

M E M O

Date: February 8, 2017

To: Pat Brama-City of Ramsey

From: Brian Pankratz, CBRE

Subject: City of Ramsey-Rum River Hills

cc: _____

Patrick

The extension of utilities, land swap, and economic incentives for the expansion of the Rum River Hills Golf Community would bring additional residential options to the City of Ramsey along with an improved golf course. The additional housing would bring in development fees and increased tax base.

The extension of utilities may help improve the adjacent retail with additional traffic and nearby residential density improving the underperforming facility. Without further study there may be additional parcels that become available for development with the extension of utilities increasing the amount of development and fees generated.

Without the extension of utilities, it might be a while until Parcel 11 is developed outside of an estate lot. The variety of housing units will provide options to the residents of Ramsey and surrounding communities but do not believe there would be a market for vertical condo's.

CBRE has not been involved or met with the principals of Rum River Hills and based on the economic incentives involved would suggest additional vetting including the following:

1. Financial statement review of company and executives
2. Proof of funds for construction

The fees generated from the development and future property taxes will bring in revenue to the City to offset the economic incentives plus provide for additional development with the extension of utilities.

It would be helpful to understand the phasing or timing of the different components including who will be the developer and/or builder for the proposed housing units.