

**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 13, 2017, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Chairperson Jim Steffen  
                          Member Philip Brunt  
                          Member Brian Burandt  
                          Member Glen Hardin  
                          Member Chris Riley  
                          Member Wayne Skaff  
                          Member Kristine Williams

Members Absent:     None

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

**1.     CALL TO ORDER**

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

**2.     APPROVE AGENDA**

There were no changes or additions

Motion by Member Skaff, seconded by Member Burandt, to approve the agenda.

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

**3.     APPROVE MINUTES**

**3.01:  Approve Meeting Minutes Dated March 9, 2017**

Motion by Member Riley, seconded by Member Skaff, to approve the March 9, 2017, minutes as presented.

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

#### **4. EDA BUSINESS**

##### **4.01: PSD LLC Business Park Proposal: Accept Business Subsidy Request Application and Call for Public Hearing**

Economic Dev. Mgr/Assistant City Administrator Brama stated the EDA was asked to consider multiple actions related to the PSD LLC business park proposal.

Economic Dev. Mgr/Assistant City Administrator Brama stated step one is regarding this case. He asked the EDA to formally accept a business subsidy application from PSD LLC and begin the process to establish a new TIF district. The purpose of this case is not to “award” any financial incentives to PSD LLC. However, this case begins the State required public process to allow the City to award financial incentives to PSD LLC.

Economic Dev. Mgr/Assistant City Administrator Brama stated step two is in regard to future case of reviewing underwriting or project pro-forma, consider authorization to establish a new TIF district, and consider awarding TIF agreement/business subsidy agreement, which will include a specific amount of TIF.

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

Mr. Jim Deal, PSD commented the work done on this project. He reviewed the process they have been through to get to this point in the project and what the project consists of.

Chairperson Stephen asked if the research indicates it will take three to five years to fill up the first building.

Mr. Deal hoped not. He stated they are starting with 60,000 square feet but if someone wants more they will build it. Their plan on the 60,000 is to start out with 10,000 foot bays. Once things get started it will go pretty fast but it is slow to get started. He did not think it would take three to five years.

Economic Dev. Mgr/Assistant City Administrator Brama noted the application shows three years.

Mr. Jason Aarsvold, Ehlers and Associates stated this is kicking the project off and he thought the EDA and City Council will want to approve the TIF Plan and the eventual development agreement.

Manager Skaff thought this was a good project.

Motion by Member Skaff, seconded by Member Burandt, to recommend the City Council adopt Resolution #17-04-091, to call for a public hearing on June 27, 2017, to modify Development District #1, to establish TIF District #16 (PSD Business Park A), and to adopt a TIF Plan.

Further discussion: Member Riley stated this group has been discussing this for a time and the fact that this will be moving forward is a step in the right direction.

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

#### **4.02: MOU: Arterial Infrastructure to Serve Ramsey's Future Business Park & Capstone Homes Development**

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

Member Hardin asked if there was a sunset clause for the ACHRA money or did it go on forever.

Economic Dev. Mgr/Assistant City Administrator Brama indicated he was not aware of any sunset on this and it is the City's money to use at their discretion, subject to Anoka County approval.

Member Hardin asked if the money was used mostly for commercial property or residential property.

Economic Dev. Mgr/Assistant City Administrator Brama stated it was for both.

Mr. Steve Bona, Capstone Homes stated they do not have any further comments to make but would be happy to answer questions from the EDA.

Member Riley stated a comment was made the last time the City Council looked at this about not having a good inclination to option A, general bonds, charging their existing residents an increase in tax to bring in new residents and it did not feel like a great idea and would still be his inclination.

Chairperson Steffen asked if the City Council was agreeable with the current MOU.

Member Williams agreed with Member Riley and believed the Council was generally in favor.

Member Riley stated he would like to hear what the rest of the EDA thinks of this item.

Chairperson Steffen thought the MOU was similar to how it was laid out a month ago with updates as suggested and it was agreeable last month and he felt the EDA was agreeable with it this month as well and felt this was one of the last steps to get this project going.

Member Skaff stated he was in favor of this but he did not think they should be putting any burden on existing homeowners.

Motion by Member Skaff, seconded by Member Brunt, to recommend the City Council adopt the attachment MOU between the City of Ramsey, Capstone Homes, and Hageman Holdings; subject to final review and amendments by the City Attorney.

