

**CITY COUNCIL WORK SESSION  
CITY OF RAMSEY  
ANOKA COUNTY  
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, June 11, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Sarah Strommen  
Councilmember Randy Backous  
Councilmember Mark Kuzma  
Councilmember John LeTourneau  
Councilmember Chris Riley  
Councilmember Jason Tossey (arrived at 6:37 p.m.)

Also Present: City Administrator Kurtis Ulrich  
Parks and Assistant Public Works Superintendent Mark Riverblood  
Public Works Superintendent Grant Riemer  
Development Services Manager Timothy Gladhill  
City Engineer Bruce Westby  
Assistant to the City Administrator Patrick Brama

**1. CALL TO ORDER**

Mayor Strommen called the City Council Work Session to order at 5:35 p.m.

**2. TOPICS FOR DISCUSSION**

**2.01: Authorize County HRA to Perform Economic Development Activities and Requesting / Allocating Funding from Anoka County Housing and Redevelopment Authority toward the Purchase of the Property at 6710 Highway 10 NW**

City Administrator Ulrich reviewed the staff report and explained the Anoka County HRA program, noting the City had used this funding source for the Savannah Oaks project. He indicated the balance is almost one million dollars and growing by \$220,000 each year. Staff is recommending the Council authorize staff to draft resolutions to authorize the Anoka County HRA to perform economic development activities and request allocating funds from Anoka County HRA toward the purchase of the property at 6710 Highway 10 NW at a purchase price of \$361,000.

Karen Skepper, Anoka County Director of Community and Government Relations and Executive Director of the Anoka County HRA, stated in 2007 Anoka County was granted economic development authority powers and follows State general law, which requires the City to elect into an economic development program. She explained that Anoka County HRA does not levy Countywide so it uses the levy authority of an HRA and if the City requests to undertake economic development activities by resolution, the funds that have been accumulating can be

used. Currently, Ramsey is a member of the Anoka County HRA so the County can help with housing and limited redevelopment but not much with actual businesses. Should the City decide to opt into the Anoka County HRA for a project, it would be for a five-year term and after that, the City can decide if it wants to opt out. Ms. Skepper stated Ramsey has a large fund balance, the largest when compared to other Anoka County communities. She explained that to assure it is the desire of the City Council, it would have to make the request via resolution and indicate the dollar amount. Ms. Skepper described the types of projects that the Anoka County HRA currently funds and stated they have also been asked to provide a revolving fund program. She stated the intent was to serve only member communities but they found there were great businesses in communities that were not members so they decided to use their general funds to provide assistance to those businesses. Ms. Skepper stated Anoka County has now been authorized to hold the program for a second year on a more regional basis.

Councilmember Riley stated it sounds like a great program but it has been turned down before. He asked why people would turn this down.

Ms. Skepper stated she has wondered why some council members have not supported opting in as it does not increase a levy on the City's residents and creates economic development.

Councilmember Backous stated the resolution would last five years and asked if it automatically renews.

Ms. Skepper confirmed the City would have to take action to opt-out after five years. She stated they just completed five years and all cities remained and did not opt out.

Councilmember Backous asked if Ramsey opted out.

Ms. Skepper explained the HRA is a different body from the EDA. Anoka County chose to have an HRA with economic development powers and Ramsey is a member of that HRA so as long as there is debt service on Savannah Oaks, Ramsey does not have the ability to opt out.

Councilmember Backous asked if Ramsey's funds would be available in a revolving loan fund.

Ms. Skepper explained that would be at the decision of Ramsey but it has been the practice of Anoka County to create a fund for all dollars levied in each city and allow the use of those funds at the direction of that City Council. She stated CDBG funds may be used to start an Anoka County revolving loan fund program.

Councilmember Tossey asked if Ramsey opts in for economic development, can Ramsey simultaneously use the HRA or only economic development as a source of the funds.

Ms. Skepper explained that by adding economic development activities, Ramsey can then use almost \$1 million for housing, redevelopment, or economic development at the decision of the Ramsey City Council.

Councilmember Tossey asked if it would be common to purchase a failing business for no reason.

Ms. Skepper stated that is a decision for the City Council. The Anoka County HRA Board approves the City's resolution and funding. She stated in the past 12 years, Anoka County HRA has only turned down one request because it was not eligible based on Statute.

