2012	

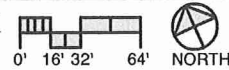
northgate
church

ENTIRE BLOCK @ 190,000 SQ.FT.
+/-

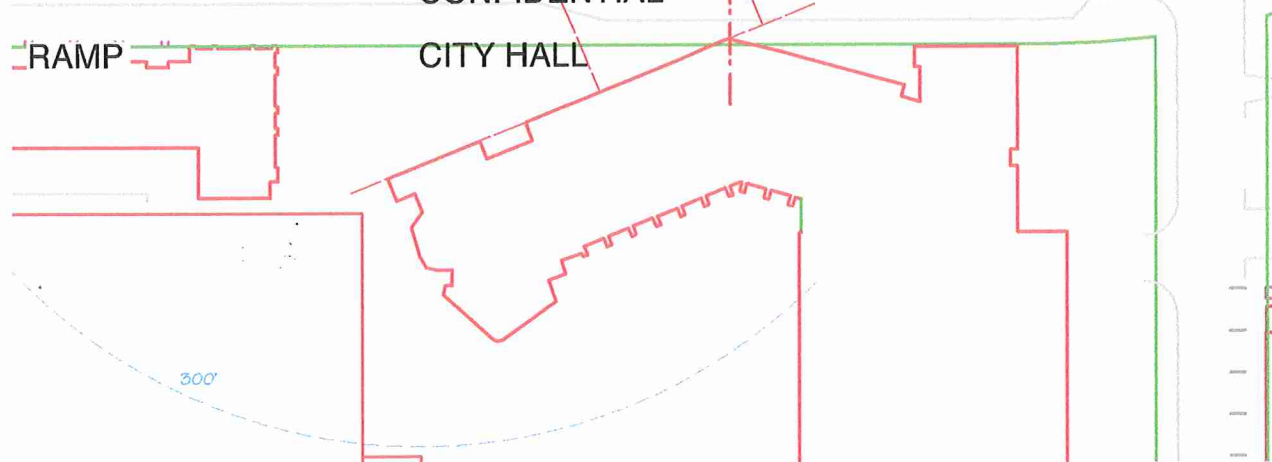
Note: ALL SITE DIMENSIONS, CONTOURS, ETC. TO BE
VERIFIED BY SITE OWNER AND CURRENT SURVEY.



PRELIMINARY CONCEPTUAL SITE PLAN 12/5/11
©2011 STATION NINETEEN ARCHITECTS, INC. TWP/EWDL



"CONFIDENTIAL"

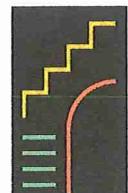


OPTION "B"

(PARKING SHIFTED 18' EAST) NO JOG

- 1. GREEN AREA, 55,300 SQ.FT., 37 STALL
- 2. YELLOW AREA, +11,000 SQ.FT., +30 STALLS
- WHITE ("SHARED")

(2 OF 5)



HRA Work Session

2. 2.

Meeting Date: 01/17/2012

By: Darren Lazan, Housing &
Redevelopment Authority

Information

Title:

Consider Offer to Purchase Property - Sunwood/Ramsey and Sunwood/Armstrong (portions may be closed to the public)

Background:

The development team has received an offer to purchase two properties at the corners of Sunwood Drive and Armstrong Boulevard, as well as Sunwood Drive and Ramsey Boulevard. We have worked through several iterations of the proposed purchase agreements and are currently scheduled to present the final form for approval at the January 24th regular meeting of the HRA and City Council.

The buyer has indicated their interest in purchasing both properties, commencing construction on the Ramsey Boulevard site first, followed by the Armstrong Boulevard site. Exact construction starts remain uncertain. This sequencing does, however, lend itself well to the timing related to the Sunwood realignment project.

The current proposal contemplates two agreements. First, a simple purchase agreement with the buyer for the acquisition of the site on Ramsey Boulevard. This has a proposed sale price and development timeline associated, and stands alone as an agreement. The second would be an agreement for a right of first refusal on the Armstrong site, that would also carry a restrictive covenant for convenience store uses west of Zeolite on HRA owned property. The covenant would only be recorded if the buyer closed on the property and operated both facilities. If, during the period of this agreement another party come forward to consider a convenience store use, the buyer would need to close on the property or waive their right. This agreement would allow us to finalize the configuration of Sunwood and the other interested parties on the Sunwood retail site before entering into a final purchase agreement.

Notification:

Observations:

Recommendation:

The development team recommends the HRA consider the proposed sale configuration and provide direction as to final contract documents to be presented for approval on January 24th.

