

City of Ramsey
Agenda
Economic Development Authority (EDA)
Thursday June 4, 2015
7:30 am
Lake Itasca Room, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Approve Agenda**
- 3. Approve Minutes**
 1. Approve the Following Meeting Minutes:
1) EDA Regular Meeting - April 2, 2015
- 4. EDA Business**
 1. Consider Dominion Development & Acquisitions, LLC Letter of Intent (portions may be closed to the public)
 2. Consider Purchase Agreement with WESTCO Properties LLC (portions may be closed to the public)
 3. Consider Recommending the City Council Authorize the City's Economic Development Manager to Complete the NDC EDPF Certification
 4. Review Relationship of Parks and Trails to Economic Development, and Consider Concert Sponsorship
 5. EDA Updates
- 5. Member/Staff Input**
- 6. Adjournment**

Economic Development Authority (EDA)

3. 1.

Meeting Date: 06/04/2015

By: Jo Thieling, Administrative Services

Title:

Approve the Following Meeting Minutes:

- 1) EDA Regular Meeting - April 2, 2015

Purpose/Background:

Purpose: The purpose is to approve the meeting minutes for the EDA meeting held the prior month.

Background: The meeting minutes are attached for review and approval.

Notification:

Observations/Alternatives:

Funding Source:

Recommendation:

Action:

Motion to approve the following EDA meeting minutes:

- 1) EDA Regular Meeting - April 2, 2015
-

Attachments

EDA Mts 04 02 15

Form Review

Form Started By: Jo Thieling
Final Approval Date: 06/01/2015

Started On: 04/13/2015 01:54 PM

**ECONOMIC DEVELOPMENT AUTHORITY
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The City of Ramsey Economic Development Authority (EDA) conducted a regular meeting on Thursday, April 2, 2015, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Member Glen Hardin
 Member Chris Riley
 Member Wayne Skaff
 Member Kristine Williams

Members Absent: Member Philip Brunt
 Member Brian Burandt
 Chairperson Jim Steffen

Also Present: Patrick Brama, Asst. City Administrator/Ec. Dev. Manager
 Kurt Ulrich, City Administrator
 Kathleen DuChene, Metropolitan Consortium of Community Developers

1. CALL TO ORDER

Vice Chairperson Skaff called the Economic Development Authority meeting to order at 7:29 a.m.

2. APPROVE AGENDA

There were no changes.

Motion by Member Riley, seconded by Member Hardin, to approve the agenda.

Motion carried. Voting Yes: Vice Chairperson Skaff, Members Riley, Hardin, and Williams.
Voting No: None. Absent: Brunt, Burandt, and Steffen

3. APPROVE MINUTES

3.01: Approve Meeting Minutes Dated March 5, 2015

Member Williams pointed out that a reference to CVRE should be CBRE under section 4.02.

Motion by Member Hardin, seconded by Member Riley, to approve the March 5, 2015 minutes as amended.

Motion carried. Voting Yes: Members Hardin, Riley, and Williams. Voting No: None. Absent: Members Brunt, Burandt, and Steffen. Abstain: Vice Chairperson Skaff.

Vice Chairperson Skaff abstained from the vote as he was not at the last meeting.

4. EDA BUSINESS

4.01: Introduce New Anoka County Open to Business Program

Economic Development Manager/Assistant City Administrator Brama introduced Kathleen DuChene, Business Advisor with Metropolitan Consortium of Community Developers. He stated that this program was reviewed briefly at the last EDA meeting. He stated that he will be asking a question regarding additional marketing for this initiative at the end of the presentation. He also stated that staff is generally in support of the program the County has put together. It fills the gap of expertise that City staff does not have and staff thinks it is a valuable resource for the City's businesses.

Ms. DuChene stated that she is the Business Advisor for Anoka County and works for MCCD. MCCD has a contract with Anoka County under the HRA department. It has been around for almost 30 years. It is a community-based organization that deals with affordable housing, public policy and the Open to Business Program. The Open to Business Program started about five years ago in the City of Brooklyn Park and is now in 67 communities. It is rolling out in Anoka County and will be opening in Washington County towards the end of the year. The Open to Business Program is an extension of the City's economic development efforts. They would like the program to be the City of Ramsey's program and to use MCCD's brand and information. They are asking the City to advertise and market the program. If the cities don't do that in Anoka County, MCCD cannot effectively evaluate the program. Anoka County's funding of the program will be discussed at an April 8th meeting in Coon Rapids. The cities' marketing of the program, the cost and who will pay for next year will be discussed. Ms. DuChene explained Matt Brown from Coon Rapids came to MCCD and asked them to start the program in Coon Rapids. It was successful and he suggested rolling it out in Anoka County. Ms. DuChene explained that she has set up office hours in seven communities and spends 2 ½ hours each month working with walk-in clients or scheduled appointments.

Ms. DuChene provided an overview of the program. She explained that the program can provide assistance with cash flow projections, financial information, bookkeeping, and writing a business plan, or clients can be directed to other professionals such as accountants and attorneys. She explained her own background. For the last 14 years, she has owned companies with her husband that were successful and prior to that she worked for Target in human resources, store operations and finance for about 13 years. She joined MCCD in February of 2015, but is not new to small business and feels she can effectively coach small businesses. She stated that the program asks a lot of questions of clients to coach and counsel them. Success may mean the business is not feasible and that is also considered a success. She stated that the program does offer a financing option for businesses and provided Board members with a handout explaining their loan products. The loan products are similar to a bank, but the program considers itself an exception lender. The loans the program provides may get a business owner ready to get an

eventual bank loan. They offer micro loans up to \$25K for start-up and early stage businesses and they offer gap financing. She stated that technical assistance is the main thrust of the program but they also offer financing.

City Administrator Ulrich asked about the origins of the funds and how they are replenished.

Ms. DuChene replied that the program works with a community of banks. The money is loaned to the program at a low interest rate and the program will in turn loan the money out at a little bit higher interest rate. They are now 70 to 80% self-funded. They also get monies from the federal government and foundations.

Vice Chairperson Skaff asked if the program is looking to the City of Ramsey for a contribution and if Ms. DuChene would be available at the City of Ramsey for 2 ½ hours a month.

Ms. DuChene replied that she would be available at the City and that the program is not asking for dollars. The program is a free service to residents and small business and is funded by the City or county. She is asking the cities to promote it as much as possible.

Vice Chairperson Skaff asked about the loan interest rates.

Ms. DuChene replied that they don't go over 10%. They are slightly higher than traditional banks because there is more risk. The program uses the same process that a bank would and has to look at collateral and how much money will be invested. The program goes through a very intensive process of evaluating the business and risks. There is a loan committee that looks at the loans and approves them.

Member Hardin asked about the counselors' background.

Ms. DuChene replied that the backgrounds are similar to hers. She stated that there are four or five other business advisors. Their backgrounds include working for banks, owning their own businesses, and one is a professor at a community college. She also stated that the program had 40 clients that have been seen in the first quarter and over a 100 hours in direct contact with those clients. Specific records are kept and are reported to the counties or the cities.

Member Riley stated that he is thinking about three or four of his clients that could use the program's services and that this sounds like it would be a great resource.

Ms. DuChene stated that the program looks at itself as an extension of economic development and also to relieve City staff. She also stated that the key is to advertise the program and talked about getting information on the City's website, newsletter, and notices in utility bills.

Member Skaff suggested advertising at the Business Expo being held April 18th.

Economic Development Manager/Assistant City Administrator Brama stated that the City would hand out the program's brochures at events.

Member Riley suggested having someone from the program available at the expo with a presence at a booth and thinks the expo is the best opportunity of the year.

Ms. DuChene spoke about her passion for wanting to help people in this capacity.

Economic Development Manager/Assistant City Administrator Brama stated that the staff is looking for general support for the program, which he believes there is and that the Board would support staff moving forward with a marketing blast. He would also like the Board to consider directing staff to go above and beyond the normal advertising venues and do some sort of direct mail to all City of Ramsey residents. He also spoke about the City's revolving loan fund and how it fits nicely with this program. He stated that this program would be a huge help to staff and that it supports the program.

Member Riley stated that he supported the program and the marketing blast. He felt that the target audience for the post cards needed to be refined to make sure it would get to perspective business owners.

Vice Chairperson Skaff stated that a half page in the *Ramsey Resident* would reach out broadly.

Economic Development Manager/Assistant City Administrator Brama stated that this will be in the next *Ramsey Resident* so the information will go out to every address in the City and he thinks that the small business list can be refined to a few hundred businesses.

Discussion took place regarding when and to whom the *Ramsey Resident* is sent.

Economic Development Manager/Assistant City Administrator Brama stated that if Board Members wanted someone to get information on the program, to contact him and he will see that they get the information.

4.02: New Policy for the Sale of City Owned Land and Template Purchase Agreement

Economic Development Manager/Assistant City Administrator Brama stated that the EDA has discussed this issue several times so he would provide an overview. He stated that the reason the case has been brought back to the Board is the template purchase agreement. The EDA and City Council have recently reviewed a handful of purchase agreements. Based on those reviews and the new policy for the sale of city owned land, direction was provided that the City should have a template purchase agreement that runs parallel with the new policy. He stated that the policy and the template purchase agreement have been gone over by City staff, CBRE and the City attorney in conjunction with Tom Bray. The template purchase agreement was modeled off of an agreement provided by Member Williams. He also stated that included in the case is a breakdown of benefits and potential concerns and that staff is in support of the policy and the template purchase agreement and feels it will make the process smoother and lay out expectations for City EDA staff. This will be brought before the City Council on April 14, 2015.

Member Williams stated that she thinks that this is a better place to start than responding to potential purchase agreements from prospect buyers.

Member Hardin asked about language that indicated that if the purchaser had their own agreement, the City would modify it. He asked why the City wouldn't use theirs all of the time.

Economic Development Manager/Assistant City Administrator Brama stated that the City would attempt to use the City's purchase agreement, but some buyers may not be willing to accept that and it may jeopardize a deal if we are strong on that. The City would open negotiations with using their agreement. If a prospect refused to use the City's purchase agreement, the City would use their policy for the sale of city owned land to review a buyer's purchase agreement and make sure it matches with the components the City needs in the purchase agreement.

City Administrator Ulrich asked Board Members for feedback regarding their experience working with larger corporations on land deals.

Member Williams stated that it was on more of a lawyer-by-lawyer basis and definitely more of an individual preference. She stated that she would like to think a major tenant would be treated a little bit differently and that it is good to have a template to show the City's starting position. She has found that a broker who won't use the seller's purchase agreement usually doesn't have the authority to negotiate the terms.

Economic Development Manager/Assistant City Administrator Brama stated Tom Bray did feel that this template will be useful for all the reasons the Board has discussed but added a word of caution that some of the terms might be debated by a buyer, especially a very educated buyer, because they lean in favor of the city. He wanted the Board to know that there are a few terms that are not standard.

Member Hardin asked if the template has been reviewed by CBRE.

Member Riley stated that he likes that it has been drafted and reviewed by the professionals and will rely on the experts.

Vice Chairperson Skaff concurred with Member Riley and stated that it's nice to have a template to start with so that issues are straightforward and laid out.

Member Hardin asked if CBRE will be using the template.

Economic Development Manager/Assistant City Administrator Brama answered affirmatively and stated that he will contact them to let them know they should be using the template as their starting point.

Member Riley stated that he would still want negotiations and flexibility and would not want the City to look like it is difficult to work with, but the template seems to cover everything the City needs.

Member Williams asked if Tom Bray had given the City an idea of where a reasonable line would lie in regard to the questionable sections.

Economic Development Manager/Assistant City Administrator Brama stated that Mr. Bray did not break it down but did provide detailed comments that will be saved and kept for a frame of reference. He does not have information on alternatives and middle ground and would be happy to follow-up on that. He would also forward the comments to the Board if they desire.

Member Williams stated that the Board should consider a deal range when looking at individual projects and that might help with negotiations.

Economic Development Manager/Assistant City Administrator Brama stated that he could go back to the terms that were potential concerns and review them and identify what acceptable alternatives would be and have them ready for negotiations. He asked Member Williams if she was looking for the alternatives to come back to the Board ahead of time or have Staff ready to answer the questions when a negotiation takes place.

Member Williams stated that the Board might want to review them because she feels the City Council might want to know more about them when a case comes before them. She feels that it is important to know what the City's minimum requirements are and wondered how much could be discussed at a public meeting. She stated that the document is intended to be one sided and doesn't think we should go forward without understanding what our minimum standards are.

Member Hardin stated that he thinks the City's purchase agreement should be one sided and if the buyer wants to negotiate, they certainly can.

Economic Development Manager/Assistant City Administrator Brama stated the three major items brought up by Mr. Bray were the phased escrows becoming hard over time; full liability on the prospect if someone is hurt on the property; and not allowing reassignment without the City's agreement in writing.

Member Williams stated that based on that information, she agrees with Member Hardin.

Vice Chairperson Skaff concurred and stated that from a small business standpoint it is a great place to start from and will save attorney costs.

Motion by Member Hardin, seconded by Member Riley to recommend the City Council approve the policy for the sale of City owned land and purchase agreement template.

Motion carried. Voting Yes: Vice Chairperson Skaff, Hardin, Riley, and Williams. Voting No: None. Absent: Members Brunt, Burandt and Steffen.

5. MEMBER / STAFF INPUT

The EDA reviewed the Staff Update.

5.01: Joint City Council – EDA Meeting

Economic Development Manager/Assistant City Administrator Brama stated the joint meeting is on April 14, 2015 at 5:30 p.m. in the Lake Itasca Room. He stated that he has contacted the State of Minnesota and DEED representative Jim Gromberg will provide an introduction to the Shovel Ready Program.

5.02: Skeeter Boat Company Considering Elk River Location

Economic Development Manager/Assistant City Administrator Brama stated that Staff is staying in contact with the prospect and are hoping to keep them in the City of Ramsey.

5.03: Economic Development Prospect “Power”

Economic Development Manager/Assistant City Administrator Brama stated that this is a business based out of Elk River that is considering the City of Ramsey. He stated that prospect is looking at a 105,000 square foot facility. The project would create 190 jobs making it the fourth largest employer in the City. The last word the City received is the prospect is considering the cities of Otsego and Ramsey as the final locations and will be making a decision in the next week. He stated that Staff along EDA Chairperson Steffen, Councilmember LeTourneau, Economic Development Consultant Mulrooney and MN DEED representative Jim Gromberg and his staff met with this prospect earlier this week. He stated that the meeting went really well and that the City had put themselves in a good position to have a fighting chance for this prospect. They are excited to hear back from the prospect in the next week or so.

5.04: RALF and Armstrong City Owned Properties

5.05: F & C (Residence at The COR) Refinance/Sale

Economic Development Manager/Assistant City Administrator Brama stated that the closing for The Residence is scheduled for April 9th. The City Council recently reauthorized a number of agreements and amendments to previous purchase agreements with F & C to allow for this sale. He stated that this sale wipes out the City’s risks and notes.

5.06: Purchase Agreements:

Economic Development Manager/Assistant City Administrator Brama stated that the agreements moving forward as scheduled are PSD, LLC, Casey’s General Store and Common Bond Communities. The agreements are scheduled to close in the next couple of months. He stated that the City recently received a notice that the NIK Management agreement was reassigned to a new investor. That investor is known as GS Land, LLC and staff is meeting with them April 3rd. He stated that this LLC was formally PCI Roads and that staff has had communication with the group over the phone and they have been very responsive. Staff feels that this is good news for the project and provides the capital needed to make the project move forward and get it to the finish line.

Member Hardin asked if the new investor was connected with NIK Management.

Economic Development Manager/Assistant City Administrator Brama replied that there were connections and that NIK Management is still managing the project to close.

Economic Development Manager/Assistant City Administrator Brama stated that the 24 Restore purchase agreement was never executed. Staff attempted to connect with 24 Restore and get the purchase agreement executed but has not received a reply. It is staff's understanding that they are looking at other properties so staff has given them notice that the purchase agreement is now void and no longer in play. 24 Restore would need to submit a new purchase agreement to the City for the property. Staff did extend an offer to help them secure a new site.

City Administrator Ulrich reported that the City Council has authorized legislation for the railroad separations at Ramsey Boulevard and Sunfish Lake Boulevard for 10 million dollars; approved a tower exemption to the ordinance to allow Connexus to build a communications tower on their property up to 99 feet; and authorized requests for quotes for permitting, licensing and code enforcement software which is part of the strategic plan to improve the City's process.

Vice Chairperson Skaff asked about the timetable for the closure of Armstrong and the interchange construction.

Economic Development Manager/Assistant City Administrator Brama stated that substantial completion will be October, 2015 and that there is an incentive to encourage early substantial completion. The final completion is scheduled for summer, 2016.

City Administrator Ulrich stated that construction will start around May 5, 2015.

6. ADJOURNMENT

Motion by Member Hardin, seconded by Member Williams, to adjourn the meeting.

Motion carried. Voting Yes: Vice Chairperson Skaff, Members Hardin, Williams, and Riley. Voting No: None. Absent: Members Brunt, Burandt and Steffen.

The regular meeting of the Economic Development Authority adjourned at 8:25 a.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Patrick Brama
Asst. City Administrator/Economic Development Manager

Draft by Denise Bosch
TimeSaver Off Site Secretarial, Inc.

Economic Development Authority (EDA)

4. 1.

Meeting Date: 06/04/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Consider Dominion Development & Acquisitions, LLC Letter of Intent (portions may be closed to the public)

Purpose/Background:

PURPOSE

Consider attached Letter of Intent (LOI) from Dominion Development & Acquisitions, LLC.

NOTE: if the EDA wishes, this case may be discussed in closed session. Closed session discussion shall be limited to reviewing the City's pricing strategy and developing a counter-offer (including all pricing and relevant terms).

BACKGROUND

Dominium is a national affordable housing development and management company (click here for a link to Dominion website: <http://www.dominiumapartments.com/about-dominium.html>). Dominion is considered by many within the real estate industry to be a quality development company with a solid track record of quality projects.

Over the past 30-45 days, staff has discussed the opportunity of a potential senior independent living project located in The COR with Dominion. On April 27, 2015 Dominion submitted a LOI for 4.94 acres of City owned land located between Coborn's and the future Common Bond Project. Dominion is offering the City's asking price (\$5.00 per square foot). The proposed project is valued by Dominion at \$24.1M, includes 124 units, and is anticipated to look similar to a recently completed senior independent living project in Saint Anthony Village (<http://www.landingsatsilverlakevillage.com/>). Staff has reviewed COR development standards with Dominion; and, the concept plan Dominion has outlined appears to generally comply at this point.

After the original LOI was submitted on April 27, it was reviewed by Staff within the context of the City's adopted *Policy for the Sale of City of Land*. Comments were submitted to Dominion; attached is an amended and updated LOI. It is Staff's opinion, the major topic of discussion for the EDA and City Council is the requested City financial assistance

Notification:

NA

Observations/Alternatives:

OBSERVATIONS

Based on the attached and adopted City Housing Assistance Policy (and Policy for the Sale of City Owned Land), below are the next steps in this process:

1. Council consider project concept and willingness to *conceptually* provide financial assistance to the project. The City would sign the LOI with Dominion. NOTE: this would not legally obligate the City to any specific level of assistance. With this step, staff will also recommend review of a concept plan by the Planning Commission.
2. Dominion submits a formal business subsidy application for detailed review and underwriting by Ehlers. A recommendation for the actual "required/ needed" level of financial assistance is provided by Ehlers. NOTE: this could be different than what was agreed upon in the LOI.

3. Both Dominion and the City review the formal recommendation provided by Ehlers. Both parties consider if they would like to move forward with a Purchase Agreement (PA) based on the suggested level of City assistance. A PA would lock in both parties to certain performance items (i.e. a specific City Financial Assistance number).

It should be noted, Dominion is willing/ interested in applying for Metropolitan Council and Anoka County HRA funding. However, it is their position, a commitment from the City is needed before a PA is executed; and before they apply for other funds. Dominion is interested in a 2016 project if their identified financing gap can be addressed. However, if Metropolitan Council funding is *needed* for this project, it may be pushed to 2017 (due to application and award timing).

ALTERNATIVES

Staff is looking for direction on two general items:

1. Does the general project concept fit the property/ is the overall development concept acceptable?
2. What level of financial assistance is the City Council comfortable with *considering* from a preliminary/ conceptual perspective?

Below are alternatives for item #2

(A) Counter offer Dominion before moving forward with step 1 above--staff recommendation (see next section for details). Staff would like the City assistance request to be adjusted within the LOI to comparable projects within the Twin Cities market.

(B) Accept the LOI as presented and move forward with step 1.

(C) Do not accept offer and end negotiations.

Funding Source:

NA

Recommendation:

Staff has reviewed this project, and process with Ehlers. Staff has asked that Ehlers provide recommended guidelines for "maximum" City participation in a housing project. Please see attached. Ehlers will be at this meeting to discuss this MEMO. This recommendation is based on review/ comparison of several other projects located within the Twin Cities market; including Dominion projects.

Based on the attached MEMO, it is Staff's perspective that the City should counter offer Dominion before moving to "Step 1." In other words, Staff believes the Dominion proposal for City financial assistance is currently too high (\$2.2M - \$2.6M, or 9.12% to 10.77% of total project costs from the City). Staff supports using 15 years of TIF as a maximum threshold as outlined by Ehlers; and/or potentially discussing the sale price of land. NOTE: depending on how the number is calculated, 15 years of TIF is expected to range from \$850,00-\$1.2M in present value terms. Attached is a breakdown of the Dominion offer/ request and the Staff suggested "maximum" City assistance.

Action:

Provide a recommendation for City Council consideration. Please see alternatives and recommendation sections.

Staff is looking for direction on two general items:

1. Does the project concept fit the property/ is the overall development concept acceptable?
2. What level of financial assistance is the City Council comfortable with *considering* from a preliminary/ conceptual perspective?

Staff recommendation: the City financial assistance request made by Dominion be adjusted to a level similar to comparable projects within the Twin Cities market before an LOI is considered for execution.

Attachments

LOI

Subject Property

Sources and Uses

St Anthony Legends at Silver Lake Pictures

Concept Map DRAFT

Offer and Assistance Request Breakdown

Housing Assistance Policy

Ehlers Housing Assistance Policy MEMO

Example Projects

POLICY FOR THE SALE OF CITY OWNED LAND

Form Review

Inbox

Tim Gladhill

Kurt Ulrich

Patrick Brama

Form Started By: Patrick Brama

Final Approval Date: 06/02/2015

Reviewed By

Tim Gladhill

Kurt Ulrich

Patrick Brama

Date

06/01/2015 02:52 PM

06/01/2015 04:24 PM

06/02/2015 12:55 PM

Started On: 06/01/2015 10:39 AM



May 13, 2015

Mr. Patrick Brama
The City of Ramsey
7550 Sunwood Drive SW
Ramsey, MN 55303

RE: City Parcel #47 at the COR in Ramsey, MN

Dear Patrick:

Dominium Development & Acquisitions, LLC (“Buyer”) is interested in purchasing from the City of Ramsey (“Seller”) the site described below, located in Ramsey, Minnesota.