City Administrator Ulrich asked if the City can reduce the levy to only cover the debt service of Savannah Oaks.

Ms. Skepper explained by State law, Anoka County can only levy one rate because it is throughout their area of operation and they have to assure that debt service on each individual senior housing building is served. They cannot levy a different amount in each city.

City Administrator Ulrich stated Anoka County has been cooperative and followed City requests as long as it met Statutes. He asked if the Anoka County HRA has the ability to utilize funds for a use the City does not agree with. He also asked if the City has the ability to veto such a project.

Ms. Skepper stated the HRA tax is a County tax. The County levies it for housing redevelopment purposes and follows the practice that the local officials should direct the use in their community. However, State law backs them that it is a County levy so they have the ultimate say over the use of the funds. Ms. Skepper stated she had posed that question and had been told there is no intent to change the current practice but there is no way to determine what a future elected body would do.

Councilmember Backous asked how the City's balance of \$900,000 is tied with the Savannah Oaks project. He noted the City is levying to cover that project and as long as there is debt service, there is a levy. He asked why Ramsey has to enter into a new five-year agreement to get out dollars that were levied against the City's residents.

Ms. Skepper explained that at the beginning of any economic development, in order to sell the bonds, there has to be a debt service pledge. Anoka County has pledged the County HRA levy as the primary support to pay off those bonds. In the case of Savannah Oaks, it was successful from the beginning so they do not have to draw from the levy but the pledge must remain in case rents do not cover the operating costs of the building.

Councilmember Backous stated the money is already sitting there so his concern is having to enter into a new five-year agreement and levy residents.

Ms. Skepper stated Anoka County is bound to collect the levy since there is debt on Savannah Oaks. She explained the fund balance can be used on a housing project but the purchase of a business is outside of Statute.

Councilmember LeTourneau stated if the City can authorize the economic development piece, it broadens the ability to undertake different types of work that the City cannot do without that authority. It would provide a better set of tools than identified and available today.

City Administrator Ulrich noted one advantage of using HRA money for economic development is that when the property is resold, that money comes back to the City for use with future economic development projects. It essentially moves the money from Anoka County to the City and can be used to create a revolving loan program, housing, or economic development projects.

Ms. Skepper stated that is the County's current practice and stated they do not track or monitor future use of the funds.

Mayor Strommen stated there are no "strings" attached as long as the initial purchase is what Ramsey receives approval on.

Ms. Skepper stated Ramsey does not have to come back to Anoka County to reuse the funds.

Councilmember Riley asked if it can be used for the City's EDA so that levy can be reduced.

Ms. Skepper answered in the affirmative.

Councilmember Kuzma stated support to opt-in, as it would be a good use of funds and also to request funds for this purchase.

Councilmember Tossey stated he would favor opting in if it can be used to write down the HRA levy. However, he does not support the purchase of a business that is already failing.

Councilmember Riley stated he supports opting in.

Councilmember LeTourneau stated he supports opting in.

Councilmember Backous stated he supports opting in and getting the resident's money back for use in Ramsey.

The consensus of the Council was to direct staff to draft resolutions to authorize the Anoka County HRA to perform economic development activities and request allocating funds from Anoka County HRA toward the purchase of the property at 6710 Highway 10 NW.

## **2.02: Review Status and Direction of Elmcrest Park's Community Building Planning**

Parks and Assistant Public Works Superintendent Riverblood reviewed the staff report and described the process used to gain feedback from stakeholders and residents relating to a community building at Elmcrest Park. He stated the Park & Recreation Commission reviewed the plans, separating "wants" from "needs" and the plan has been updated to reflect those recommendations. Parks and Assistant Public Works Superintendent Riverblood recommended,

as part of the building plan, that the architect incorporate a cornerstone so a setting ceremony can be celebrated.

Jack Amdal, Studio 55 Architects, explained they used the Eden Prairie building at Miller Park and developed a plan for Ramsey. He reviewed the recommendation of the Park & Recreation Commission and described the features of the proposed park building.

Bruce Bissonnette, Studio 55 Architects, presented the revised floor plan, noting reduced restroom space, the increased lobby/gathering space to accommodate 40 people, enlarged picnic area, concession and storage areas. He also explained the differences between this proposed plan and the Miller Park building.

