

**ECONOMIC DEVELOPMENT AUTHORITY
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The City of Ramsey Economic Development Authority (EDA) conducted a special meeting on Thursday, July 18, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Jim Steffen
 Member Phillip Brunt
 Member John LeTourneau
 Member Chris Riley
 Member Wayne Skaff
 Member Kristine Williams

Members Absent: Member Glen Hardin

Also Present: Patrick Brama, Assistant to the City Administrator
 Kurt Ulrich, City Administrator

1. CALL TO ORDER

Chairperson Steffen called the Economic Development Authority meeting to order at 7:05 a.m.

2. APPROVE AGENDA

Motion by Member Skaff, seconded by Member LeTourneau, to approve the agenda.

Motion carried. Voting Yes: Chairperson Steffen, Members Skaff, LeTourneau, Brunt, Riley, and Williams. Voting No: None. Absent: Member Hardin.

3. APPROVE MINUTES

3.01: Approve EDA Meeting Minutes Dated July 11, 2013

Motion by Member LeTourneau, seconded by Member Brunt, to approve the minutes dated July 11, 2013.

Motion carried. Voting Yes: Chairperson Steffen, Members LeTourneau, Brunt, Riley, Skaff, and Williams. Voting No: None. Absent: Member Hardin.

4. EDA BUSINESS

4.01: Statement of Goals: 167th Avenue and Highway 47 Node

Assistant to the City Administrator Brama presented a draft Statement of Goals for the 167/47 node and stated the purpose of the Statement of Goals is intended to guide City participation in the redevelopment of the 167/47 node and identify a common goal, common vision, and working parameters. He pointed out that all final decisions related to this node are subject to City Council approval. He stated the Goal is to improve and/or remove blighted properties and encourage sustainable market-driven redevelopment of the 167/47 node that will benefit the entire City. He presented a map of the 167/47 node delineating the primary and secondary areas of concern and requested input regarding the wording of the Goal, explaining that if the goal of City involvement is to remove blighted properties, the Goal specifically states that these blighted properties need to be addressed with the redevelopment of this node. He recited the Vision statement in the draft Statement of Goals and noted the document references market driven development with a mixture of residential and retail uses. He advised the Parameters state the City does not support purchasing property to redevelop the 167/47 node and the City supports facilitating an ownership group meeting to achieve a consistent, collaborative approach with a single voice among all property owners. He stated the EDA previously expressed an interest in the idea of sponsoring a professional marketing package with the idea that the EDA will manage and facilitate any marketing efforts at a high level. He advised that professional marketing material could be developed in partnership with the City and marketed by a third party broker or, alternatively, professional marketing material could be developed and marketed internally by the City. He stated the Parameters also state that the City would support a Comprehensive Plan and Zoning Amendment to allow retail or residential land uses and the City does not support a Comprehensive Plan and Zoning Amendment to allow warehouse or light manufacturing land uses. He stated the Parameters include a list of financial tools available and requested input regarding the statement that the EDA will not consider City financial assistance for proposals that do not address the existing blighted properties in this node. He advised that the Parameters also state the City would be willing to consider utilizing Sewer Fund dollars to construct a trunk sewer line to serve this node, adding that without the trunk sewer line it would be challenging to get interest from developers to invest in this area.

Member Skaff questioned whether a church might be an appropriate use for this property.

Member LeTourneau stated the City might not want to actively pursue a church in this particular area if the goal is to improve the City's tax base.

City Administrator Ulrich stated the goals do not specifically address the City's tax base and the City will have to decide whether the main discussion is about building the tax base or cleaning up this node as well as whether to allow any tax exempt use in this area, e.g., a church or school.

Mr. Brama pointed out that a lot of the economic development tools available ask specific questions about tax base and jobs creation so it would be challenging to use those economic development tools if the property was tax exempt.