Dominium plans to construct an approximately 124 unit senior, affordable, independent living property on the site using the Section 42 LIHTC program. Equity for the Project will be generated through the sale of 4% Low Income Housing Tax Credits allocated by MHFA. Tax-Exempt housing revenue bonds issued by the City of Ramsey will finance the first mortgage on the Project. The proposed development will feature urban architecture in line with the design standards of the COR and fits well in the context of the COR Master Plan and vision. Furthermore, an affordable, senior independent living apartment complex meets the top priorities of the City’s Housing Assistance policy.

Financing Gap: The proposed development currently has a financing gap of approximately \$2,600,000. In order to move forward with the potential development, Dominion will need a commitment from the City of Ramsey to fund \$2,200,000 of this gap. Funding could be in the form of TIF, development fee waivers, a land write down, or other sources of funds for the Project. Dominion will take on the risk of filling the remaining \$400,000 gap through Anoka County or MetCouncil funds. If funding for the Project from Anoka County and MetCouncil exceeds the remaining \$400,000 gap, the funds will be credited toward the \$2,200,000 from the City of Ramsey to reduce the City’s commitment.

This letter is intended to outline the terms and conditions of the purchase of the property by Buyer from Seller. Please consider the following proposed terms and conditions:

1. PROPERTY: Approximately 4.94 acres, or 215,186 sf, in Ramsey, MN located at the corner of Sunwood Drive and Zeolite Street NW, Property ID: 28-32-25-23-0010.
2. SELLER: The City of Ramsey
3. BUYER: Dominion Acquisition, LLC, or an applicable affiliated entity.

May 13, 2015

4. PURCHASE PRICE: \$1,000,000 cash at closing
5. EARNEST MONEY: \$30,000 earnest money shall be deposited into escrow upon the signing of a Purchase Agreement. Earnest money shall become non-refundable at the rate of 25% per month, if the Purchase Agreement is extended by Dominion.
6. TITLE: The Seller shall promptly deliver to Buyer full and complete copies of all title commitments, encumbrance documents and surveys currently in Seller's possession. Buyer may obtain a Commitment for Owner's Title Insurance from a title insurance agent and a current ALTA survey of the Property, at Buyer's expense. By no later than 120 days before Closing, the Buyer shall notify the Seller of any objections to title ("Objections") based on Buyer's review of the title commitments, encumbrance documents and Survey received by Buyer. Seller shall in good faith and with reasonable diligence attempt to correct Buyer's Objections. If the Objections are not cured by 60 days prior to Closing, the Buyer may by giving written notice to the Seller (i) terminate the Purchase Agreement, or (ii) waive the Objections and proceed to Closing.
7. CONTINGENCY FINANCING PERIOD: Dominion will work with the City of Ramsey to satisfy the contingency items listed in Section 8, including seeking County of Anoka and MetCouncil funds to close the financing gap. If by June 15, 2017 funding has not been secured for the financing gap, Dominion has the right to cancel the agreement and to the refund of all earnest money.
8. CONTINGENCY:
 - A commitment to provide \$2,200,000 through TIF, a land write down, fee waivers, or other sources will need to be provided by the city before Dominion will enter into a Purchase Agreement.
 - Buyer must be able to negotiate a Development Agreement with the City of Ramsey.
 - Buyer must be able to receive a commitment for Tax Credits from MHFA by the Second quarter of 2017.
 - Title and zoning satisfactory to Buyer.
 - Available financing acceptable to Buyer.
9. CLOSING: No later than June 15, 2017 or after the above contingencies have been satisfied.
10. PURCHASE AGREEMENT: Within thirty (30) business days after the City of Ramsey approves TIF, a land write down, fee waivers or other funding which provides no less than \$2,200,000 in total benefit to the sources of the project, Buyer will deliver to Seller a proposed Purchase Agreement.

May 13, 2015

12. ATTORNEY'S FEES: Each party will pay its own attorney's and any other consultant fees. Fees associated with a business subsidy request will be the responsibility of Dominion.
13. BROKER'S FEE: Buyer will not be responsible for payment of any broker's fees.

This letter is non-binding, but states the general terms of a purchase agreement to be drafted which the parties hereto agree to negotiate expeditiously and in good faith.

May 13, 2015

It is expressly understood and agreed that this letter provides the framework for further negotiations between Seller and Buyer and does not create any binding obligation or liability on the part of either party. As such, neither party shall be liable to the other party for any claims, losses, liabilities, damages, costs or expenses in the event of a failure of either party, for any reason whatsoever or for no reason, to execute and deliver the purchase agreement contemplated herein.

If the terms of this letter are acceptable, please acknowledge by signing below and returning a signed copy of this letter to me.

Sincerely,

Buyer:
Dominium Development & Acquisitions, LLC

Seller:
The City of Ramsey

By: _____

By: _____

Its: Managing Partner

Its: _____

Date: 4/27/2015

Date: _____

CITY-OWNED LAND FOR SALE: ±6.79 ACRES OF MIXED-USE LAND

LOCATED WITHIN THE COR RETAIL CENTER

RAMSEY, MN 55303

\$5.00/SF -or- \$1,480,000

CITY PARCEL #47

LOCATION

Northeast corner of Zeolite St W and Civic Center Dr, and within the COR

ACCESS

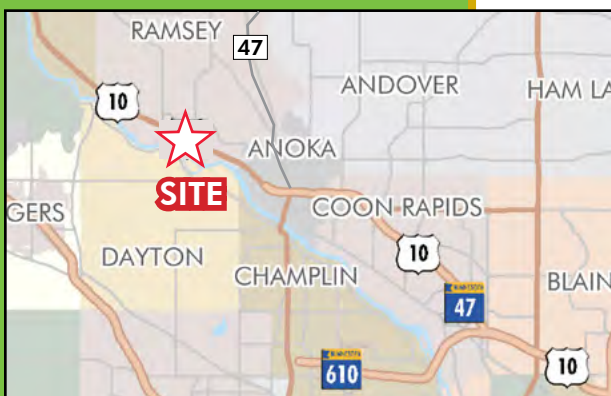
- Immediate access to Sunwood Dr, Civic Center Dr, and Zeolite St NW
- Easy access to Hwy 10

AMENITIES

- Located within COR retail site
- Only 30 minutes to downtown Minneapolis
- Close proximity to Northstar Rail Station

VISIBILITY

Frontage and visibility from Zeolite St NW, Civic Center Dr and Sunwood Dr



FOR MORE INFORMATION, PLEASE CONTACT:

Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±6.79 ACRES OF MIXED-USE LAND

LOCATED WITHIN THE COR RETAIL CENTER

RAMSEY, MN 55303

\$5.00/SF -or- \$1,480,000

CITY PARCEL #47

ADDRESS
Zeolite St NW & Civic Center Dr

PID
28-32-25-23-0010 and
28-32-25-22-0058

ACRES
6.79

ZONING
COR 1 (Mixed-Use)

SCHOOL DISTRICT
Anoka-Hennepin #11

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES	10 MILES
Population (2013)	3,943	27,900	64,077	298,009
Growth 2013 - 2018	6.00%	4.92%	2.66%	4.08%
Avg Household Income	\$77,307	\$82,528	\$78,107	\$84,316



FOR MORE INFORMATION, PLEASE CONTACT:

Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±6.79 ACRES OF MIXED-USE LAND

LOCATED WITHIN THE COR RETAIL CENTER

RAMSEY, MN 55303

\$5.00/SF -or- \$1,480,000



**FOR MORE
INFORMATION,
PLEASE
CONTACT:**

Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435

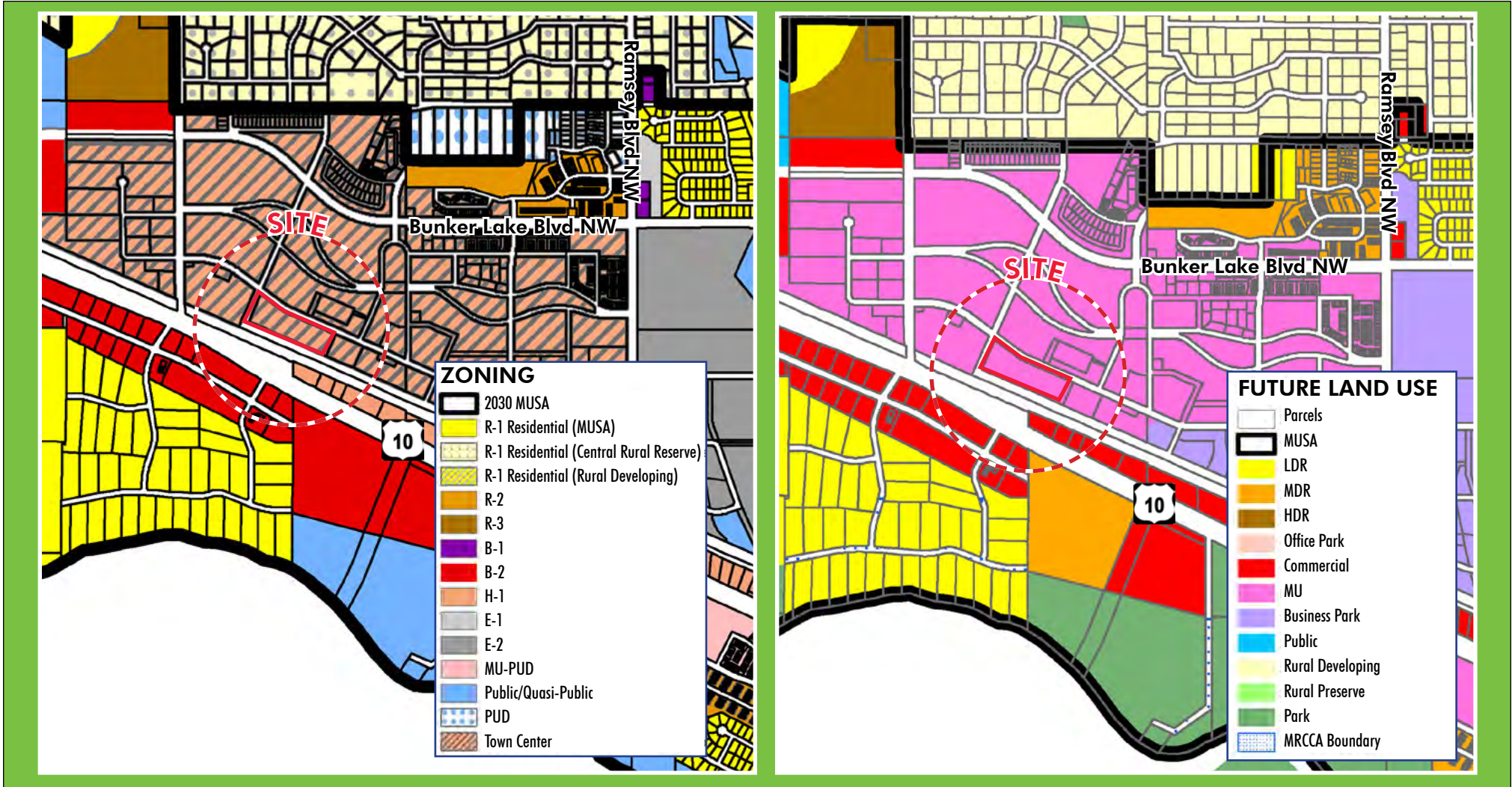
CBRE

CITY-OWNED LAND FOR SALE: ±6.79 ACRES OF MIXED-USE LAND

LOCATED WITHIN THE COR RETAIL CENTER

RAMSEY, MN 55303

\$5.00/SF -or- \$1,480,000



**FOR MORE
INFORMATION,
PLEASE
CONTACT:**

Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±6.79 ACRES OF MIXED-USE LAND

LOCATED WITHIN THE COR RETAIL CENTER

RAMSEY, MN 55303

\$5.00/SF -or- \$1,480,000

Sec. 117-118. - The COR district.

- (a) Intent. The primary intent of the COR district is to create a focal point in the community that embodies the principles of transit-oriented and mixed-use development. The COR district envisions a distinctly different development pattern, with a more urban structure of streets and blocks, than the suburban and rural patterns that have shaped the community to date. The COR area is comprised of a number of distinct subdistricts intended to define the type and intensity of uses, location of amenities and overall character of development. The COR district incorporates the COR development plan and development framework by reference to provide necessary building and site design features that are essential to a pedestrian environment.
- (b) The COR subdistrict definition. The COR district consists of five subdistricts that define the type and intensity of land use.
- (1) COR-1 mixed-use core subdistrict. The mixed-use core is intended to provide a mix of residential, retail, service, professional, community service, recreational and similar uses on every block near, and within easy walking distance of the transit station.
 - (2) COR-2 (COR-2 and 2b) commercial subdistrict. The COR-2 commercial subdistrict is designated to provide a location for retail commercial that has building and/or site designs inconsistent with the COR-1 subdistrict, including larger scale retail and other auto-oriented commercial uses.
 - (3) COR-3 and COR-3a workplace subdistrict. The workplace area is intended to accommodate medical and technology-related office and research uses, as well as other office uses and ancillary retail and service uses designed to support serve employees and office visitors.
 - (4) COR-4 (COR-4a, COR-4b and COR-4c) neighborhood subdistrict. The neighborhood subdistrict is intended to include a full range of housing types, from small-lot single-family detached to high-density senior and general apartments, as well as a limited number of small-scale retail and office uses at appropriate locations (i.e., at corners).
 - (5) COR-5 park and open space subdistrict. The park and open space subdistrict is intended to preserve environmental features, provide amenities and create focal points and community gathering places within easy access of all areas of the COR.

Click link for complete Zoning Code:



**FOR MORE
INFORMATION,
PLEASE
CONTACT:**

Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435

CBRE

CITY-OWNED LAND FOR SALE: ±6.79 ACRES OF MIXED-USE LAND

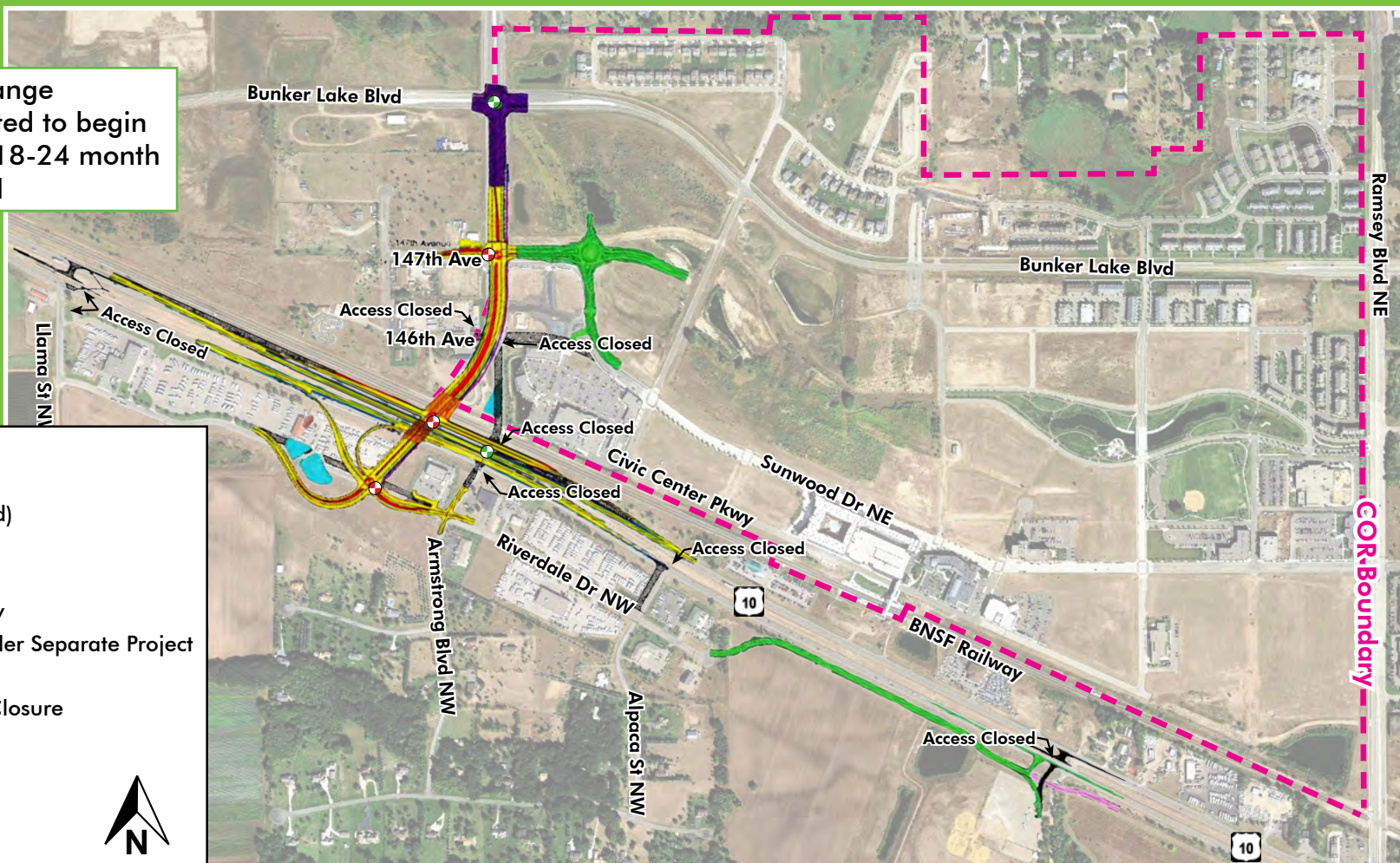
LOCATED WITHIN THE COR RETAIL CENTER

RAMSEY, MN 55303

\$5.00/SF -or- \$1,480,000

Full access interchange construction expected to begin Fall 2014 with an 18-24 month construction period

- Roadway
- Bridge, Walls
- Shoulders (Paved)
- Median
- Sidewalk
- Inplace Roadway
- Constructed Under Separate Project
- Future Roadway
- Road Removal/Closure
- Proposed Pond
- Existing Pond
- Inplace Signal
- Proposed Signal



**FOR MORE
INFORMATION,
PLEASE
CONTACT:**

Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435



Ramsey Senior Site
 7850 Sunwood Dr., Ramsey, MN
SOURCE AND USE SUMMARY

	Construction		Permanent	
	<i>Total</i>	<i>Per Unit</i>	<i>Total</i>	<i>Per Unit</i>
Sources of Funds:				
Series A Bonds - 1st Mortgage	\$ -	\$ -	\$ 12,950,000	\$ 104,435
Seller Note	-	-	-	-
Construction Mortgage	18,926,185	152,631	-	-
Series A Bonds - TIF Mortgage	-	-	1,580,000	12,742
Bridge Bonds	-	-	-	-
LIHTC Equity	1,040,888	8,394	6,939,256	55,962
Dominium Capital Contribution	-	-	300,000	-
Deferred Developer Fee	-	-	1,909,643	15,400
Imputed Expenses	-	-	88,150	711
Financing Gap	1,151,379	9,285	1,151,379	9,285
Total Source of Funds	\$ 21,118,453	\$ 170,310	\$ 24,918,428	\$ 200,955
Uses of Funds:				
Acquisition Costs	\$ 1,000,000	\$ 8,065	\$ 1,000,000	\$ 8,065
Construction Costs	16,018,304	129,180	17,286,654	139,409
City SAC/WAC/Park Dedication/Other City Fees	1,110,925	8,959	1,110,925	8,959
Met Council SAC	239,355	1,930	239,355	1,930
Imputed Expenses	-	-	88,150	711
Cash Accounts	1,251,539	10,093	1,399,676	11,288
Professional Services	802,390	6,471	802,390	6,471
Construction Financing Costs	43,500	351	43,500	351
Permanent Financing Costs	515,905	4,161	515,905	4,161
Closing Costs	50,558	408	50,558	408
Tax Credit Fees	85,976	693	85,976	693
Developer Fee	-	-	2,295,338	18,511
Total Use of Funds	\$ 21,118,453	\$ 170,310	\$ 24,918,428	\$ 200,955

