

City of Ramsey
Agenda
Economic Development Authority (EDA)
Thursday November 5, 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 - October 8, 2015
- 4. EDA Business**
 1. Consider Support of Anoka Area Chamber of Commerce Manufacturer's Coalition
 2. Check in on EDA Workplan Item: 167/Highway 47
 3. Authorize Marketing Efforts in Reaction to the Armstrong Interchange Construction Project Completion Date Extension
 4. Review Update on the City's Potential Future Business Park - Economic Development Analysis
- 5. Member/Staff Input**
- 6. Adjournment**

Economic Development Authority (EDA)

3. 1.

Meeting Date: 11/05/2015

Submitted For: Jo Thieling, Administrative Services

By: Jo Thieling, Administrative Services

Title:

Approve the Following Meeting Minutes:

1) EDA Regular Meeting - October 8, 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 - October 8, 2015

Attachments

EDA Mts 10 08 15

Form Review

Form Started By: Jo Thieling
Final Approval Date: 10/19/2015

Started On: 10/19/2015 01:25 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, October 8, 2015, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Acting Chairperson Wayne Skaff
 Member Philip Brunt
 Member Glen Hardin
 Member Chris Riley
 Member Kristine Williams

Members Absent: Chairperson Jim Steffen
 Member Brian Burandt

Also Present: Patrick Brama, Econ. Dev. Mgr/Assistant City Administrator
 Tim Gladhill, Community Development Director
 Kurt Ulrich, City Administrator

1. CALL TO ORDER

Acting Chairperson Skaff called the Economic Development Authority meeting to order at 7:30 a.m.

2. APPROVE AGENDA

Motion by Member Hardin, seconded by Member Williams, to approve the agenda as presented.

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

3. APPROVE MINUTES

3.01: Approve Meeting Minutes Dated September 3, 2015 and Special Meeting Minutes Dated September 17, 2015.

Motion by Member Hardin, seconded by Member Williams, to approve the September 3, 2015 and September 17, 2015, minutes as presented.

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

4. EDA BUSINESS

4.01: Consider Approving a TIF Agreement between the City of Ramsey and Parkview East LLC (PSD LLC)

Economic Dev. Mgr/Assistant City Administrator Brama presented the staff report.

Mr. Jason Aarsvold, Ehlers Associates, reviewed the TIF agreement with the Board.

Member Riley wondered if in the agreement there were more specifications to materials being used. Mr. Aarsvold stated there was not. He noted this will be a judgement call for the EDA to decide if they meet the task outlined in the agreement. He stated sometimes the developer wants more certainty around that so that discretion does not exist.

Economic Dev. Mgr/Assistant City Administrator Brama stated the developer has read the agreement and is comfortable with what they have now. He thought there was a level of trust between the two parties at this time but there is a level of discretion there and they could make it more specific if needed.

Mr. Aarsvold reviewed the schedule with the Board. He noted June 30, 2017, is the end date listed in the construction schedule. There is a section in the agreement outlining how the TIF will be delivered and it is going to be done on a basis similar to the Life Fitness agreement. It is a \$500,000 pay as you go assistance, a note, which means they will be paid from the tax increment generated from this parcel to pay down that note. The way this is set up is that they will only get 85% of the TIF. It was determined that this will be limited to four years of assistance. Mr. Aarsvold reviewed the payments, building value and fees with the Board.

Member Hardin asked if an appraisal has been done and how they came up with the value.

Mr. Aarsvold stated they do not do an appraisal because without a project built and functioning it is difficult to do an actual appraisal so they have conversations with the assessor.

Member Hardin asked on number 4D if they have that information.

Economic Dev. Mgr/Assistant City Administrator Brama stated they do and as part of their due diligence in taking in this application they have received statements from their banks and have written equity.

Member Riley asked if this agreement has already been negotiated and discussed with them.

Economic Dev. Mgr/Assistant City Administrator Brama stated it has and the timeline has been moving very quickly and any discrepancies or additions will be brought to the City Council.

Member Riley asked on 3D, the developer will not seek reduction in market value; he understood that was very important in a TIF project because they are relying on that but does that mean "ever".

Mr. Aarsvold stated that provision is included for administrative purposes because if a developer were to appeal their valuation they could find themselves in a situation where the City would be presented with a bill to pay the County for a reduction in the valuation and that might occur after the TIF period is up. In a longer duration district they can handle that but with the shorter duration they are saying there is a strict prohibition during that time that they cannot challenge the valuation.

Member Riley stated on the construction schedule, he understood they are in a big hurry to get the project done so how have they jumped ahead to June 2017 because it seems unreasonably long.

Member Skaff asked if they have applied for a building permit or where are they in the process of getting the project started.

Community Development Director Gladhill stated for the building permit they have been authorized to do footings, foundation and grading but they have not issued the overall building permits and staff still has some work to do on the review of those.

Economic Dev. Mgr/Assistant City Administrator Brama stated as far as the date, the goal for this project is to be ready to go by next fall. However, as in the past there could be some delays but the end date could be tightened up if the Board and City Council preferred. Member Riley stated they did not want to make this too short but thought December 2016 might be a good end date. He also wanted to be sure they are meeting the assessment dates. The first increment that is anticipated to be received from this project is in 2018. When assessments are placed for 2017 taxes payable in 2018 they expect there to be some valuation there that can be collected. The fact that the contract has a date that is out further will not impact that.

Member Skaff asked when the assessor evaluates the project.

Mr. Aarsvold stated the assessor will look at the project on January 2, 2016, and they will look at where the value is at that time which will be the value for taxes payable in 2017. They are assuming there will not be any increase in value during this assessment period, the bulk of the assessment will occur in January 1, 2017, so by then they expect this project to be 100% complete. Upon that date the full evaluation will be placed on that property and those taxes will get paid in 2018 and that is where they will have the increments start to be generated.

Member Skaff asked if there was concern that they might delay that past January 2017.

Member Riley agreed and did not think the timeline fit with the agreement.

Mr. Aarsvold stated this does provide a little more leeway than what the actual construction schedule is anticipated to be.

Member Riley understood they were trying to be helpful to the applicant and do things really quickly on their side but then the City is not asking them to hold up their end and giving them

extra time when the City has not been afforded the same opportunity. He stated he would like the end date to be changed to December 31, 2016.

Member Skaff agreed and stated if they cannot meet that date then they would need to meet with the City to amend the agreement.

Community Development Director Gladhill stated they presumed they could get the project done by December 2016 but there are also many ways the project could be delayed. A lot of it will hinge on how it goes this fall and how the winter conditions turn out to be.

Member Riley stated it sounds like in theory the amount of time and payments result in the same but why would they say they are only doing four years if they are also stating a dollar amount. He felt like there was a disconnect.

Economic Dev. Mgr/Assistant City Administrator Brama stated originally when they talked about this there was discussion about \$500,000 and there are different ways of slicing this up. The terms are talking about present value and the way the agreement is written it is the lesser of four years in increment, or \$500,000. He stated this was something that he was not involved in. Mr. Aarsvold stated based on their early analysis based on the need, the dollar amount was important but also a big part of it was having four years of payments in their cash flow for their Proforma. It could be written that they receive \$500,000 regardless of how long for the payoff to occur. But part of the thought of doing this, was to add another layer of protection for the City and make sure they are not paying beyond the four years because the City has other needs with respect to TIF from this project in the years going forward and a limited number of years from the back end that the District will exist. He stated this was a way to make sure the City is not paying any more than it needs to. The City has the ability to pay the entire \$500,000 in the agreement and leave it open ended for payback if they choose.

Member Skaff asked if this is the final authority for this agreement or does it go back to the City Council. It was indicated it will go before the City Council for approval.

Member Skaff asked if there could be a compromise on the end date, such as March 2017.

