

City of Ramsey
Agenda
Housing and Redevelopment Authority (HRA)
Regular Session
Tuesday, November 26, 2013
Immediately Following City Council
Council Chambers, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Citizen Input**
- 3. Approve Agenda**
- 4. Approve Minutes**
 1. Approve the Following Meeting Minutes:
 1. HRA Regular - November 12, 2013
- 5. HRA Business**
 1. Adopt Resolution #13-11-210 Approving of COR TWO NORTHSTAR; Case of Sophia-Ramsey, LLC
 2. Consider Sale of North Commons Residential Lots 1-4, Block 1,- COR III (portions may be closed to the public)
- 6. Executive Director's Report**
- 7. Commissioner Input**
- 8. Adjournment**

HRA Regular Session

4. 1.

Meeting Date: 11/26/2013

By: Jo Thieling, Administrative Services

Information

Title:

Approve the Following Meeting Minutes:

1. HRA Regular - November 12, 2013

Purpose/Background:

Attached are the HRA meeting minutes for review and approval.

Recommendation:

N/A

Action:

Motion to approve the following meeting minutes

1. HRA Regular - November 12, 2013
-

Attachments

[HRA Mts 111213](#)

Form Review

Inbox

Kurt Ulrich

Form Started By: Jo Thieling

Final Approval Date: 11/21/2013

Reviewed By

Kurt Ulrich

Date

11/21/2013 03:57 PM

Started On: 11/20/2013 04:28 PM

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, November 12, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Randy Backous
 Commissioner Jill Johns
 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
 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 8:59 p.m.

2. CITIZEN INPUT

There was none.

3. APPROVAL OF AGENDA

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

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

4. APPROVAL OF MINUTES

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

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

5. HRA BUSINESS

5.01: Award Contract for Services for Further Analysis of Tax Increment Financing (TIF) District #14 – The COR

HRA Executive Director Ulrich reviewed the staff report and proposals from Ehlers and Northland Securities to conduct a further analysis of Tax Increment District (TIF) District 14. He described the negative impact of declining property values within the District and opportunity for decertification or special legislation. HRA Executive Director Ulrich reviewed the two proposals received and staff recommendation that the HRA accept the proposal from Ehlers in a not-to-exceed amount of \$5,000 as Ehlers is the most knowledgeable of the City's TIF District #14 and has already performed a first analysis of the City's original TIF #14 Plan. HRA Executive Director Ulrich stated staff could do this analysis but it would be much less efficient than using a consultant that knows all of the TIF rules and how State laws are applied.

Finance Director Lund stated most cities outsource TIF due to the requirements and prerequisite to follow TIF rules and regulations, noting financial consultants deal strictly with TIF and are experts in that field.

Chairperson Backous noted the intent is to develop strategies to approach the Legislature. He corrected his previous comment and clarified that Ehlers had not prepared the report on TIF District #14.

Motion by Commissioner LeTourneau, seconded by Commissioner Kuzma, to approve the proposal from Ehlers in a not-to-exceed amount of \$5,000.

Further discussion: The HRA discussed the past work of Ehlers and need to address what can be done with TIF #14 to get a returned value and good platform on which to make decisions.

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

5.02: Approve Work Order for Installation of Sign in COR TWO / Sunwood Retail Area per Real Estate Contract with McDonald's USA, LLC

Deputy Executive Director Gladhill reviewed the staff report and six alternatives to consider for the construction of two permanent signs along Sunwood Drive for McDonald's USA, LLC. It was noted that one-third of the cost of the signs will be reimbursed by McDonald's in addition to the purchase price. The remaining two-thirds will be paid by land sale proceeds from McDonald's and is anticipated to be reimbursed at the time of sale of Lots 1 and 3, Block 1, COR TWO of the Sunwood Retail Area. Deputy Executive Director Gladhill presented the

proposed project entry sign, noting the HRA has committed to this obligation under the Real Estate Contract between the HRA and McDonald's USA, LLC. Staff recommends that the HRA adopt a resolution approving the Work Order for construction of two permanent signs along Sunwood Drive in the amount of \$60,554.00, contingent upon completion of the real estate transaction by and between the HRA and McDonald's USA, LLC. Deputy Executive Director Gladhill described the building materials and advised that this cost does not include electrical connections so that will be considered at a later date. He presented alternatives for consideration.