Mr. Amdal pointed out the location of knee walls that can be used as benches and to enclose the area somewhat to increase comfort and provide some protection from wind. He explained that this is an unsprinkled building so a firewall is needed to separate the building functions from the picnic table area since rolling grills could be used in that area. Mr. Amdal described other options to increase comfort, such as a windscreen, and requested additional direction related to that issue as it adds cost to the building.

Parks and Assistant Public Works Superintendent Riverblood asked Mr. Bissonnette to address additional costs for the roll down doors and impact to the building's aesthetics.

Mr. Bissonnette stated the estimated cost for the roll down doors is in the \$30,000 range in addition to expenses for the two-hour separation wall.

Parks and Assistant Public Works Superintendent Riverblood stated this is a key question and concern was expressed about the expense but also to avoid the appearance of a mini storage building. He asked if windscreens can be used to accomplish part of the concern and so the \$30,000 can be used to provide a different aesthetic to the building.

Mr. Amdal noted the restrooms have been reduced and have internal access, there is outside access to the upper level to accommodate after hour use, storage is incorporated into the building as well as an anteroom to handle trash, overhangs will provide protection from the rain, and a Dutch door is planned to provide access into the concession stand to accommodate birthday parties, community gatherings, and scout groups.

Mr. Bissonnette stated they used the Miller Park building for exterior materials of concrete block, wood soffit, metal roof, aluminum framed windows, painted concrete block on the inside, which are basic building materials.

Mr. Amdal stated the \$30,000 could be used to upgrade to burnished block or add stonework, skylights into the picnic area to create day lighting into that large space, or the upper story could be changed out. He stated preliminary cost estimates are approaching \$500,000 to \$600,000 depending on the finishes.

Mr. Bissonnette stated the Miller Park building is smaller than this proposed building and that smaller size may cost in the range of \$375,000 but it has small bathrooms, and no picnic area or upstairs.

Councilmember Backous stated Miller Park has many buildings but in the case of Ramsey, it will be the only building in Elmcrest Park so it should not be cut down in size. He felt the roll down doors were not needed to enclose the entire space, but could be used on one side just to block wind and leave the other two sides open, which eliminates the egress problem and need for a two-hour separation wall, reducing costs. Councilmember Backous asked whether the two concession windows can be changed to one continuous window.

Mr. Bissonnette stated it would be possible to have one larger sized window with a coiling door if the fire separation is not needed.

Councilmember Backous stated support to use the upper level for after hours but indicated he is concerned about the access being only from the outside.

Mr. Bissonnette stated the upstairs space has always been an issue but if the access is on the inside, it turns it into an A Occupancy building and needs a two-hour rated ceiling.

Councilmember Backous asked if there would be storage under the staircase.

Mr. Amdal stated that can be accomplished by using sheetrock in that space.

Mr. Bissonnette noted the upstairs can be reduced in size or the mechanical room can be relocated upstairs.

Parks and Assistant Public Works Superintendent Riverblood stated he would support relocating the mechanical room because they want the mechanicals exposed so it is easily maintained.

Councilmember Backous noted the downstairs mechanical area could then be used for storage of tables and chairs.

Mr. Amdal stated it is also proposed to have a laundry sink/janitor sink in the anteroom. He noted if the chairs and tables are on wheels, they are more accessible for user groups.

Parks and Assistant Public Works Superintendent Riverblood asked the Council to provide direction on exterior aesthetics, noting the metal roof will address longevity as well as aesthetics.

Mr. Amdal asked if they want to upgrade the exterior of the upper area from rough sawn wood and/or metal wrapped fascias to reduce maintenance.

Mr. Bissonnette asked if there is latitude to create an appearance other than that of the Miller Park building.

Councilmember LeTourneau stated in aesthetics, he would like to have the cost justified and a funding source identified to eliminate “scope creep.” On the wind concern, he asked if it can be mitigated through landscaping a windbreak or fencing to get away from the roll down doors. He stated his support for lower maintenance and higher viewshed.

Councilmember Riley stated the utility of the building is the most important and he does not support spending \$30,000 for rolling down doors. He stated he thinks the picnic area seems large.

Parks and Assistant Public Works Superintendent Riverblood stated the Central Park building is code rated at 74 persons so this would be a smaller meeting area but the pavilion area is larger than at Central Park. He stated the funding is from the Park Improvement Trust Fund and costs will include an \$18-20,000 septic, water connection, curb and asphalt repair, and ADA compliant sidewalks. Parks and Assistant Public Works Superintendent Riverblood stated when that information is available, staff will provide additional information on the cost impact for improvements like going from painted block to burnished block.