Member Riley stated the reason he thought the end date should be December 2016 is to tie in with the assessment date of January 2017. He stated neither March nor June meet that criteria. It is based on the assumption that the project will be done by December 2016 but the agreement is not requiring that it be done by then so he felt there was a disconnect.

Economic Dev. Mgr/Assistant City Administrator Brama asked if it would be the preference of the Board for him to have a discussion with the developer and bring the comment back to the City Council for further discussion.

Member Skaff indicated he would be agreeable with that.

Member Hardin thought if in January 2017, the project is 98% complete, it will not be assessed at the full value. Mr. Aarsvold stated that was correct and if the project is not fully completed by

that assessment date, then that first year of payments they are anticipating will be reduced because it will not have the full value that was anticipated so they would not receive the full payment, it does not affect the City's stake in any of this, it will be a financial hit to the developer. The other implication is if this date goes in the agreement, their risk now is if that date passes without it being 100% complete then they will be in default of the agreement, which would allow the City and EDA to cancel the agreement and rescind the note. They would be at extreme risk of not being able to receive the assistance if they could not meet that date.

Member Riley stated through discussion, he understands the reasoning for the June 30, 2017 end date and does minimize the risks.

Member Hardin thought there was a typo on the TIF note on the second paragraph regarding the percentage, as they do not match.

Motion by Member Hardin, seconded by Member Riley, to recommend to City Council approval of the TIF Agreement between the City of Ramsey and Parkview East LLC; subject to final review and amendments by the City Attorney.

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

4.02: Consider Support of Anoka Area Chamber of Commerce Manufacturer's Coalition

Economic Dev. Mgr/Assistant City Administrator Brama presented the staff report.

Member Skaff asked if they were already a member of the Anoka Chamber and what kind of fees do they pay for that.

Economic Dev. Mgr/Assistant City Administrator Brama stated they were members but was not sure what the fees are.

Member Hardin stated he was opposed to this because they have been a trusted partner in this group since its inception or shortly after and they are still trying to assess what the return on their investment is. There was an organizational meeting a few weeks ago and there were a fair number of people there but only one manufacturer was present. His concern with the group is the interest in the manufacturers is actually waning. There is good representation from cities, the County, the Workforce Center and Technical College, but the number of manufacturers actually attending seems to be dwindling. He stated he was certainly in favor of workforce development and manufacturers are clamoring for skilled workers but he did not know how that gets them there and did not know how they would assess their return on the \$5,000. They are a member of the Chamber and supporting that already.

Member Skaff asked if there are other cities in the County that are making this kind of contribution.

Member Hardin stated there are, some of the surrounding communities have been involved and the cost has been less but this year they are asking everyone for \$5,000.

Member Brunt asked if there has been any kind of plan from the group. He indicated he has talked to Councilmember LeTourneau at length about this because in California, in the past, had these type of technical groups that were strictly formed for manufacturing elements to address some of these issues. He was interested in supporting this because manufacturing is something that is critical to the City as they go forward but the problem is determining what they can do to help the manufacturers get workers. They had these kind of problems in California. There is a disconnect between the entry level workers and the skilled workers. He thought \$5,000 might be a reasonable investment. He stated there needs to be an assessment done and tie-ins with the schools and the manufacturers need to come forward with their concerns and needs. He stated he would be in favor of trying to help them out but Member Hardin had a good point of what the payback would be for the City.

Member Riley stated the topic seems very appropriate for the EDA. This is a general thing to help the community and the manufacturing sector has been a focus of the City. He was concerned about the comments because it starts to sound like "I am here from the Government and I am here to help you." They cannot push an issue. He wanted to make sure the businesses that have a vested interest are interested but it does seem like the appropriate thing for the City to be involved with, the EDA specifically. This is a specific program that would be helping the manufacturers. If they were to do this they would have to do a lot of disclosure, due to the partnership between Councilmember LeTourneau and the Anoka Chamber and CO2 Partners.

Member Skaff stated he was in favor of supporting this. He wondered if they wanted to take action or have a presentation made.

Member Williams stated she would really like to hear some more information about this and the points that Member Hardin raised about a declining representation of manufacturers. She was very much in favor of supporting the manufacturers but if the organization they are choosing to support is not supporting those manufacturers, then their dollars and resources are not being spent appropriately. She asked with respect to Councilmember LeTourneau's participation, would the \$5,000 in any way allow the EDA or the City of Ramsey to influence the Chamber's decision to hire that particular representative of the CO2 partners or would that remain with the Chamber.

Economic Dev. Mgr/Assistant City Administrator Brama stated they do have control of the outcome of the group but he did not want to oversell it because there are so many people involved and they are all trusted partners. This Chamber has indicated they want the direction and feedback from this group and want a list of expectations because they want to make sure they provide a return on investment.

City Administrator Ulrich added that there is a clear separation because this money does go to the Anoka Chamber and the Chamber Board makes the decision on hiring the CO2 Partners. That will not be the EDA choice, they will have input but the decision will be the Board's.

Member Riley asked if there were any other cities more deeply involved in this. City Economic Dev. Mgr/Assistant City Administrator Brama stated the City of Coon Rapids has been attending most of the meetings and he has been to most of the meetings also.

Member Hardin thought the topics that have been covered over the last twelve to eighteen months have not brought the manufacturers back over and over again. There is a core group of manufacturers from Ramsey that have been regular attendees but the concern is that the topics have not been towards manufacturing issues and his observation is their interest has been waning. He thought they could get more mileage out of sponsoring two scholarships at the Technical College for Ramsey high schoolers who want to go into manufacturing and pay their way through the Technical College and get them the training they need. He would rather see the money go there than to the organization.

Member Brunt thought based on the conversation they should have a member of the Chamber come before the Board and speak to them. He thought Member Hardin had some valid points.

Member Skaff agreed.

Economic Dev. Mgr/Assistant City Administrator Brama reviewed with the Board his discussion with the Chamber.

Consensus of the Board was to have a presentation from the Chamber before making a decision.

5. MEMBER / STAFF UPDATE

The EDA reviewed the Staff Update.

6. ADJOURNMENT

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

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

The regular meeting of the Economic Development Authority adjourned at 8:31 a.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Patrick Brama
Econ. Dev. Mgr/Assistant City Administrator

Draft by Sue Osbeck
TimeSaver Off Site Secretarial, Inc.

Economic Development Authority (EDA)

4. 1.

Meeting Date: 11/05/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Consider Support of Anoka Area Chamber of Commerce Manufacturer's Coalition

Purpose/Background:

*****This case was reviewed by the EDA in October. The EDA requested Anoka Chamber staff come back and make a presentation to the EDA in November; and allow time for Q&A. Anoka Chamber representatives will be in attendance of this meeting, and will be making a presentation.**

The City of Ramsey is a member of the Anoka Area Chamber of Commerce (<http://www.anokaareachamber.com/>). The Anoka Area Chamber of Commerce has a rich history of success in catering to the needs of retail, food, and professional service industries. The Chamber specializes in events, marketing, and networking.

A few years back, the Chamber identified the need to better serve the large "manufacturing" sector physically located in the Chamber's service territory. Commonly, the Chamber's standard "events/ marketing/ networking" opportunities do not provide significant value to manufacturers.

With this in mind, the Chamber began a new "sub-group" known as the "Manufacturer's Coalition" about two years ago. Here is a link to their website: <http://www.anokaareachambermanufacture.com/>). The mission of the Manufacturer's Coalition is to: become a catalyst for strengthening community manufacturing; accelerating transformation into a more efficient and powerful engine of innovation, job creation and economic growth.

In summary, the Manufacture's Coalition is a group of leaders from local manufacturers that meet periodically to discuss/ address issues unique to their industry (they create the topic list). In some cases, meetings are purely the exchange of best practices/ discussion led by the Chamber... and in some cases, the Manufacture's Coalition asks the Chamber to implement develop a service/ product to help the group. In 2015-2016, the #1 topic the Manufacturer's Coalition would like to address is workforce.