HRA Executive Director Ulrich stated this is a community sign project for the three tenants/lots so the costs will be spread and passed forward when the tenants are in place or the lots are sold.

Deputy Executive Director Gladhill clarified that the recommended bid includes dryvit, not Kasota Stone, due to the cost. He stated there is an obligation to provide two shared signs and McDonald's sign panels on those signs. Deputy Executive Director Gladhill stated it is being considered at this time because it is a requirement of the real estate contract and McDonald's wants the sign costs locked in at this point.

HRA Executive Director Ulrich stated the sign would not be ordered until the property is closed and the HRA has land proceeds in hand. He noted the sign will not be started until spring and if desired by the HRA, can be constructed concurrent with McDonald's construction.

Commissioner LeTourneau stated concern with deviating from building material requirements within the Master Sign Plan, over which hours were spent, due to the costs. He supported the HRA remaining consistent to Master Sign Plan requirements.

Motion by Commissioner Tossey, seconded by Commissioner Strommen, to adopt Resolution #13-11-194 approving the Work Order for construction of two permanent signs along Sunwood Drive in the amount of \$60,554.00, contingent upon completion of the real estate transaction by and between the HRA and McDonald's USA, LLC, and construction concurrent with McDonald's construction.

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

5.03: Consider Third Amendment to the Real Estate Contract with McDonald's Corporation

HRA Executive Director Ulrich reviewed the staff report, noting this document is intended to be the final clean-up of outstanding issues prior to closing. He explained the City has the option to delay or reject the amendments as proposed, but doing so would delay the sale, subject to additional negotiation by the buyer. Staff recommends approval of the Third Amendment to the Real Estate Contract with McDonald's USA, LLC, subject to review and approval of the City Attorney. HRA Executive Director Ulrich reviewed the list of excluded restaurants.

Motion by Commissioner Riley, seconded by Commissioner LeTourneau, to approve the Third Amendment to the Real Estate Contract with McDonald's USA, LLC, subject to review and approval of the City Attorney.

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

5.04: Discuss Contract Settlement Offer, Landform, LLC

HRA Executive Director Ulrich advised that this matter does not require or qualify for a Closed Session. He reported a settlement offer was received from Landform to close out the contract; however, he does not think the terms are favorable or would be accepted by the HRA at this point.

The consensus of the HRA was to support the suggestion of HRA Executive Director Ulrich that the HRA appointed negotiating committee continue negotiations with Landform to reach an acceptable settlement offer.

6. EXECUTIVE DIRECTOR'S REPORT

HRA Executive Director Ulrich reported on recent interest in the North Commons property at a range of \$65,000 to \$70,000 as the lots are located along the park. He stated there has also been interest for a convenience store on the Ramsey Boulevard property and that group has been asked to submit a written proposal.

HRA Executive Director Ulrich stated the builder who had an agreement on four North Commons lots that was canceled when the HRA decided to not move that development forward, would like to reach a settlement. Staff will bring forward that matter at the next meeting.

HRA Executive Director Ulrich noted the City Council had canceled the RFP process for broker services.

The consensus of the HRA was to direct staff to post "For Sale" signs on the HRA-owned residential property.

7. COMMISSIONER INPUT

None.

8. ADJOURNMENT

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

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 9:37 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.

Meeting Date: 11/26/2013

By: Tim Gladhill, Community Development

Information

Title:

Adopt Resolution #13-11-210 Approving of COR TWO NORTHSTAR; Case of Sophia-Ramsey, LLC

Purpose/Background:

Attached for the HRA's consideration is a Final Plat for COR TWO NORTHSTAR, which was originally part of the COR TWO Plat. The original Final Plat was originally approved on August 13, 2012. However, the proposed Lots 1 and 2 (existing lots) were not included in the current version of COR TWO, as Sophia-Ramsey chose not to proceed at that time due to financing and tax purposes. Sophia-Ramsey, LLC has now submitted a plat to complete the remainder of the original COR TWO plat. No additional lots are being created; in fact, the number of parcels is being consolidated. Outlots A & B are owned by the HRA.