THE LEGENDS

at Silver Lake Village



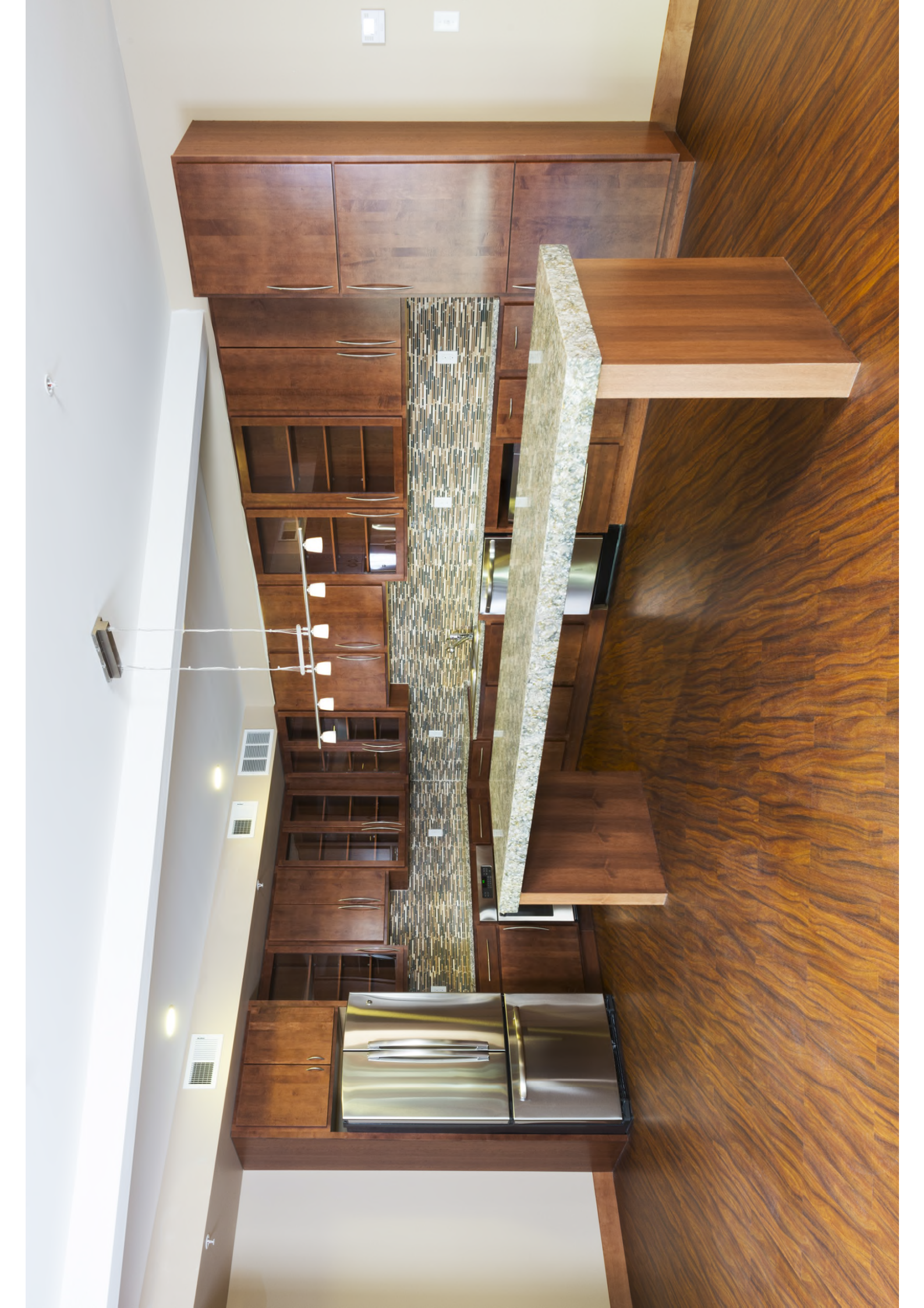
55+ LIVING
legends-silver-lake.com

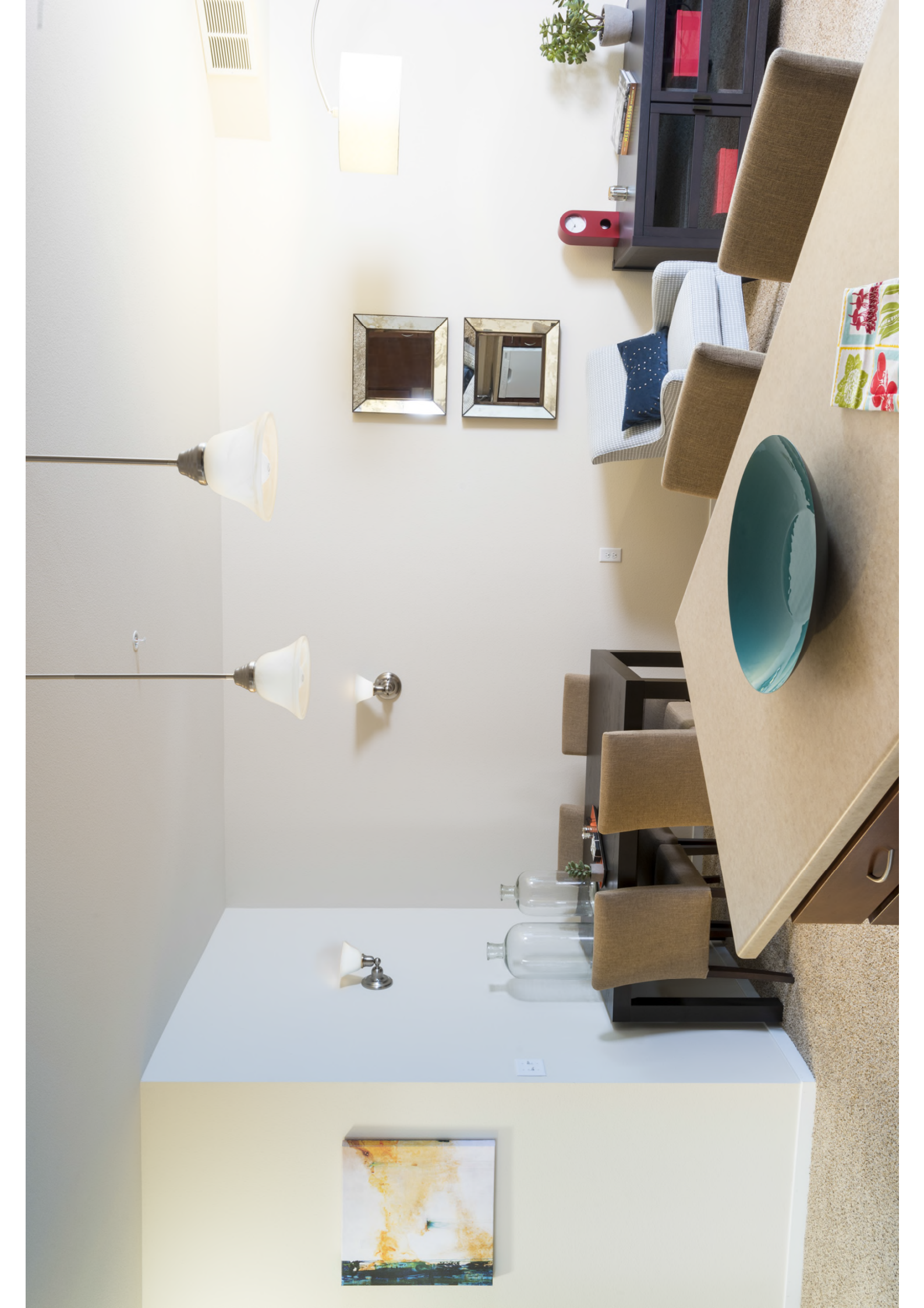














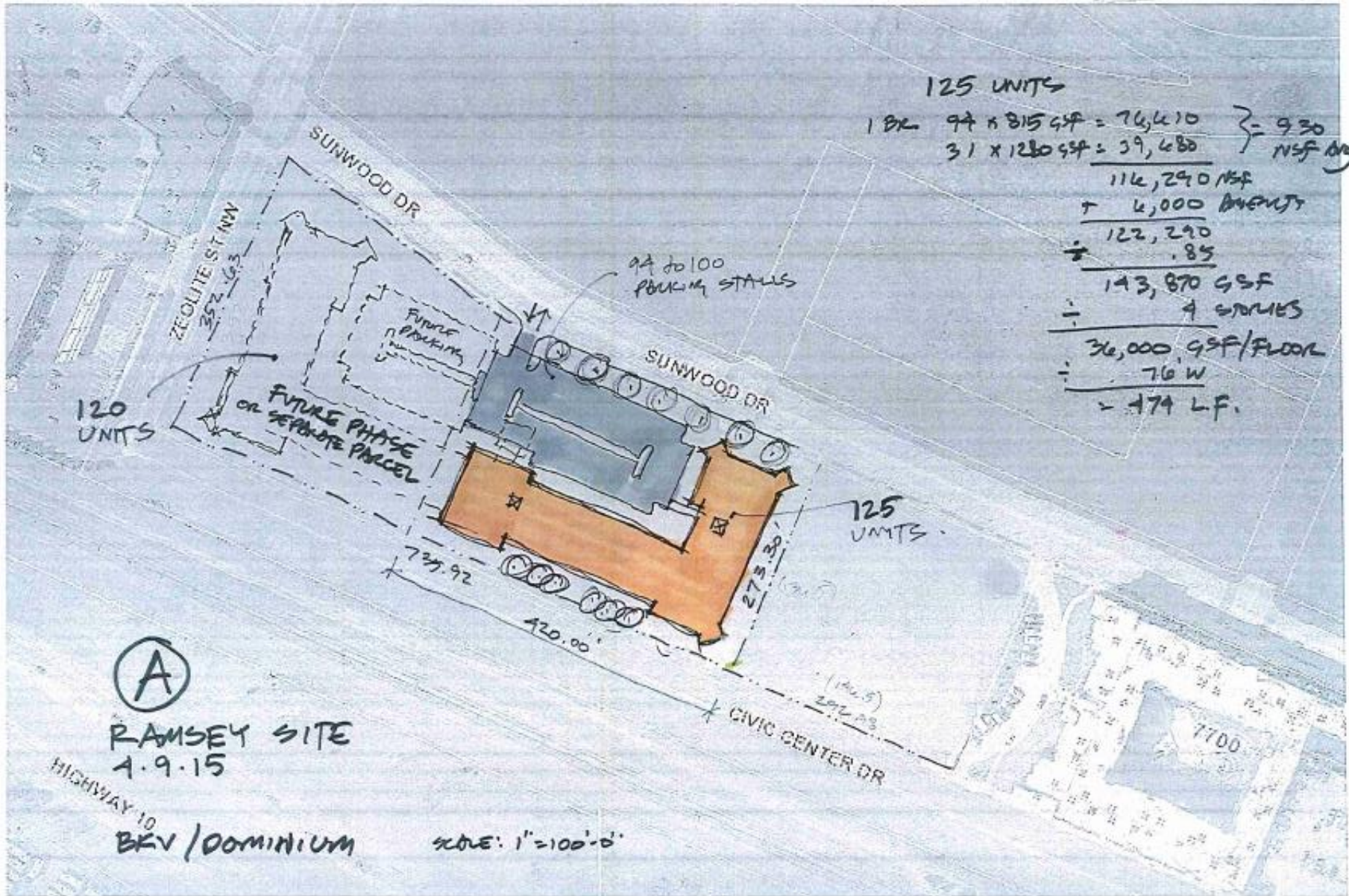








Building would be flipped (to front Sunwood)

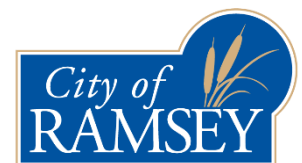


Housing Assistance Policy

Affordable Housing

3/20/2014

City of Ramsey



Housing Assistance Policy – Affordable

BACKGROUND	2
HOUSING PRIORITIES	2
SCORING PROCESS.....	2
PROJECT BRIEF	4
PROJECT DETAILS	4
Number of Units.....	4
Minimum Threshold:.....	4
Rank Scoring.....	7
Total Points	11
FINANCIAL REQUIREMENTS/INFORMATION	12
Eligible Uses of Funding	12
Required Information	12
Sources and Uses	12

Housing Assistance Policy – Affordable

Background

The City of Ramsey is committed to supporting well planned single family, multi-family development and redevelopment as a necessary element to achieve the goals for well-balanced housing inventory meeting the needs of residents during all life stages. The City Council and the Housing and Redevelopment Authority (HRA) of the City of Ramsey have determined that a policy is necessary to review requests for financial assistance related to housing projects to ensure any financially supported project meets Housing Polices of the Comprehensive Plan and housing priorities established by the City and reviewed on a regular basis.

Housing Priorities

To maximize the impact of City and HRA involvement, a priority list was developed by the Ad-Hoc-Sub-Committee of the Planning Commission and is subject to City Council approval. This is a list of priorities that the City believes would qualify for or is in the highest need of assistance, if available. This is not a reflection of the amount of individual types of housing products that the City believes will develop overall.

This list is based off current market conditions, demographics and financial need for assistance. This list will evolve over time, and will be revisited at least annually. With each project completed, the priority for assistance will change. Priorities are listed below:

1. Senior Independent
2. Affordable/Workforce
3. Redevelopment
4. Energy Efficient
5. Rehabilitation of Existing
6. Amenity Rental (market rate)
7. Three plus bedroom Rental
8. Inclusion of Accessory Dwelling Units
9. Executive Single-Family (note: City funding not likely for this product)
10. Senior Skilled Nursing
11. Assisted Living/Memory Care
12. Condominium

Scoring Process

Projects will be scored on a two (2) step process: 1) Minimum Thresholds and 2) Priority Scoring. Priority scoring is divided between *affordable housing projects* (targeting households below 80% of AMI and *market rate housing projects* (targeting households 80% and above AMI.

Housing Assistance Policy – Affordable

All applicants shall meet at least one of the goals and related implementation strategies listed below. Please provide a check mark in the box and on a separate sheet provide a brief explanation as to how the proposed project will meet the goal.

Priority scoring will be used to gauge the quality of the project and used to rank projects in the event of multiple proposals. The City reserves the right to reject any and all applications if it deems necessary.

The amount of funds that may be provided will be based on several factors including:

1. Project meets a housing priority.
2. Ability to meet the minimum thresholds.
3. Priority scoring results and the overall quality of the proposed project.
4. Availability of funding. The City reserves the right to cap the maximum assistance given, if funds are available. Grant funding will be based on the grant type and related funding.
5. Third party review. Assistance is subject to third –party financial analysis and a ‘but-for’ analysis. Please contact City Staff for specifics on this analysis. Financial review is subject to look-back provisions traditionally found in Tax Increment Finance (TIF) analysis.

Housing Assistance Policy – Affordable

Project Brief

Please briefly describe your project. This section will be used as general background on the project, and is not intended to be a full analysis of the project. This project description will be used for short marketing pieces if assistance is approved.

Project Details

Number of Units

	Market Rate	80% AMI	60% AMI	50% AMI	30% AMI	Total # of Units
# of Units						

Minimum Threshold:

All applicants must meet one of the following minimum thresholds listed below. These are goals and implementation strategies from the City’s Master Housing Plan, adopted as part of the City’s 2009 Comprehensive Plan update. Check which threshold best matches your project and describe how your project will meet the implementation strategies.

	Applicant	City
<p>Goal 1: Provide a variety of housing options for people at all life stages and income levels to encourage existing residents, and attract new residents, to stay in Ramsey throughout their lives. Housing opportunities should include a mixture of rental and owner-occupied to provide life-cycle housing choices meeting a full spectrum of demographics. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ol style="list-style-type: none"> 1) Work toward developing various senior housing options including independent living, cooperatives, and assisted living facilities, both market rate and affordable. 2) Focus on providing choices for empty-nesters, including aging in place and downsizing, to allow the majority of current residents to stay in Ramsey. 3) Provide opportunities for young adults to continue to live in Ramsey after leaving their parents’ homes by supporting the development of quality rental housing. 		

Housing Assistance Policy – Affordable

<ul style="list-style-type: none"> 4) Provide a balanced housing supply, with approximately 90% ownership housing and 10% rental housing, to expand options for workforce housing and housing for young professionals. 5) Continue to develop more affordable single family housing such as condominiums and small-lot single family homes that includes higher architectural variety and quality. 6) Explore opportunities to attract executive level housing to provide a variety of housing choices and opportunities in the City. 		
<p>Goal 2: Revitalize/rehabilitate areas where the housing is aging and in need of repair and where the land is underutilized and/or has potential for future redevelopment consistent with the Comprehensive Plan. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ul style="list-style-type: none"> 1) Encourage residents to upgrade the functionality and marketability of their aging housing, and put quality additions on as they need more space. 2) Provide options for residents to subdivide if consistent with and allowed by the Comprehensive Plan. 3) Encourage redevelopment where land has potential for future development consistent with the Comprehensive Plan. 		
<p>Goal 3: Maintain and improve the housing stock to preserve the character and quality of existing neighborhoods. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ul style="list-style-type: none"> 1) Encourage the development of homeowner’s associations or common interest communities for areas of older multifamily housing and new subdivisions of smaller lot neighborhoods. 2) Ensure that new housing developments provide appropriate density transition with existing established neighborhoods. 		

Housing Assistance Policy – Affordable

<p>3) Update and enhance design standards for new developments and encourage housing construction that incorporates quality and diverse architecture.</p>		
<p>Goal 4: Provide a development environment that increases residential health and reduces energy consumption. [On a separate sheet please describe how your project will use one of the following implementation strategies to achieve this goal. Word limit = 500 words]</p> <ol style="list-style-type: none"> 1) The development incorporates environmentally sensitive site planning, resource efficient building materials and superior indoor environmental quality practices. 2) The development meets sustainability standards, such as Minnesota Green Star Certification or LEED. 3) Use of sustainable development elements such as the use of storm water management BMP's to manage on site storm water 4) The development incorporates connections to existing pathways and creates natural and safe walkable areas. 		

Housing Assistance Policy – Affordable

Rank Scoring

Affordable Housing Project Scoring –Projects must target occupants that are below 80% AMI

<u>Affordable Housing - Rental:</u>	Applicant Point Allocation	City Point Allocation
Points will be given for units rented at greater affordability levels. Chose 1 (or chose all that apply) and insert total number and percent of units at each affordability level:		
40% of units at 60% AMI = 5 points		
20% of units at 50% AMI= 5 points		

<u>Long-Term Affordability:</u>	Applicant Point Allocation	City Point Allocation
Projects that demonstrate the ability to serve tenants for longest period of time. Chose 1 (or chose all that apply) and insert total number of units.		
30 years or more= 10 points		
15 years = 5 points		

<u>Number of Bedrooms</u> If applicable, insert total number of units:	Applicant Point Allocation	City Point Allocation
At least 25% of units include three + bedrooms = 5 points		
At least 50% of units includes three + bedrooms total units= 10 points		

<u>Development of Senior Housing</u>	Applicant Point Allocation	City Point Allocation
Senior independent (rental or owner-occupied) = 5 points. Insert total number of age restricted units.		

Housing Assistance Policy – Affordable

<u>Specialized Senior Housing:</u>		
At least 25% of total units include one (or combination) of specialized services. Chose 1 (or chose all that apply) and insert total number and percent of total. Maximum of 5 points		
Assisted Living units = 5 points		
Memory care units = 5 points		
Senior skilled nursing on site= 5 points		

<u>Mixed Income Development:</u>	Applicant Point Allocation	City Point Allocation
Inclusion of market rate and affordable within a single project (single or multiple buildings). All projects must have at least 50% of units at 80% AMI or above (market rate).		

<u>Proximity to Transit</u>	Applicant Point Allocation	City Point Allocation
Within quarter mile (.25) of Northstar Commuter Rail-Ramsey Station: 10 points.	Circle: Yes/No	
Within one-half mile (.5) of Northstar Commuter Rail-Ramsey Station: 5 points.	Circle: Yes/No	
<u>Proximity to Local Employment</u>	Circle: Yes/No	
Within a two-mile radius of area zoned Employment= 5 points		

<u>Architectural Standards (check all that apply)</u>	Applicant Point Allocation	City Point Allocation
Use of Hardi-Board or equivalent= 2 points		

Housing Assistance Policy – Affordable

Horizontal siding accessory only = 2 points		
Minimum of 30% front elevation-brick or stone= 2 points		
50% brick or stone threshold = 2 points		
Building articulation= 2 points		
Roof articulation= 2 points		
Covered front porch > 50 square feet = 2 points		
Roof < 25% of front façade= 2 points		
2+ dormers (gabled ends to not count) for SF= 2 points		
Multiple dormers if townhome building or apartment building = 2 points		
Use of alley or internal drive for garage access (not visible from public street and HOA maintained) = 2 points		
Use of side loaded garages (SF and TH only) = 2 points		
House forward design (SF and TH only) = 2 points		
Architectural styled garage doors (15% of lots) (SF and TH only) = 2 points		
Anti-monotony elevation/color plan (applicable to developments with multiple buildings that have a minimum of three material colors that vary between buildings) = 2 points		
Four sided architecture (attached or detached) = 2 points		
High speed internet access in all units= 2 points		
Smoke free units/buildings= 2 points		

<u>Federal/Local or Philanthropic Partnerships:</u>	Applicant Point Allocation	City Point Allocation
------------------------------------------------------------	----------------------------	-----------------------

Housing Assistance Policy – Affordable

Project funds from the federal, county, or state unit of government, , area employer and/or a private philanthropic, religious or charitable organization. If applicable, provide percentage:		
20.1% and above of the development cost= 10 points		
15.1%-20%= 8 points		
10.1%-10%= 6 points		
5.1%-10%= 4 points		
2.1%-5%= 2 points		

<u>Project Amenities - Check all that apply.</u>	Applicant Point Allocation	City Point Allocation
Community room/gathering area= 1 point		
On-site fitness center= 1 point		
Terrace/Courtyard or Roof top gathering area= 1 point		
Indoor theatre= 1 point		
Outdoor facilities= 1 point per element: (i.e. walking trails, tennis/basketball courts, playground, others as proposed by applicant)		
Indoor or outdoor swimming pool= 1 additional point		
Use of shared parking to reduce total parking installed= 2 points		

<u>Development Standards (check all that apply)</u> <i>Sidewalks, trails and streetscaping</i>	Applicant Point Allocation	City Point Allocation
Sidewalks to each front door (SF and TH) or main entry (apartment building)= 2 points		
Sidewalks/ trail on both sides of public streets (SF and TH); or sidewalk / trail on one side if project consists of only a single building = 2 points		

Housing Assistance Policy – Affordable

Installation of off-road trails within the development = 2 points		
Sidewalk “ bump-outs” or “chokers” = 2 points		
Trail connection beyond development (installed by developer)= 5 points		
Boulevard trees at 35 foot spacing (new installation provided by developer)= 2 points		
Installation of development wide streetscaping and decorative lighting= 2 points		

<u>Energy Efficient Elements (check all that apply)</u>	Applicant Point Allocation	City Point Allocation
Storm water Best Management Practices= 2 points		
Energy efficient roofing material or colors = 2 points		
Buildings oriented on site to optimize passive solar and cooling= 2 points		
Installation of a green roof occupying a minimum of 30% of the total roof area= 2 points		
Use of resource efficient building materials= 2 points		
Use of Green Star certified mechanical and appliances = 2 points		
Use of energy efficient windows/doors= 2 points		
Other energy efficient new technology as approved by the City= 2 points		

Total Points

	Applicant Point Allocation	City Point Allocation
Total Points Accumulated		

Housing Assistance Policy – Affordable

FINANCIAL REQUIREMENTS/INFORMATION

Financial award is based on availability of funds. Maximum funding is set based on actual project need after a detailed financial analysis of the Developer and the project. The City reserves the right to contract with a third-party for financial analysis, which costs of said analysis are the responsibility of the Developer unless otherwise waived by the City. Owner equity must be greater than 10%.

Eligible Uses of Funding

Eligible uses of funding include; site acquisition, land improvements, building construction, and payment of development fees. The City will not waive development fees (park dedication, trail development, sanitary sewer, stormwater) or permit fees). The City and Developer will need to work together to identify a funding source for these fees if assistance is required specific to these fees.

Required Information

1. Sources and Uses Statement (below)
2. Financial Scoring Scorecard
3. Organizational Financial Statements (2 years of P&L and Balance Sheet)
4. Personal Financial Statements of Stakeholders and Tax Returns (2 years)
5. Project Pro forma/Projections (two [2] year and fifteen [15] year projections)
6. Letter(s) of Commitment from other Funding Sources (terms, conditions)
7. Proof that the Property is not delinquent in Property Taxes

Sources and Uses

The Developer shall provide a detailed sources and uses statement. This shall include all sources of financing for the project and how those funds will be used. The Applicant shall provide a detailed listing of each. Owner equity shall be equity above and beyond any tax credit or grant source of funding. The City will exclude any tax equity.