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

**4.03: Anoka Area Chamber of Commerce: Manufacturers Cohort: 2017 Partnership Subscription Renewal**

Economic Dev. Mgr/Assistant City Administrator Brama stated the City of Ramsey is a member of the Anoka Area Chamber of Commerce. 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.

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

Economic Dev. Mgr/Assistant City Administrator Brama stated staff would suggest next year the EDA taking a step back and look at the rate of return on investment and a little detailed analysis.

Mr. John LeTourneau, Anoka Area Chamber of Commerce, stated the cohort was assembled a number of years ago and has good energy and continues to build. It is very much relationship building so they are continuing to build stronger relationships with manufacturing. They are also very interested in being known or recognized as the content manager around work force, work force acquisition and the support of manufacturing and he saw that as continuing to build. He stated their mission has become a catalyst for strengthening community manufacturing, accelerating a transformation into a more efficient and powerful engine of innovation, job creation and economic growth. The things they are committed to, the three buckets they are focusing on are work force acquisition, work force or recumbent development and continuous improvement. Those are the three things manufacturers have reached out to the Chamber and indicated that is what they absolutely need to have help with. They are prepared to address all those issues and show value and continue to do that.

Mr. LeTourneau stated the Chamber thought for sure that this would not have any connection whatsoever to the local chamber because of the way the manufacturers think more regionally, nationally and globally. However, what they are finding is they do have quite a bit of relative value for them. He reviewed some of the companies they have relationships with in Ramsey. He asked the EDA for their continued support.

Manager Brunt asked for more information for the EDA regarding workforce acquisition and working with the Chamber. He stated he supported this because as a community he felt they needed to reach into places like Anoka Technical College to provide people. Many manufacturers today complain that they can't get enough qualified people, and he thought part of the problem was they are looking in the wrong place.

Mr. LeTourneau thought workforce acquisition was one of the top items they are focusing on right now. He stated the Chamber does not set the direction, the manufacturers in the group set it. He reviewed the workforce acquisition definition with the EDA.

Mr. LeTourneau stated if they are going to support manufacturing and the acquisition of a workforce they need to address the aging workforce, low interest in working with manufacturing, the general awareness of manufacturing, job knowledge, screening practices, discuss temp agencies being used and how to better utilize them. They also need to work on perception, wages, assessment, communication, culture, reliability of the workforce and the generational factors and the actual low workforce inventory.

Mr. LeTourneau stated on May 16, 2017 they will be talking about a manufacturing camp. He stated in February they had a career signing day which was a commitment to manufacturing through the High Schools and college. They are also doing monthly tours of manufacturing companies. He reviewed some of the upcoming events they will be holding.

Member Brunt stated one of the concerns he has is that the manufacturers go to the State Labor representatives and they wind up being presented with a bunch of bodies which is not solving their problem. A lot of manufacturing companies need people who are properly trained through some type of tech training.

Member Skaff asked if there was any way for the Board to see a proof of investment.

Mr. LeTourneau indicated there are statistics that talk about employment, specifically in Anoka County and he could provide those numbers. He stated he would love to work with staff and identify what that looks like in Ramsey and find a way to attach their name to the success.

Chairperson Steffen asked how many members are there.

Mr. LeTourneau stated currently the membership in manufacturing is around 35. When they started, they had 14 manufacturing members with 600 members in the Chamber. He stated the goal is to increase membership and serve the manufacturing industry.

Chairperson Steffen asked if the 35 manufacturing members pay dues above the Chamber dues.

Mr. LeTourneau indicated they did not.

Chairperson Steffen asked who this is funded by beside cities.

Mr. LeTourneau noted their trusted partner list is Connexus Energy, Anoka Municipal Utility, Anoka Technical and Community College, Anoka County, First Minnesota Bank, City of Ramsey, Klein Bank and for many years The Bank of Elk River, but they have decided not to participate this year.

Chairperson Steffen asked if there were plans to go around to other cities for support.

Mr. LeTourneau stated everyone is welcome and they want to be all inclusive. They have a funding need and a mission they are trying to drive but they are not necessarily taking direction from cities that say every city has to participate or they won't. They are only looking for cities that are looking for the value of what they offer and when the value is seen then join.

Motion by Member Burandt, seconded by Member Brunt, to support the Anoka Area Chamber Manufacturers Coalition in 2017.