Although the Chamber does receive some funding for the Manufacturers Coalition via subscriptions from manufacturing businesses, this new initiative needs financial support to get up and running. The purpose of this case is to consider supporting the Manufacturers' Coalition by donating \$5,000. These dollars would be utilized for "facilitation/ operation" expenses related to the Manufactures' Coalition (meetings/ website/ communications/ etc.).

Notification:

NA

Observations/Alternatives:

NA

Funding Source:

Depending on timing, this could be funded from either the 2015 or 2016 EDA budget.

Recommendation:

Based on input from various Ramsey manufacturers over the past 18 months, workforce shortages is the #1 issue facing Ramsey businesses. This issue is seemingly getting worse with each passing quarter.

With the above issue in mind, Staff connected with a few local organizations to "check-in" on what's being done/see if they are experiencing the same issue. As a result of that process, Staff was made aware of the Anoka Area Chamber Manufacturers' Coalition--and their #1 priority of addressing workforce. NOTE: Staff received a consistent message from our neighboring Cities (that workforce is a major issue for manufacturers).

Considering Ramsey's limited internal resources (Staff time) to address a large issue such as workforce, and the fact that workforce is not a Ramsey problem only (it is regional), the Manufacturers' Coalition provides the City an opportunity to get involved.

Action:

Consider supporting the Anoka Area Chamber Manufacturers Coalition with a \$5,000 donation from the Ramsey EDA.

Attachments

No file(s) attached.

Form Review

Inbox	Reviewed By	Date
Kurt Ulrich	Kurt Ulrich	10/30/2015 01:32 PM
Form Started By: Patrick Brama		Started On: 10/28/2015 11:29 AM
Final Approval Date: 10/30/2015		

Economic Development Authority (EDA)

4. 2.

Meeting Date: 11/05/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Check in on EDA Workplan Item: 167/Highway 47

Purpose/Background:

PURPOSE

The EDA workplan includes a goal related to the 167th Avenue/ Minnesota Highway 47 commercial area (167/47 Node). Specifically, to consider the creation of a special, EDA funded, grant program to encourage re-investment in this commercial node.

At this point, the grant program is a general idea/ concept--no specifications exist. Examples include: a storefront improvement matching grant. For example, the City could match property owners up to \$25,000 for improvements to the facade or grounds of their property (i.e. up to a \$50,000 project per property--\$25,000 from the City). The 167/47 Node consists of 4-6 property owners.

The funding source for this program could be the EDA revolving loan fund (about \$290,000 balance). The City's current policies for this fund would need to be amended.

The outcome of this program would be enticing /maximizing private investment in the 167/47 Node. The goal would be to improve the view-shed (appearance) of this commercial area. Subsequently, this effort may improve the marketability of this node to prospect tenants/ and customers.

BACKGROUND

As the EDA well knows, the Great Recession was responsible for the failure of many businesses/ developments across the Country in the late 2000's and into the early 2010's. Retail was hit especially hard.

One specific area in Ramsey that struggled to remain viable during the Great Recession was the 167/47 Node. The 167/47 Node experienced high tenant vacancy rates, and turnover of property owners. The City received a flurry of inquiries and requests from businesses/ property owners located in the 167/47 Node from 2011-2014. Typically, requests included some form of City financial assistance.

In response to the situation outline above, the City completed an in-depth public/ business/ property owner input process for this node (known as a Statement of Goals--attached). This document outlined the City's position on a handful of policy items. One of those items was: a potential grant program (as described in the purpose section of this case).

Notification:

Observations/Alternatives:

STAFF NOTES:
(anecdotal information)

Zoning Amended. In 2014, the City did amend the zoning in the 167/47 Node to allow more flexibility for property owners (specifically related to a shooting range).

Reduction in Inquiries. Since late 2014, inquiries/ requests for City assistance appear to have stopped (outside of Rum River Hills).

Reduction in Vacancy Rates. Vacancy rates appear to be significantly lower at 167/47 Node now than in 2011. New major tenants include the Total Defense Gun Range, Hope Fellowship, a daycare, a call center, and a liquor store.

Sign Removed. In 2015, the City removed a blighted sign located on a former bank owner property.

Offer Made by Staff. In 2014, Staff did offer property owners that had made previous inquiries (for City assistance) the opportunity to "pitch" a project that would receive assistance from the EDA. For example, one property owner was looking at improvements to their parking lot, boulevard, painting, storefront improvements, and connecting to City water. This project would have cost \$20,000-\$50,000 depending on a handful of factors. Staff suggested this property owner ask the EDA to pay for a portion of these costs (i.e. 50%). This property owner never responded to Staff's suggestion--as they were more motivated to sell than reinvest in their property.

Statement of Goals. The attached Statement of Goals does indicate the City's willingness to use economic development tools to entice redevelopment of this node. The only entity (or property owner) that has shown serious interest in working with the City on redevelopment in this area is Rum River Hills Golf Course. That discussion is ongoing.

Funding Source:
TBD

Recommendation:
In early 2014, Staff would have advocated for the EDA to consider a matching grant program for the 167/47 Node. However, given the circumstances outlined in the "observations section" of this case, Staff believes the situation at the 167/47 Node may have changed.

This initiative was outlined in the 2015 EDA workplan. Therefore, Staff would like direction to further investigate this opportunity or to drop it from the EDA workplan.

NOTE: if this goal was dropped from the EDA workplan, Staff would maintain the position of encouraging property owners to bring forward inquiries/ proposals to the EDA to improve the 167/47 Node. Staff, and subsequently the EDA, would respond to requests on a case-by-case basis (rather than developing a formal policy/ program).

Action:
This initiative was outlined in the 2015 EDA workplan. Therefore, Staff would like direction to further investigate this opportunity or to drop it from the EDA workplan.

Attachments

- 167 and 47 Statement of Goals 11262013
- 2015 Economic Development Workplan

Form Review

Inbox

Reviewed By

Date

Tim Gladhill
Kurt Ulrich
Form Started By: Patrick Brama
Final Approval Date: 11/02/2015

Kathy Schmitz
Kurt Ulrich

11/02/2015 02:58 PM
11/02/2015 03:01 PM
Started On: 10/22/2015 01:31 PM

City of Ramsey

**STATEMENT OF GOALS:
167TH AVENUE AND TRUNK HIGHWAY 47 RETAIL NODE**

BACKGROUND

The retail node located at 167th Avenue and Trunk Highway 47 has been a topic of discussion with City Councils and EDA boards for several years (“167/47 Node”). The 167/47 Node has struggled to become economically viable for some time, is experiencing high vacancy rates, an increase of blighted building conditions and escalating crime.

The City has received a significant number of inquiries from property and business owners located in the 167/47 Node from 2012 to 2013 requesting assistance to address concerns. Additionally, the City of Ramsey owns an inventory of real property located adjacent to the 167/47 Node totaling 16.52 acres. Said property was identified as surplus City owned land in 2012 and is available for sale.

The EDA, Planning Commission and City Council have expressed interest in addressing the 167/47 Node.

PURPOSE

Guide City participation in the redevelopment of the 167/47 Node; and, specifically identify a common goal, vision, working parameters and garner public input.

The desired outcome of this document is to develop a clear, consistent, transparent and fair process the City, prospective developers, property owners and Staff can rely on as proposals are received. The Ramsey Economic Development Authority (EDA) shall act as first point of contact for City in relation to the 167/47 Node by utilizing this Statement of Goals.

Note: The City Council makes all final policy decisions; which may deviate from this document. This document is not a legally binding agreement.

GOAL

To improve and/or remove blight from *properties-of-concern* and encourage sustainable market-driven redevelopment of the 167/47 Node that will benefit the entire City of Ramsey.

