

**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, November 5, 2015, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Chairperson Jim Steffen  
                          Member Philip Brunt (arrived at 7:35 a.m.)  
                          Member Brian Burandt (arrived at 7:35 a.m.)  
                          Member Chris Riley  
                          Member Wayne Skaff  
                          Member Kristine Williams

Members Absent:     Member Glen Hardin

Also Present:         Patrick Brama, Econ. Dev. Mgr/Assistant City Administrator  
                          Kurt Ulrich, City Administrator  
                          Councilmember John LeTourneau

**1.     CALL TO ORDER**

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

**2.     APPROVE AGENDA**

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

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

**3.     APPROVE MINUTES**

**3.01:   Approve Meeting Minutes Dated October 8, 2015**

Motion by Member Riley, seconded by Member Skaff, to approve the October 8, 2015, minutes as presented.

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

**4.     EDA BUSINESS**

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

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

Members Brunt and Burandt arrived at 7:35 a.m.

Councilmember LeTourneau and Anoka Area Chamber of Commerce representative Pete Turok made a presentation to the EDA.

Councilmember LeTourneau stated the City of Ramsey has been asked to help with providing support to the manufacturing businesses in the City. He asked what would be important to the EDA in order to form a partnership with the Anoka Area Chamber of Commerce.

Chairperson Steffen asked for clarification on bringing students into manufacturing businesses.

Mr. Turok stated the student will work in the manufacturing businesses for six weeks.

Councilmember LeTourneau stated the high school has a responsibility to provide an education and a responsibility to the businesses. He stated the students will get soft training and understand how to show up, present themselves and interview better.

Chairperson Steffen asked if the business wants to do this to help the student or to get the work done. He wondered if bringing students in for six weeks, a couple times a week would be enough time to teach and train them before they leave.

Councilmember LeTourneau stated he was not sure but they are not going to do this unless it benefits everybody but if the business sees value in this then they are going to go there and try to find that value.

Mr. Turok stated to start on that level is ideal and Anoka Tech College puts programming around specific needs of the manufacturer. The goal of the business is to keep them forever.

Councilmember LeTourneau stated there is a cultural element attached to this and the perception right now is that manufacturing is not a favorable employment opportunity and that is not the reality. Those jobs are high skilled and have career letters attached to them. They are wonderful opportunities for people to make some changes in their life.

Member Riley stated when they discussed this a month ago they did decide this is a good use of economic development for the City and there is a purpose that the City would do. He thought the part where they ran into a question was they were not sure what kind of momentum or buy-in from manufacturers or if this group was actually waning so he wondered if they could talk about the makeup of the group and their momentum.

Councilmember LeTourneau stated yearly they do a planning session which involves getting information from the manufacturers. Ultimately, the goal was to get 20 to 25 people in manufacturing to meet as a group and collaborate. They intentionally kept the group small for

better discussion. The meetings have been self-populating and this is not having an issue of waning.

Chairperson Steffen asked whether there are members and do they pay dues.

Councilmember LeTourneau stated this group is all inclusive and anyone in the manufacturing business can attend and hopefully will join the Chamber.

Member Skaff asked what the EDA's \$5,000 would do for the coalition.

Councilmember LeTourneau reviewed what the Chamber would do to help the manufacturing businesses in Ramsey get qualified workers.

Member Burandt stated at Connexus Energy, they are members and they are carving time out of their day to come to the meetings they are finding of value.

Chairperson Steffen asked outside of funding the staff, where would the \$5,000 go.

There was discussion regarding where and how the \$5,000 funding would be used.

City Administrator Ulrich thought Ramsey manufacturers are good attendees of this group.

Member Skaff indicated he had all of his questions answered and made a motion to support the Anoka Area Chamber Manufacturers Coalition with a \$5,000 donation.

Economic Dev. Mgr/Assistant City Administrator Brama stated when this item was discussed at the last EDA meeting the Chamber was not at the meeting and this was intentional for the sake of perception being that Councilmember LeTourneau is a member of the City Council and also works for the Anoka Chamber of Commerce and he wanted to make sure that was transparent and on the record. The last meeting the EDA asked for the Chamber to be present at the next meeting so this item could be further discussed before a decision was made so if the group wanted to make a decision on this item they can excuse the Chamber before they get into the discussion.

Chairperson Steffen asked Councilmember LeTourneau and Mr. Turok if they would leave the meeting so the EDA could discuss this item further. Councilmember LeTourneau and Mr. Turok left the meeting.