Mayor Strommen stated this building has been needed for a long time and costs should not be the only driver since utility also needs to be assured as well as getting the best value for the dollars available. She stated maintenance is a factor and she wants to assure those are not increased to gain aesthetics.

Councilmember Kuzma stated he would like to see the costs before making decisions on final building materials.

Councilmember Tossey stated he is not familiar with this type of function but would like to get this right for the users and assure something is not forgotten that will be costly to add in a few years. He stated others on the Council are more familiar with park building usage, noting this type of facility is important to get right as it binds the community together.

Kotchi Prosper, representing the Northern Lights Soccer Club, stated he spends a lot of time at Central Park where recreation activities and travel programs are anchored. He stated Central Park also has to take care of softball, football, soccer, and even the girl scouts have used the building to facilitate craft projects. Mr. Prosper stated he thinks the proposed building is designed to serve the purposes and features that are not necessary have been removed. He felt the Park & Recreation Commission had addressed how it will fit each group including lacrosse, walkers, playground, and to assure it can handle a large group of people. Mr. Prosper stated they also do not want to quickly outgrow this building. He felt the proposed building would work for ARAA and the needs of park users and once constructed, it will relieve the Central Park building and bring customers to businesses in the area of Elmcrest Park.

**2.03: FOR DISCUSSION ONLY: Receive Update on Housing Assistance Policy Progress by Ad-Hoc Planning Commission Sub-Committee**

Development Services Manager Gladhill reviewed the staff report and advised of the progress on the Housing Assistance Policy by the Planning Commission (ad-hoc subcommittee). He

indicated no formal action or feedback is being requested other than to review the Interim Policy Statement. It was noted the Planning Commission had established an ad-hoc subcommittee and met on two occasions. A majority of this initial work was provided and reviewed necessary demographic and market conditions to frame the development of the remainder of the policy. The subcommittee deliverables included an Interim Policy Statement to help guide requests that may come to the City before final adoption of the Housing Assistance Policy, a Framework, and Housing Product Priority List that would be adjusted with each project and reviewed annually.

Development Services Manager Gladhill indicated the next two items are to develop Minimum Thresholds and a Scoring Matrix. He asked if the Council supports this direction.

At the request of Mayor Strommen, Development Services Manager Gladhill reviewed the membership of this ad-hoc subcommittee, noting it does not contain a Council Member at this time.

Councilmember Riley stated he supports having an Interim Policy.

Mayor Strommen stated this is headed in a good direction and she likes having something in place. She stated it will be interesting to see how some of the elements, such as the Housing Product Priorities, will be adjusted over time.

Informational; no action required.

### **3. FUTURE TOPICS FOR DISCUSSION**

None.

### **4. MAYOR / COUNCIL / STAFF INPUT**

City Administrator Ulrich announced that the Economic Development Manager interviews are scheduled.

Councilmember Tossey stated the HRA and EDA Chairs should be included in the interview panel. He stated he is withdrawing his support for filling this position as he thinks it will create conflict.

City Administrator Ulrich suggested the Vice Chairs be asked as an alternate.

Mayor Strommen suggested the HRA Chair and one of the EDA Council reps be included in the interview panel.

Councilmember LeTourneau stated they would prefer to also have an EDA member participate.

The Council did not object to that suggestion.

Mayor Strommen suggested inviting someone outside of Ramsey that knows the economic community well and could add a different perspective on desired skill sets.

Councilmember LeTourneau stated the skill sets are known for Ramsey's individual needs and he does not know if someone outside of Ramsey can add to that.

Mayor Strommen stated if they know the economic community field, they can add that different perspective.

City Administrator Ulrich asked if that would be an Economic Development Director from outside the Ramsey area.

The Council agreed with that suggestion.

Councilmember Riley asked staff to schedule the topic of The COR costs for discussion at a future Work Session.

## **5. ADJOURNMENT**

Mayor Strommen declared the Work Session of the City Council adjourned at 6:59 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Jo Ann M. Thieling  
City Clerk

Drafted by Carla Wirth  
*TimeSaver Off Site Secretarial, Inc.*