

EDA Updates 08082013

(1) Old Municipal Center Site Development

Background

The City's Economic Development Authority (EDA) and Council are in the process considering the future development of the "Old Municipal Center Site." The City is considering two general development scenarios for the 20.5 acre site: (A) data center development and (B) residential development.

Today, the *Old Municipal Center Site* is zoned Public/Quasi Public. On Tuesday, June 12, 2013 the Council considered submitting an application to the Planning Commission to amend the City's Comprehensive Plan to allow for either a data center or residential user. The Council decided to re-engage surrounding property owners regarding a data center development before submitting a Comprehensive Plan Amendment application to the Planning Commission; for either type of use.

Update

On July 9, 2013 the City Council directed Staff to formulate a study group consisting of various stakeholders; including: surrounding property owners, at large Ramsey residents, one Planning Commission member, one Economic Development Authority member and one City Council member.

The purpose of the Study Group is to better understand under what circumstances would a data center development be an acceptable use for the Subject Property. The key outcome of this process is a proposal for Council consideration; which will include (1) further documentation/information addressing specific concerns (2) mitigation proposals addressing specific concerns (3) updated site concept maps.

Currently, the City is soliciting interest from stakeholders to participate in the proposed study group. It is estimated, a study group will need to meet 4-6 times. The deadline for residents to indicate interest in joining the committee is September 20. It is estimated the study group will begin in November/December.

NOTE: The purpose of a study group is IDENTIFY and CONSIDER compromises/ solutions; it is possible the focus group may conclude certain concerns cannot be mitigated.

TBRA Grant

The City was awarded a \$14,800 grant from the MetCouncil on June 26, 2013; which will be used to pay for previous and future site investigation costs (environmental assessments, pre demolition survey, asbestos remediation plan, etc.).

(2) Prospect Updates

Diamond Graphics

The City has been working with Diamond Graphics over the past six months to negotiate the sale of City owned property located at 14280 Azurite Street NW. The Subject Property is 4.8 acres in size and is zoned Employment 1 (E1). The subject property was sold for \$410,000 on July 17. Diamond Graphics would like to complete a 30,000 square foot expansion to their existing building by winter 2013. Diamond Graphics has gone through the site plan review process and has recently submitted an application for a building permit.

Prospect Echo

A quickly growing, successful, Ramsey manufacturer has expressed interest in relocating their operations to a new facility. Said manufacturer has posted a 20% increase in sales each year for the past five years, employs 196 people in Ramsey, employs 52 people in a different metro city occupies about 110,000 square feet in Ramsey and about 100,000 square feet in a different metro city.

The prospect is proposing a new 220,000 square foot facility; which would consolidate their two facilities and provide room for expansion. With that, the prospect would relocate 52 employees to Ramsey and create an estimated 75-80 jobs within two years; over 300 jobs total (retained, relocated and created).

Staff is working with prospect Echo now; and has made development proposal. Additionally, Staff has provided options for expansion at their existing Ramsey location; along with lease options. The prospect is reviewing opportunities outside of Ramsey as well.

(3) Business Retention & Expansion Program

Due to workload levels, Staff has not conducted proactive business retention and expansion visits since January. Staff anticipates time to be available to conduct business visits either when an Economic Development Manager is hired or following the EDA golf tournament and Happy Days. Events, admin tasks, responding to prospects, 167/47 and the old municipal center and the industrial park projects are taking priority.

NOTE: staff has conducted 4-6 'reactive' business visits since January.

(4) Economic Development Manager Position

The City held interviews for the new Economic Development Manager position on June 24. Three candidates were selected for interviews. One candidate ended up withdrawing; therefore, two candidates were interviewed.

At the conclusion of interviews, the review board unanimously agreed candidates did not fit the Economic Development Manager position. The City Council directed Staff to utilize a 'head-hunter' service to recruit this position on July 9. The City entered into a contract with Springsted Executive Search to fill the vacant position. The first review of applications will take place in late September. If a qualified applicant is selected, it is estimated the new position will begin on November 1.

(5) 8020 147th Ave NW, Nordvick Property

The City of Ramsey is in the process of improving the existing Highway 10/Armstrong Boulevard intersection to a highway overpass/interchange. Part of this process required the City to purchase privately owned land to dedicate for future right of way (ROW).

