

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

The Housing and Redevelopment Authority conducted a Work Session meeting on Tuesday, March 19, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Randy Backous
 Commissioner David Elvig
 Commissioner Mark Kuzma
 Commissioner John LeTourneau
 Commissioner Chris Riley

Members Absent: Commissioner Sarah Strommen
 Commissioner Jason Tossey

Also Present: HRA Executive Director Kurtis Ulrich
 Deputy Executive Director Timothy Gladhill
 Finance Director Diana Lund
 Interim Engineer Shane Nelson

1. CALL TO ORDER

Chairperson Backous called the Work Session meeting of the Housing and Redevelopment Authority to order at 8:28 p.m.

2. TOPICS FOR DISCUSSION

2.01: Staff Update

HRA Executive Director Ulrich reported on The COR transitioning out of the contract with Landform as Development Manager. He reviewed the incentives paid to Landform and estimate of costs remaining to be paid. It was noted the HRA will retain some payment until it has received all intellectual property requested including plans, CAD drawings, engineering drawings, prospects, dashboard, and other items that have been submitted in writing to Landform.

Deputy Executive Director Gladhill reported the City received an offer today from a workforce housing developer that will be presented at the March 26, 2013, meeting.

HRA Executive Director Ulrich reviewed the status of developments in process.

Commissioner Riley asked about the status of the infrastructure improvements.

Deputy Executive Director Gladhill explained the determination of who will build the infrastructure has not yet been made but a plat could be recorded and moved forward.

Commissioner Elvig noted at the end of the year, there had been pushback from the Development Manager saying if the liquor store is not sold, they are doing only a portion of the infrastructure. He indicated he had assumed the City was doing all of the infrastructure for the three plats but now it sounds as if SuperAmerica will do some of the infrastructure

HRA Executive Director Ulrich clarified that the HRA had always planned to pay for all of the infrastructure improvements but be reimbursed when each piece pays for its own portion of the costs.

Deputy Executive Director Gladhill indicated the HRA had approved the soft costs but not yet gone out for bid or approved a contract for construction. It was noted the design work went to Landform.

HRA Executive Director Ulrich explained the proposal with Jeff Wise was to put in the infrastructure and the HRA would then be reimbursed by McDonalds and SuperAmerica. However, with the City footing the costs, it is more of a risk in case the property is not sold. HRA Executive Director Ulrich continued review of projects in process, noting the Connexus cost was \$31,000 but it had been estimated by Connexus at \$22,000. He advised that Connexus has indicated it would go with that as the cost and contribute a portion. HRA Executive Director indicated the HRA wants Landform and WSB to each pay one-third of the cost, \$3,722, and while WSB has said they would pay that amount, Landform has refused to pay.

Commissioner Elvig raised the option of the HRA paying Landform's share, as the landowner has the right to do on their behalf and if Landform desires, it can exercise its lien rights.

HRA Executive Director Ulrich stated based on past discussion with the HRA, the City has paid \$12,500 of the bill and is in good stead with Connexus. Now it is a matter of the balance and whether to pay and try to collect from the consultants (WSB and Landform).

Finance Director Lund advised that the \$3,722 amount was deducted from the amount indicated the City still owes to Landform.

HRA Executive Director Ulrich presented next steps that will be addressed by the HRA at its meeting in April.

Chairperson Backous suggested waiting to make any decisions until the Economic Development Manager is hired.

HRA Executive Director Ulrich recommended holding discussions about land sales strategy in The COR.

Commissioner Kuzma asked when the City will hear about the bonding bill, noting that will be an impact.

HRA Executive Director Ulrich estimated the end of May, at the end of the Legislative session. He noted discussions can be held with a decision not made until the Economic Development Manager is on staff.

Commissioner Riley supported holding discussion and moving forward, noting the Economic Development Manager will be taking the HRA's direction. He stated he would like to wait for the bonding bill prior to sale.