Funding Source:

N/A

Council Action:

Direct the development team to prepare final documents reflecting discussion and present for approval at the January 24th Meeting of the HRA and City Council.

Inbox
Heidi Nelson

Reviewed By
Heidi Nelson

Form Started By: Darren Lazan

Date
01/12/2012 12:13 PM
Started On: 01/12/2012 12:01 PM

Final Approval Date: 01/12/2012

HRA Work Session

2. 3.

Meeting Date: 01/17/2012

By: Darren Lazan, Housing & Redevelopment Authority

Information

Title:

Consider Offer to Purchase Land - Sunwood Retail Area (portions may be closed to the public)

Background:

The development team has received an offer to purchase the area known as the Sunwood retail area. With significant interest in these parcels continuing to develop, Osborne Capital, the developers currently proposing on the West30 portion of the project, has expressed an interest in acquiring roughly five acres of land created by the realignment of Sunwood Drive at Armstrong Boulevard.

With this acquisition, the developer would assume the completion of pending deals, and manage the development of the parcels. Osborne has indicated this interest as a means to accelerate the larger development process, mobilize and commence efforts sooner, and have some demonstrated progress to build from.

The proposed offer is for less on a per-foot basis than the current offers being considered by several buyers, but the HRA would realize the benefit of passing the costs of closing three or four projects, their legal and closing costs, and the time to complete four sales versus one. A sale of this nature would also provide all land sale proceeds prior to, or near the completion of Sunwood rather than staggered throughout 2012/2013 if the HRA proceeded with the sales individually.

Notification:

Observations:

Recommendation:

The development team recommends the HRA consider the proposed sale of property to Osborne Capital as outlined in the meeting, and provide direction on the completion of documents outlining the sale.

Funding Source:

N/A

Council Action:

Based on discussion, direct the development team to either work with the proposed buyer of the five acre parcel at Sunwood Drive and Armstrong Boulevard, or continue efforts with individual buyers.

Form Review

Inbox
Heidi Nelson

Reviewed By
Heidi Nelson

Date
01/12/2012 12:14 PM
Started On: 01/12/2012 12:03 PM

Form Started By: Darren Lazan

Final Approval Date: 01/12/2012

Meeting Date: 01/17/2012**By:** Darren Lazan, Housing &
Redevelopment Authority

Information**Title:**

Review of 2011 Efforts and 2012 Goals and Objectives

Background:

As we begin the new year. The development team would like to present a recap of the efforts of 2011, as well as consider current goals and objectives for the upcoming year. The outcome of this focused effort may, and should generate items for the larger upcoming strategic planning effort to be completed on a city-wide basis.

Last year saw tremendous advancements in the HRA's stated goals and objectives on The COR at Ramsey. The brand identity continues to see recognition and success in the marketplace, interest and activity has continued to grow with several successful projects either completed or underway, and the prospect of new projects continues to increase.

2011 also brought the completion and implementation of the largest TIF district state-wide in recent years. With over 90% of the TIF budgeted towards infrastructure that would normally be attributed to the general fund, this is a substantial tool to both recapture prior dollars invested in the project, as well as provide a means to fund future infrastructure that helps keep HRA property affordable. TIF 14, or The COR TIF, also includes many properties owned by others both within and outside The COR. The current TIF budget includes items to assist in the development/redevelopment of those as well.

In November we celebrated the final funding and commencement of efforts on Ramsey Station, the culmination of years of effort by staff, officials, and the development team. This component not only adds credibility to the recovery of The COR, but also solidifies the character of the project as a transit oriented community. Efforts now shift to the other primary goal from the 2010 strategic planning work – the Armstrong intersection where we continue to work to reduce the scope and facilitate the construction of this key access to The COR and gateway to the community.

With over twenty active parties in discussions on potential reinvestment in The COR, and demonstrated progress on both public and private projects, The COR is quickly shedding the stigma of the past and continues to not only recover, but flourish in a continually challenging market. The development team believes this property shed it's status as a distressed property in 2011, and continues to be a place people consider investing in a bright future.

Notification:**Observations:****Recommendation:**

The development team recommends the HRA consider the activity of 2011, and provide input and direction on the efforts to be expended in 2012. This includes both the administration of the asset, as well as the real estate efforts underway and anticipated for 2012.

Funding Source:

Efforts of the development team are funded by the proceeds of land sales and the HRA Levy.

Council Action:

Provide the development team with comments and direction to assist in shaping efforts on the project in 2012

Form Review

Inbox
Heidi Nelson

Form Started By: Darren Lazan

Reviewed By
Heidi Nelson

Final Approval Date: 01/12/2012

Date
01/12/2012 02:26 PM
Started On: 01/12/2012 12:06 PM