



Ramsey2040: Economic Development Goals and Strategies

The Plan for Economic Development

Future economic development should be a coordinated effort between the City Council, the Ramsey Economic Development Authority and the business community. Decisions should be guided and based upon a set of goals and policies that are community driven.

Economic Development Goals

The following are Economic Development goals and strategies developed as part of the Comprehensive Plan Update process:

A diverse economic environment where a variety of businesses can grow and thrive

STRATEGIES:

1. Foster communication between the City and the business community.
2. Explore programs and activities to attract larger employers and employers that provide high-paying jobs.
3. Continue to monitor options for a community-wide technology plan to meet business technology needs (fiber-optic and/or wi-fi).
4. Promote redevelopment of underutilized parcels within industrial areas and along major transportation corridors.
5. Explore opportunities for additional city-sponsored business events.
6. Enhance communication between City and business community.
7. Continue business retention and subsidy programs.
8. Continue partnerships with neighboring cities and local chambers of commerce

New development in The COR

STRATEGIES:

1. Encourage and assist with new development in The COR.
2. Explore programs and activities to improve the image of The COR.
3. Promote Northstar Commuter Rail as economic development tools.

A positive community image

STRATEGIES:

1. Explore the opportunity to develop a local chamber of commerce or marketing team to market the unique qualities of Ramsey.
2. Consider options for increasing or improving signage at City gateways and other strategic locations.
3. Continue to pursue Revolving Acquisition Loan Fund (RALF) for the Highway 10 corridor.
4. Identify, acquire and redevelop underutilized and blighted properties, especially within industrial areas and along major transportation corridors.
5. Strengthen commercial and industrial development standards in City Code.
6. Maintain high standards for citywide property maintenance, including City-owned properties.

2017 Economic Development Workplan (DRAFT)

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

Priority #1:

Primary expectation of City staff. Highest priority economic development functions and initiatives for the EDA.

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>(1) Business Retention & Expansion</u> The large 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>In 2017, staff would like to review the option of utilizing the University of Minnesota’s BRE program (link). If the EDA was interested in the program, Connexus Energy has indicated a willingness to sponsor the program (2018).</p>	<p>Ongoing</p>	<p>Currently Sufficient: assuming moderate customer service demand levels, sufficient resources exist to complete this tactic as proposed.</p>	<p>Complete 24 business visits annually.</p> <p>Execute EDA business expo, business appreciation golf tournament, and fall networking event. Participate in Anoka County Broker Event and MN Marketing Partnership.</p> <p><i>This tactic fits within EDA objectives 2 and 3.</i></p>
<p><u>(2) 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. Finalize Economic Development Analysis 2. Develop and solidify the City’s position/ involvement/ policy. 3. Attain shovel ready status. 	<ol style="list-style-type: none"> 1. Winter 2016 2. Winter 2016 3. Fall 2016 	<p>Currently Sufficient: assuming moderate customer service demand levels, sufficient resources exist to complete this tactic as proposed.</p> <p>This work item does require use of third-party professional services (Shovel Ready Certifications, Economic Development Analysis, and subsequent due-diligence). TIF #1 and the EDA Fund have been identified as funding sources for this work in the past by the EDA and City Council.</p>	<p>“Ready-to-go” business park and clear position of City involvement.</p> <p><i>This tactic fits within EDA objectives 2 and 3 and the City’s strategic plan.</i></p>
<p><u>(3) 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. Remove former Fire Station #2 and clean site 2. Close on sale of property, phase #2 3. Close out land-swap agreement with Meadow Creek Builders 	<ol style="list-style-type: none"> 1. Fall 2016 2. Winter 2016 3. Fall 2016 	<p>Currently Sufficient: assuming moderate customer service demand levels, sufficient resources exist to complete this tactic as proposed.</p> <p>The Anoka County HRA account has been identified as a funding source for the demolition and site clean-up work in the past.</p>	<p>Old municipal center site cleaned and ready for sale by Winter 2016.</p> <p><i>This tactic fits within EDA objectives 1 and the Council’s strategic plan.</i></p>