Commissioner LeTourneau asked about coming up with a list of variables, conditions, and assumptions the HRA may want to consider, perhaps with 30 different directions to take including cost of the land, whether to sell in pieces or in whole, whether to use a broker or sell land in The COR to speculators. He suggested those questions be posed in a survey for the HRA and other stakeholders to fill out and staff can then aggregate that information for discussion. Commissioner LeTourneau noted that would be a way to get a lot of the assumptions on the table and focus on how to move the discussion forward.

Chairperson Backous stated he hoped the Economic Development Manager has experience in how to approach these issues. He felt there may be value in getting that person's input on the best way to proceed before the HRA makes a decision that has to be reversed.

Commissioner LeTourneau stated he thinks the Economic Development Manager will be asking the HRA for their standing on certain points and providing that information will allow the Economic Development Manager to respond whether it is accurate or they have another opinion. He stated if someone is interested in purchasing, he thinks that conversation should be held but he also thinks there are different expectations on what this should look like. Once gathered, that information can be given to the Economic Development Manager for his recommendation and to provide other options.

Commissioner Riley asked if resumes have been received for the Economic Development Manager.

HRA Executive Director Ulrich answered that about a dozen resumes have been received.

Commissioner Elvig supported the suggestion of Commissioner LeTourneau to come up with assumptions since this is a new Council and the HRA is taking a different direction. He supported taking time now so when the Economic Development Director is on board, he/she can "hit the ground running." He asked if the HRA does any monthly advertising of The COR.

HRA Executive Director Ulrich stated The COR is advertised through Facebook and could qualify to be included on the State listing. In addition, the City's website has a link to The COR that lists available properties and the City's newsletter includes a COR report but mailers have not been used.

Deputy Executive Director Gladhill reported the Northstar Station has been a big marketing piece and most inquiries have been tied to that station now being opened.

HRA Executive Director Ulrich stated he and Deputy Executive Director Gladhill met with the Northstar Corridor Development Association who had ranked Ramey as the number one station for commercial and retail development and population growth potential. He stated once that report is received, it will be provided to the HRA and can be posted to the City's website.

Commissioner Elvig supported moving forward so momentum in The COR is not lost between now and when the Economic Development Manager is hired.

Commissioner Riley stated the City has a story to tell and agreed with the importance of keeping a positive spin in front. He stated the City needs to be proactive with the contracts that are wavering, noting they were announced in October and not yet finalized.

Commissioner LeTourneau stated he does not disagree with the idea of a marketing focus or being concerned about inertia and moving forward. However, the bigger question is whether there is an assumption the City is not doing enough or not enough is occurring. He stated the City has been doing a lot including the hiring of an Economic Development Manager as well as a new City Engineer. Commissioner LeTourneau asked if the question is the need to do even more or to be more cognitive of the greater need.

Chairperson Backous acknowledged there has been a lack of communication from January to now and agreed with the need for regular and valid updates.

Commissioner Elvig stated with growth, he has found you are always behind. He supported the suggestion to discuss the direction of The COR prior to hiring an Economic Development Manager.

HRA Executive Director Ulrich stated tax increment financial projections will be part of the 2013 Work Plan and considered after hiring the Economic Development Manager. A financial consultant will be hired to perform this work utilizing TIF administrative funds.

Commissioner Elvig stated support to transition away from Landform as soon as possible since otherwise it can become distracting.

HRA Executive Director Ulrich stated he will contact Chairperson Backous relating to the legal review.

The consensus of the HRA was to move forward with discussion of The COR including a survey of HRA, EDA, and pertinent staff members on their assumptions relating to the cost of the land, whether to sell in pieces or in whole, whether to use a broker or sell land in The COR to speculators, etc.

3. DEVELOPMENT TEAM REPORT

None.

4. COMMISSIONER INPUT

None.

5. ADJOURNMENT

Motion by Commissioner LeTourneau, seconded by Commissioner Riley, to adjourn the Work Session meeting of the Housing and Redevelopment Authority.

Motion carried.

The Work Session of the Housing and Redevelopment Authority adjourned at 9:16 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.