SOURCES	AMOUNT (\$)	USES	AMOUNT (\$)
Owner Equity		Land Acquisition	
Bank Loan		Site Development	
Other Loan		Construction	
Fed. Grant/Loan		Engineering/Arch. Services	
State Grant/Loan		Debt Service	
TIF		Contingencies	
Tax Abatement		Other	
Revolving Loan Fund		TOTAL	
Other			
TOTAL			

The City reserves the right to request additional data regarding the above required information as well as sources and uses. Review of sources and uses is subject to third-party financial analysis.



Memo

To: Patrick Brama, Economic Development Manager, Assistant City Administrator

From: Stacie Kvilvang and Jason Aarsvold, Ehlers

Date: May 27, 2015

Subject: Housing Assistance Policy Measures

The City of Ramsey intends to update its Housing Assistance Policy to establish some parameters for financial participation. You requested that we provide some measures to consider for inclusion in the policy based on our observations from other city-assisted housing projects. Included in this memorandum is a summary of the possible measures that could be included in such a policy and **assumes that all projects are built on greenfield sites** (does not consider higher costs of redevelopment).

Since your policy distinguishes between affordable and market rate housing, the lists below are broken out that way. Some of the measures for these product types differ, while other may be the similar.

Market Rate Housing

- **Cash-on-Cash Return (COC):** The most discernable way to determine need for assistance is through an analysis of the developer's proforma to ascertain if all the project costs and sources of funds are within industry standard. Once those are determined to be in line, the benchmark for all rental projects is for the developer to receive a maximum **10% COC** rate of return (return on equity invested). This measure provides some flexibility in that each project might require a different level of assistance (e.g. per unit) to achieve this level of return. On the other hand it does provide for a quantifiable cap as desired.
- **Internal Rate of Return (IRR):** The second test under this format is setting an IRR. This is the value of the annual cash received plus the value of the property when it is sold (net of closing costs and fees). The TIF and/or Development agreement will usually state that it is determined based upon the earlier of the actual sale and/or refinance date of 10 years. The typical range for an IRR is 15% to 20%. For purposes of your policy we would recommend an **IRR range of 16% to 18%**.
- **Per Unit Dollar Subsidy:** For most suburban markets, the average subsidy ranges from \$15,000 to \$25,000 per unit. This is what is required to build high quality, market rate multifamily housing that includes "country club" amenities such as a pool (indoor and outdoor), fitness facility, club house, etc. Funding can come from sources other than the City. We would recommend a cap of City funds at **\$10,000**

www.ehlers-inc.com

per unit if other public funding sources are being utilized (policy should state that developer will maximize use of grants and other funding sources to the extent available). We recommend a cap of City funds at **\$15,000 to \$20,000 per unit if no other public funding sources are available**, knowing that it does not provide as much flexibility.

- **Maximum City participation:** Another way of capping assistance can be through a maximum percent of total development costs (TDC). We would recommend a cap of **5% of TDC, with other public participation** (This may work well for larger projects, but could be problematic for smaller projects). We recommend a cap of City funds at **10% of TDC if no other public funding sources are available**.

Affordable Housing Measures

Most affordable housing is being built using either 4% or 9% tax credits. This model generates tax credit equity, but generally includes very little (if any) developer equity. For this reason, rate of return is not a useful measure. Other options include:

- **Limit TIF assistance:** Limit TIF to 15 years, rather than the full 26 allowed by law. Since most city involvement in these types of projects includes TIF, this can be useful. Rationale for this approach is:
 - Affordable housing projects within the Metropolitan Area are being constructed with this term of TIF
 - The duration of assistance is generally commensurate with the required affordability period for tax credit projects
 - There is clarity up front with the developer about what the city will do
 - The developer can structure other financing/grants around this
 - Exceptions can be made for extraordinary circumstances
- **Waiver of Fees:** Tax Credit projects typically request that a city waive certain fees such as park dedication, building permit and any city WAC fees and city SAC Fees (above what the Met Council charges. We recommend that the City include in its policy what fees it is willing to waive. Typically most cities' **WILL NOT** waive building permit fees. City's **MAY** waive park dedication fees if they view the development will not have an impact on parks (i.e. senior independent or senior assisted living). Also, some Cities have been willing to waive WAC fees and City SAC fees (dependent upon the liquidity of these enterprise funds).
- **Equity Requirement:** As noted, for the majority of the Tax Credit projects, the developer does not have any of their own cash in the deal (equity). The City may want to consider requiring that the developer have a minimum amount of equity so they have something at risk. We would recommend a **minimum of \$50,000 to \$100,000**.

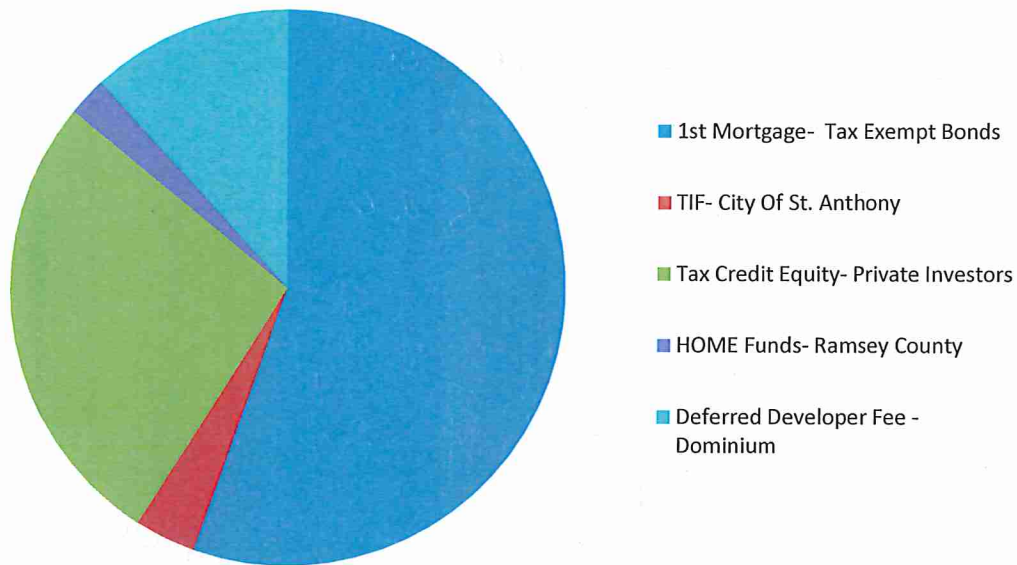
- **Per Unit Dollar Subsidy:** Same as Market Rate
- **Maximum City participation:** Same as Market Rate

Overall, for any public assistance received (cash, TIF or tax abatement), we recommend that a lookback be completed when the project is stabilized (typically by year 3). This way we can review the actual costs of the project and actual revenues and to the extent they exceed the thresholds set for COC or IRR returns, then a portion of the assistance can be repaid (typically a 50/50 split between the developer and the City).

We will be happy to put together a matrix of projects within the Metropolitan Area that have been provided assistance for your review. Please contact Stacie at 6651-697-8506 with any questions.

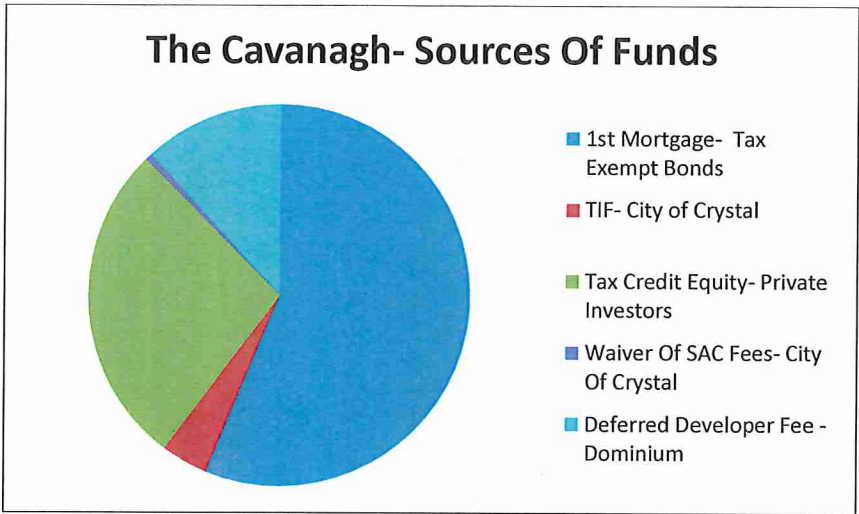
169 units
 down 4-5 acres

Legends At Silver Lake Village - Sources Of Funds



Legends At Silver Lake Village - Sources Of Funds		
1st Mortgage- Tax Exempt Bonds	\$ 15,927,000	55.43%
TIF- City Of St. Anthony	1,023,000	3.56%
Tax Credit Equity- Private Investors	7,732,390	26.91%
HOME Funds- Ramsey County	650,000	2.26%
Deferred Developer Fee - Dominion	3,401,258	11.84%
Total	\$ 28,733,648	100%

130 units about 2-5 acres



The Cavanagh - Sources Of Funds			
Ist Mortgage- Tax Exempt Bonds	\$	13,350,000	56.24%
TIF- City of Crystal		950,000	4.00%
Tax Credit Equity- Private Investors		6,490,330	27.34%
Waiver Of SAC Fees- City Of Crystal		129,929	0.55%
Deferred Developer Fee - Dominion		2,819,317	11.88%
Total	\$	23,739,576	100%

POLICY FOR THE SALE OF CITY OWNED LAND

City of Ramsey, Anoka County, Minnesota

This policy was adopted by the City Council on April 14, 2015.

This policy replaces the City's former *Policy for the Disposition of City Owned Land* adopted on June 12, 2012.

SECTION 1: PURPOSE

- A. Establish a formal, equitable and efficient process for the sale of city owned land.
- B. Establish decision-making criteria to aid policy makers as they consider offers to purchase city owned land.
- C. Establish general policy direction to aid staff as they negotiate with prospect buyers interested in purchasing city owned land.

SECTION 2: GOVERNANCE

This policy and process shall be facilitated by the Ramsey Economic Development Authority (EDA). The Ramsey EDA shall develop recommendations related to this process and policy for City Council consideration. The Ramsey EDA does not have final decision-making authority related to this policy and process. With reasonable cause, including responding to prospects in a timely manner, the City Council may bypass the EDA from any, or all, portions of this policy or process.

SECTION 3: PUBLIC BENEFIT

The sale of surplus City-owned properties has a number of benefits to the community:

- (1) Reduced City property maintenance costs
- (2) Reduced City liability
- (3) Increased property tax revenues
- (4) Reduced City resources needed for management of City owned parcels
- (5) Reallocation of parcels to fit in line with long term City needs and goals

SECTION 4: SURPLUS CITY OWNED LAND PROCESS

Upon direction from the City Council, city staff shall develop an inventory of city owned land; and determine properties unneeded for current or future city functions and available for sale. The City may consider parcels surplus City owned land if at least one of the following criteria/needs is not met:

- (1) Economic development purposes; including removal of blighted properties and enhancing the City's tax base
- (2) Housing development purposes; including removal of blighted properties
- (3) Public works, maintenance, engineering, administration, recreation or public safety: facilities, staging or storage areas
- (4) Public right of way; including roads, railroads and airports
- (5) Drainage, wetland and utility easements
- (6) Public parks, trails and open space
- (7) Any other reasonable use determined by the City Council

After a property is deemed surplus City owned land, consideration for the sale or disposition of property depend on the criteria outlined below.

- (1) Ability to develop (utilities, size, stormwater, soils, roads, legal restrictions, etc.)
- (2) Public input and feedback regarding potential future development
- (3) Feasibility Report:
All costs incurred by the City in order to sell surplus City owned land should be weighed against a payback to the City in property taxes; and land sale proceeds. This specific calculation, and the City's acceptance threshold may change on a project-to-project basis.
- (4) Any other reasonable cost determined by the City Council

SECTION 5: MARKETING PROCESS

Upon direction from the City Council, city staff shall actively market city surplus owned property available for sale. The process of marketing City owned land should include the following items:

Marketing Process

- a. Establish whom shall actively market the sale of City owned land: city staff or a third-party professional services firm.
- b. Establish an asking price.
- c. Establish an acceptable sale price range*
- d. Develop and Distribute Basic Marketing Materials and Site Information
- e. Complete site preparation due diligence; see below.
Standard due diligence will be completed for all properties available for sale. Staff will develop a recommendation for EDA and Council consideration for optional due diligence.

STANDARD

- (1) ALTA Survey (Table A, items: 1-4, 6, 8, 11a, 21)
- (2) Title Commitment

OPTIONAL (elected)

- (3) Phase 1 Environmental Site Assessment (ESA), Phase 2 ESA, Limited Site Investigation (LSI), Response Action Plan (RAP)
- (4) Analysis of Site Specific Available Economic Development Incentives
- (5) Geotechnical Soils Evaluation
- (6) Hazardous Materials Survey
- (7) Wetland Delineation
- (8) Concept Site Design
- (9) Building Demolition/Site Clean-Up
- (10) Shovel Ready Certification
- (11) Other work as determined by the Ramsey City Council

*Acceptable Price Range

An acceptable sale price range will be developed by a third party professional; and subsequently adopted by the City Council in closed session. Staff will utilize this price range to negotiate land sale prices with prospects. Staff will attempt to maximize the sale price in all land transactions; and shall be authorized to make counter offers to prospective buyers. If offers received are below the acceptable price range, staff has the authority to deny an offer. The City may decide to sell a property below the acceptable sale price range for economic development purposes, to achieve strategic goals set by the City Council, or any other reasonable cause determined by the City Council. Economic development projects should be evaluated within the context of the City's adopted business subsidy policy.

SECTION 6: SALE PROCESS

The purpose of this section is to outline the process in which staff shall work with prospect buyers to negotiate the sale of surplus City owned land.

Step 1: Letter of Intent (LOI)

- A. Prospect buyer submits written correspondence identifying their interest in purchasing City owned land. Correspondence should include as much detail as reasonably possible. A “term-sheet” or “deal-summary” are acceptable for this step.
- B. Staff shall review the written proposal. Based on staff’s determination, if the proposal fails to meet the intent of this policy or direction from the City Council and EDA, staff shall provide a recommendation to the prospect buyer to reconsider/amend their LOI; or request additional information (see Section 7, G).
- C. EDA and City Council LOI consideration. Staff shall prepare a case write-up, decision alternatives, and recommendation for action. The EDA shall then provide a recommendation for City Council consideration. The City Council shall provide general policy direction. The City Council may provide direction to the prospect buyer to draft a formal purchase agreement for further consideration.

Step 2: Purchase Agreement (PA)

- A. Prospect buyer submits a formal PA identifying their proposed terms and conditions for purchasing City owned land.
- B. Staff and the City attorney shall evaluate the proposed PA in context of the City’s preferred PA terms outlined in Section 7 of this policy. Based on staff’s determination, if the proposed PA fails to meet the intent of this policy or direction from the City Council and EDA, staff shall provide a recommendation to the prospect buyer to reconsider/amend terms and conditions within the proposed PA.
- C. EDA and City Council PA consideration. Staff shall prepare a case write-up, decision alternatives, and recommendation for action. The EDA shall then provide a recommendation for City Council consideration. The City Council shall then consider the proposed PA and may provide direction to reject, amend or execute.

Step 3: Closing

- A. Staff and the City Attorney shall execute the closing of all PAs. Staff will execute closing based on language included in the respective PA and Section 7 and 8 of this policy.

EDA Review Alternatives

The EDA may utilize the following methods for review: (1) regular monthly EDA meeting (2) special EDA meeting; which may not require a quorum (3) one-way, one-time email feedback from individual EDA members directly to staff only (4) EDA participation in City Council meeting (4) no EDA review. Review alternatives shall be utilized based on the order outlined in this provision. Please see Section 2 of this policy for details on governance.

SECTION 7: REQUIRED TERMS & CONDITIONS

The purpose of this section is to outline minimum terms and conditions that shall be included in PAs for the sale of City owned land. These terms and conditions may be waived or negotiated by the City Council.

The City shall develop a "*Template PA*" based on terms and conditions outlined in this policy. Said *Template PA* shall be utilized when practical and possible. Use of said *Template PA* shall be determined on a case-by-case basis.

A. Termination Date/Initial Closing Date/ Due-Diligence Period

The initial closing date shall be set for within 10 days after all buyer and seller contingencies can be reasonably met. The normally acceptable due-diligence period shall be tied to when City entitlements are met; which commonly include: zoning verification, site plan approval, plat approval, and development agreement approval. City staff shall target about six (6) months as a standard due-diligence period. However, depending on the use, size and complexity of a proposed project, a longer due-diligence period may be acceptable.

B. Earnest Money

The City shall require earnest money for all land transactions. City staff shall have the authority to negotiate an acceptable level of earnest money and provide a recommendation for EDA and City Council review. A portion of said earnest money shall become non-refundable after 30-90 days. Earnest money terms shall be determined on a project-by-project basis.

C. Contract Extensions

Unforeseen circumstances may arise while completing due-diligence for the development of real estate. Often times, this results in a request from a prospective buyer for a PA due-diligence period extension. Staff will work with prospective buyer to develop a reasonable and attainable initial closing date; as outlined in Paragraph A above.

If the prospective buyer requests an extension to the initial closing date, the City shall require compensation. PA extensions shall require a portion, or all, earnest money to become non-refundable. If a PA is terminated, all non-refundable dollars shall be received by the City.

D. Construction Deadlines

As part of a standard PA, the City does not require a minimum construction deadline for buildings and improvements. However, on a case-by-case basis, the Council may request for this provision to be included in PAs.

NOTE: this statement does not prohibit construction deadlines within other government permits and agreements (development agreements, building permits, business subsidy agreements, etc.).

E. Tax Exempt Uses

The City owns a large inventory of land located within The COR. This land is situated within a prime location for intense commercial, office and residential development. The development of The COR is anticipated to generate significant local property taxes. The City

of Ramsey has identified several future high priority public improvement projects that rely on future property tax revenues from development within The COR. In order to meet future obligations to residents and businesses, the City is not seeking to sell City owned land located within The COR to tax exempt users.

NOTE: the City does anticipate a community center to be located within The COR. A community center user may be a tax exempt user. The City welcomes discussion of a community center with prospective developers.

F. Professional Services

City staff shall make a good faith effort to utilize local businesses for professional services required for land transactions (i.e. Title Commitment, Escrow Agent, Closing Services, ALTA Survey, etc.); subject to competitive pricing.

G. Pre-Development Meeting with City Staff

Before a PA is executed by the EDA or City Council, the City may require the buyer to meet with the City's development team to discuss project timelines, property specifications, required public infrastructure, land use regulations, and project feasibility (known as a "Pre-Development" meeting by staff). The purpose of this meeting is to confirm that the preliminary project concept is physically, schematically and financially possible. The City may require the buyer sign a non-binding MOU before executing a PA.

Staff is authorized to request the buyer supply a concept site plan for this process. A concept site plan is not intended to be a full, detailed site plan, but a generalized concept with sufficient detail to demonstrate compliance with zoning standards. Additionally, if deemed necessary, staff is authorized to request preliminary concept design to be reviewed by the Planning Commission as part of this process.

Staff should also consider the feasibility of the proposed project. If staff is unsure the proposed project is feasible for the buyer, staff shall be authorized to require supporting information from the buyer (e.g. statement from bank, developer, or architect, sources-and-uses sheet, etc.).

H. Land Sale Ordinance Contingency

The City Charter requires an ordinance be passed to sell City owned land. This process can take two to three months. The City shall include a provision in the contingencies section of all PAs requiring a land sale ordinance to be effective before closing.

I. Reassignment of Agreement

Agreement may not be reassigned without the written consent of the City.

SECTION 8: COST ASSIGNMENTS

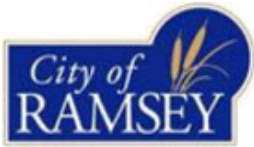
The purpose of this section is to outline an assignment of costs associated with negotiating and closing a PA. Staff shall utilize this information to develop a “net-proceeds” analysis for EDA and Council review.

A. City Costs

1. Seller’s portion of the prorated property taxes and fees.
2. Seller’s own attorney’s fees.
3. One-half the cost of any closing fees.
4. State deed tax.
5. Real estate broker commission fees.
6. Title Commitment fees as prescribed in Section 5.
7. ALTA Survey fees as prescribed in Section 5.
8. The cost of any additional or elected marketing/site-prepping efforts by City as prescribed in Section 5.

B. Buyer Costs

1. Buyer’s portion of the prorated property taxes and fees.
2. Buyer’s own attorney’s fees.
3. One-half the cost of any closing fees.
4. Documentary and recording fees for the deed(s).
5. The cost of the owner’s title insurance policy as required by the Buyer.
6. Environmental, architectural, engineering, financing, and developer fees associated with pre-development research and the entitlement process.
7. All other fees.



Our Mission: To work together to responsibly grow our community, and to provide quality, cost-effective, and efficient government services.

Economic Development Authority (EDA)

4. 2.

Meeting Date: 06/04/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Consider Purchase Agreement with WESTCO Properties LLC (portions may be closed to the public)

Purpose/Background:

PURPOSE

Consider purchase agreement (PA) from WESTCO, Properties LLC. for .95 acres of City owned land located within the City's original business park.

NOTE: if the EDA wishes, this case may be discussed in closed session. Closed session discussion shall be limited to reviewing the City's pricing strategy and developing a counter-offer (including all pricing and relevant terms).

BACKGROUND (Subject Property)

The subject property is located at 6590 141st Avenue NW in one of the City's original business parks. This .95 site is located off Basalt Street and Bunker Lake Boulevard and is currently zoned E-1 Employment District. This property was purchased by the City in 2006 for redevelopment purposes for a price of \$211,200; at which time, existing improvements were removed. This site has sat vacant, tax exempt, and available for sale since 2006. This property is currently being listed by CBRE, the City's real estate broker for \$105,000. Attached to this case is the property listing.

BACKGROUND (24 Restore & WESTCO Properties LLC)

WESTCO Properties LLC is a holding company based out of Elk River and Managed by Derek West. WESTCO Properties would purchase the subject property. 24 Restore, a business owned by Derek West, would operate from the subject property. Both entities are in good standing with State of Minnesota (business and lien system).

24 Restore was established by Derek West in 1994. Mr. West originally operated from Blaine; and eventually moved his business to Ramsey in 1998 (his hometown). Mr. West began in Ramsey by leasing a 5,000 square foot space, which eventually turned into ownership of said space, which eventually turned into a 10,000 square foot space (his current location at 6615 141st Ave NW).

Mr. West is now out of space at his current location and needs to secure additional space for the growth of 24 Restore. He is proposing a new 10,000 square foot facility to be constructed on the Subject Property (City owned property). Mr. West is proposing to both (a) keep his existing facility and (b) construct/operate from the new facility. 24 Restore currently has 29 full time employees. Mr. West expects 10-20 new employees to be added over the next two years. Here is a link to the 24 Restore website: <http://24restore.com/>

BACKGROUND (Purchase Agreement)

Attached to this case is the latest DRAFT version of the purchase offer (Purchase Agreement, PA) from WESTCO Properties LLC. The buyer is represented by Marty Fisher of Premier Commercial Realty.