Further discussion:

Member Brunt stated this subject is near and dear to his heart because he was in manufacturing all of his life. He thought this is a good thing and they need to partner with the schools. The whole problem is the schools have gotten away from the manufacture training and trade schools and they need to start focusing on this again. He thought the emphasis on the Tech schools is training the students on manufacturing and right now the manufacturers are doing all of the training. He thought this was a worthwhile project.

Chairperson Steffen thought it is still too early in the process for the EDA to jump in and indicated his issue is this is not funded by the manufacturers. He thought the \$5,000 would be better used elsewhere.

Member Brunt asked if the Manufacturing members pay money to belong to the Chamber.

Chairperson Steffen stated they pay their membership dues just as the EDA does but he did not see many manufacturing companies are stepping forward beyond that and if they have a workforce issue they should budget for it and help solve it. He stated as far as Councilmember LeTourneau being a Councilmember, this budget is his salary and from what he can see most of this will be staff time and right or wrong he thought this was a perception issue with him. He felt the City of Ramsey should not jump on this just yet as they are trying to get the program off the ground.

Member Williams thought this is a great program. She agreed with Member Brunt's comments because it is changing the culture and the perception of manufacturing and manufacturing is an important market within their community but at the same time commerce does not stop at the City borders so having a strong region and a strong support for their high school students coming out of Anoka High School is going to make Ramsey a stronger community. She thought this program is very much in its infancy and unproven and thought that the resources required to make this program successful, \$5,000, is a small piece to contribute and the potential return on their investment as a community and as an Economic Development Authority within this community could be huge if they can develop this program and that is exciting. She thought this could positively impact the lives of the residents in the community and she would be willing to support this.

Member Brunt stated he had talked to Councilmember LeTourneau a long time ago when he was first getting involved in the community and he was under the impression that the manufacturers were making a contribution to be a part of this group.

Chairperson Steffen stated he saw four partners, including Connexus, and assumed they wrote a check, but if there are thirty other members attending he did not hear any contribution from those.

Member Burandt stated that was correct; they could be chamber members and come in. He agreed with Member Williams comments. He stated if they look at the \$5,000 compared to the taxes the businesses that belong pay; that is less than half of what they pay. He stated there are State Agencies but businesses are not going to the DEED reps for a reason. We need a third party to represent our business community. Councilmember LeTourneau is doing what the DEED reps are doing but with more success and he is getting people to attend. The members do not see a benefit to going to the DEED reps and they would go if they saw a return.

City Administrator Ulrich stated this group of manufacturers typically do not join chambers so it is an influx of membership to the chambers and the Chamber gives their contributions back to this organization.

Member Riley stated they are the EDA and their job is to support businesses and support Economic Development and he thought this is a small price to pay to make it better. He stated as far as the Councilmember LeTourneau issue, it has been disclosed and the Board is making this decision and he felt this was not a large amount and not an issue and he would support this as well.

Economic Dev. Mgr/Assistant City Administrator Brama stated as far as the conflict of interest, they did work with the City Attorney to investigate whether or not there was some sort of legal conflict of interest in this particular item and they did some research and because of the fact that they would be making a check out to the Chamber and if they did decide to move forward with this, the Chamber employs CO2 Partners, who Councilmember LeTourneau works for at will and there is not a direct relationship there as far as the City writing a check out directly to Councilmember LeTourneau and would go to a company that is not owned by Councilmember LeTourneau. He stated the perception of a conflict of interest is there; and sometimes the perception is all that matters. They have had quite a bit of communication come from EDA Member Hardin and his feeling on the case today is if the EDA wanted to move forward with supporting this effort he would prefer to investigate other opportunities, other initiatives, other organizations before they make a decision on this and that could potentially include inviting other people and hearing what they had to say before a decision was made.

Motion by Member Skaff, seconded by Member Brunt, to support the Anoka Area Chamber Manufacturers Coalition with a \$5,000 donation.

Motion carried. Voting Yes: Members Skaff, Brunt, Burandt, Riley, and Williams. Voting No: Steffen. Absent: Member Hardin.

#### **4.02: Check in on EDA Workplan Item: 167/Highway 47**

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

Chairperson Steffen agreed and asked if anyone is planning on making improvements or making changes to their property at this time.

Economic Dev. Mgr/Assistant City Administrator Brama stated at this time no one has a project on the docket and is all conceptual at this time.

