

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, August 27, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Acting Chairperson John LeTourneau
 Commissioner Jill Johns
 Commissioner Mark Kuzma
 Commissioner Chris Riley
 Commissioner Sarah Strommen
 Commissioner Jason Tossey

Members Absent: Chairperson Randy Backous

Also Present: HRA Executive Director Kurtis G. Ulrich
 Deputy Executive Director Timothy Gladhill
 City Engineer Bruce Westby
 Human Resources Manager Colleen Lasher
 Assistant to the City Administrator Patrick Brama
 City Attorney Joe Langel

1. CALL TO ORDER

Chairperson Backous called the regular meeting of the Housing and Redevelopment Authority to order at 8:14 p.m.

2. CITIZEN INPUT

Wayne Buccholz, 14621 Neon Street NW, asked if there are still two SuperAmericas coming to Ramsey.

Acting Chairperson LeTourneau noted that topic will be considered as Agenda Item 5.01.

Jim Benson, 14131 Junkite Street NW, thanked Commissioner Tossey for providing an explanation relating to taxes and the HRA levy because it is a difficult process and in his mind, a “shell game.”

Commissioner Tossey stated the Ramsey HRA was created to be the master developer when the old Ramsey Town Center was purchased. He stated his hope to reduce and eliminate the HRA’s activity.

3. APPROVAL OF AGENDA

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

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

4. APPROVAL OF MINUTES

- None.

5. HRA BUSINESS

5.01: Discuss SuperAmerica Properties

Executive Director Ulrich reviewed the staff report and provided an update on the two SuperAmerica properties, noting a purchase agreement has not been signed but the City has received a letter of interest. With the Armstrong Boulevard site, there is an approved site plan for a convenience store. He stated since there has been renewed interest in that site, he would recommend delaying action until the market study is completed. With regard to the Ramsey Boulevard site, it is part of an existing larger parcel and if directed, staff could steer the property toward a development more consistent with the business/office area as it is a “gateway” parcel.

Commissioner Kuzma recommended allowing SuperAmerica an additional week to complete the market study and if that does not occur, to open the site to other uses.

Commissioner Riley stated support for SuperAmerica on the Armstrong Boulevard site but if that does not occur shortly, he supported placing a “For Sale” sign.

Commissioner Strommen stated the market study only relates to the Armstrong Boulevard site and she supports allowing SuperAmerica time to complete that work. She supported looking at other options for the Ramsey Boulevard site and to open consideration to other uses, such as a pharmacy.

Commissioner Tossey stated he supports the position of Commissioner Riley and to put “For Sale” signs on the HRA properties so it can get out of the development business.

Commissioner Johns concurred.

Acting Chairperson LeTourneau agreed that would be a good approach but the HRA should not forget its strategic plan that specifically outlines this should occur with an Economic Development Director and not as an HRA function. He supported filling that staff position and then market the property by other users.

Commissioner Tossey stated the EDA is still the government doing the work so he supported putting up “For Sale” signs and letting the market do the job.

Commissioner Strommen stated there is a short-term strategy to determine whether SuperAmerica is interested and if not, to market the property. There is also an issue of determining an exit strategy for the HRA to get out of this role. Commissioner Strommen stated the HRA mis-stepped when it advertised to the community that these two sites would be SuperAmericas without first having a purchase agreement.

Executive Director Ulrich stated filling the Economic Development Director position has been delayed and could be taken up again, if the HRA desires. He distributed a recent article relating to selling a high-profile site along the Mississippi River in the City of Champlin through a Request for Proposals (RFP). Executive Director Ulrich suggested the HRA consider listing active and shovel-ready sites, such as the former adult bookstore site, the Kiefer property, or the Ramsey Boulevard (SuperAmerica) site that has roadway and utilities so the HRA can recoup its investment.

Commissioner Riley stated another property is the old Amoco site on Highway 47.

Acting Chairperson LeTourneau suggested that topic be scheduled for discussion at a future HRA meeting.

The consensus of the HRA was to continue to support SuperAmerica on the Armstrong Boulevard site and direct staff to market the Ramsey Boulevard site to potential users other than a convenience store.

5.02: Discuss Subsidy Alternatives for Assisted Living Projects

Executive Director Ulrich reviewed the staff report and requested direction on the type of subsidy alternatives, if any, would be acceptable to the HRA for an assisted living project. It was noted the City currently has two parcels pending consideration by the City for one-level assisted living projects, both requiring significant assistance from the City. He indicated the estimated return of equity and expenses appear to be reasonable; however, giving the land for free does not meet what the developer wants for equity. Executive Director Ulrich described assistance options to abate taxes or create a Tax Increment Financing (TIF) District. He stated a TIF study/analysis has been completed and will be presented to the HRA on September 17, 2013. It was noted that these two projects would not be constructed this fall and if a funding scenario can be found, they would be constructed in 2014. Executive Director Ulrich stated if there is no interest in offering assistance, staff can so inform the developer.

Commissioner Strommen stated a Housing Assistance Policy would clearly state the City's goals for housing and if the HRA is willing to offer assistance, the level that would be considered. She noted the HRA has already determined policy that TIF is not a consideration. Commissioner Strommen stated if the HRA supports this type of housing, she would support opening it up with an RFP to assure the City attracts the best project to meet its goals.

Executive Director Ulrich stated the Housing Assistance Policy will come forward this fall and these sites would be attractive for an RFP process. He stated the HRA's main asset is the land, which could write down project costs if the HRA chose to subsidize it in that way.

Commissioner Tossey noted the City does not have an attractive tax capacity and abating taxes for this project would not improve it. He stated he does not know where the urgency is coming from to sell this property and he does not support subsidizing this project with TIF or tax abatement as it would not be equitable to the rest of Ramsey's residents.

Commissioner Strommen agreed there is not a lot of urgency so she supports waiting for the TIF study and Housing Assistance Policy.

Acting Chairperson LeTourneau agreed.

The consensus of the HRA was to delay consideration until the TIF Study and Housing Assistance Policy have been completed and reviewed.

6. DEVELOPMENT TEAM REPORT / EXECUTIVE DIRECTOR REPORT

HRA Executive Director Ulrich provided updates on projects and property available for sale as detailed in the staff report. He reported the Landform attorneys have expressed a willingness to renegotiate the contract incentive terms.

7. COMMISSIONER INPUT

None.

8. ADJOURNMENT

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

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 8:48 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.*