Member LeTourneau felt it would be a good idea to expand the Goal to include language about the City's tax base noting that it is inferred in the word "improve." He agreed that a manufacturing use should not be allowed in this node and felt it may be possible to achieve the goal for this area even with a church on the site. He requested that the EDA further discuss the public input process and the timing of that public input, i.e., whether to have a policy statement in place before seeking public input or to ask for public input on the policy statement, and stated he felt it was important to create an opportunity for public input early on in the process.

Member Riley preferred asking for public input sooner rather than later adding the City has not made any hard and fast decisions related to this node and is trying to clean up the area and is open to suggestions for redeveloping the site.

Member Williams noted that the City does not own this property and the three property owners have to buy into the City's goals for the site and be open to listening to any public input.

City Administrator Ulrich suggested engaging residents through the newsletter or website and providing information that indicates the City is planning this area for a mix of residential and retail uses and the City wants to hear what residents are interested in for this node.

Member Brunt supported the use of an online survey and newsletter for public comment and stated any development proposal that comes forward will have to be at a public hearing.

Chairperson Steffen indicated the Statement of Goals could be referenced on the City's website directing residents to contact the City with any questions.

Member Riley supported having the Statement of Goals on the website and in the newsletter. He also suggested placement of a sign on the property naming the site as a redevelopment area.

Assistant to the City Administrator Brama advised that a specialty of the Planning Commission is the public input process with respect to land uses and felt they could provide valuable suggestions on how to conduct the public input process. He added the Planning Commission will be involved in the future land use of the site and felt it would be appropriate for the Planning Commission to make a recommendation to the EDA regarding the public input process.

City Administrator Ulrich stated any Comprehensive Plan and Zoning Amendment will require a public hearing and he felt the Statement of Goals could stand alone without public input.

Chairperson Steffen supported having an article in the *Ramsey Resident* and a survey that references the existence of the Statement of Goals on the EDA website.

Member Skaff requested an update regarding the Rum River Hills proposal.

Assistant to the City Administrator Brama stated that staff has advised Rum River Hills of the Statement of Goals as well as the special EDA meeting being held today. He stated that Rum River Hills could move forward with a proposal but will need to address the blighted properties on the north end of the site if they want assistance from the City.

Chairperson Steffen indicated it would make sense for the City Council to reach consensus on whether to utilize Sewer Fund dollars to construct the sewer line to serve this node.

Assistant to the City Administrator Brama requested input on the highlighted areas of the Statement of Goals.

GOAL

Member LeTourneau suggested that the Goal statement eliminate the words “blighted properties” and questioned whether the bank property is blighted.

It was the consensus of the EDA to replace the words “blighted properties” with “primary and secondary areas of concern” as delineated on Appendix A.

VISION

Member LeTourneau suggested including a reference to public space. He stated the COR provides a specific value to the City and he felt the 167/47 node is another asset of the City that should have the same feel as the COR in terms of its value.

Chairperson Steffen questioned the need for the Vision phrase that states “whereas, the existing stock of retail is appropriate for a regional commercial node.”

Assistant to the City Administrator Brama agreed this phrase was not necessary and should be deleted.

Chairperson Steffen suggested the first sentence state a “mixture of residential and/or retail uses,” adding he would be okay with all residential uses as long as it covers the north side.

Member LeTourneau stated this falls under market driven and felt the community was going to want retail in this node.

After further discussion it was the consensus of the EDA to make no changes to the first sentence of the Vision statement.

PARAMETERS (Item C. III.)

Member LeTourneau suggested the first sentence of paragraph C regarding Marketing be revised to replace the word “sponsoring” with “facilitating.”

Assistant to the city Administrator Brama advised that he and Chair Steffen met with Mr. Marty Fisher of Premier Commercial Realty to discuss marketing the site with a third party broker and Mr. Fisher believes the use of a third party broker would be effective given the size of this node. He suggested the EDA consider sending an RFQ to third party brokers for presentation to the ownership group to see if they are interested in pursuing a third party broker. He added that another option would be to develop the marketing package internally and advertise the site through normal channels available to the City.