Please reference Appendix A: Primary Area of Concern.

VISION

A mixture of residential and retail uses. Residential users may include single family residential, townhomes, or senior living units as directed by the market. Retail will include a market driven neighborhood commercial node. Redevelopment of the 167/47 Node should include a connection to Elmcrest Park and/or nearby trails where feasible.

PARAMETERS

Listed below are a number of parameters intended to develop a clear, consistent, transparent and fair process the City, prospective developers, property owners and Staff can rely on as proposals and inquiries are received.

- A. CITY LAND ACQUISITION: The City does not support purchasing property to redevelop the 167/47 retail node.

- B. MARKETING: The Ramsey EDA does support facilitating a professional marketing package for the 167/47 retail node to entice redevelopment/investment; which would include:
 - I. Information matrix: asking prices, County valuations, tax information, utility information, ownership buy-in, maps, current zoning information, future land use information, etc.

 - II. An inventory of what City and State financial assistance options exist for a potential redevelopment project.

 - III. List of desirable uses (i.e. retail and wide range of residential); and, other allowable uses (i.e. compatible to surrounding residential)

 - IV. Professional material developed in partnership with the City and proactively marketed by a third party broker. Broker will be chosen by ownership group.

 - V. Marketing material shall be paid for by the ownership group. The Ramsey EDA is willing to considering financially contributing to this effort.

- C. ZONING:
 - I. The City would support a Comprehensive Plan and Zoning Amendment to allow retail or residential (of the appropriate density that balances compatibility of the surrounding area and market viability) land uses at 167/47 Node.

 - II. The Planning Commission will review requests for additional Permitted or Conditional Uses.

- D. CITY FINANCIAL ASSISTANCE:
 - I. AVAILABLE TOOLS:
The City has a number of financial assistance programs potentially available for qualified projects; including
 - 1.Redevlopment Tax Increment Financing District (TIF)
 - 2.Tax Abatement
 - 3.EDA Revolving Loan Fund (RLF)
 - 4.Anoka County HRA Account
 - 5.State Redevelopment Grant and Loan Program
 - 6.Land Write Down (City Owned Parcels)

The City will consider all financial assistance programs listed above only for projects that directly address existing blighted properties; see Appendix A: Primary Area of Concern.

Utilization of financial assistance requires completion and approval of a Business Subsidy Application by the Ramsey EDA and City Council. Consideration will be based on the merits of an individual project and community benefit.

II. EDA REVOLVING LOAN FUND (RLF)

Upon adoption of this Statement of Goals, the Ramsey EDA will review alternatives to utilize the City's existing Revolving Loan Fund (RLF) to stimulate cleanup and revitalization of the 167/47 Node. This *may* include, but is not limited to the following:

- i. Storefront Matching grants to help encourage/spark the 'clean-up' or improved 'curb-appeal' of properties. For example, a matching grant with a \$10,000 maximum City contribution.
- ii. Revitalization Loan Program: low interest loans that are tied to revitalizing properties to a marketable condition.

NOTE: the City has about \$275,000 available for these types of programs. This effort would require the creation and adoption of new program policies.

III. PEDESTRIAN UNDERPASS

It has been requested, for the City to consider funding a pedestrian underpass to connect the east and west side of MN trunk Highway 47. A pedestrian underpass would increase public safety, enhance connectivity to and from Elmcrest Park and increase foot traffic to retail businesses.

At this point, the City will not pre-commit a specific funding source, or specific dollar amount, to a pedestrian underpass. The City would react to this specific request at the time of future development; and, would base their response on the merits of a project—and the value it will bring to the community. Examples of potential funding solutions below:

- i. Cost Share Agreement with developer (most desired)
- ii. Redevelopment TIF District proceeds
- iii. Grant Programs (various)
- iv. Park/Trail Dedication Fees (from 167/47 area, new development)
- v. Land Write Down Contribution (city owned parcels)
- vi. Anoka County HRA Account

NOTE: When future development occurs, the City will consider methods beyond a pedestrian underpass for increasing safety at the 167/47 intersection.

IV. SEWER TRUNK FUND

The 167/47 Node is not currently connected to City sanitary sewer service. Extending sanitary sewer service to this node will make properties more attractive for future development and will provide existing property owners with an alternative to the use of septic tanks.

Presently, the City of Ramsey is not willing to *fully* fund a special sanitary sewer service line to the 167/47 Node. However, if a property owner (or developer) was willing to share the cost of extending sewer service, the City would be willing to discuss an agreement.

NOTES:

The cost of extending a special 8” force main sanitary sewer line to the 167/47 Node is estimated to be \$1.5M. It is estimated, at full build out, the special 167/47 Node sewer trunk line would recapture \$500,000-\$750,000 in sewer trunk fees (based on 2012 adopted sewer trunk fees). Therefore, a shortfall of \$750,000-\$1M in funding would occur.

Additionally, extending an undersized, special, sanitary sewer line to the 167/47 node may result in extra costs (in the long run) if the City ever decided to serve the north east portion of the Ramsey with sanitary sewer service.

Today, the City does have sufficient trunk fund dollars to pay for the 167/47 Node special sanitary sewer line. However, the City is planning for sanitary sewer service in three other future growth locations in Ramsey. Unlike the 167/47 Node, said areas do have sufficient forecasted development capacity to fully recapture the cost of proposed future sanitary sewer trunk lines.

PUBLIC INPUT:

Two levels of public input were critical to this Statement of Goals: (A) Primary Property Owners; and (B) Surrounding Property Owners.

A. Primary Property Owners:

Primary property owners are outlined in Appendix B.

The City does support facilitating an ownership meeting group to brainstorm options, share information and to investigate opportunities for redevelopment and additional uses that are compatible with the surrounding residential area. This effort will be led by the Economic Development Authority (EDA).

The City desires a consistent, collaborative approach with a single voice amongst all property owners. Several separate messages per individual property owner is not a desired nor effective approach.

The City has received direction from surrounding property owners to market the entire 167/47 Node as an opportunity to developers—rather than only marketing properties individually. Through the EDA, the City will explore options to support a joint marketing effort for the 167/47 Node.

B. Surrounding Property Owners:

On September 26, 2013, the City of Ramsey hosted a collaborative public process with residents to discuss opportunities and barriers for redevelopment of the 167/47 Node. The intent of this process was to garner general public input before specific development proposals were crafted and reviewed by the City; and, before this Statement of Goals was adopted. The planning and facilitation of this public input process was led by the Planning Commission. 232 nearby property owners were invited via direct mailing, 26 participants registered and staff estimates over 30 people attended.

The following summarized public input was received:

I. PUBLIC UN-DESIRED USES

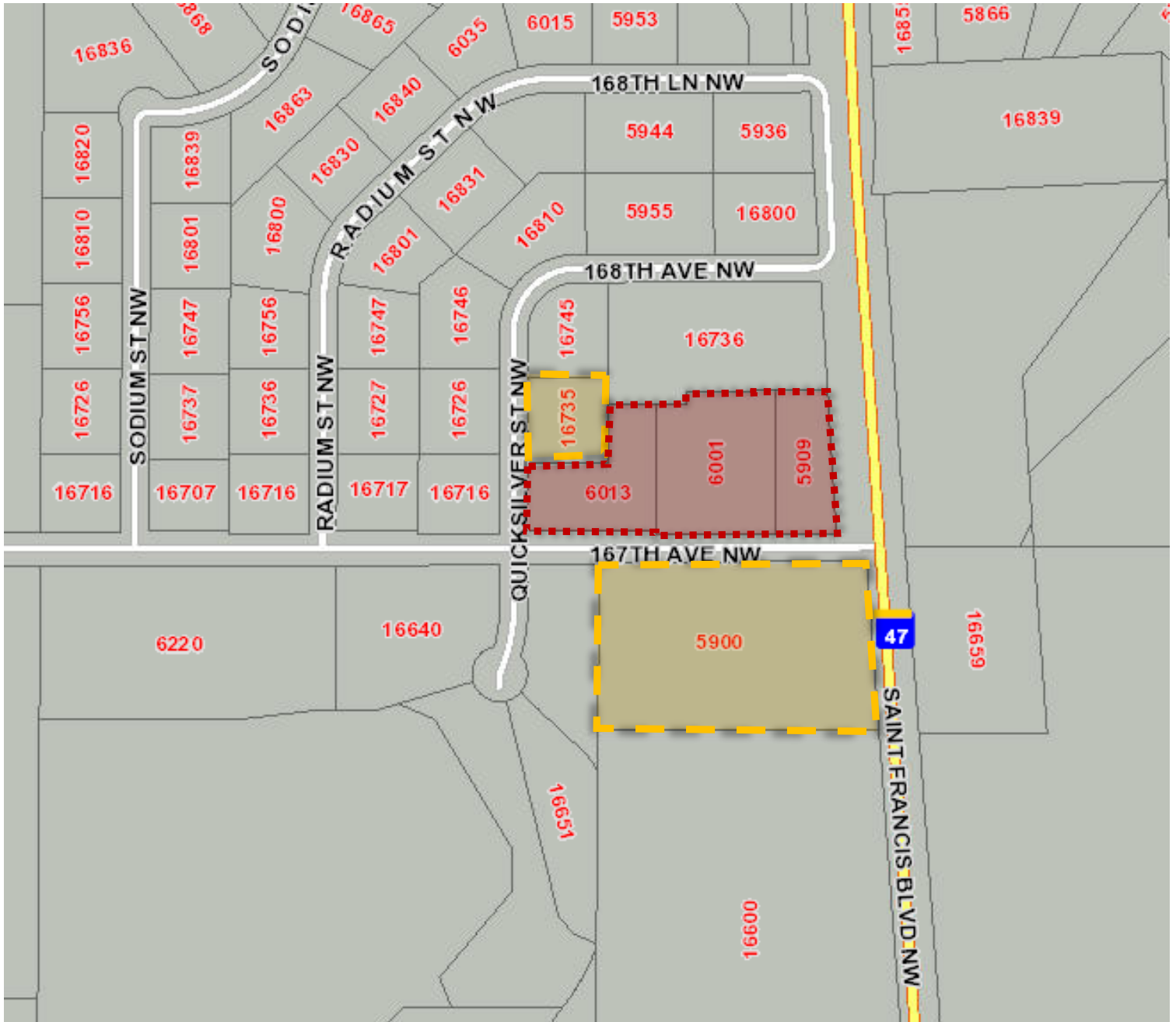
- Manufacturing
- Warehousing (in most cases)
- High density housing

II. PUBLIC DESIRED USES/IMPROVEMENTS

- Grocery store, coffee shop, convenience store, gun range, bar/lounge, hardware store, restaurant
- Anchor businesses
- Single family homes, retirement homes
- Townhomes are acceptable (in most cases)
- City support, light at intersection, address septic/sewer
- More rooftops and population needed

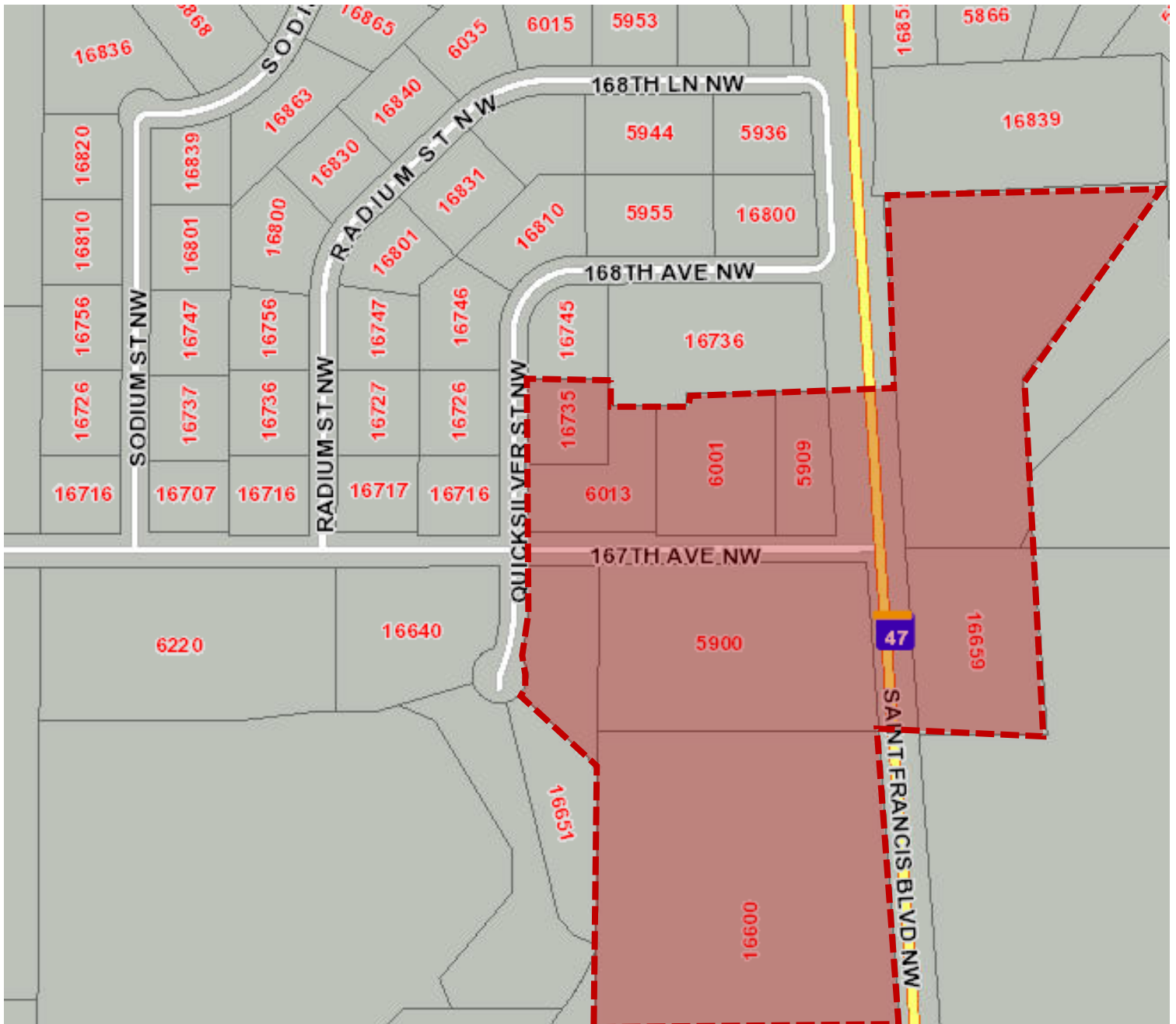
APPENDIX A

RED [Sort Dash]: Primary Area of Concern
YELLOW [Long Dash]: Secondary Area of Concern



APPENDIX B

RED [Sort Dash]: Primary Property Owners



Economic Development Workplan

Purpose

Provide a functional plan that prioritizes the work of the City's economic development department and Economic Development Authority (EDA). This plan highlights both day-to-day and long term economic development priorities and goals for the City of Ramsey. The City Council's 3-year strategic action plan includes economic development initiatives; which have been reflected in this plan.