BACKGROUND (Case)

This case was originally reviewed by the EDA and City Council in February; at which time the original purchase agreement was approved. After this case was approved, WESTCO was unable to move forward with executing the original purchase agreement because the cost of the project was higher than originally anticipated. On March 30, City staff sent a formal cancelation of the original purchase agreement.

Since March 30, WESTCO has reduced their project costs by slightly redesigning their new building, reducing the size of their new building, and by reducing the price in which they have offered the City to purchase the subject property. With these reductions in mind, WESTCO has indicated they are now comfortable with moving forward with their proposed project

Notification:

NA

Observations/Alternatives:

OBSERVATIONS

- **Zoning/Use:** Generally, the proposed development concept fits within the City's existing zoning regulations (will require official site plan review and approval).
- **Sale Price:** The asking price for the subject property is \$2.50 per square foot (\$105,000). The original offer price was \$2.29 per square foot (\$95,000). The new offer price is \$1.33 per square foot (\$55,000). The new offer price is on the "low-end" of the City's adopted "deal-range" for the subject property. Staff will recommend this offer price be accepted (due to the number of jobs and tax base to be created).
- **Property Taxes:** The proposed development is approximately 10,000 square feet. This building property will generate about \$27,000 in total property taxes (about 25% would be received by the City).
- **Earnest Money:** This PA does include earnest money (\$5,000, 9%). \$2,000 will become hard immediately. The remaining will become hard after the original termination date expires. The original agreement included \$3,000 earnest money that became hard after the original termination date expired; with no earnest money upfront.
- **Broker Commission:** Commission will be paid to both the buyer's real estate agent and the seller's real estate agent via the seller's (City) land sale proceeds (split 7%, or \$5,793.48). NOTE: based on the City's contract with CBRE, commission is paid on a minimum \$2.00 per square foot for industrial properties.
- **Net Proceeds:** includes deductions of commissions, closing fees, title commitment, State DEED tax, and payback to Anoka County for CDBG funding to purchase the property, \$32,961.50. Please see attached. This is consistent with the City's Policy for the Sale of City Owned Land.
- **Closing Date:** Closing is set for September 29, 2015. Attached to this case is a mock project timeline.
- **Buyer:** The buyer (Derek West of 24 Restore) has a history of providing business services to the City of Ramsey. City staff has been impressed with the professionalism and reliability of Mr. West's company.

ALTERNATIVES

1. Approve (staff recommendation)

The proposed deal provides several benefits to the City: (1) tax base (2) minor land-sale proceeds (3) retain and create jobs (4) quality project (5) positive momentum for development in Ramsey (6) the Council's general goal of selling tax-exempt surplus City owned land will be realized.

2. Deny

Unless a specific hardship or concern regarding this PA can be identified by the Council, staff would not recommend moving forward with this alternative. If the proposed agreement is terminated, the Staff would restart marketing the subject property with CBRE.

3. Amend

The Council may wish to tweak or adjust provisions included in the proposed PA. Staff would be happy to make adjustments as requested by the Council. The one item that should be identified is the relatively low asking price. The Council may wish to counter.

Funding Source:

NA

Recommendation:

Please see observations section.

Action:

Recommend to the City Council:

Approve the attached purchase agreement with WESTCO Properties LLC. for .95 acres of City owned land located at 6590 141st Ave NW; contingent upon final review and amendments from the City Attorney.

Attachments

Property Listing (Subject Property)

Purchase Agreement 06022015

DRAFT Site Plan and Elevations

Net Proceeds (new)

Net Proceeds (original)

Form Review

Inbox

Kurt Ulrich

Form Started By: Patrick Brama

Final Approval Date: 06/02/2015

Reviewed By

Kurt Ulrich

Date

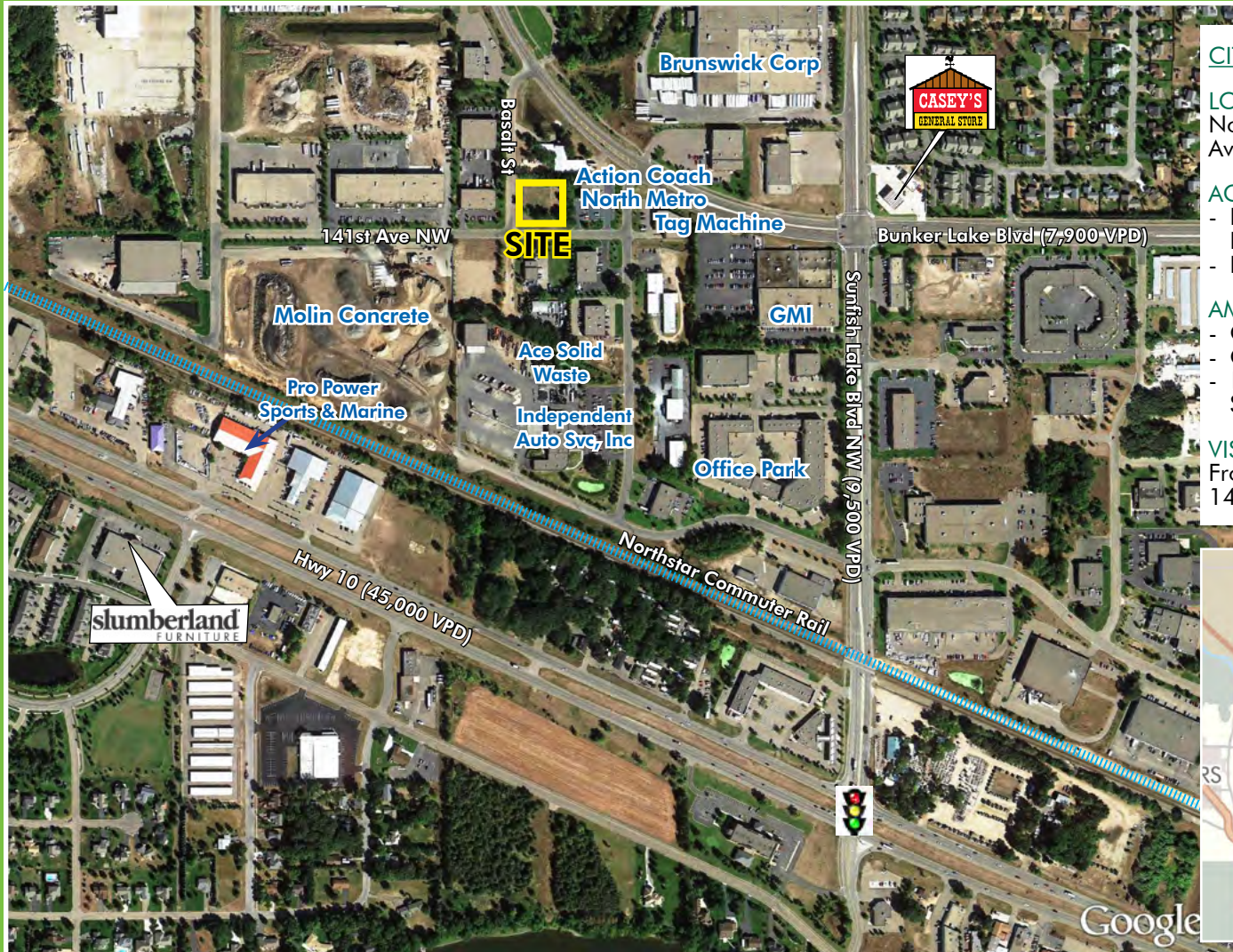
06/02/2015 01:34 PM

Started On: 06/02/2015 11:24 AM

CITY-OWNED LAND FOR SALE: ±.95 ACRES OFFICE/INDUSTRIAL USE

RAMSEY, MN 55303

\$105,000



CITY PARCEL #28

LOCATION

Northeast corner of Basalt St NW and 141st Ave NW

ACCESS

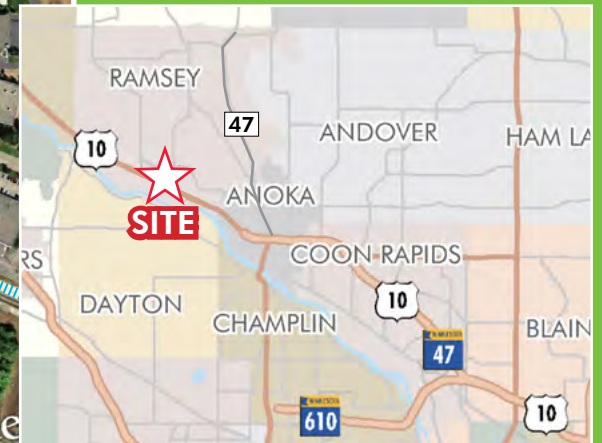
- Immediate access to 141st Ave NW and Basalt St NW
- Easy access to Hwy 10 and Bunker Lake Blvd

AMENITIES

- Only minutes to COR retail site
- Only 30 minutes to downtown Minneapolis
- Easy access to Northstar Commuter Rail Station

VISIBILITY

Frontage and visibility from Basalt St NW and 141st Ave NW



Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

Dan Swartz
First Vice President
+1 952 924 4652
dan.swartz@cbre.com

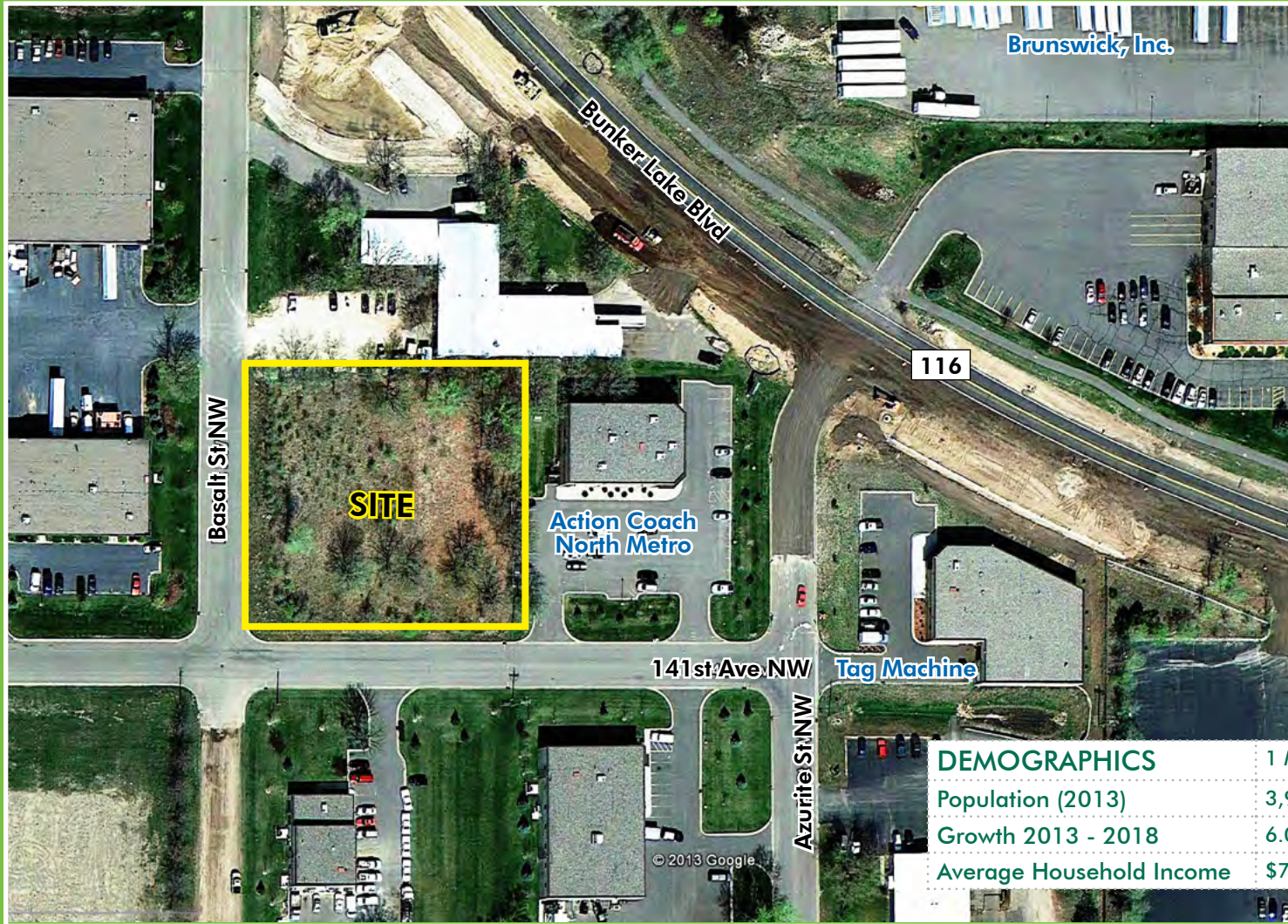
4400 West 78th Street, Suite 200
Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±.95 ACRES OFFICE/INDUSTRIAL USE

RAMSEY, MN 55303

\$105,000



CITY PARCEL #28
ADDRESS
 6590 141st Ave NW
PID
 273225440003
ACRES
 0.95
ZONING
 E-1 (Employment District)
SCHOOL DISTRICT
 Anoka-Hennepin #11

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES	10 MILES
Population (2013)	3,943	27,900	64,077	298,009
Growth 2013 - 2018	6.00%	4.92%	2.66%	4.08%
Average Household Income	\$77,307	\$82,528	\$78,107	\$84,316



Richard Palmiter
 Vice President
 +1 952 924 4603
 richard.palmiter@cbre.com

Brian Pankratz
 Vice President
 +1 952 924 4665
 brian.pankratz@cbre.com

Dan Swartz
 First Vice President
 +1 952 924 4652
 dan.swartz@cbre.com

4400 West 78th Street, Suite 200
 Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±.95 ACRES OFFICE/INDUSTRIAL USE

RAMSEY, MN 55303

\$105,000



Richard Palmiter
 Vice President
 +1 952 924 4603
 richard.palmiter@cbre.com

Brian Pankratz
 Vice President
 +1 952 924 4665
 brian.pankratz@cbre.com

Dan Swartz
 First Vice President
 +1 952 924 4652
 dan.swartz@cbre.com

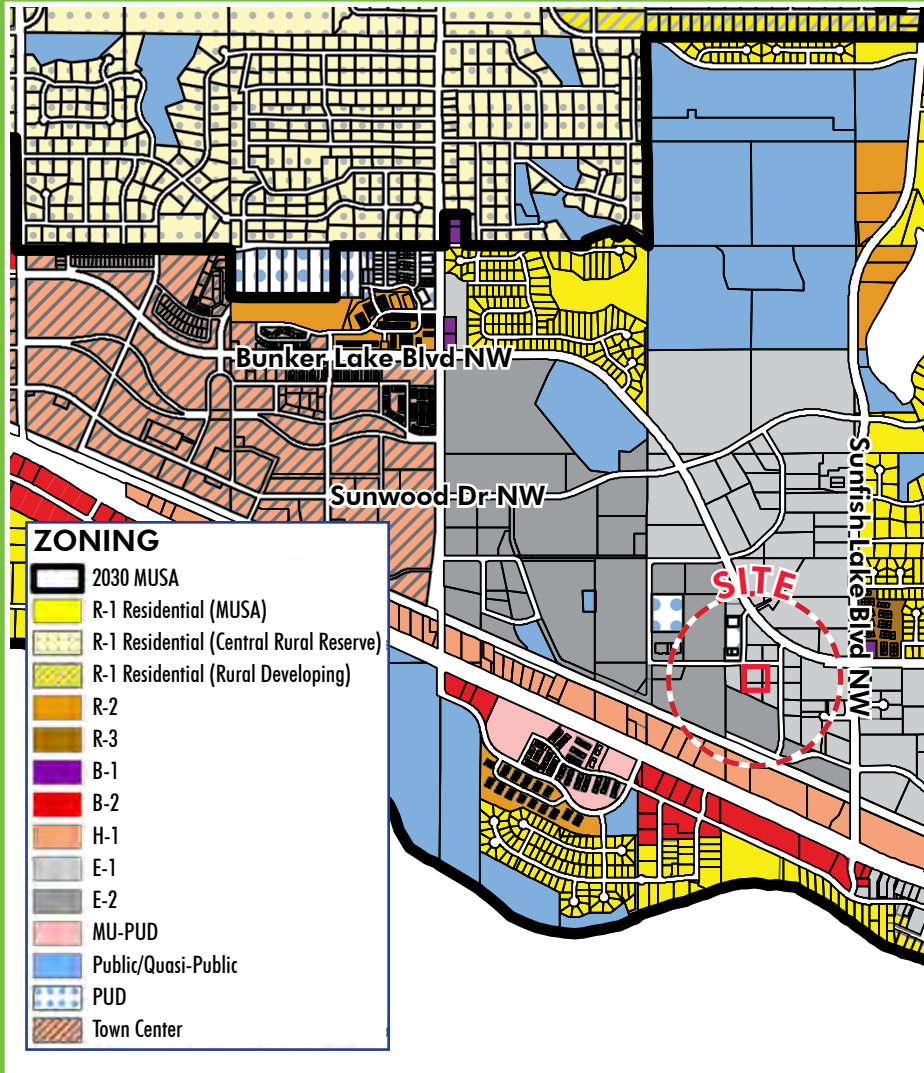
4400 West 78th Street, Suite 200
 Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±.95 ACRES OFFICE/INDUSTRIAL USE

RAMSEY, MN 55303

\$105,000



Richard Palmiter
 Vice President
 +1 952 924 4603
 richard.palmiter@cbre.com

Brian Pankratz
 Vice President
 +1 952 924 4665
 brian.pankratz@cbre.com

Dan Swartz
 First Vice President
 +1 952 924 4652
 dan.swartz@cbre.com

4400 West 78th Street, Suite 200
 Minneapolis, MN 55435



CITY-OWNED LAND FOR SALE: ±.95 ACRES OFFICE/INDUSTRIAL USE

RAMSEY, MN 55303

\$105,000

Sec. 117-117. - E-1 Employment District.

- (b) Permitted uses. The following are permitted uses, subject to general requirements and performance standards as specified by this chapter:
- (1) Manufacturing.
 - (2) Research labs.
 - (3) Testing labs.
 - (4) Offices.
 - (5) Supply yards with building.
 - (6) Warehousing and storage.
 - (7) Self storage facilities, indoor.
 - (8) Truck terminals with building.
 - (9) Athletic facilities/fitness centers/dance studios.
 - (10) Business incubators/multitenant facilities housing manufacturing, research labs, testing labs, offices, athletic facilities/fitness centers dance studios, motor vehicle implement and recreation equipment sales or repair, governmental or public uses, indoor commercial recreation, light manufacturing, radio and television offices and stations, and wholesale businesses.
- (c) Accessory uses.
- (1) Commercial or business buildings and structures for a use accessory to the principal use but such use shall not exceed 50 percent of the gross floor space.
 - (2) Off-street parking including semi-trailer trucks, as regulated and required by this chapter.
 - (3) Off-street loading as regulated and required by this chapter.
 - (4) Signing as regulated by this Code.
 - (5) Open and outdoor storage as an accessory use of the property.
 - (6) Indoor retail and rental activity as an accessory to a permitted use in a business incubator or multitenant facility.
- (d) Conditional uses. The following are conditional uses and require a conditional use permit
- (1) Open and outdoor storage as a principal use.
 - (2) Open or outdoor service, sale, display and rental as a principal use.
 - (3) Indoor retail, rental or service activity, or industrial uses other than that allowed as a permitted use or conditional use within this section.
 - (4) Heavy manufacturing.
 - (6) Expansion or enlargement of lawful nonconforming uses.
 - (7) Cell towers.
 - (8) Micro-scale WECS.
 - (9) Medium-scale WECS.
 - (10) Retail sales facility for CNG (compressed natural gas) or other alternative automotive fuels.
Retail sales must be an accessory to an onsite Fleet fueling operation.

[Click link for complete Zoning Code:](#)



Richard Palmiter
Vice President
+1 952 924 4603
richard.palmiter@cbre.com

Brian Pankratz
Vice President
+1 952 924 4665
brian.pankratz@cbre.com

Dan Swartz
First Vice President
+1 952 924 4652
dan.swartz@cbre.com

4400 West 78th Street, Suite 200
Minneapolis, MN 55435

CBRE

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“Agreement”) is made and entered into as of this _____ day of **June**, 2015 (the “Effective Date”) between, **The City of Ramsey**, a **Minnesota municipal corporation**, (“Seller”), and **WESTCO Properties, LLC**, a Minnesota limited liability company (“Buyer”).

In consideration of the covenants and agreements contained herein, the parties agree as follows:

1. PREMISES. Subject to compliance with the terms and conditions of this Agreement, Seller shall sell to Buyer and Buyer shall purchase from Seller, the following (the “Premises”):

The real property located **6590 141st Avenue NW, Ramsey**, County of **Anoka**, State of **Minnesota**, comprising **PID#27-32-25-44-0003**, legally described in **EXHIBIT A** attached hereto and depicted on **EXHIBIT A-1** attached hereto, together with all easements, tenements, hereditaments, and appurtenances belonging thereto (the “Land”).

2. PURCHASE PRICE. The purchase price shall be **\$55,000.00** Buyer will pay upon the following terms:

A. \$5,000.00 Earnest money, The Earnest Money shall be placed and held by Escrow Agent in its commercial interest bearing account in accordance with the terms of this Agreement and shall be credited against the Purchase Price in favor of Buyer at closing. Any and all interest accruing on the Earnest Money pursuant to this Agreement shall be paid to Buyer and shall accrue solely for Buyer's benefit. If Buyer provides Seller with written notice of Buyer's waiver or satisfaction of all the conditions to closing set forth in Section 5 of this Agreement, then the Earnest Money shall be deemed non-refundable to Buyer, except as otherwise provided in Sections 3.D, 5, 6, 9, 16, 18, 19, 28.A or elsewhere in this Agreement. **Except as provided herein paragraph 2A and Paragraph 23 regarding the earnest money, Two Thousand (\$2,000.00) of the \$5,000.00 earnest money shall be non-refundable, but applicable to the Purchase price in favor of the Buyer, upon full execution of the Purchase Agreement.**

B. \$50,000.00 Cash, the balance of the Purchase Price shall be paid (subject to prorations, reductions and credits as provided below) by wire transfer, certified check or cashier's check at the closing.