Notification:

No notification required at this time. The revised Plat is consistent with past approvals.

Observations/Alternatives:

The City Council previously granted Final Plat Approval to COR TWO in 2012. At that time, the plat included reconfiguration of Lots 1 and 2, Ramsey Town Center 3rd Addition. The Ramsey Town Center 3rd Addition is more commonly known as Northstar Marketplace or the Coborn's anchored retail center. Due to timing of the plat and associated tax requirements, the owners of Lots 1 and 2 have requested a delay to recording the plat of COR TWO.

The current plat removed the Sophia-Ramsey lots, but created two (2) new outlots that will now be included in COR TWO NORTHSTAR that will bring the plat to it's originally planned configuration.

Approval of the Plat shall be contingent upon a correction to the drainage and utility easement description to remove any encroachment of the Coborn's building. This adjustment is minor.

As owner of Outlots A & B, COR TWO to be included as part of COR TWO NORTHSTAR, the current Plat under review, the HRA must approve of the Plat.

Funding Source:

All costs associated with the Application are the responsibility of the Applicant.

Recommendation:

Staff recommends that the HRA adopt Resolution #13-11-210 granting Final Plat Approval to COR TWO NORTHSTAR.

Action:

Motion to adopt Resolution #13-11-210 granting Final Plat Approval to COR TWO NORTHSTAR.