Objectives

1. Encourage, and plan for, growth of industrial, commercial, retail and housing activities
2. Foster the retention and expansion of existing Ramsey businesses
3. Support and maintain a positive local businesses environment
4. Leverage use of outside economic resources, partnerships and funding for economic development initiatives

Outcomes

1. Growth of the City's tax base
2. Growth in the City's quantity of jobs
3. Improved quality of life

Priorities

1. Priority #1:
Primary expectation of City staff. Highest priority economic development functions and initiatives for the EDA.
2. Priority #2.
Secondary expectations. When workloads permit, staff will bring forward secondary priorities for discussion and direction.

First Priority

Tactics	Timeline	Additional Resources & Tools Required	Key Outcomes/Metrics
<p><u>Deliver Quality Customer Service:</u> Respond to existing and prospect Ramsey businesses' inquiries and requests in a timely and professional manner.</p> <p>Common topics include relocation and expansion inquiries, questions regarding government services or infrastructure, questions and issues regarding proposed, existing and former contracts/agreements with the City, and property management inquiries and issues.</p>	<p>Ongoing: This is a primary function and expectation of the City's economic development staff.</p> <p>Spring/Summer 2015, bring this item back for updates and discussion.</p>	<p>Situational: Customer requests and inquiries are typically received in waves. Current Staffing levels are sufficient to respond to peaks in customer service demands. However, a peak in customer service requests consumes a large majority of staff time; which results in little or no time to complete other important economic development initiatives.</p> <p>Commonly, Staff utilizes third party resources to aid completion of this work (ACG, Briggs, Ehlers, CBRE, Premier, Loucks, other city staff). If the trend of inquiries and development within Ramsey continues to grow, the need for additional permanent resources may need to be discussed.</p>	<p>Meet customer expectations of quality and responsive local government customer service.</p> <p>This tactic fits within objectives 1, 2, and 3.</p>
<p><u>Business Retention & Expansion:</u> The majority local economic growth comes from existing Ramsey businesses. The purpose of this goal is to develop and maintain positive relationships with existing Ramsey businesses (establish trust). This goal is implemented through quality customer service, businesses visits and facilitating business events.</p>	<p>Ongoing: This is a primary function and expectation of the City's economic development staff.</p>	<p>Currently Sufficient: Staff has the resources required to sufficiently complete this tactic.</p>	<p>Complete 24 business visits annually.</p> <p>Execute EDA business expo, business appreciation golf tournament, and fall networking event.</p> <p>This tactic fits within objectives 2 and 3.</p>
<p><u>Future Business Park:</u> Continue to move along the City's future business park initiative. Below are major work items to be addressed:</p> <ol style="list-style-type: none"> 1. Rezone property 2. Complete RFQ for arterial infrastructure 3. Consider implication of nearby train tracks; including the cost/benefit of said work. 4. Develop profile of "target" customer. 5. Attain shovel ready status. 6. Develop and solidify the City's position/ involvement/ policy. 	<ol style="list-style-type: none"> 1. Winter 2014 (done) 2. Spring 2015 3. Spring 2015 4. Summer 2015 5. Summer 2015 6. Fall 2015 	<p>Currently Sufficient: Assuming normal customer service demand levels, sufficient resources exist to complete this tactic as outlined in the proposed timeline.</p>	<p>"Ready-to-go" business park and clear position of City involvement.</p> <p>This tactic fits within objectives 2 and 3 and the City's strategic plan.</p>

<p><u>Old Municipal Center Redevelopment:</u> Facilitate redevelopment of old municipal center site. Below are major work items to be completed:</p> <ol style="list-style-type: none"> 1. Rezone property 2. Execute purchase agreement 3. Remove Fire Station #2 and clean site 4. Close on sale of property 	<ol style="list-style-type: none"> 1. Spring 2015 2. Spring 2015 3. Spring 2016 4. Spring 2016 	<p>Currently Sufficient: Assuming normal customer service demand levels, sufficient resources exist to complete this tactic as outlined in the proposed timeline.</p>	<p>Old municipal center site sold (closed) to private sector for redevelopment by spring 2016.</p> <p>NOTE: may be completed in phases. Phase one targeted for completion by spring of 2015.</p> <p>This tactic fits within objectives 1 and the Council's strategic plan.</p>
<p><u>167 Ave/Highway 47 Redevelopment:</u> Utilize the City's adopted "statement of goals" to guide participation. Below are major work items:</p> <ol style="list-style-type: none"> 1. Respond to Rum River Hills 2nd request 2. Implement availability of EDA RLF 	<ol style="list-style-type: none"> 1. Spring 2015 2. Summer 2015 	<p>Currently Sufficient: Assuming normal customer service demand levels, sufficient resources exist to complete this tactic as outlined in the proposed timeline.</p>	<p>Implement City's adopted Statement of Goals.</p> <p>This tactic fits within all ED objectives and the Council's strategic plan.</p>
<p><u>Sell Surplus City Owned Land:</u> The City owns a large inventory of surplus land available for development. Below are major work items:</p> <ol style="list-style-type: none"> 1. Establish inventory of surplus land 2. Market inventory of surplus land 3. Sell surplus city owned land 4. Establish new land sale policy 5. Consider shovel ready status for all listed City owned property 	<ol style="list-style-type: none"> 1. 2012 (completed) 2. 2014 completed and ongoing. 3. Ongoing 4. Spring 2015 5. Summer 2015 	<p>Currently Sufficient: A Assuming normal customer service demand levels, sufficient resources exist to complete this tactic as outlined in the proposed timeline.</p>	<p>Land sales are closed. Staff shall provide an annual overview to the EDA and City Council.</p> <p>This tactic fits within objective 1. This tactic fits within the City's strategic plan and Council policy discussions.</p>
<p><u>Performance Measurements:</u></p> <ol style="list-style-type: none"> 1. Define Council strategic plan balanced scorecard matrixes 2. Establish other performance measurements 	<ol style="list-style-type: none"> 1. Summer/Fall 2015 2. Summer/Fall 2015 	<p>Currently Sufficient: Assuming normal customer service demand levels, sufficient resources exist to complete this tactic as outlined in the proposed timeline.</p>	<p>EDA and Council attain data to help evaluate economic development performance.</p> <p>This tactic fits within the City's strategic plan.</p>

Second Priority

Tactics	Timeline	Additional Resources & Tools Required	Key Outcomes/Metrics
<u>Workforce Issues:</u> Manufacturing businesses located in the City of Ramsey have expressed a strong and common concern related to a lack of available workforce. The City should consider a role in assisting Ramsey businesses address this issue.	TBD	TBD	TBD
<u>Perception of Ramsey:</u> The perception of the City of Ramsey has been identified as a concern by residents, businesses and the City Council alike. The City should consider an initiative to address this concern.	TBD	TBD	TBD
<u>Transportation Improvements:</u> Poor traffic flow along U.S. Highway is a barrier for existing and prospect Ramsey businesses. The EDA should consider what options are available to the City Council address this concern.	TBD	TBD	TBD
<u>Marketing Materials & Community Profile:</u> The City should consider updated marketing materials and/or developing a community profile. Marketing materials may include updated brochures for The COR and the future business park, new ED and housing marketing boards, an updated COR map, a community profile, etc.	TBD	TBD	TBD
<u>Updated COR Sign Plan & Policy:</u> A need exists for the City to create/ update/ enforce a plan/ strategy/ policy for monument and way findings located within The COR. Additionally, a funding source should be secured.	TBD	TBD	TBD

Economic Development Authority (EDA)

4.3.

Meeting Date: 11/05/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Authorize Marketing Efforts in Reaction to the Armstrong Interchange Construction Project Completion Date Extension

Purpose/Background:

PURPOSE

Consider authorizing staff to execute various marketing efforts in reaction to the Armstrong interchange construction project completion date extension.

BACKGROUND (Project)

Please visit project website, www.highway10andarmstrong.com.

BACKGROUND (Delays)

Please see attached two letters from Anoka County.

