

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, April 23, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Chairperson Randy Backous  
                          Commissioner Mark Kuzma  
                          Commissioner John LeTourneau  
                          Commissioner Chris Riley  
                          Commissioner Sarah Strommen  
                          Commissioner Jason Tossey

Members Absent:     None

Also Present:        HRA Executive Director Kurtis G. Ulrich  
                          Deputy Executive Director Timothy Gladhill  
                          Finance Director Diana Lund  
                          Fire Chief Dean Kapler  
                          City Engineer Bruce Westby  
                          City Attorney William Goodrich

**1.     CALL TO ORDER**

Chairperson Backous called the regular meeting of the Housing and Redevelopment Authority to order at 8:04 p.m.

**2.     CITIZEN INPUT**

There was none.

**2.01:   Resignation of Commissioner David Elvig**

Chairperson Backous acknowledged receipt of Commissioner David Elvig's resignation and thanked him for his service to the City of Ramsey.

City Attorney Goodrich advised of the process to fill a City Council/HRA Commission vacancy and indicated the date of the special election would be determined at a Special Council Meeting scheduled for May 7, 2013.

**3.     APPROVAL OF AGENDA**

Motion by Commissioner Kuzma, seconded by Commissioner LeTourneau, to approve the agenda as submitted.

Motion carried. Voting Yes: Chairperson Backous, Commissioners Kuzma, LeTourneau, Riley, Strommen, and Tossey. Voting No: None.

#### **4. APPROVAL OF MINUTES**

Motion by Commissioner LeTourneau, seconded by Commissioner Riley, to approve the following minutes:

Regular Meeting Minutes dated April 9, 2013

Motion carried. Voting Yes: Chairperson Backous, Commissioners LeTourneau, Riley, Kuzma, Strommen, and Tossey. Voting No: None.

#### **5. HRA BUSINESS**

##### **5.01: Approve Letter of Intent with Sophia-Ramsey, LLC**

HRA Executive Director Ulrich reviewed the staff report and recommendation to approve a Letter of Intent with Sophia-Ramsey, LLC, and file the plat for the Sunwood retail area known as COR 2. It was noted this work will be completed by the end of the calendar year.

Motion by Commissioner Strommen, seconded by Commissioner Tossey, to approve the non-binding Letter of Intent with Sophia-Ramsey, LLC, as presented.

Motion carried. Voting Yes: Chairperson Backous, Commissioners Strommen, Tossey, Kuzma, LeTourneau, and Riley. Voting No: None.

##### **5.02: Discuss COR Strategy**

HRA Executive Director Ulrich reviewed the staff report, history of the Ramsey Town Center and re-branding as The COR, and detailed the pros and cons of the following strategy options: 1) Continue as is; 2) Contract with a broker; or, 3) Solicit proposals for all or large pieces of The COR to sell to a developer. He stated staff has requested a TIF analysis proposal for cost and scope of services. HRA Executive Director Ulrich asked the HRA to provide direction to staff as to which strategy it supported.

Commissioner Tossey stated he believed that development should be in private hands and supported Strategy 3, Solicit proposals for all or large pieces of The COR to sell to a developer. He asked if there is a State Statute relating to timeline for development of HRA land by a developer.

HRA Executive Director Ulrich stated once the property is sold for development, there is a timeline and staff will research and provide that information.

Commissioner Strommen stated she also supported Strategy 3, solicit proposals for all or large pieces of The COR to sell to a developer; however at this time, preferred Strategy 1, continue as is, until the Development Manager is on staff. She stated she would also be interested in pursuing a residential/retail/commercial developer round table to get a better understanding of what the market is doing.

Commissioner Riley stated he likes Strategy 1, continue as is, until it is known what will happen with funding for the Armstrong interchange because it will impact development interest and values. He stated he is troubled that the HRA does not know its rules to sell land.

Commissioner Kuzma stated he would also like to know the timeline for interchange funding.

Commissioner Tossey stated there will be an answer on funding in about one month, at the end of the Legislative session.

Chairperson Backous stated he thinks the HRA does not have enough information to make a decision so he supports Strategy 1, continue as is, to allow time to obtain more information from the Economic Developer, about TIF, and land sale restrictions.

Commissioner Tossey stated he would prefer tabling this consideration until the Armstrong interchange funding has been determined.