Attachments

Site Location Map

Submittal

Proposed Plat

Resolution #13-11-210

Form Review

Inbox

Kurt Ulrich

Form Started By: Tim Gladhill

Final Approval Date: 11/21/2013

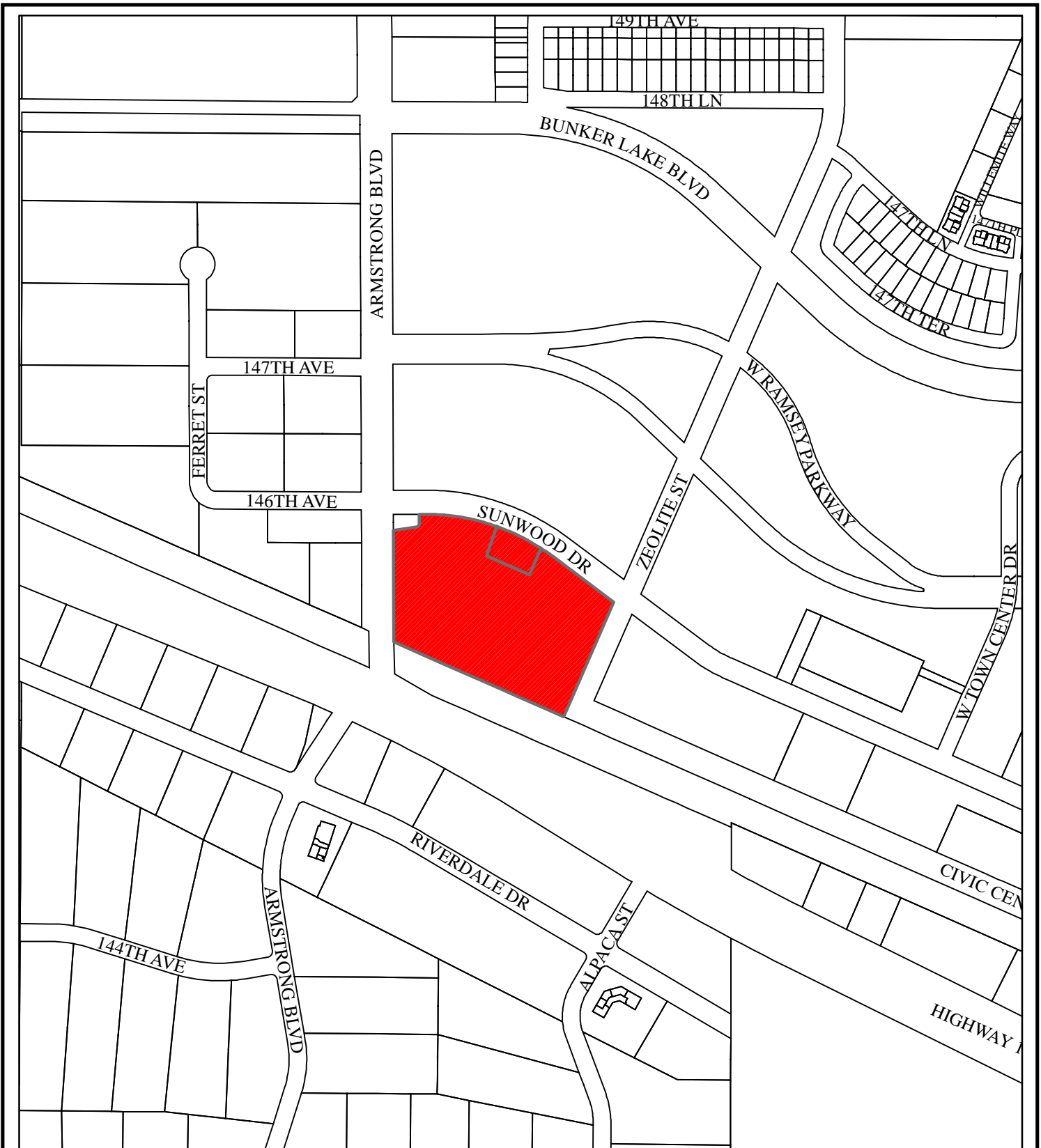
Reviewed By

Kurt Ulrich

Date


11/21/2013 04:33 PM

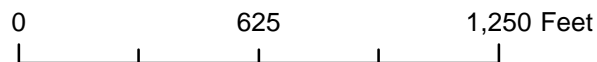
Started On: 11/21/2013 04:19 PM

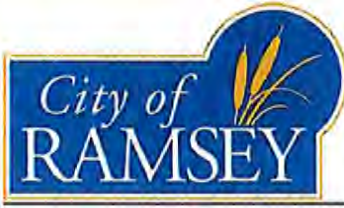


COR TWO NORTHSTAR

Legend

-  Site
-  Parcels





Land Use Application

<input type="checkbox"/> Plat – Sketch Plan	<input type="checkbox"/> Plat – Preliminary Plat	<input checked="" type="checkbox"/> Plat – Final Plat
<input type="checkbox"/> Administrative Plat	<input type="checkbox"/> Site Plan Review	<input type="checkbox"/> Easement/ROW Vacation
<input type="checkbox"/> Conditional Use Permit	<input type="checkbox"/> Interim Use Permit	<input type="checkbox"/> Comprehensive Plan Amendment
<input type="checkbox"/> Zoning Amendment	<input type="checkbox"/> Home Occupation Permit	<input type="checkbox"/> Variance
<input type="checkbox"/> Dwelling Moving Permit	<input type="checkbox"/> Environmental Permit	<input type="checkbox"/> Registered Land Survey

Applicant Contact Information

Please note: All official communication will be routed through this contact.

Name:		Kendra Lindahl	
Street Address:		105 South F.Fth Ave., Suite 513	
City, State, ZIP:		Minneapolis, MN 55401	
Home Phone:		Work Phone:	612-638-0225
Email:	klindahl@landform.net	Fax Number:	612-252-9070
Name of Business (if applicable):		Landform Professional Services, LLC	
Business Address (if applicable)			
Business City, State, ZIP			
Business Phone:		Business Fax:	

Subject Property Information

(Location of Application)

Address ¹	7900 Sunwood Drive NW
PIN ¹	28-32-25-23-0007, 28-32-25-23-0008, 28-32-25-23-0009 28-32-25-22-0014, 28-32-25-22-0015
Legal Description ¹	Lots 1+2, Block 1, Ramsey Town Center 3rd (see plat for Full legal)
Zoning District ²	COR2a

¹Property information can be found on the Planning Division webpage by clicking on 'gGov'.