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

Chairperson Steffen stated he would like to see Mr. LeTourneau come to the meeting to update them on the coalition.

#### **4.04: Continue Discussion Regarding Strategy for Marketing and Selling City Owned Land**

Economic Dev. Mgr/Assistant City Administrator Brama requested the EDA continue discussion regarding the City's strategy for selling city-owned land and marketing The COR. Regarding this case specifically, staff would like to review the "feedback logs" with the EDA, and the process outline. Staff would like to forward these documents back to the City Council on 4/25/17.

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

Chairperson Steffen asked if staff asked three companies and they came forward or were more companies asked and bowed out. He wondered how they arrived at the list of three companies.

Economic Dev. Mgr/Assistant City Administrator Brama stated there was a mixture of the two. The direction of the EDA was to schedule two to three interviews with developers and/or value-added broker.

Member Williams noted she put staff in contact with a number of developers that she has through networking professionally and the idea was not to pick specific developers to come and talk to them and then choose based on what services they offered. It was more of an opportunity to bring in different types of developers. She stated every type of deal they can imagine someone in the marketplace might be willing to do. The idea was to have people come in who do this every day who might share little bits of wisdom about this site specifically. However, in general to talk about their process and how they would approach a chunk of land and how they would take it to market. Also, to see what things they would want to consider as they move forward and decide if they want to have an RFP, that it is specific to the appropriate industry with the City doing some of the work or someone who comes in and purchases the property and does everything themselves.

Member Williams stated it was her intent to invite all of these people to the meeting so the Board could have some idea of where she is coming from when she says they can structure this however they want. She thought that was the next step in their process.

Member Riley thought they needed to start this and is great place to start. He stated The COR has a long history and even just in the short history, they have tried a couple different approaches

like the all-inclusive developer that apparently, people did not like so they went with a traditional broker which was frustrating also. He thought it was a great idea that they try to figure out what they really want. He stated he is a fan of pushing this idea to figure out what they want to do. He stated the City is not a developer and he would like to see a real developer get involved.

Chairperson Steffen stated he did not get the impression of the three developers that came to talk to them were really interested in buying the land or building anything on the land.

Member Williams indicated she did not think the developers were ever asked.

Chairperson Steffen stated he did not feel any excitement that they wanted to do anything in Ramsey so how can they partner with them if they do not see the same vision as the EDA does.

Member Williams thought that was an important consideration, because one of the things that she is looking for is a partner. She wants someone who is as excited as she is about Ramsey, and that comes in with ideas that the EDA have not thought about. She stated as a Councilmember she would like to see coming out of this body what types of compensation structures they would be comfortable with, and what would they not be comfortable with.

Member Hardin thought every one of the groups they talked to had pointed out their barriers and they have to deal with barriers. The EDA has to decide how they want to market the property and then find someone who can help them to do it correctly.

Member Burandt stated when he thinks of partner he thinks of invest money with them versus hire. He stated if there are barriers they need to acknowledge it and try to work through it.

#### **4.05: QUICK CASE: Appoint Ad-Hoc Subcommittee Members to Update Housing Plans**

Community Development Director Gladhill stated the purpose of this case is to appoint a member of the EDA to an ad-hoc housing sub-committee to update the City's Housing Plan. A Housing Plan is a required component of the 2040 Comprehensive Plan Update. Two Planning Commissioners have been appointed from the Planning Commission. The City Council requested that one EDA member be appointed. The group is following a three-member structure that was utilized in 2012 to update housing plans and policies.

Community Development Director Gladhill presented the staff report.

Chairperson Steffen asked if anyone was interested in taking this on.

Member Brunt stated he would be interested in finding out more about it, to see if he could make a contribution to it.

Community Development Director Gladhill thought any member on the EDA would be an asset to the sub-committee.

Member Burandt indicated if Member Brunt did not take the position then he would volunteer for it.

Community Development Director Gladhill stated he would discuss this further with both Member Brunt and Member Burandt.

#### **4.06: Set Date for Annual EDA Golf Tournament and Fall Networking Event**

Economic Dev. Mgr/Assistant City Administrator Brama stated the EDA is asked to set a date for the Annual EDA Golf Tournament and Fall Networking Event.

Member Burandt suggested setting the start time at 10:00 a.m. and end around 6:00 p.m.