3. TITLE TO BE DELIVERED: COMMITMENT: SURVEY: TITLE OBJECTIONS.

- A. Title To Be Delivered.** At closing, **Seller** agrees to convey Marketable Fee Simple Title to the Premises. For purposes of this Agreement, the term "Marketable Fee Simple Title" means title to the Premises that, when acquired by Buyer, will be insurable by the Title Company under its current form ALTA Owner's Title Insurance Policy and is also free and clear of all liens, encumbrances, easements, covenants, conditions restrictions adverse claims and other matters, other than the Permitted Exceptions (defined on Exhibit B attached hereto and made a part hereof).
- B. Commitment.** As soon hereafter as reasonably possible, **Seller**, at its sole cost and expense, shall cause to be issued and delivered to Buyer, a Commitment covering the Premises issued by the Title Company wherein the Title Company agrees to issue to Buyer upon the recording of the Deed, (defined herein) and the conveyance documents described herein, a current form of ALTA Owner's Title Insurance Policy ("Commitment"), with standard coverage, in the full amount of the purchase price. The Commitment shall be accompanied by copies of all recorded documents affecting the Premises, and shall include searches for real estate taxes and pending and levied special assessments. **Buyer** shall deliver a copy of the Survey (defined herein) to Title Company so that the initial Commitment may be amended or supplemented to contain any survey exceptions to title.
- C. Survey.** **Seller**, at its sole cost and expense, shall provide a current ALTA/ACSM Land Title Survey ("Survey") of the Premises prepared by a duly licensed land surveyor in the State of Minnesota.
- D. Title Objections.** **Buyer** shall have until thirty (30) days from the date it receives the latter of the Commitment or Survey (or any update or supplement thereto) to make its objections to matters disclosed in the Commitment or Survey (or any update or supplement thereto) in writing to Seller. Any exception disclosed in the Commitment or Survey (or any update or supplement thereto) and not timely objected to by Buyer within the thirty (30) day period shall be deemed a "Permitted Exception" hereunder. Seller shall have until thirty (30) days after it receives such objections to have the same removed or satisfied, using commercially reasonable efforts, or Title Company agrees to insure over said defect based on Seller's Letter of Undertaking. If Seller shall fail to have such objections removed within that time, then Buyer may, as its sole remedy, either (a) terminate this Agreement without any liability on its part and receive the Earnest Money (together with any accrued interest) back, (b) waive such objections in writing and proceed to closing with the understanding that such uncured objections shall be deemed Permitted Exceptions at closing, or (c) attempt to cure such uncured objections, in which event Buyer shall have an additional thirty (30) days to attempt to cure such objections, and if Buyer is not successful in curing such objections, Buyer shall then have the right to either terminate this Agreement pursuant to clause (a) above, or waive such objections pursuant to clause (b) above. Seller shall use reasonable efforts to cure or have

Title insure over (i) mortgage or deed of trust financing or similar liens given for security or collateral purposes, (ii) state, federal or local tax liens or liens for the nonpayment of special assessments, and (iii) any other judgment liens or non-consensual monetary liens (collectively, "Liens"), it being the understanding and agreement that any such Liens will be satisfied out of Seller's proceeds at closing, if not sooner paid.

4. REPRESENTATIONS AND WARRANTIES. As an inducement to Buyer to enter into this Agreement, and as part of the consideration therefore, Seller represents and warrants to and covenants with Buyer that:

- A. Seller has Marketable Fee Simple Interest to the Premises.
- B. Each of the persons executing this Agreement on behalf of Seller does hereby represent and warrant that the execution and delivery of this Agreement by Seller will not constitute a default under any indenture, agreement, contract, mortgage or other instrument to which Seller is a party.
- C. To the best of the Seller's knowledge, there are no underground storage tanks on the Premises.
- D. Seller has not used the Premises for storage or disposal of hazardous substances and Seller has no actual knowledge that any other persons have so used the Premises.
- E. Seller has received no notice of any violation of any zoning, building, health and safety, fire safety and environmental codes and laws from the **City of Ramsey** or other local authority.
- F. Seller has received no notice of a violation of any statutes, ordinances, regulations, judicial decrees or orders, or the pendency of any lawsuits, administrative or arbitration hearings or governmental investigations or proceedings affecting the Premises.
- G. To the best of Seller's knowledge, there are no environmental proceedings, applications, petitions, resolutions, or other matters pending before any governmental agency, which would affect the Premises in any manner.
- H. To the best of Seller's knowledge there are no environmental proceedings, applications, petitions, court pleadings, resolutions, investigations, by public or private agencies, or other matters pending which could prohibit, impede, delay, or adversely, affect the use of the Premises.
- I. The Premises will, as of the date of closing, be free and clear of all liens, security interests, encumbrances, leases or other restrictions or objections to title other than the Permitted Exceptions.
- J. The Premises is not within a flood zone.
- K. Seller is not a "foreign person," "foreign partnership," "foreign trust," or "foreign estate" as defined in Section 1445 of the Internal Revenue Code.
- L. The sale of the Premises is not subject to any withholding requirements imposed by the Internal Revenue Code, including, without limitation, Section 1445(F)(3).
- M. To the best of Seller's knowledge the Premises is served by municipal water and sewer.
- N. There are no management, maintenance or service contracts, leases, licenses, purchase agreements, purchase options, rights of first refusal, or other unrecorded

agreements affecting the Premises that will survive closing. Seller agrees not to enter into any new, or modify any existing, written or oral service contracts, leases, licenses or other recorded or unrecorded agreements affecting the Premises hereafter without Buyer's prior written consent which may be withheld in Buyer's reasonable discretion.

The representations and warranties set forth in this Section 4 shall be continuing and shall be true and correct on and as of the closing date with the same force and effect as if made at that time and all such representations, warranties and covenants shall survive closing for a period of six (6) months and shall not be affected by any investigation, verification or approval by any party hereto or by anyone on behalf of any party hereto and shall not merge into Seller's deed being delivered at closing. Seller agrees to indemnify and hold Buyer harmless from and against and to reimburse Buyer with respect to any and all claims, demands, causes of action, loss, damage, liabilities, and costs (including attorney's fees and court costs) asserted against or incurred by Buyer by reason of or arising out of the breach of any representation, warranty or covenant as set forth in this Section 4 for a period of six (6) months after closing.

5. BUYER'S CONTINGENCIES. Unless waived by Buyer in writing, Buyer's obligation to purchase the Premises shall be subject to Buyer being able to satisfy the following contingencies on or before closing. The sufficiency of the contingencies will be determined by Buyer, in Buyer's sole discretion. If any of these conditions is not satisfied by the date herein, Buyer, has the option to terminate this Agreement by giving written notice of termination to Seller by 5:00 p.m. on the date thereof, time being of the essence, in which case Buyer and Seller must sign a Cancellation of Purchase Agreement and all earnest money will be returned to the Buyer within five (5) business days. Buyer may waive any condition in Buyer's sole and absolute discretion. The failure of Buyer to terminate the Agreement by the date provided in each of the following contingencies shall be a waiver of the condition:

- A. The ability of Seller to convey marketable fee title to the Premises, free and clear of any and all liens.
- B. Buyer to obtain suitable financing in a form and amount acceptable to Buyer in its sole discretion by **September 17th, 2015**.
- C. Buyer to receive site plan and plat approval for the construction of a building of Buyer's design on the property by **September 17th, 2015**.
- D. Buyer shall review the ALTA survey required from Seller by **June 30th, 2015** or within 30 days from the time of actual receipt of the Survey from Seller.

6. PERMITTED ACCESS AND INSPECTION. Buyer's performance of this Agreement is expressly conditioned upon Buyer's inspection and approval of the Premises, which inspection shall be made **within 30 days** after the "Effective" Date. During the term of such inspection, Buyer and its authorized representatives shall be permitted access to the Premises at reasonable times for the purposes of architectural inspection and design studies, and such soil borings and environmental assessment as are deemed necessary by Buyer. Buyer agrees to indemnify and defend Seller from, and to hold Seller harmless against any and all claims, causes of action or expenses, including attorney's fee, relating to or arising from Buyer's presence on the Premises prior to the Closing Date. Buyer agrees to repair any damage to the Premises caused by such inspections and to return the Premises

to substantially the same condition as existed prior to Buyer's inspection. If said inspection is, in Buyer's sole discretion, unsatisfactory to Buyer, Buyer shall notify Seller of the same in writing prior to five (5) days from date thereof and this Agreement shall be null and void and all Earnest Money shall be refunded to Buyer within five (5) business days of such notice. Failure of the Buyer to provide this written notice within the prescribed time shall be a waiver of this condition.

7. REAL ESTATE FEES. Seller agrees to pay real estate commissions, at closing, in the amount of \$5793.48 (.95 acres times 43,560 square feet times \$2.00/sf times seven percent) to be split evenly between Buyer's Broker, Premier Commercial Properties, Inc. and Sellers Broker CBRE. Buyer and Seller acknowledge no other Brokers in this transaction.

8. DUAL AGENCY. PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:

XX Dual Agency representation ***DOES NOT*** apply in this transaction.

Dual Agency representation ***DOES*** apply in this transaction. .

Broker represents both the Seller(s) and the Buyer(s) of the Premises involved in this transaction, which creates a dual agency. This means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because the parties may have conflicting interests, Broker and its salespersons are prohibited from advocating exclusively for either party. **Broker cannot act as a dual agent in this transaction without the consent of both Seller(s) and Buyer(s).** Seller(s) and Buyer(s) acknowledge that :

- (1) confidential information communicated to Broker which regards price, terms or motivation to buy or sell will remain confidential unless Seller(s) or Buyer(s) instructs Broker, in writing, to disclose this information. Other information will be shared;
- (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
- (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of the sale.

With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker and its salespersons to act as dual agents in this transaction.

(Seller)

(Buyer)

(Seller)

(Buyer)

(Date)

(Date)

9. HAZARDOUS WASTE AND TOXIC SUBSTANCES. Seller will provide copies all information to Buyer, within 10 days, of any Phase I and/or Phase II or any other Environmental tests that have been performed on the Premises within the last twenty four (24) months of the Effective Date.

The Buyer, at its' own expense, may perform additional environmental testing to confirm that the Premises are free and clear of any hazardous wastes or toxic substances. If such tests determine that said Premises are contaminated and Seller does not correct said contamination, this Agreement shall be voidable, at Buyer's option, by written notice by Buyer to Seller of same prior to the Closing Date and all earnest money refunded to the Buyer and Buyer shall have no further recourse against Seller.

10. REPRESENTATIONS OF BUYER. The party signing this Agreement on behalf of Buyer, hereby represent and warrant to Seller that such persons have all authority to sign this Agreement on behalf of Buyer.

11. REPRESENTATIONS OF SELLER. The party signing this Agreement on behalf of Seller, hereby represent and warrant to Buyer that such persons have all authority to sign this Agreement on behalf of Seller.

12. PERSONAL PROPERTY. This paragraph intentionally omitted.

13. DOCUMENTATION TO BUYER. This paragraph intentionally omitted.

14. SECURITY DEPOSITS. This paragraph intentionally omitted.

15. LEAD AND ASBESTOS DISCLOSURE. This paragraph intentionally omitted.

16. SELLER'S DUTY OF MAINTENANCE AND REPAIR. Between the date hereof and the date of closing, except for Buyer's indemnification obligations set forth in Section 6, Seller shall have the full responsibility and the entire liability for any and all damages or injury of any kind whatsoever to the Premises, the Improvements thereon, and all persons, whether employees or otherwise, and all property from and connected to the Premises. Seller agrees to keep the Premises continually insured during the term of this Agreement under a policies of (i) commercial general liability insurance with policy limits of not less than \$1,000,000 per incident, and (ii) fire, hazard and all risk property insurance in amount equal to one hundred percent (100%) of the replacement value of the Improvements. Until the closing, Seller shall have the full responsibility for the continued operation, maintenance and repair of the Premises, normal wear and tear excluded.

17. CONDEMNATION. If, prior to the closing, the Premises shall be the subject of an action in eminent domain or a proposed taking by a governmental authority, whether temporary or permanent, Buyer, at its sole discretion, shall have the right to terminate this Agreement upon written notice to Seller without liability on its part by so notifying Seller and the Earnest Money (with ant accrued interest) shall be refunded to Buyer. If Buyer does not exercise its right of termination, (i) any and all proceeds arising out of any such eminent domain or taking shall be held in trust by Seller for the benefit of Buyer and paid to Buyer at

closing; and (ii) the "Premises" shall thereafter be defined to mean the Premises less the portion taken by eminent domain or condemnation. In no event shall the Purchase Price be increased by the amount of any such proceeds.

18. CASUALTY. If, prior to the closing, the Premises or the Improvements are materially damaged or destroyed, Buyer, at its sole discretion, shall have the right to terminate this Agreement upon written notice to Seller without liability on its part by so notifying Seller and the Earnest Money (with any accrued interest) shall be refunded to Buyer. If the Premises or Improvements are not materially damaged or destroyed or Buyer does not exercise its right of termination, Seller shall proceed forthwith to repair the damage to the Premises and Improvements and any and all proceeds arising out of such damage or destruction, if the same be insured, shall be held in trust by Seller for the benefit of such repair. In no event shall the Purchase Price be increased by the amount of any such proceeds. The words "materially damaged or destroyed" for the purposes of this Section 19 shall mean the Premises incurs damage in excess of \$50,000.00 and said damage cannot be repaired on or prior to closing.

19. AS IS PURCHASE. Buyer acknowledges that the Premises being purchased by Buyer, together with the other improvements, fixtures, appliances and other items of Personal Property that will remain with the Premises are not new, and are being purchased "AS IS." Buyer has the right and duty to inspect the Premises and Personal Property being purchased with the Premises, or have them inspected by a person of Buyer's choice, at Buyer's expense. It is understood by the Buyer that the Buyer accepts the Premises and Personal Property "AS IS" without any Representations or Warranties by the Seller except as expressly stated in this Agreement. Except as expressly provided in this Agreement, the Seller shall have no further responsibility or liability with respect to the condition of the Premises or Personal Property being sold with the Premises. This provision shall survive the delivery of the General Warranty Deed at Closing.

20. DISCLOSURE. This paragraph intentionally omitted.

21. INVENTORY. This paragraph intentionally omitted.

22. PATRIOT ACT. Buyer is not named, and is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub L 107-56, 115 Stat 272 ("USA Patriot Act"), Executive Order # 13224 or any other Executive Order or the United States Treasury Department as a terrorist, "Specially Designated Nation and Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control. Buyer is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group entity, or nation.

Buyer's full, legal, and complete name(s) is Westco Properties, LLC. Buyer is not known as, and does not employ any other names or aliases. Buyer shall deliver to Seller such proof of identity that Seller may reasonably require.

23. CLOSING DATE. Subject to the fulfillment or waiver of the conditions hereof, and provided that all of the covenants, representations and warranties of Seller are true and correct on the closing date as though made on such date, the closing of the purchase and sale shall take place on or before September 29th, 2015. The closing shall take place at the offices of Title Company or at such other place as Seller and Buyer may mutually determine. Actual possession of the Premises shall be delivered to Buyer on the Closing Date.

If the Buyer requests the Seller to extend the Closing Date to a date later than September 29th, 2015 for reasons that prevent the closing to occur that are not caused by the Seller, the Earnest Money previously deposited into the specified Escrow account shall be paid to the Seller in scheduled monthly installments. Such monthly installments will be paid as follows: at the end of each month that extends past the original Closing Date of September 29th, 2015, all of the initial Earnest Money will be released to the Seller. Any Earnest Money released will be deducted from the purchase price of this real property. In the event this property does not close, the Earnest Money released due to a Closing Date Extension will be forfeited and become property of the Seller

24. SELLERS OBLIGATION AT CLOSING. At or prior to the Closing date, Seller shall:

- A.** Deliver to Buyer, Seller's duly recordable General Warranty Deed (the "Deed") to the Premises (in a form reasonably satisfactory to Buyer) conveying to Buyer Marketable Fee Simple Title to the Premises and all rights appurtenant thereto, subject only to the Permitted Exceptions.
- B.** Cause to be furnished and delivered to Buyer the ALTA (Form 6/17/06) Owner's Title Insurance Policy in conformity with the requirements of this Agreement, or a "marked-up" Commitment in form acceptable to Buyer.
- C.** Deliver to Buyer, Title Company's standard affidavit of Seller, confirming that Seller is not a "foreign corporation" within the meaning of Section 1445 of the Internal Revenue Code.
- D.** Deliver to Buyer, Title Company's standard affidavit of Seller, in form and content sufficient to allow Title Company to delete the standard exceptions contained in Buyer's Owners Title Insurance Policy relative to (i) parties in possession, (ii) liens for labor, materials, or services, (iii) unrecorded easements or other instruments and (iv) the gap between date of title commitment and the recording date of the Deed.
- E.** Deliver to Buyer, a certificate confirming that the representations and warranties set forth in Section 4 of this Agreement are true and correct as of the Closing Date as though made as of such date.
- F.** Deliver to Buyer, such other documents as may be reasonably required by this Agreement (including, without limitation, authorizing resolutions of Seller), all in a form reasonably satisfactory to Buyer, Seller and Title Company.

- G.** An assignment, in a form and substance acceptable to Buyer, of all assignable warranties, guarantees, permits, licenses, certificates and franchises applicable or relating to the Premises.

26. CLOSING COSTS. The following costs and expenses shall be paid as follows in connection with the closing:

A. Seller shall pay:

1. The cost to prepare and deliver to Buyer the Commitment (including, without limitation, the cost of any title search and exam by Title Company); all fees to record all of the documents necessary to permit Seller to convey Marketable Fee Simple Title to the Premises to Buyer (other than the fee to record the Deed); the cost of any endorsements necessary to convey Marketable Fee Simple Title to Buyer; and one-half (1/2) of the closing fee charged by Title Company.
2. Any state, county or municipal deed tax, excise tax or transfer fee imposed on the conveyance, and any fees and costs incurred by Seller or necessary to subdivide the Premises from other real property into a separate tax parcel.
3. Any deferred or delinquent real estate taxes or utilities and Seller's pro-rata share of those costs and expenses set forth in Section 27.
4. All special assessments existing through and including the Closing Date, whether levied, pending, deferred or assessed, including without limitation, the unpaid balance of special assessments and/or installments of special assessments certified for payment to the real estate taxes, except all special assessments that become levied or pending after the Closing Date.
5. The cost of the ALTA survey.
6. The brokerage fee of Broker pursuant to Section 7.
7. Attorneys' fees and costs of Seller's attorneys.

B. Buyer shall pay:

1. The documentary fee necessary to record the Deed.
2. The premium for the Owners Title Insurance Policy, any Lender's policy of title insurance.
3. One-half (1/2) of the closing fee and all of the escrow fee charged by Title Company.

4. All special assessments levied or pending after the Closing Date.
 5. Attorneys' fees and costs of Buyer's attorneys.
 6. Balance of the purchase price.
- C. The terms of this Section 26 shall survive the closing of the transaction contemplated herein.

27. PRORATIONS. The following prorations shall be made as of the Closing Date:

- A. Real estate taxes (excluding any outstanding special assessments and/or installments of special assessments certified to the real estate taxes for payment Seller is obligated to pay pursuant to Section 26 hereof) allocable to the Premises that are due and payable in the year of closing shall be prorated between Seller and Buyer to the Closing Date. Seller shall pay all such real estate taxes due and payable in years prior to the year of closing. Buyer shall assume responsibility for the payment of all such taxes due and payable in years subsequent to the year of closing. If, as of the Closing Date, the Premises is not assessed for purposes of property taxation separately from all other real property, then the real estate taxes for the total tax parcel shall be paid in full at closing, and the amount of taxes allocable to the Premises shall be determined based upon the ratio that the square footage of the Premises bears to the square footage of all the real property within the total tax parcel.
- B. The terms of this Section 27 shall survive the closing of the transaction contemplated herein.

28. REMEDIES.

- A. Seller Default. In the event Seller defaults under this Agreement and such default is not cured within 15 days after the date Buyer provides Seller written notice specifying such default, Buyer, as its sole and exclusive remedy, may either (a) seek specific performance of this Agreement provided such action is commenced within sixty (60) days after Seller's 15-day cure period, or (b) terminate this Agreement and receive a refund of all Earnest Money and any accrued interest thereon. In no event shall Seller be liable to Buyer for damages under this Agreement, or liable to Buyer for other costs and expenses incurred by Buyer in its investigation of the Premises.
- B. Buyer Default. If Buyer defaults in the performance of this Agreement, Seller's sole and exclusive remedy shall be to cancel this Agreement by delivering written notice of such default to Buyer ("Seller's Default Notice"), in which event Buyer shall have the opportunity to cure such default within 15 days after receipt of Seller's Default Notice, and if Buyer fails to timely cure such default after receipt

of Seller's Default Notice, then this Agreement shall be deemed canceled without further action between the parties and the Escrow Agent shall deliver all of the Earnest Money to Seller as liquidated damages, it being the understanding and agreement of the parties that it would be impractical or extremely difficult to determine the actual damages to Seller in the event of Buyer's default, and that the Earnest Money is a reasonable estimate of the damages which Seller would incur as a result of Buyer's default hereunder.

29. ESCROW. Title One, Inc., 7533 Sunwood Drive N.W., Suite 207, Ramsey, Minnesota, ("Escrow Agent") Escrow Agent is authorized and agrees by acceptance thereof to promptly deposit the Earnest Money as provided herein and to hold same in escrow and to disburse the same in accordance with the terms and conditions of this Agreement. The sole duties of Escrow Agent regarding the Earnest Money shall be those described herein, and Escrow Agent shall be under no obligation to determine whether the other parties hereto are complying with any requirements of law or the terms and conditions of any other agreements among said parties. Escrow Agent may conclusively rely upon and shall be protected in acting upon any written notice, consent, order or other document believed by it to be genuine and to have been signed or presented by the proper party or parties to this Agreement. Escrow Agent shall have no duty or liability to verify any such written notice, consent, order or other document, and its sole responsibility shall be to act as expressly set forth in this Agreement. Escrow Agent shall be under no obligation to institute or defend any action, suit or proceeding in connection with this Agreement. If Buyer and Seller execute any separate escrow instructions or an escrow agreement with Escrow Agent, then in the event of a conflict between the terms of such escrow instructions or escrow agreement and the terms of this Agreement, the terms of this Agreement shall control. Escrow Agent shall also execute this Agreement solely for the purpose of acknowledging its agreement with and understanding of the terms of this Section 29 and the other provisions of this Agreement relative to receipt, escrow, investment and disbursement of the Earnest Money. Failure of Escrow Agent to execute this Agreement shall not affect the validity of this Agreement as between Seller and Buyer.

30. TIME FOR ACCEPTANCE. The Agreement, when duly executed by all of the parties hereto, shall be binding upon the parties hereto, their heirs, representatives, successors and assigns. In the event this Agreement has not been duly executed by Seller and delivered to Buyer or its agent on or before **June 15th, 2015 at 5:00 p.m. Central standard time**, then the offer herein made by Buyer shall automatically and unconditionally terminate and this Agreement shall be null and void, and Escrow Agent shall immediately return to Buyer the Earnest Money.