²Contact the Planning Division at 763-433-9824 or planning@cityoframsey.com to request a Zoning Verification

Property Owner Information

(If different than Applicant)

Name:	Sophia - Ramsey, LLC or assigns		
Street Address:	1508 Welland Ave.		
City, State, ZIP:	Minnetonka, MN 55304		
Home Phone:		Work Phone:	952-852-2339
Email:	Jay.scott@solomanRE.com	Fax Number:	

Please provide a detailed description of your request and attached a copy of a scaled site plan

<p>Replat subject parcels consistent with the approved preliminary plat and agreement with City of Ramsey HRA. Our request is for Final Plat approval for "COR TWO Northstar".</p>

A "Land Use Sign" will be placed on the Subject Property to allow Ramsey Residents the opportunity to obtain information about your request.

Applicant Signature		Co-Applicant Signature	
Printed Name	Kendra Lindahl, AICP	Printed Name	
Title	Principal	Title	
Date	11/07/13	Date	

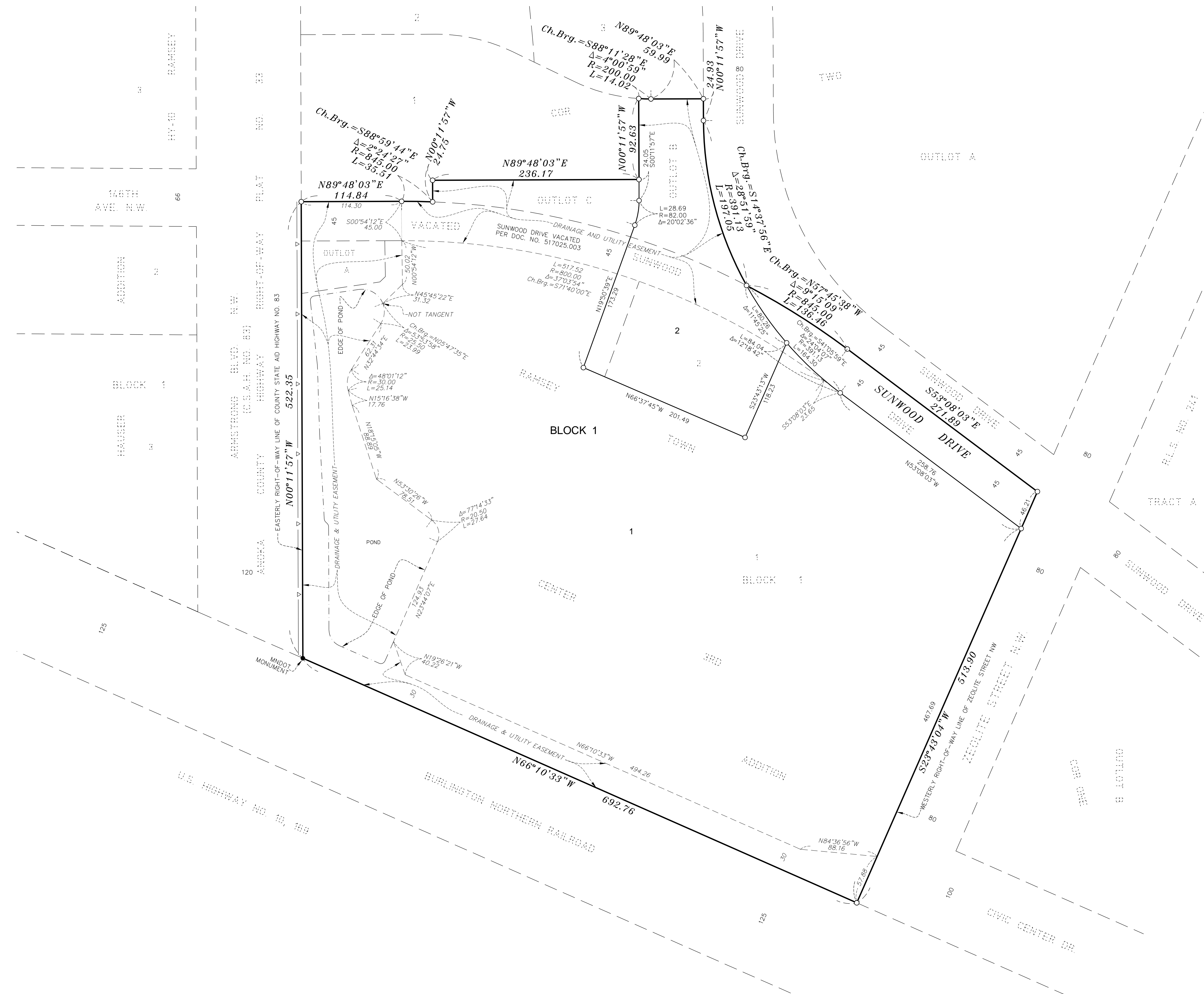
I understand that the application fee is non-refundable. All costs associated with the processing of this application are the responsibility of the applicant whether this application is approved or denied. Any excess of escrow account deposits over expenditures will be refunded at the time of account closure. I also understand that as the applicant, it is my responsibility to obtain all other permits or licenses required by any applicable regulatory agencies for this Land Use Application.