Chairperson Steffen stated if there is currently not a need for it he would prefer not to spend the time on amending their revolving loan fund and making a policy if there is not a need for it.

The EDA agreed.

#### **4.03: Authorize Marketing Efforts in Reaction to the Armstrong Interchange Construction Project Completion Date Extension**

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

Member Skaff asked if they are assured this next deadline is going to be met or are they going to be pushed back even further.

Economic Dev. Mgr/Assistant City Administrator Brama stated as far as the timeline this is not something the City or the County can guarantee, the contractor is incurring penalties daily after they passed up the original deadline which was October 30<sup>th</sup> and outside of that they do not have any way to physically force them to get the job done.

Chairperson Steffen thought this was a perception case and tended to this being positive although he did not know if the signs or postcards will make people shop at those businesses more. He thought this was a goodwill effort and shows that the City of Ramsey is doing something to try to help the businesses during the tough times.

Member Riley stated he agreed this would be a perception/goodwill item and he wondered if this would buy any goodwill. He asked if sending out postcards and putting up signs make the businesses any happier. He also wondered if they have asked the County EDA if they have any ideas.

Economic Dev. Mgr/Assistant City Administrator Brama stated as far as if this will work or address and provide goodwill, they cannot predict this and will not solve anything but from a goodwill perspective they have had discussions with some of the businesses and they are very appreciative of the fact that the City is trying to be proactive and do something. He stated he has not checked with the County EDA to see if they could contribute something.

Member Burandt asked if the businesses have made any suggestions or recommendations when they have called in to complain.

Economic Dev. Mgr/Assistant City Administrator Brama stated signage has been the biggest complaint and request for improvement throughout the entire process. He stated they still receive more requests and inquiries for additional signage.

City Administrator Ulrich stated the businesses are interested in the City playing a role in trying to help keep their businesses going.

Economic Dev. Mgr/Assistant City Administrator Brama stated the number one request they have received is for City financial assistance but the City is not in the position to do that.

Chairperson Steffen asked if they could use the postcard to inform residents in the City of the opening of the bridge and also to visit businesses in the area.

City Administrator Ulrich thought that was a good idea.

Motion by Member Steffen, seconded by Member Brunt, to proceed with staff recommendation of signage and postcards not to exceed \$3,500.

Further discussion: Member Williams asked Economic Dev. Mgr/Assistant City Administrator Brama to follow up with the County EDA on how they can assist the businesses in the area.

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

#### **4.04: Review Update on the City's Potential Future Business Park – Economic Development Analysis**

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

Mr. Mike Mulrooney made a presentation to the EDA.

Commissioner Riley stated the executive summary indicates Brooklyn Park was not looked at but should be looked at. He wondered why it was not considered.

Mr. Mulrooney stated it was not included in the scope of work but he thought this was something they should take a look at as they collect additional information relative to feasibility. For this reason the City of Brooklyn Park has property that has been attractive to industrial development in the last couple of years. The location of most of that property is at the intersection of 610 and 169. The 169 corridor comes up into Ramsey and any business that is interested in the 169 corridor that Ramsey is would have to take into consideration available property in Brooklyn Park. He thought it would be important to have the EDA look at this because knowing what the competition currently is at that particular location is important.

Chairperson Steffen asked if Mr. Mulrooney had a big take away as he was gathering information, something he did not previously know before.

Mr. Mulrooney stated he did to the degree that his perception was that there is not a lot of property available and knew that was a fact in Ramsey and Anoka but as he visited Elk River it was somewhat surprising to him how little property is available there as well. He stated the industrial industry is picking up in the northern metro and a lot of what has impeded the development of many of these projects has been the shortage of labor to build them.

Member Burandt left the meeting at 9:24 a.m.

Chairperson Steffen asked for an update on the cost benefit analysis.

Mr. Mulrooney stated that will be ready for the next EDA meeting. He stated they will look at alternatives and all options including working with existing property owners to reduce expense and risk associated with any business park development.

#### **5. MEMBER / STAFF UPDATE**

The EDA reviewed the Staff Update.

**6. ADJOURNMENT**

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

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

The regular meeting of the Economic Development Authority adjourned at 9:28 a.m.

Respectfully submitted,

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Kurtis G. Ulrich  
City Administrator

ATTEST:

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Patrick Brama  
Econ. Dev. Mgr/Assistant City Administrator

Draft by Sue Osbeck  
*TimeSaver Off Site Secretarial, Inc.*