Commissioner Strommen suggested, rather than Strategy 1, continue as is, to direct staff to gather the additional information requested for a future discussion.

Commissioner LeTourneau agreed and also supported reaching out to the development community to start that conversation, expose The COR to them, and ask for their comment on what makes the most sense for this property. He stated another option is to form a task force of people interested in this topic.

Chairperson Backous supported scheduling a development round table and setting staff in motion as suggested by Commissioner Strommen.

EDA Executive Director Ulrich suggested postponing consideration for 60 days because the Economic Development Director will be on board by then and an answer on State funding will have been received.

The consensus of the EDA was to support the suggestion of EDA Executive Director Ulrich and postpone consideration for 60 days.

**5.03: Develop Offer to Purchase Property at 6710 Highway 10 NW in Ramsey (Portions may be closed to the public)**

HRA Executive Director Ulrich reported the City has been asked if it is interested in purchasing property at 6710 Highway 10 NW, currently listed with Premier Properties. The property is currently the site of an adult bookstore and listed for sale at \$375,000. It was noted this property

is not needed for future Highway 10 right-of-way but could be considered a commercial redevelopment site and purchased with HRA, EDA, or City monies or a combination thereof.

City Attorney Goodrich advised that under Minnesota Statutes the meeting can move into closed session to discuss property acquisition negotiations. He indicated closed session discussion will relate to property acquisition of 6710 Highway 10 NW. The closed session will be tape recorded and that tape will be maintained for a period of eight years.

Motion by Commissioner Riley, seconded by Commissioner LeTourneau, to move to Closed Session to discuss acquisition negotiations.

Motion carried. Voting Yes: Chairperson Backous, Commissioners Riley, LeTourneau, Kuzma, Strommen and Tossey. Voting No: None.

The HRA meeting moved into a Closed Session at 8:29 p.m.

The HRA reconvened in Open Session at 8:46 p.m.

City Attorney Goodrich stated the HRA held discussion and no final decision was reached.

**5.04: Consider Offer to Purchase HRA Owned Property within Block One, COR 3 (Portions may be closed to the public)**

HRA Executive Director Ulrich reported the City has received an offer to purchase North Commons, a City-owned property located in The COR.

City Attorney Goodrich advised that under Minnesota Statutes the meeting can move into closed session to discuss land sale transaction negotiations. He indicated closed session discussion will relate to the purchase offer of Lots 5, 6, 7, 11 and 12, Block 1, COR Three, for future development. The closed session will be tape recorded and that tape will be maintained for a period of eight years.

Motion by Commissioner LeTourneau, seconded by Commissioner Tossey, to move to Closed Session to discuss acquisition negotiations.

Motion carried. Voting Yes: Chairperson Backous, Commissioners LeTourneau, Tossey, Kuzma, Riley, and Strommen. Voting No: None.

The HRA meeting moved into a Closed Session at 8:48 p.m.

The HRA reconvened in Open Session at 9:09 p.m.

City Attorney Goodrich stated the HRA held discussion and no final decision was reached except to direct staff to conduct additional research to determine property values.

**6. DEVELOPMENT TEAM REPORT**

HRA Executive Director Ulrich provided an update relating to on-going projects. He indicated Landform’s attorney has asked to negotiate a potential buy-out of the contract and asked if any HRA Commissioners would be interested in participating in that mediation session.

Chairperson Backous, Commissioners Riley and Strommen volunteered to participate in the mediation session.

HRA Executive Director Ulrich reported that Anoka County HRA approved use of its funds for the Kiefer property purchase. He stated staff will bring forward a future case relating to use of Anoka County HRA funds for purchase of Highway 10 properties for redevelopment.

HRA Executive Director Ulrich reported that Ramsey would receive \$875,633 back from the money committed to the rail project due to a good bid environment and cost savings. He noted that \$500,000 has been designated to pay for the Sunwood Drive realignment so the balance of \$375,000 would be returned and available for TIF eligible expenses.

**7. COMMISSIONER INPUT**

None.

**8. ADJOURNMENT**

Motion by Commissioner Tossey, seconded by Commissioner Kuzma, to adjourn the regular meeting of the Housing and Redevelopment Authority.

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 9:14 p.m.

Respectfully submitted,

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Kurtis G. Ulrich  
HRA Executive Director

ATTEST:

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Jo Ann M. Thieling  
City Clerk

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