Property Owner Signature		Property Owner Signature	
Printed Name	Jay Scott	Printed Name	
Title	President	Title	
Date	11/07/13	Date	

I hereby certify that I am the fee title owner/contract for deed vendee of record for the above-mentioned property. Failure to prove ownership may void any agreements entered into the City and I will be held liable for any and all costs incurred by the City.

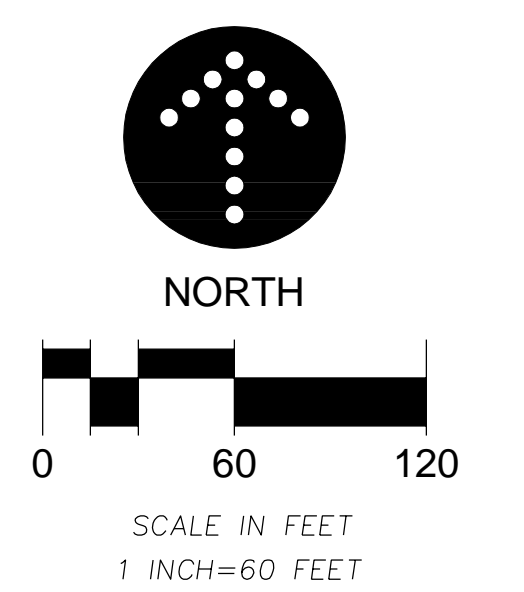
COR TWO NORTHSTAR

CITY OF RAMSEY
 COUNTY OF ANOKA
 SEC. 28, TWP. 32, RNG. 25



FOR THE PURPOSES OF THIS PLAT, THE WEST LINE OF LOT 1, BLOCK 1, RAMSEY TOWN CENTER THIRD ADDITION IS ASSUMED TO BEAR NORTH 00 DEGREES 11 MINUTES 57 SECOND WEST

- DENOTES IRON MONUMENT FOUND
- DENOTES 1/2 INCH BY 14 INCH IRON MONUMENT, SET AND MARKED WITH MINNESOTA LICENSE NO. 47465
- ▲— DENOTES RIGHT OF ACCESS DEDICATED TO COUNTY OF ANOKA



Board Member ____ introduced the following resolution and moved for its adoption:

RESOLUTION #13-11-210

A RESOLUTION GRANTING FINAL PLAT APPROVAL OF COR TWO NORTHSTAR

WHEREAS, Sophia-Ramsey, LLC, hereinafter referred to as “Applicant”, has properly applied for preliminary plat approval of COR TWO NORTHSTAR on the following described property located in the City of Ramsey:

Lots 1 & 2, Block 1, RAMSEY TOWN CENTER 3RD ADDITION

(the “Subject Property”)