BACKGROUND (Marketing Initiative)

Although Cities are unable to provide financial assistance to businesses/ property owners effected by road construction projects, Cities do have the ability to assist businesses with marketing and signage. Please see attached staff proposal.

It should be noted, Staff is beginning to receive an increased frequency of calls and complaints from businesses related to this road construction project (specifically, delays in the completion dates).

Notification:

NA

Observations/Alternatives:

Funding Source:

Mix of 2015 EDA budget accounts (Miscellaneous Operating Supply and Miscellaneous Professional Services).

Recommendation:

Please see attached.

Action:

Direct Staff to execute the attached marketing plan.

Attachments

10 08 2015 Anoka County Letter

10 23 2015 Anoka County Letter

Marketing Proposal

Form Review

Inbox

Kurt Ulrich

Patrick Brama

Form Started By: Patrick Brama

Final Approval Date: 11/02/2015

Reviewed By

Kurt Ulrich

Patrick Brama

Date

10/30/2015 01:27 PM

11/02/2015 10:30 AM

Started On: 10/28/2015 08:46 AM



Anoka County

TRANSPORTATION DIVISION

Respectful, Innovative, Fiscally Responsible

Douglas W. Fischer, PE
County Engineer

Dear Business Leader,

I'm writing you today to let you know that the anticipated open date for the U.S. Highway 10-Armstrong Boulevard interchange will be delayed until November 20. Our contractor informed us last week that they will not be able to meet their originally scheduled opening date of October 30.

As you might expect, this was very disappointing news and, as the construction contract states, we will be enforcing strict financial penalties for each day the project is overdue to entice the contractor to put all of the necessary resources into action in order to expedite the completion of this project.

We know this project has tried your patience and put your business at a disadvantage for some time. We also know your customers have been asking "when is the interchange going to be done." We are grateful for your patience as we bring necessary safety and efficiency enhancements to this interchange and look forward to celebrating with you when it is complete.

In the meantime, along with our partners in the city of Ramsey and MnDOT, we will continue to be vigilant to make sure that corners are not cut by the contractor in order to meet the promised timeline. We will not make concessions when it comes to safety on this vital project.

This project is the jumpstart of our effort to make continued improvements to U.S. Highway 10 in Ramsey, Anoka and Coon Rapids. Your support and partnership, along with the cities, is vital to the effort to convince state and federal leaders of the importance of funding public safety projects along the U.S. Highway 10 corridor.

If you have questions or concerns, please do not hesitate to contact me at 763-862-4213 or doug.fischer@co.anoka.mn.us.

Sincerely,

Douglas W. Fischer, P.E.
County Engineer/Division Manager
Anoka County Transportation Division

Respectful, Innovative, Fiscally Responsible

Government Center ▲ 2100 3rd Avenue, Suite 224 ▲ Anoka, MN 55303-5033
Office: 763-323-5510 ▲ Fax: 763-323-5418 ▲ www.anokacounty.us/highway

Affirmative Action / Equal Opportunity Employer



Anoka County

TRANSPORTATION DIVISION

Respectful, Innovative, Fiscally Responsible

Douglas W. Fischer, PE
County Engineer

October 23, 2015

Dear Business Leader,

I'm writing you today to let you know that the anticipated open date for the U.S. Highway 10-Armstrong Boulevard interchange will be further delayed than what was last communicated to you. While the completion date for the entire interchange has slipped, we will begin to open certain portions of the interchange as soon they are ready.

After several meetings with the contractor late this week, we are now anticipating work to be completed to allow portions of the interchange to be opened as follows:

1. Eastbound exit/entrance ramp/loop and Armstrong Boulevard south of Highway 10 open to traffic: October 30th
2. Westbound exit/entrance ramps, bridge over the BNSF Railroad, and Armstrong Boulevard north of Highway 10 open to traffic: December 5th
3. Full interchange, including the Highway 10 bridge, open to all traffic: December 30th

There will be temporary measures put in place to get us through the winter season and the final completion and cleanup of the project will be completed in the spring of 2016, but again we are expecting the interchange to be fully open to traffic by December 30th.

This was very disappointing news and, as the construction contract states and I stated in an earlier letter, we will be enforcing strict financial penalties for each day the project is overdue to entice the contractor to put all of the necessary resources into action in order to expedite the completion of this project.

We are grateful for your patience as we bring necessary safety and efficiency enhancements to this interchange and look forward to celebrating with you when it is complete. In the meantime, along with our partners in the city of Ramsey and MnDOT, we will continue to be vigilant to make sure that corners are not cut by the contractor in order to meet the promised timeline. We will not make concessions when it comes to safety on this vital project.

If you have questions or concerns, please do not hesitate to contact me at 763-862-4213 or doug.fischer@co.anoka.mn.us.

Sincerely,

Douglas W. Fischer, P.E.
County Engineer/Division Manager

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Affirmative Action / Equal Opportunity Employer

	Original Timeline October 30	Delay #1 November 20	Delay #2 December 30
Ramsey Resident Article	1x	-	-
Facebook	Ongoing	Ongoing	Ongoing
City Website	Ongoing	Ongoing	Ongoing
Construction Way-Finding Signs	Ongoing	Ongoing	Ongoing
Mobile Marketing Signs (black, neon letters)	-	1x	4x
Direct mail/ postcard	-	-	1x

Staff Proposal

- The four mobile signs will cost \$165 each (\$660)*
- Direct half page color postcard general promoting “open-to-business” and to patronize our local businesses during construction. Cost about (\$2,500)

TOTAL COST: about \$3,160

*May require Council approval of special exception to our sign ordinances.

Economic Development Authority (EDA)

4. 4.

Meeting Date: 11/05/2015

Submitted For: Patrick Brama, Administrative Services

By: Patrick Brama, Administrative Services

Title:

Review Update on the City's Potential Future Business Park - Economic Development Analysis

Purpose/Background:

PURPOSE:

Review update on the City's potential future business park - economic development analysis.

It should be noted, the "economic development analysis" includes three steps. The purpose of this case is to review work completed for step #1 and authorize step #2.

STEPS

- (1) Market Analysis
- (2) Cost-Benefit Analysis
- (3) Alternatives and Recommendations

BACKGROUND (Economic Development Analysis):

At the September EDA meeting, ACG Consulting was authorized to complete the attached professional services work order--an economic development analysis for the City's potential future business park. Please see attach case MEMO and work order proposal from ACG Consulting for detailed background information (three step process).

BACKGROUND (Future Business Park):

Please see attached "*Background*" and "*Process & Next Steps*" documents for details. In summary, the EDA/ Council are currently in the middle of a process to consider pursuing a new future business park for the City of Ramsey.

NOTE: the analysis will be emailed to EDA members individually; and will not be attached to this case

Notification:

NA

Observations/Alternatives:

NA

Funding Source:

EDA Miscellaneous Professional Services Account.

Recommendation:

NA

Action:

PURPOSE:

Review update on the City's potential future business park - economic development analysis.

It should be noted, the "economic development analysis" includes three steps. The purpose of this case is to review work completed for step #1 and authorize step #2.

STEPS

- (1) Market Analysis
- (2) Cost-Benefit Analysis
- (3) Alternatives and Recommendations

Attachments

Economic Analysis Proposal

Biz Park Background

Biz Park Process

Form Review

Inbox

Kurt Ulrich

Form Started By: Patrick Brama

Final Approval Date: 11/02/2015

Reviewed By

Kurt Ulrich

Date

11/02/2015 02:34 PM

Started On: 11/02/2015 10:31 AM

August 28, 2015

Patrick Brama
Assistant City Administrator
City of Ramsey
7550 Sunwood Drive
Ramsey, MN 55303

Patrick:

The City of Ramsey has taken several steps toward identifying and evaluating a site for a new business park in the community. Ramsey has been very successful in the past with developing four business parks including Business Park 95, Energy Park, Sunfish Lake Business Park and the Azurite Business Park. Many of these business parks repurposed land in need of redevelopment resulting in a significant increase in tax base and jobs for the community.