Member Skaff supported the time change.

Consensus of the EDA was to set the date of August 15, 2017 for the Golf Tournament and November 16, 2017 for the Networking Event.

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

#### **5.01: Update: Shovel Ready Reports Completed**

Econ. Dev. Mgr/Assistant City Administrator Brama indicated WSB & Associates was retained by the City to complete/prepare/obtain various documents related to the future development of various city-owned properties. (survey, title work, phase I ESA, if needed phase II EDA, utility information, site pics, soil borings, etc). This information, as a whole, is often times referred to as “shovel-ready” pre-development information. This information is very useful for a developer considering the purchase and development of land.

Economic Dev. Mgr/Assistant City Administrator Brama stated the State of Minnesota has a program known as “Minnesota Shovel Ready Sites” which certifies this work, and plugs said certification into the State of Minnesota’s marketing pipeline.

Economic Dev. Mgr/Assistant City Administrator Brama notes WSB & Associates has completed all work necessary to apply to the State Shovel Ready Program, including pre-filling applications.

Mr. Jim Cromberg and Eric Moss, WSB, were at the meeting to answer questions.

Mr. Cromberg stated this took a lot longer than it should have but the good thing that came out of it was the City now knows what they have. He stated they now have good title work and surveys which will make it easier to sell the land. He noted the rules will be changing for certification.

Chairperson Steffen asked if the City wants to certify their small sites before the rules change.

Mr. Cromberg stated he would certify them as soon as possible. The problem with that is the information becomes dated.

Chairperson Steffen asked what the next step in the process is.

Mr. Cromberg stated they will need to fill out the application for certification and get it filed.

The EDA and WSB discussed the cleanup of dirty sites and selling the clean sites at market value.

#### **5.02: Update: Purchase of Former Sunfish Lake Gas Station**

Economic Dev. Mgr/Assistant City Administrator Brama updated the EDA on the purchase of Former Sunfish Lake Gas Station.

Member Hardin asked if they have done the environmental work on this property.

Economic Dev. Mgr/Assistant City Administrator Brama stated they have done it and are good to go on the property.

#### **5.03: Update: Aeon PA Extension**

Economic Dev. Mgr/Assistant City Administrator Brama stated staff has received a request from Aeon to extend the closing date on this PA by two months. Like other agreement, staff requested an additional \$5,000 non-refundable earnest money from Aeon in exchange for the proposed extension. That request is anticipated to reach the Council on 4/25/17. Staff met with Aeon recently and they are moving forward with this project. They are excited about working in Ramsey. They are currently finalizing the plans and specs, and preparing to apply for a Plat/Site Plan.

#### **5.04: Update: GS Land PA Extension**

Economic Dev. Mgr/Assistant City Administrator Brama stated this PA is for the two-phased residential project, on the former municipal center campus, known as Harvest Estates. Staff has received a request from GS to extend the closing date on this PA by one year. Like other agreements, staff requested an additional non-refundable earnest money from GS Land in exchange for the proposed extension. The Council pre-arranged this potential extension in 2016 via a formal resolution. GS Land will be providing \$20,000 earnest money, \$5,000 will be non-refundable immediately. That request is anticipated to reach the Council on 4/25/17. Staff connected with GS Land recently and they intend to move forward with the Phase II of this project however, they need to make a little more progress with land sales on Phase I.

#### **5.05: Update: Platinum Properties PA**

Economic Dev. Mgr/Assistant City Administrator Brama noted staff has been told by Platinum Properties that they intend to bring back a new PA this week. The new PA will be very similar,

if not identical, to the existing PA. However, with that said, staff has not received a final/formal request.

Economic Dev. Mgr/Assistant City Administrator Brama stated if the project is to move forward, it will need to move fast because this building needs to be constructed before January 1, 2018. If the PA that comes back to the City is the same as originally proposed, staff doesn't intend to bring the PA back through the EDA due to timing, however, if the PA that comes back has substantial changes, staff will bring it back through the EDA for review. In that situation, staff anticipates a request for a special EDA meeting.

**5:06: Other Business**

City Administrator stated he is meeting with McDonald's attorney and are meeting with County Commissioners to talk about the application for EDA funds to the County which has to be approved by the County HRA.

**6. ADJOURNMENT**

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

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

The regular meeting of the Economic Development Authority adjourned at 9:03 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

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