31. MISCELLANEOUS. The following general provisions govern the Agreement:

A. No Waivers. The waiver by either party hereto of any condition or the breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

B. Time of Essence. Time is of the essence of this Agreement.

- C. Governing Law. This Agreement is made and executed under and in all respects to be governed and construed by the laws of the State of Minnesota and the parties hereto hereby agree and consent and submit themselves to any court of competent jurisdiction situated in the State of Minnesota.
- D. Notices. All notices and demands given or required to be given by any party hereto to any other party shall be deemed to have been properly given if and when delivered in person, the next business day after being sent by reputable overnight commercial courier (e.g. U.P.S. or Federal Express), sent by facsimile (with verification of receipt) or three (3) business days after having been deposited in any U.S. Postal Service and sent by registered or certified mail, postage prepaid, addressed as follows (or sent to such other address as any party shall specify to the other party pursuant to the provisions of this Section):

TO SELLER:

City Administrator
City of Ramsey
7550 Sunwood Drive N.W.
Ramsey, MN 55303

TO BUYER:

Derek West
24 Restore
6615 141st Ave. N.W.
Ramsey, MN 55303

In the event either party delivers a notice by facsimile, as set forth above, such party agrees to deposit the originals of the notice in a post office, branch post office, or mail depository maintained by the U.S. Postal Service, postage prepaid and addressed as set forth above. Such deposit in the U.S. Mail shall not affect the deemed delivery of the notice by facsimile, provided that the procedures set forth above are fully complied with.

Any party, by notice given as aforesaid, may change the address to which subsequent notices are to be sent to such party.

- E. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each of the parties hereto. This Agreement may not be assigned or transferred without consent of the other party.
- F. Invalidity. If for any reason any term or provision of this Agreement shall be declared void and unenforceable by any court of law or equity it shall only affect such particular term or provision of this Agreement and the balance of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto.
- G. Complete Agreement. All understandings and agreements heretofore had between the parties are merged into this Agreement which alone fully and completely expresses their agreement. This Agreement may be changed only in writing signed by both of the parties hereto and shall apply to and bind the successors and assigns of each of the parties hereto and shall not merge with the deed delivered to Purchaser at closing.

- H. Counterparts. This Agreement may be executed in one or more counterparts each of which when so executed and delivered shall be an original, but together shall constitute one and the same instrument.

- I. Calculation of Time Periods. Unless otherwise specifically provided herein, in computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of Minnesota, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of such period shall be deemed to end at 5:00 p.m.

- J. Attorneys' Fees. If any dispute arises between the parties regarding this Agreement or the subject matter thereof, the prevailing party in any court action, administrative proceeding or alternative dispute resolution commenced or maintained to resolve such dispute, shall be entitled to an award of reasonable attorneys' fees, disbursements and court costs in addition to any other remedy to which the parties are entitled.

By the signatures below, both the Buyer and Seller agree to the above terms.

SELLER: The City of Ramsey, Minnesota

By: _____ Date: _____
 Sarah Strommen, Mayor

By: _____ Date: _____
 Kurt Ulrich, City Administrator

BUYER: WESTCO Properties, LLC

By: _____ Date: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

UNPLATTED CITY OF RAMSEY ALL THAT PART OF THE N 200 FT OF THE S 233 FT OF THE S1/2 OF SE1/4 OF SEC 273225 ANOKA CNTY, MN LYING W OF THE E 1146 FT THEREOF & LYING E OF A LINE PRLL WITH THE E LINE OF SAID S1/2 OF SE1/4 DRAWN NLY FROM A POINT ON THE S LINE OF SAID S1/2 OF SE1/4 A DIST OF 266.00 FT E OF THE NW CORNER OF LOT 1 OF THE DULY RECORDED PLAT OF AUD SUB NO 30 SAID ANOKA CNTY SAID 266 FT BEING MEAS AT RIGHT ANGLES TO THE W LINE OF SAID LOT 1 TOG WITH AN EASE FOR RD PURP OFVER THE S 33 FT OF THE E 1146 FT OF THE S1/2 OF SE1/4

Anoka County PID# 27-32-25-44-0003

NOTE: The precise legal description of the Land is to be confirmed by the Title Evidence. It is the intent of the parties that the Land consists of the real property owned by Seller commonly known as 6590 141st Ave NW in Ramsey, Minnesota. In the event that the correct description of the Land established in the Title Evidence should differ from the description of the Land set forth above in this *Exhibit A*, the description set forth in the Title Evidence shall be deemed to govern and replace the description set forth above.

EXHIBIT A-1

DEPICTION OF PREMISES

6590 141st Avenue NW

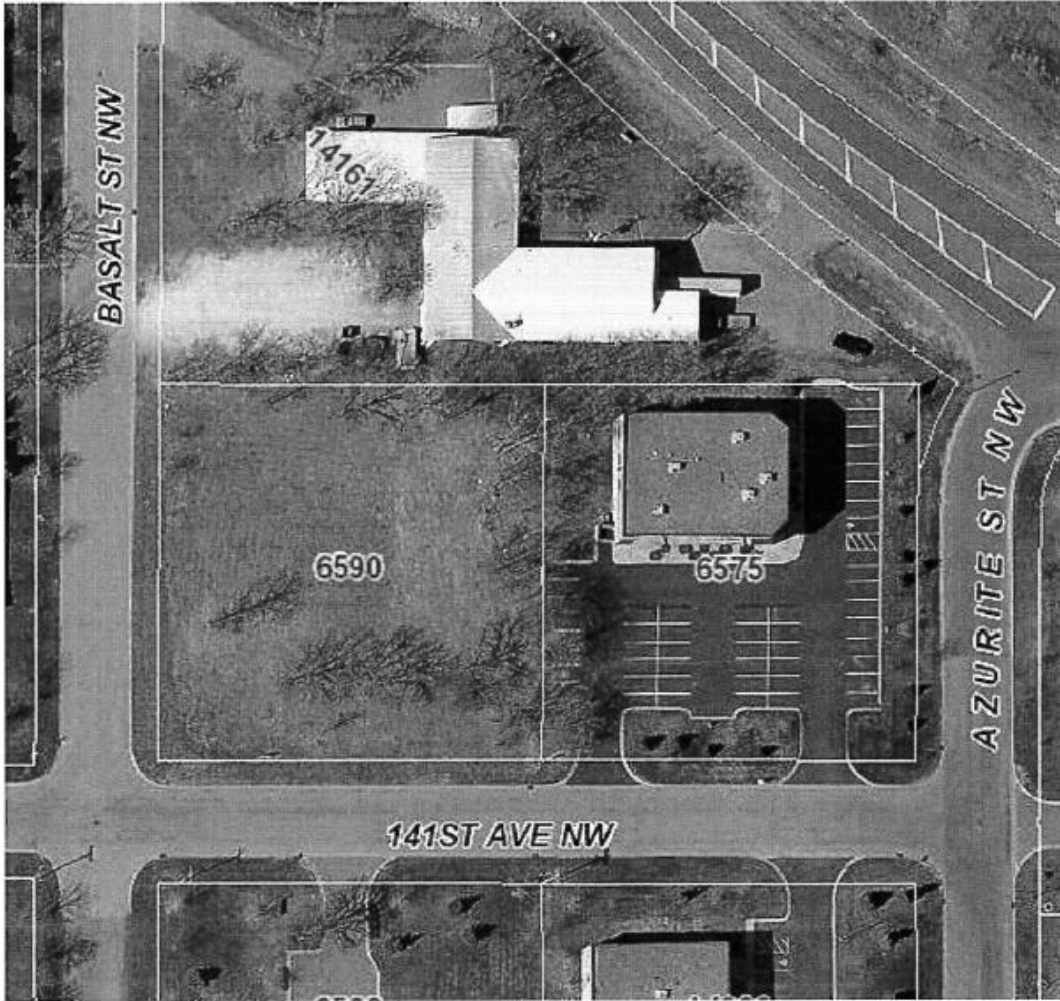
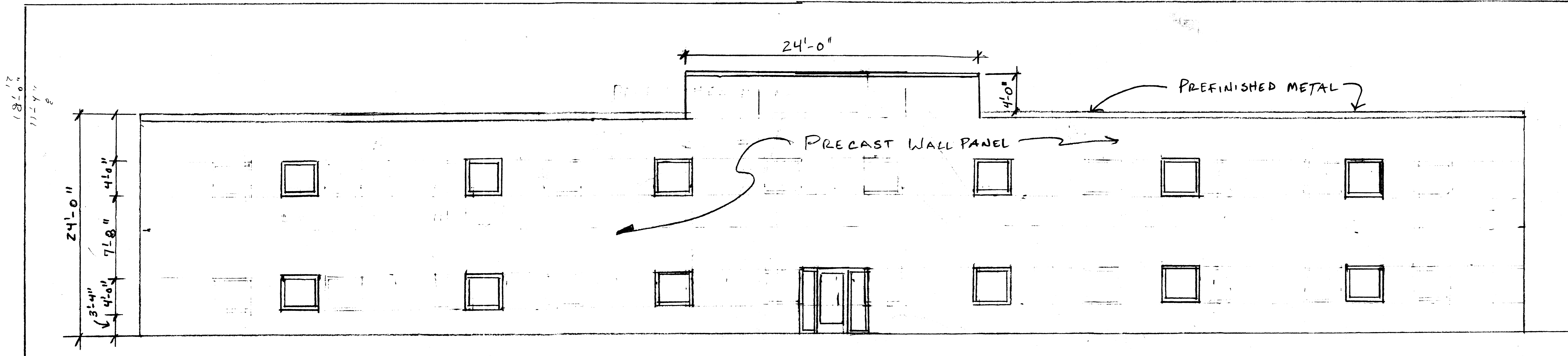
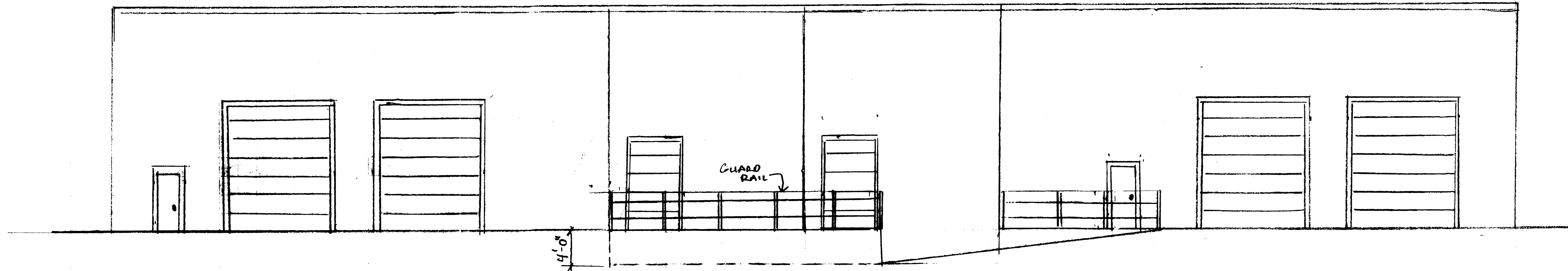


EXHIBIT B
Permitted Encumbrances

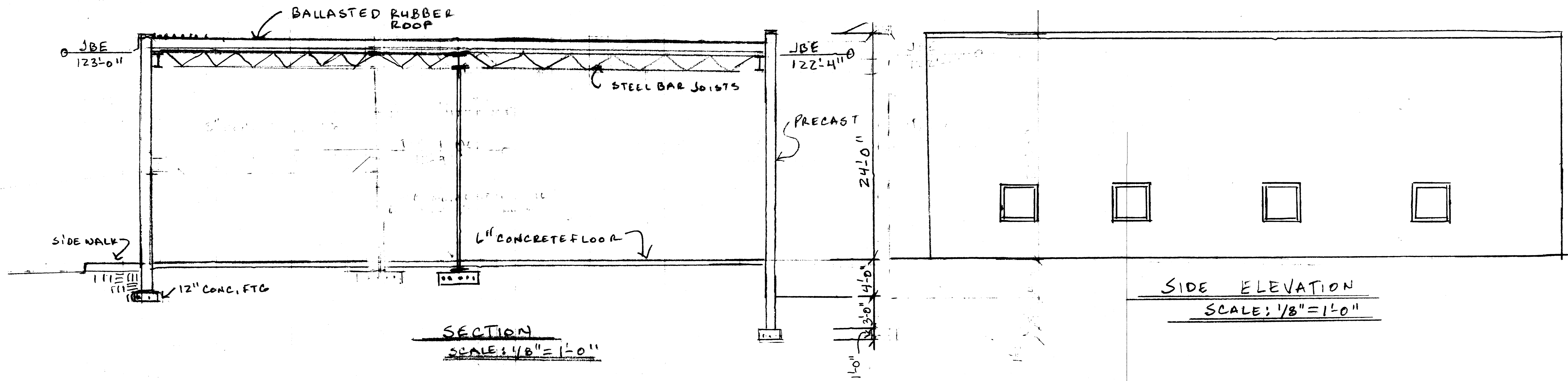
- 1) Building and zoning laws, ordinances, state and federal regulations;
- 2) Restrictions relating to use or improvement of the Property without effective forfeiture provision;
- 3) Reservation of any minerals or mineral rights to the State of Minnesota;
- 4) Utility and other easements of record which do not adversely interfere with Buyer's intended use of the Property; and
- 5) Any exception to title or survey waived or approved by Buyer in writing.



FRONT ELEVATION
SCALE: 1/8" = 1'-0"

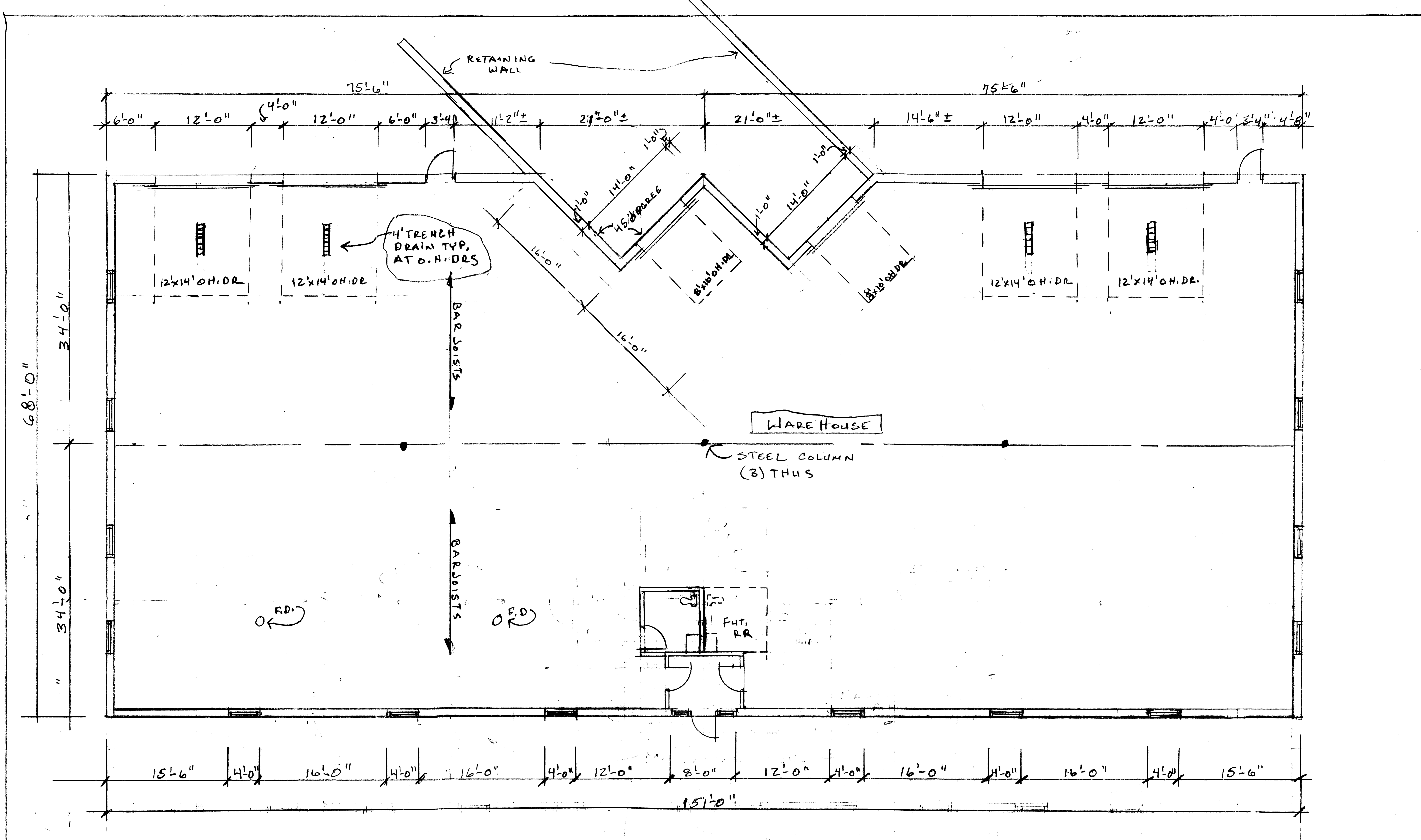


REAR ELEVATION
SCALE: 1/8" = 1'-0"



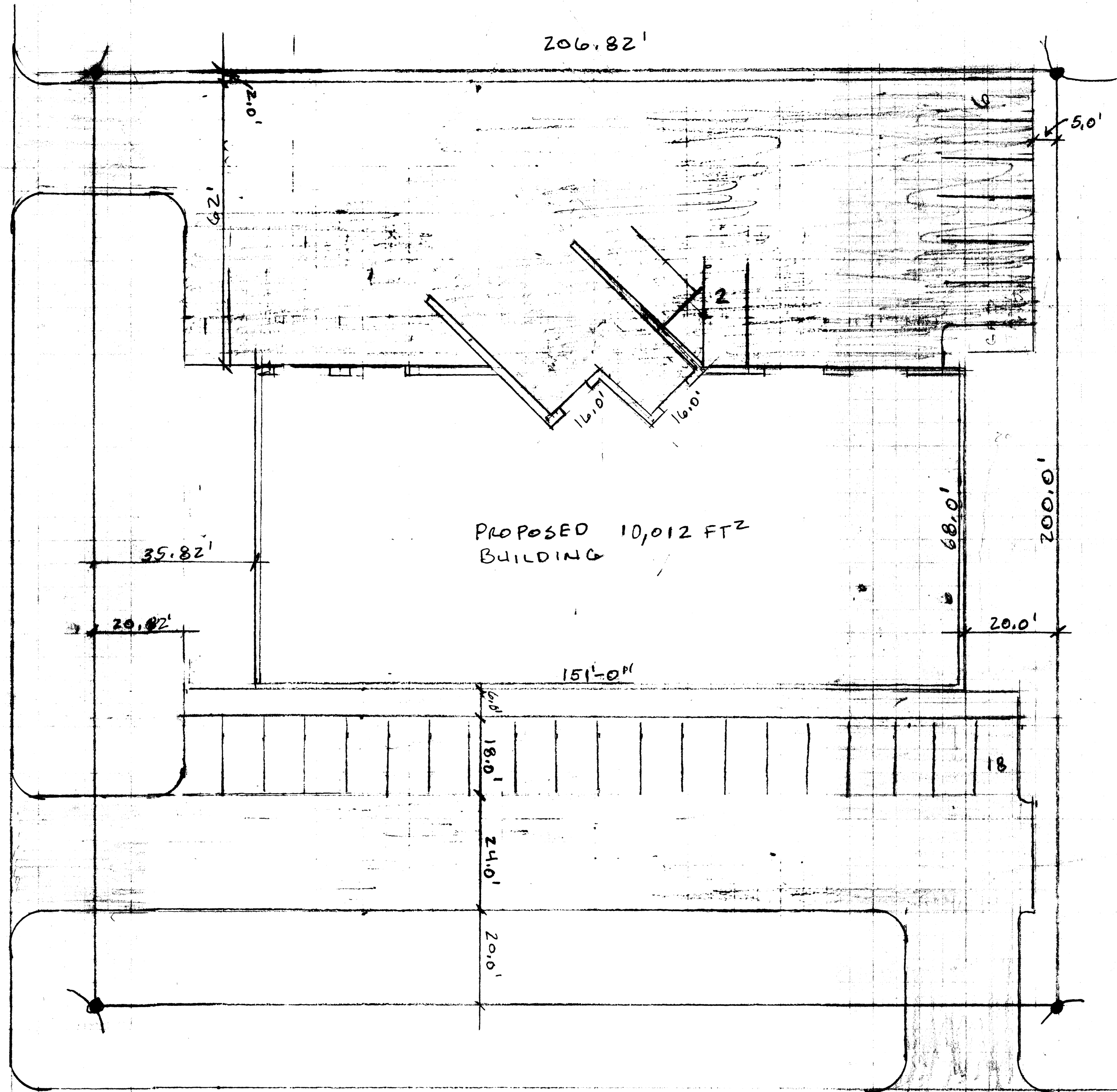
SECTION
SCALE: 1/8" = 1'-0"

SIDE ELEVATION
SCALE: 1/8" = 1'-0"



FLOOR PLAN
SCALE: 1/8" = 1'-0"

4 BASALT STREET



4 141ST AVE.

PROPOSED 13,024 FT² BLEG
FOR 24 RESTORE
DRAWN BY: STONE CONST.
DATE: 1-17-15 P. OF 3

24 Restore Purchase Agreement
6/2/2015

Land Sale Price \$ 55,000.00

City Expenses

Commission Fee CBRE	\$ 2,896.50
Commission Fee Premier	\$ 2,896.50
Closing Fees (1/2)	\$ 950.00
ALTA Survey (estimated)	\$ 2,300.00
Title Commitment (estimated)	\$ 550.00
State DEED Tax (estimated)	\$ 313.50
CDBG Payback to County (estimated)	\$ 11,132.00
Contingency	\$ 1,000.00
Sub Total	\$ 22,038.50

NET Proceeds \$ 32,961.50

24 Restore Purchase Agreement
2/5/2015

Land Sale Price \$ 95,000.00

City Expenses

Commission CBRE	\$ 3,325.00
Commission Premier	\$ 3,325.00
Closing Fees (1/2) (estimated)	\$ 950.00
ALTA Survey (estimated)	\$ 2,300.00
Title Commitment (estimated)	\$ 550.00
State Deed Tax	\$ 313.50
CDBG Payback to County (estimated)	\$ 11,132.00
Contingency	\$ 1,000.00
<u>Subtotal Costs</u>	<u>\$ 22,895.50</u>

Net Proceeds \$ 72,104.50

(will be deposited into the EDA Fund)

Economic Development Authority (EDA)

4. 3.