Ramsey is currently considering a site west of Armstrong Blvd. adjacent to Bunker Lake Blvd for a new business park. The City's engineering consultant recently completed an estimate of costs related to improvements needed for the proposed business park. The Ramsey EDA and City Council are requesting additional information to arrive at a sound decision on how best to proceed toward the goal of developing a new business park.

The following is a summary of the desired "Scope of Work" as expressed to me by city staff:

I. Market Analysis

What are Ramsey's neighboring communities doing? (Rogers, Otsego, Elk River, Anoka, Coon Rapids, Blaine)

What are other comparable cities doing? (Chaska, Shakopee, Cottage Grove)

The research should include:

1. Number of acres guided for industrial, number of business parks.
2. Ownership situation.
3. Asking price (and what does it include—i.e. is it shovel ready)
4. What improvements are available and included (Water, sewer, gas, electric, fiber/communications, road, etc.)
5. What incentives are they willing to or do they provide?
6. What is each city's marketing strategy (broker, City staff, etc.)?
7. Major advantages of each city's business park
8. Major obstacles of each city's business park
9. Other information

Include a chart comparing communities noted above.

Given the information above, is there room or demand in the market place for a new business park in Ramsey?
Are there vacancy rates, absorption rates, and other data that demonstrate the need for a new business park from a market perspective?

II. Cost-Benefit Analysis

Does a new business park make economic sense for the City of Ramsey?

The cost-benefit analysis should include:

1. An estimate of full build out valuations for each of the projected three phases of the business park
2. A concept map for entire business park
3. Tax base creation calculations for each phase (1, 10, 20, 30 years: show total taxes, show City only taxes)
4. Rough job creation estimations
5. Ancillary economic benefits (i.e. homeownership, The COR, retail, professional services, recirculation of dollars, biz retention, development fees to be collected by City that can help park and trail system, etc.)

III. Alternatives And Recommendations

This research would include recommendations/ strategies for moving forward identifying the benefits and drawbacks of each alternative including:

1. Should the City move forward with pursuing a new business park? (Does it make sense?) If yes, how should the city proceed?
2. Should the city be proactive with constructing arterial infrastructure (i.e. shovel ready)?
3. Should the city own land, place an option to purchase land?
4. Should the city move forward with phase 1 improvements now (i.e. development unknowns)?
5. Timeline to fully develop a business park
6. What cost allocation method should be used?
7. How much land should be targeted now, and in the future?
8. If the City gets involved, what is the funding source?
9. What should be the targeted timeline?
10. Will the City need or be willing to provide incentives? If so which ones?
11. Do any state/ federal/ county funds exist to help?

III. Timeline and Cost of Research

My estimated time for completing the analysis would be 90 days. The total amount of senior professional staff time allocated to complete the work is estimated to be approximately 170 hours. The hourly billing rate is \$175 per hour. Travel expenses would be billed at cost using the prevailing IRS mileage rate.

IV. Report Purpose

This assignment will be completed with the understanding that the results of our work will be used by the City of Ramsey to evaluate the future demand and feasibility for a new business park. Our research report will be prepared for that purpose and will be subject to the following qualifications:

- ◆ Our report and analysis will be based on estimates, assumptions and other information developed from research of the market, knowledge of the industry and discussions with the client and other communities actively engaged in economic development as well as professional developers. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, actual results achieved may vary from the analysis.
- ◆ Our analysis will not evaluate the effectiveness of the owner of the business park as this issue is yet to be decided. Nor will we be responsible for future marketing efforts and other management actions upon which actual results are dependent unless requested to do so.
- ◆ Our report will be intended solely for the purpose described above and should not be used for any other purpose without our prior written permission.

Closing Remarks

I thank you in advance for the opportunity to work on behalf of the City of Ramsey. We have an established and successful working relationship that spans two decades. Our work together has yielded significant outcomes for the community that we can all be proud of. We believe that this assignment will yield similar results.

Best regards,

Michael J. Mulrooney

Michael J. Mulrooney
President

BACKGROUND (future business park):

The City of Ramsey is home to hundreds of successful and growing businesses. Many of these businesses are located in the City's original "Business Parks" along Bunker Lake Boulevard, just north of U.S. Highway 10, east of Ramsey Boulevard. In recent years, available land for existing Ramsey businesses to expand, or for new businesses to locate in Ramsey, has become scarce. As a result, the Ramsey EDA and City Council have identified securing a new business park a priority.

In the winter of 2013-14, a new business park location was identified by the Ramsey Economic Development Authority (EDA), Planning Commission, and City Council. The newly proposed business park is located along Bunker Lake Boulevard, west of Armstrong Boulevard, on the north side of U.S. Highway 10; and will include nearly 100 acres of land available for development by businesses. The City is currently in the process amending its Comprehensive Plan and Zoning Ordinances to allow for the proposed business park. The proposed business park is, and will be, owned and operated by private developers, not the City of Ramsey.

The City's vision statement reads, "*Achieve economic vitality with strategic infrastructure investments through market-driven growth.*" This vision supports the City's exploration of bringing infrastructure improvements to this property in order to facilitate economic growth.

The future business park is one component (about 92 acres) of a larger green-field area ready for development (about 350 acres). This larger area green-field area includes areas for single-family residential development (about 118 acres), medium-density residential (about 31 acres) and room for a future private school campus (about 90 acres).

The City's future business park, and larger developable green-field area, will be served by the future U.S. Highway 10/Armstrong Boulevard (CSAH 83) interchange. This interchange will begin construction in the spring of 2015 and is expected for completion in the spring of 2017. The City expects the construction of this major interchange to increase the demand for development of this green-field area; and the future Ramsey business park.

Future Business Park Process

1. Identify Need

Early 2013

- City is running low on space available in existing business parks. Outside of a couple challenged pieces, inventory has been nearly saturated in Ramsey. Direction received from EDA and City Council in early 2013 to investigate potential solutions. Due to the great recession, this issue has remained silent to-date, as the needs of expanding businesses have been filled by existing vacant industrial space.

2. Identify Potential Solution

2013/ Early 2014

- EDA reviewed six potential locations. With a public input process provided by the Planning Commission, the EDA/Council identified the area west of Armstrong Boulevard, on the north side of U.S. Highway 10 as the preferred location.

3. Develop Base Information Related to Development Costs

2015

- In order to have a competitive business park/ economic development program, the City's new business park needs to attain a development ready status. In other words, all "arterial/ trunk" public infrastructure and utilities need to be completed (to the edge of the business park).
- As a result, a public infrastructure feasibility analysis was completed by Bolton & Menk. This information sets a foundation for an "Economic Development Analysis" and future "policy discussions" (i.e. base input data was attained).

4. Develop Economic Development Analysis

2015

- Staff intends on contracting out an Economic Development Analysis to include the following items:
 - i. cost-benefit analysis (does this make sense for the City of Ramsey?)
 - ii. market analysis (is this viable in the marketplace?)
 - iii. comparison chart to other cities (what are other cities doing, including financing?)
 - iv. list of alternatives and recommendations (what options exist for moving forward?)

5. Policy Discussion

2015/ Early 2016

- The EDA and City Council will need to have a policy discussion regarding the follow items:
- Do we want to move forward with pursuing a new business park?
- If yes, how would we like to proceed?
 - i. should we be proactive with constructing arterial infrastructure?
 - ii. should we own land or place an option to purchase land?
 - iii. what should the relationship be with third party property owners?
 - iv. how much land should be targeted now, and in the future?
 - v. if the City gets involved, what is the funding source?
 - vi. what is our targeted timeline?
 - vii. are we willing to provide incentives?

6. Take Action/Implementation

2016