The EDA became involved in this process when they assisted the purchase of a property located at 8020 147th Ave NW ("Subject Property"). A small portion of the Subject Property will be dedicated for future ROW. The larger remaining portion was intended to be used for economic development purposes.

The property located at 8020 147th Ave NW contained two commercial buildings; along with various other site improvements. In order to prepare the site for future development, the EDA contracted with

Sauter & Son's for the demolition of buildings and site cleanup of the Subject Property.

Final payment was made to the contractor on August 1, 2013. This project is closed.

(6) 167/47 Commercial Node

Background

The retail node located at 167th Avenue and Trunk Highway 47 has been a topic of discussion with City Councils and EDA boards for several years ("167/47 Node"). The 167/47 Node has struggled to become economically viable for some time, is experiencing high vacancy rates, an increase of blighted building conditions and escalating crime.

The City has received significant number of inquiries from property and business owners located in the 167/47 Node from 2012 to 2013 requesting assistance to help correct a market failure.

Additionally, the City of Ramsey owns an inventory of real property located adjacent to the 167/47 Node totaling 16.52 acres. Said property was identified as surplus City owned land in 2012 and is available for sale.

Both the EDA, Planning Commission, and City Council have expressed interest in addressing the 167/47 Node.

Statement of Goals

To guide City participation in the redevelopment of the 167/47 Node; and, specifically identify a common goal, vision, working parameters and a process to garner public input.

The desired outcome of this document is to develop a clear, consistent, transparent and fair process the City, prospective developers, property owners and Staff can rely on as proposals are received. The Ramsey Economic Development Authority (EDA) shall represent the City of Ramsey in relation to the 167/47 Node by utilizing this document.

Update

The EDA reviewed the above statement of goals on 07/18; at which time, it was recommended the document be forwarded to the Planning Commission for input on a public input process. The planning Commission plans on hosting a public input session in late September and reviewing public input and adopting/amending the "statement of goals" document in October. At which time, the document will be forwarded to the City Council for review and adoption (additionally, the EDA will re-review the revised document before City Council consideration).

Staff plans on setting up a meeting with the property owners group to discuss a marketing strategy after the "statement of goals" document adopted—December.

(7) Future Business Park

Historically, the City of Ramsey has remained competitive in economic development recruitment and expansion opportunities. Unfortunately, the City of Ramsey has recently run low on an inventory of available land for business recruitment (new businesses) and expansion (existing business). Therefore, the City of Ramsey is currently not in a strong position to compete for economic development prospects.

The Ramsey City Council and EDA have recognized the state of the City's economic development position and have identified finding a solution a priority. For the past three months the EDA has discussed potential future business park locations. The EDA reviewed six major sites. As a result, the EDA provided staff with the following direction:

(1) Pursue the Pearson Properties Site (north) as the primary business park for Ramsey

--Engage surrounding property owners regarding a potential zoning change (open house/public input); before submitting an application for a Comprehensive Plan and Zoning Amendment.

--Develop feasibility study, utilizing the City's Engineering Department, for full build out of an industrial park (projected revenues and expenditures)

Upon completion & EDA confirmation (later date)

--Direct staff to pursue shovel ready certification

--Direct staff to develop a memorandum of understanding with AL Pearson regarding the development of his property into an industrial park

--Get Council/EDA policy direction on the use of ED tools and the instillation of public infrastructure.

--Get Council/EDA policy direction on the required expansion of Bunker

(2) Continue to discuss the Hageman Holdings property

--Further understand implications of the required completion of Bunker Lake Boulevard.

--Further understand implications of previous assessments

--Attain asking price

--Further understand which type of users would be allowed

(3) Continue to discuss acceptable land uses with the MPCA on the Closed Landfill property

--The likely scenario would include a public use (i.e. public works campus); which would free up tax exempt land in the existing industrial park. This discussion will likely take several months to unfold.
UPDATE: staff has received word the MPCA is not willing to allow ANY development on this site.

(4-6) Continue to monitor these potential future business park sites; however, do not actively pursue additional information.