Meeting Date: 06/04/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Consider Recommending the City Council Authorize the City's Economic Development Manager to Complete the NDC EDFP Certification

Purpose/Background:

PURPOSE:

Consider recommending the City Council authorize the City's Economic Development Manager to complete the National Development Council's (NDC) Economic Development Finance Professional (EDFP) Certification program in 2016.

BACKGROUND:

Please see attached.

Notification:

NA

Observations/Alternatives:

The City of Ramsey has an uniquely large inventory of City owned land available for sale and development. Additionally, the City has a wide array of opportunities for commercial, retail and residential development over the next ten years. Lastly, over the past few years, the Ramsey City Council has emphasized the importance of economic development and selling City owned land for our community. With the above in mind, the City anticipates to review a high volume of purchase agreements and business subsidy requests over the coming years. The City's Economic Development Manager is responsible for managing the review/ negotiation of purchase agreements and business subsidy requests.

Staff would like to propose the City's Economic Development Manager complete the National Development Council's (NDC) Economic Development Finance Professional (EDFP) Certification program in 2016. This certification will aid the Economic Development Manager, and indirectly EDA/ City Council, in the review of purchase agreements/ business subsidy requests.

This program will provide technical and hands-on training in the areas outlined below. Please see attached course outline for details.

- Economic Development Finance
- Business Credit Analysis
- Real Estate Finance
- The Art of Deal Structuring

This program includes four, five-day, courses that will require travel. Attached is budget. This program will require an increase to the EDA levy of \$10,440 in 2016.

Funding Source:

This program will require an increase to the EDA levy of \$10,440 in 2016.

Recommendation:

NA

Action:

Consider recommending the City Council authorize the City's Economic Development Manager to complete the National Development Council's (NDC) Economic Development Finance Professional (EDFP) Certification program in 2016.

Attachments

[NDC Background](#)

[Overview of Courses](#)

[EDFP Budget 2016](#)

Form Review

Inbox

Kurt Ulrich

Form Started By: Patrick Brama

Final Approval Date: 06/01/2015

Reviewed By

Kurt Ulrich

Date

06/01/2015 04:26 PM

Started On: 06/01/2015 02:45 PM

<http://www.nationaldevelopmentcouncil.org/index.php/site/training/category/introduction/>

NDC Training

NDC helps communities build development finance capacity at the local level through training leading to professional certification. NDC created the first training program solely for economic, housing and community development practitioners four decades ago. Since then, we have trained more than 55,000 individuals in the art and science of economic and housing development finance.

NDC's courses are intense and rigorous, with as many classroom hours as an average college course, plus homework, and in certification courses, a final examination administered on the last day of each class. You may attend the courses at your own pace but may not enroll in any course until you have met all prerequisites. Training participants work through case studies based on actual projects. Real world problems and obstacles arise and are resolved.

Course instructors, including former bankers, developers, entrepreneurs, community and economic development officials and government agency leaders, are members of NDC's team of development finance specialists who impart real-world knowledge in the classroom. As deal-doers themselves working in communities across the country in support of NDC's mission, our instructors bring a wealth of experience and a timely perspective to every NDC training course.

"This was the single training that launched my career. Even with a background in accounting and finance, NDC training filled in the blanks, discussing funding sources, deal strategies and how to handle the political aspects of negotiations. Even though I took the courses in the '80s, the training manuals have proven a valuable resource. I require all my staff to get the certification and each one has echoed my sentiments."

— Tracey Nichols, Director of Economic Development, City of Cleveland



Certification Programs

Participants in NDC training, including staff members of local and state development agencies and non-profit development organizations, consider our certification programs to be the gold standard for professional training. We offer two certification programs:

http://nationaldevelopmentcouncil.org/index.php/site/training_schedule/category/certification/#edfp

Economic Development Finance Professional Certification Program™

Our training is specially geared to developing knowledge and skills essential to making deals happen. The Economic Development Finance Professional (EDFP) Certification Program is a rigorous, four-course training series that explores the skills essential for the successful practice of economic development - business credit and real estate finance analysis techniques, loan packaging procedures, negotiating and problem solving skills and deal structuring techniques. Participants in the EDFP Certification Program build the capacity to translate development opportunities into results for their communities. Topics covered in the EDFP Certification Program include the following:

- Business credit
- Real estate finance analysis
- Loan packaging procedures
- Negotiating and problem solving skills
- Deal structuring techniques

You will learn from the real world examples of NDC course instructors. In addition to lessons drawn from actual projects, you will learn through hands-on exercises. You will be presented with projects and will be challenged to complete them successfully.

Certification candidates must complete all four courses and pass the examination administered on the final day of each class. You may attend the courses at your own pace but may not enroll in any course until you have met all prerequisites.

NDC training classes are offered in a variety of locations and various times throughout the year. View a complete listing of [upcoming courses for the Economic Development Finance Professional \(EDFP\) Certification Program](#). We look forward to your participation.

"NDC's EDFP Certification Program gave me the foundation to work with a broad range of community development players. Through the training, I acquired the skills and ability that allow me to quickly analyze and determine feasible projects."

— *Richard LoPresti,*
Director, Department of
Economic and Community
Development, State of
Connecticut



ED101-Economic Development Finance

Participants in ED101, the first course in the EDFP Certification Program™, gain a solid understanding of both the basic tools and newest techniques used by successful economic development finance practitioners to assist small businesses and create jobs. The course explores economic development activities as part of a community's overall economic development finance strategy and investigates the financing resources available for job creation projects. Participants analyze and structure economic development projects for small and medium-sized businesses as well as commercial real estate developments utilizing incentive financing packages. Specific topics include:

- Economic Development Finance Overview
 - Financing gaps in the private capital markets
 - Underwriting practices of private sector lenders
 - Plugging the gaps with economic development financing incentives
 - Implementing financing programs through an economic development system
- Business Credit Analysis
 - Financial statement spreading and analysis
 - Quality indicators and ratio analysis
 - Calculating debt service
- Fixed Asset Financing
 - Measuring repayment ability
 - Structuring incentive financing
- Real Estate Finance
 - Developer's pro forma income and expense statement
 - Measuring return on investment
 - Calculating the financing gap
- Economic Development Finance Programs
 - SBA 504 and 7(a)
 - HUD CDBG and 108
 - New Markets Tax Credits
 - Revolving loan funds and interim financing
 - Loan packaging procedures

ED201-Business Credit Analysis

In ED201, the second course in the EDFP Certification Program™, participants build on the financial analysis and deal structuring techniques learned in ED101 through investigation of advanced methods used to analyze the creditworthiness of operating small businesses. The credit analysis and underwriting procedures of commercial lenders are tailored to the unique concerns of economic development lenders. Participants spread and analyze the financial statements of numerous actual companies—manufacturing, service, retail—and use economic development finance programs to structure fixed asset and permanent working capital financing packages. Specific topics include:

- Credit Analysis Process
 - Evaluating a company's strengths and weaknesses
 - Refining quality indicator and ratio analysis
 - Assessing operating needs
 - Measuring a company's ability to digest growth
- Permanent Working Capital Analysis
 - Determining a company's operating cycle
 - Measuring PWC needs
 - Financing a company's growth
- Cash Flow Analysis
 - Analyzing cash flow management
 - Determining debt capacity
 - Matching sources and uses of funds
 - Identifying fast growth syndrome
- Projections and Deal Structuring
 - Balance sheet and profit and loss statement projections
 - Evaluating financing options
 - Break even analysis
 - Structuring fixed asset and PWC financing
 - Restructuring financing packages

Prerequisites: ED101-Economic Development Finance,



ED202-Real Estate Finance

Real estate development is the focus of ED202, the third course in the EDFP Certification Program™. This course offers a step-by-step look at the real estate development process from the perspective of lenders, developers and investors. Participants analyze economic development real estate projects—retail, office, mixed-use—using the rates of return required by lenders, developers and investors, and determine the appropriate amount of public sector financing needed to make projects feasible. Public sector financing tools and techniques, including tax credits, designed to attract, leverage and complement private financing, are utilized to maximize equity while minimizing the amount of public investment. Specific topics include:

- Real Estate Financing Process
 - Calculating project costs
 - Projecting the developer's pro forma
 - Determining debt capacity
 - Measuring equity attracted
 - Quantifying the financing gap
 - Closing the gap
- Return on Investment
 - Cash-on-cash rate of return
 - After-tax cash flow rate
 - Present value analysis
 - Internal rate of return
- Appraisals
 - The capitalization rate
 - Three approaches to value
 - Reconciling value
- Impact of Taxes on Real Estate Ownership
 - Depreciation
 - Leverage
 - Tax credits
 - Taxable gains and losses



ED300-The Art of Deal Structuring

The final course in the EDFP Certification Program™, ED300 integrates the business credit and real estate finance skills learned in previous courses with the creative demands of deal structuring. Participants apply a process for solving problems in order to overcome the myriad obstacles—economic, financial, political, social—to the successful structuring of business finance and real estate projects. The emphasis of this course is casework. Participants are challenged by case studies that involve complex financial issues such as workouts, business buyouts and tax credits in real estate projects. Specific topics include:

- Problem Solving
 - Elements of the problem solving process
 - Devising a negotiation strategy
 - Creating “win-win” solutions
- Deal Structuring
 - Valuing tax credits
 - Mixed-use developments
- Workout and Buy-outs
 - Developing a workout plan
 - Business valuation methods
 - Structuring a buy-out
- Syndication
 - Equity attraction
 - Allocation of benefits
 - Limited partnership model

Prerequisites: ED101-Economic Development Finance, ED201-Business Credit Analysis, ED202-Real Estate Finance.

Economic Development Manager Training Proposal

OUTCOME: Economic Development Professional Certification
National Development Council (NDC)

BUDGET:

101 - Economic Development Finance (class)	\$	1,250.00
101 - Economic Development Finance (airfare and taxi)	\$	800.00
101 - Economic Development Finance (hotel, 6 nights)	\$	1,110.00
101 - Economic Development Finance (contingency)	\$	200.00
SUB TOTAL (Late winter/Spring 2016)	\$	3,360.00
201 - Business Credit Analysis (class)	\$	1,250.00
201 - Business Credit Analysis (airfare and taxi)	\$	800.00
201 - Business Credit Analysis (hotel, 6 nights)	\$	1,110.00
201 - Business Credit Analysis (contingency)	\$	200.00
SUB TOTAL (Spring 2016)	\$	3,360.00
202 - Real Estate Finance (class)	\$	1,250.00
202 - Real Estate Finance (airfare and taxi)	\$	800.00
202 - Real Estate Finance (hotel, 6 nights)	\$	1,110.00
202 - Real Estate Finance (contingency)	\$	200.00
SUB TOTAL (Summer/Fall 2016)	\$	3,360.00
300 - Art of Deal Structuring (class)	\$	1,250.00
300 - Art of Deal Structuring (airfare and taxi)	\$	800.00
300 - Art of Deal Structuring (hotel, 6 nights)	\$	1,110.00
300 - Art of Deal Structuring (contingency)	\$	200.00
SUB TOTAL (Fall 2016)	\$	3,360.00
TOTAL	\$	13,440.00

FUNDING SOURCE

2016 EDA Training Dollars (standard)	\$	3,000.00
2016 EDA Training Dollars (new, additional)	\$	10,440.00

INFORMATION LINKS

[NDC Training Program Overview](#)
[NDC Economic Development Certification Overview](#)
[Class Details](#)

Meeting Date: 06/04/2015

By: Mark Riverblood, Engineering/Public Works

Title:

Review Relationship of Parks and Trails to Economic Development, and Consider Concert Sponsorship

Purpose/Background:

The purpose of this case is to *briefly* highlight the relationship between the community's investment in park and trails and economic development—and also seek sponsorship of one concert by the Economic Development Authority.

Relative to the concert's at the amphitheater, attendance has been increasing 30% each year from inception in 2010, to 2013. For 2014, participation climbed 40% over the previous summer, with over 4,000 patrons counted. (Does not include Farmer's Market attendees.)

Staff feels that The Draw Summer Event Series is certainly a meaningful, recreational and communal activity for residents, but also one with a favorable economic impact. The endeavor is also an example of successful collaboration between the Ramsey Foundation and the City, in the delivery of *Free recreation* for residents (concerts paid for by sponsors)—and at the same time, building a sense of community. Additionally, by having the Farmer's Market at the same venue, it provides an opportunity for residents to obtain healthy, locally grown foods—all-the-while supporting small businesses that sponsor the events, the concessionaire, the growers and vendors at the market, as well as the performers.

Notification:

Observations/Alternatives:

As it relates to economic development, it is believed that, the concert and companion Farmer's Market encourages people to keep more of their purchases local (as well as locally grown)—*and* builds familiarity with The COR, with its attendant businesses. While about 10% of the concert attendees' bike or walk to the events, most do not. During the summer of 2013, Staff took traffic counts (of autos) on a 'normal' Wednesday and also on the following Thursday (Farmer's Market and concert night) around The Draw. *Approximately* 968 more vehicles were tallied coming into The COR as a result of the market and concert. Extrapolating to an average of 2 persons per vehicle + bicyclists' and pedestrians resulted in approximately 2,000 park patrons for programmed Thursdays. Adding the increases of people witnessed for year 2014, this number is believed to be greater.

The above may be an example of park facilities functioning not only as a place to recreate, but also as an element of sustainable economic development, and generally supporting the mission of the Economic Development Authority. As introduced earlier, the subject of this case is to request EDA's sponsorship of a concert night, similar to what has been done in each of the last five years.

Attached for your information, is the draft 2015 Summer Events Series flyer, and also the 2014 wrap-up PowerPoint presentation to the Park and Recreation Commission.

At this same time last year, the EDA established a somewhat new program of a "*Business of the Year*" in conjunction with their The Draw Event Series sponsorship. The EDA identified a business of the year (Acapulco Ramsey) and offered them the space at the concert event to market themselves—the 'award' for being the chosen business. This was highly successful, and Staff recommends that the EDA once again consider this program. Staff feels that the "business of the year" program and providing that space at the Draw Summer Event Series showcases

support across all business sectors in the community.

Demonstrating support of the diverse business community as well as showcasing/informing businesses and citizens of the efforts of the EDA is an important effort. The concert sponsorship provides the EDA an opportunity to engage with the community in another fashion. The 2014 Summer Concert Series 'investment' by the City (then the HRA) was \$1,500. Staff is requesting that the EDA consider this same amount, which is accounted for within the 2015 EDA's General Fund budget. As a point of information, the direct cost of two of the upcoming performances are \$1,800, and the total 2015 performer expenses are in excess of \$13,000. The Ramsey Foundation partners with the City's business community and other philanthropic organizations to fund the concerts.

Funding Source:

EDA Miscellaneous Operating Supply, 2015 Budget.

Recommendation:

Staff recommends the Economic Development Authority appropriate \$1,500 to the Ramsey Foundation for The Draw Summer Event Series.

Action:

Motion to approve/not approve \$1,500 for The Draw Summer Event Series, and direct staff to proceed with the program of business of the year for 2015.

Attachments

Concert line-up

2014 Highlights

Form Review

Inbox	Reviewed By	Date
Patrick Brama	Patrick Brama	06/01/2015 02:09 PM
Kurt Ulrich	Kurt Ulrich	06/01/2015 04:16 PM
Form Started By: Mark Riverblood		Started On: 05/01/2015 07:55 AM
Final Approval Date: 06/01/2015		

Summer Event Series

These events are FREE to the public!

Food and Drinks will be available for purchase before and during events!

DATE: **TIME:** **ACT:**

June 11 **6:30-8:00pm** **Roadhouse Blue Band**

Roadhouse Blue is a variety/classic country/rock band. Free Killebrew Root Beer floats and samples of Killebrew Root Beer will be distributed to everyone in attendance.

Sponsor:

June 18 **6:30-8:00pm** **Shane Martin**

BOB FM will host this special evening with the Shane Martin Band and many free giveaways.

Sponsor:

June 25 **6:30-8:00pm** **High Brow and the Shades**

High Brow and the Shades is sure to be a memorable experience. They're a variety band whose playlist contains hits from the last five decades. *Sponsor:*

July 2 **6:30-8:00pm** **Two Hicks and a Chick**

Two Hicks and a Chick combine powerful pipes and professional pickin' with a three part honky-tonk harmony. They're a fun-lovin' acoustic trio dishing out all your favorite country tunes

July 9 **6:30-8:00pm** **Bad Girlfriends**

Bad Girlfriends are a crowd favorite at fairs, festivals and clubs. They perform a high energy mix of classic and current rock, country, and pop with a few surprises that really makes them stand out! *Sponsor:* COBORN'S

July 16 **6:30-8:00pm** **Rhino**

Rhino is a high energy band that plays a variety of music. Be sure to catch their drum routine that's guaranteed to drop a few jaws. *Sponsor:*

July 23 **6:30-8:00pm** **Cherry Gun**

Cherry Gun is one of the most fun, energetic, make you dance/ party cover bands touring! *Sponsor:*

July 30 **6:30-8:00pm** **Elvis, Todd Anderson**

Elvis is a delightfully entertaining show for all ages! Todd's voice and moves are an exciting depiction of an actual Elvis concert. *Sponsor:*

Aug 6 **6:30-8:00pm** **Church of Cash**

The Church of Cash is the Midwest's best Johnny Cash Tribute show performing a multitude of hits spanning Johnny's entire career! *Sponsor:*

Aug 13 **6:30-8:00pm** **Rubber Soul**

Rubber Soul is one of the premier Beatles tributes in the country. They feature the entire gamut, covering the early Beatles – British Invasion, the psychedelic era of Sgt. Pepper and later Beatles, covering the "White Album" release through "Abbey Road."

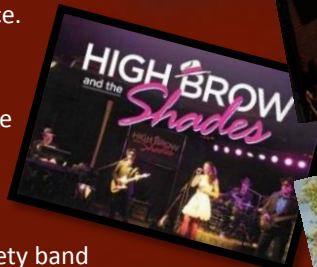
Sponsor:

Aug 20 **6:30-8:00pm** **Devon Worley Band**

With a vocal power house up front and rock solid musicians to follow, The Devon Worley band is sure to light up any stage. *Sponsor:*

Aug 27 **5:30-7:00pm** **Tumblin' Dice**

Tumblin Dice is one of the best Rolling Stones tribute bands around, playing all the tunes exactly the way you remember them. *Sponsor:*



Thursday nights from June 11 – August 27 there will be an event at The Draw's amphitheater

FARMERS MARKET adjacent to the amphitheater in The Draw every Thursday beginning on July 16 from 3-7!

LOCATION The Draw 7401 E Ramsey Parkway, Ramsey, MN 55303 (within The COR)

2014 SUMMER EVENT DRAW SERIES



ROADHOUSE BLUES BAND

Great start to the 2014 season!



Sponsored by:
RJM and Killebrew Root Beer



Free Root Beer Floats!!



SHANE MARTIN/ COBORN'S CUSTOMER APPRECIATION

- Band was Rained out
- Coborns moved to they're store
- All proceeds would go to ACBC Food Shelf



HIGH BROW AND THE SHADES



Played a
variety of
good Music!



Noticeable
increase in
attendance



Sponsored by:
Allina Health



THE KILLER HAYSEEDS



Sponsored by: Ramsey Lions Club



- Very Loud!
- Very Energetic!
- Very Fun!





\$TIMULOUS PACKAGE



Start of
Farmers
Market



Beautiful Weather!

350+ in attendance!



Metro
Dentalcare

TWO HICKS AND A CHICK

A lot of very good Feedback
about the band!



Took a lot of requests

TODD 'ELVIS' ANDERSON



Great Performer!

Reached a new record high of 550+!





RUBBER SOUL



Another Record Setting
Night!!



Had their Look!

Had their Style!

Had their Sound!





CHURCH OF CASH



Another Great Turn Out!!

Great Performance!





THE CASTAWAYS



Competition:
State Fair
Gophers Football
Vikings Game



PARK PATRON PICNIC




 Each \$6 stamped is worth 1 Grill Meal
 Fill in ALL areas (\$24) for a Chance to Win Valuable Prizes
Anoka County Growers ~ Farmers Market
Dark Patron Picnic
August 28, 2014
5:15 – 7:30 PM
 Brought to you by:
 Ramsey Parks & Recreation Commission





 COMPLETE OTHER SIDE FOR PRIZE ENTRY

Live Radio Broadcast & Prize Drawing

The Meal Included

Brats
Hot Dogs
Corn
Watermelon
Lemonade

**15 Valuable
Prize Drawings
Totaling Over
\$1,000**



Presented by:



ATTENDANCE

- Biggest Crowd: Rubber Soul
- Up 40% from Last year
- A combined 4,000+ people for all events



2013

Attendance High: 450



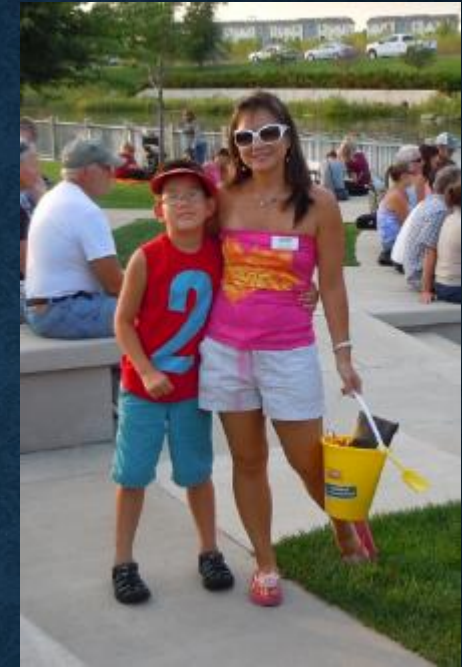
2014

Attendance High: 700+



WEEKLY RAFFLE

Multiple prizes every week!



Subway
Noble Romans
Kori Fitness
Links Golf Course
And many more



ALL OF OUR SPONSORS



Economic Development Authority (EDA)

4. 5.

Meeting Date: 06/04/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

EDA Updates

Purpose/Background:

EDA Updates

- PAs
 - Casey's
 - PSD LLC
 - GS Land
 - Common Bond
 - 24 Restore
- Prospects
 - 2 National Senior Independent Living
 - 1 Ramsey manufacturing company
 - 1 Blaine utility service provider
- Website Updates
- Annual Golf Tournament
- Highway 10 Business Advocacy Group
- Coborn's USPS Location, Grand Opening
- ACG Consulting

Notification:

NA

Observations/Alternatives:

NA

Funding Source:

NA

Recommendation:

NA

Action:

NA

Attachments

No file(s) attached.

Form Review

Inbox

Reviewed By

Date

Kurt Ulrich
Form Started By: Patrick Brama
Final Approval Date: 06/01/2015

Kurt Ulrich

06/01/2015 04:25 PM
Started On: 06/01/2015 02:33 PM