Chairperson Steffen stated it would be ideal to have the site marketed by a single broker instead of three separate brokers. He asked if the City has done RFQs to hire a broker in the past and questioned whether the City should prepare an RFQ on land not owned by the City.

Member Riley stated the three property owners have to make the decision and the City would only be the facilitator and suggested that staff meet with the property owners to tell them the City would like to help them work together to market the property. He stated the City should then step back and not engage in an RFQ process.

Member Williams asked if this issue been brought up with the property owners in the past.

Assistant to the City Administrator Brama replied the idea of a unified marketing plan was brought up at a previous meeting and there was conceptual buy-in from the property owners.

Member Williams stated it was likely there would be issues, particularly with the bank, in having an exclusive listing agreement with one broker.

Chairperson Steffen requested that staff inform the ownership group about what the City would like to pursue for marketing the property and to let them know Mr. Fisher was consulted about the best ways to market the site.

Member LeTourneau asked if Mr. Fisher talked about ways to make the property more attractive for purchase, e.g., demolishing the buildings, and suggested that this idea be introduced to the property owners.

Mr. Brama confirmed that staff will not conduct an RFQ and will meet with the ownership group to talk about selecting a lead broker and to discuss issues that may arise from exclusive listing agreements. He stated staff would also ask the ownership group if they are interested in pursuing demolition of the buildings before listing the property for sale.

City Financial Tools

Chairperson Steffen expressed support for the statement that the EDA will not consider City financial assistance for proposals that do not directly address existing blighted properties.

Member LeTourneau stated that County HRA dollars might be a resource available for removal of blighted properties.

It was consensus of the EDA to add paragraph (v) under City Financial Tools stating “County HRA dollars.”

Mr. Brama stated the State Redevelopment Grant and Loan Program refers to two separate programs and explained that if the City used the loan program the City has to be the property owner; as a result, this loan program should be stricken from the list of financial tools available. He stated the State Redevelopment Grant program is available and the City can apply for this grant on behalf of a property owner. He added that funds under this grant program are only available to projects that are ready to begin construction within the next twelve months.

The EDA discussed the use of the Sewer Fund to construct a trunk sewer line to serve this node.

Member Riley stated the current statement in the draft indicates the City pays for the extension of the sewer line. He requested further information about what other alternatives exist, what has been done on other projects, and the number of prospective hookups, as well as anticipated fees to be recovered and how those fees are recovered.

Chairperson Steffen requested further information regarding the \$3.4 million Sewer Fund balance.

City Administrator Ulrich agreed to provide information from the CIP about how this project fits in with other projects, including the industrial park, as well as costs and revenue from the Sewer Fund.

Assistant to the City Administrator Brama suggested that the draft Statement of Goals include a brief statement about public input.

It was the consensus of the EDA to include a brief statement about public input in the Statement of Goals. It was also the consensus of the EDA to forward this item to the Planning Commission for input regarding the public input process.

5. MEMBER/STAFF INPUT

Assistant to the City Administrator reported that the closing on the Diamond Graphics sale took place yesterday. He stated the property was purchased with an old TIF district and the \$410,000 sale price has to go to that TIF district, however, because it was an old TIF district, the monies can be spent in the City's development district for various public improvements.

City Administrator Ulrich commended Mr. Brama for his work on the Diamond Graphics sale.

Member Riley suggested that the sale of this property and expansion of the Diamond Graphics business be highlighted on the website and newsletter.

Chairperson Steffen suggested including Diamond Graphics in a business spotlight article.

6. ADJOURNMENT

The regular meeting of the Economic Development Authority adjourned at 8:32 a.m.

Respectfully submitted,

Kurtis G. Ulrich, City Administrator

ATTEST:

Patrick Brama, Assistant to the City Administrator

Draft by Barbara Hughes
(TimeSaver Off Site Secretarial, Inc.)