WHEREAS, on May 7th, 2012, the City of Ramsey received an application and sketch plan from Housing and Redevelopment Authority for a plat to be named COR ADDITION; and

WHEREAS, on June 7th, 2012 the Planning Commission reviewed the sketch plan and recommended to proceed to the preliminary plat stage; and

WHEREAS, on August 2ND, 2012, the Planning Commission conducted a public hearing and recommended the City Council approve the preliminary plat COR TWO; and

WHEREAS, on August 28th, 2012, the City Council approved the preliminary plat for COR TWO; and

WHEREAS, on August 28th, 2012, the City Council approved the final plat for COR TWO; and

WHEREAS, on February 19th, 2013, the City Council approved a revised final plat that did not include the Subject Property; and

WHEREAS, on November 7, 2013, the City received an Application to complete the remainder of the original COR TWO plat; and

WHEREAS, on November 26, 2013 the City Council approved the final plat of COR TWO NORTHSTAR; and

WHEREAS, the HRA is owner of Outlots A & B, COR TWO, which are now to be included as part of COR TWO NORTHSTAR.

NOW THEREFORE, BE IT RESOLVED BY THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA, as follows:

That the Ramsey Housing and Redevelopment Authority hereby grants final plat approval of COR TWO NORTHSTAR in accordance with relevant City Codes.

The motion for the adoption of the foregoing resolution was duly seconded by Board Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following abstained:

and the following were absent:

whereupon said resolution was declared duly passed and adopted by the Ramsey City Council this 26th day of November, 2013.

Mayor

ATTEST:

City Clerk

Meeting Date: 11/26/2013

Submitted For: Kurt Ulrich,

By:

Jo Thieling, Administrative Services

Information

Title:

Consider Sale of North Commons Residential Lots 1-4, Block 1,- COR III (portions may be closed to the public)

Purpose/Background:

In May, 2013, the HRA was presented with four options relating to the North Commons site. Following discussion, the HRA approved pursuing the alternative that would development the four lots on the west side of the park only. The four house pads were previously rough graded so the work to develop the four lots would simply require construction of water and sanitary sewer services, constructing driveway aprons and sidewalks across all four lots, and constructing a storm sewer outlet for the wetland located within the park.

All improvements (sewer, water, streets) have now been completed for these four lots and they are ready for sale. The City has received several calls, but no written offers on the lots to date.

The HRA had originally planned to build thirteen additional lots as part of this development on land to the east. However, additional costs for construction and low lot prices made construction of these lots unfeasible at the time. Consequently, a purchase agreement that the City had with a local home builder for one of these lots could not be fulfilled. This builder has asked some pricing considerations in the purchase of Lots 1-4, Block 1 in exchange for dropping any claims to the prior agreement. It is this consideration for the sale of these lots that staff would like to discuss with the HRA.

Observations/Alternatives:

The proposed park lots are fully graded and soils have been corrected on the building pads. Due to the adjacency to the City Park these can be considered "premium lots" which will command a higher price than the smaller standard lots existing or proposed for other areas of this neighborhood.

The original pro-forma for this development showed the price range for the park lots from \$50,000-\$60,000. The City had entertained purchase offers for the small non-park lots at the low end of their range, \$35,000. Market prices on residential lots have rebounded due to a short supply, and recent consultations with a real estate agent familiar with the area indicate that the listing price would be recommended at \$65,000 in today's market.

The City posted the properties with FOR SALE signs and has not yet listed these properties with a real estate agent.

Funding Source:

Staff recommends that the negotiating the sale of these four lots with the interested buyer subject to HRA discussion of pricing and structure.

Recommendation:

Negotiate the sale of lots with the interested party based upon discussion.

Action:

Negotiate the sale of lots with the interested party based upon discussion.

Attachments

No file(s) attached.

Form Review

Inbox

Kurt Ulrich

Form Started By: Jo Thieling

Final Approval Date: 11/21/2013

Reviewed By

Kurt Ulrich

Date

11/21/2013 04:30 PM

Started On: 11/21/2013 02:37 PM