Tactics	Timeline	Additional Resources & Tools Required	Key Outcomes/Metrics
<p><u>(4) Recruit new industry and major retail businesses to Ramsey</u></p>	Fall 2017	<p>Currently Sufficient: this tactic requires assistance from the City's real estate broker CBRE; and demand from the development market.</p> <p>In order to provide latitude on which method is selected to tackle this goal (several exist), staff is requesting an increase of the EDA marketing budget line item from \$3,000 to \$30,000 in 2017.</p>	<p>Secure two new 30,000 square foot retail, and two new 30,000 square foot industrial facilities.</p> <p><i>This tactic fits within EDA objective 1. This tactic fits within the City's strategic plan and Council policy discussions.</i></p>
<p><u>(5) Sell Surplus City Owned Land</u> The City owns a large inventory of surplus land available for development.</p> <p>Attain shovel ready status for all listed City owned property (including cut/fill estimations and identifying major costs for development—such as required extension of public infrastructure).</p>	Fall 2016 for shovel ready certifications	<p>Currently Sufficient: assuming moderate customer service demand levels, sufficient resources exist to complete this tactic as proposed.</p> <p>This work item does require use of third-party professional services (Shovel Ready Certifications and subsequent due-diligence). TIF #1 has been identified as a funding source for this work.</p>	<p>Land sales are closed. Staff shall provide an annual overview.</p> <p><i>This tactic fits within EDA objective 1. This tactic fits within the City's strategic plan and Council policy discussions.</i></p>
<p><u>(7) COR Development Pro-Forma and Policy</u> The City of Ramsey has taken the role of master developer for The COR. From a development perspective, the list of City obligations (expenditures) for The COR is relatively long, and at this point not well-defined. Additionally, the list of revenue streams from The COR is relatively straight forward, but have been committed informally in several instances. Staff would like to develop a pro-forma for The COR outlining all anticipated expenses and all anticipated revenues for the project. NOTE: this work has been partially completed in the past in many different forms (i.e. Landform, Ehlers, City C.I.P., etc.).</p> <p>This discussion also warrants the City to take policy positions on various items (i.e. expenses) and how they will be paid for (all city, all developer, split, etc.), and roughly when various improvements will be made.</p> <p>Completion of this pro-forma will put the City in a much better position to effectively analyze development proposals, strategize marketing efforts (i.e. pricing of land), budget discussions, and various policy items.</p>	Summer 2017	<p>This work will require assistance from third party professionals:</p> <p>(A) infrastructure analysis for The COR--\$20,000-\$30,000.</p> <p>(B) regional stormwater plan for The COR--\$15,000-\$30,000.</p> <p>(C) updated sign plan and cost estimates for The COR--\$5,000-\$15,000.</p> <p>At this point, the numbers outlined above a very preliminary. Staff would like to get quotes for EDA review. Staff anticipates various funding sources will be utilized to implement this work.</p>	Completed development pro-forma.

Second Priority

Tactics	Timeline	Additional Resources Required	Key Outcomes/Metrics
<p><u>(8) RALF</u> The Metropolitan Council reinstated the RALF (revolving acquisition loan fund) program in 2015 with eligibility modifications which significantly affect cities' ability to use this program. In fact, since the 2015 rule change, no RALF awards have been made by the Metropolitan Council, to any city</p> <p>Staff would like the EDA/ City Council to consider pursuing amendments/ exceptions to the RALF program criteria. Staff is receiving requests/ inquiries from Highway 10 property owners RE this subject; which are intensifying with time.</p> <p>Staff would like to submit a RALF application to the Metropolitan Council to test/ challenge their new policies and positions. Additionally, said application will serve as a base point for future policy discussions for the City of Ramsey.</p>	<p>Fall 2016</p>	<p>No additional resources requested. Normal staff duties.</p>	<p>A RALF program that can actually be utilized by the City of Ramsey.</p>
<p><u>(9) Business Incubator</u> Consider utilizing vacant space on the second floor of the Ramsey Municipal Center for a business incubator program—(or a cowork space, COCO).</p> <p>Staff would like to kick the process with a scoping meeting (i.e. how should we approach this task).</p>	<p>Spring 2017, scoping meeting with EDA.</p>	<p>At this point, no additional resources are being requested. Based on the scope of this project, additional resources will be needed.</p>	<p>Decide if the City has a genuine interest in starting a business incubator.</p> <p>Have a general scope for what a business incubator means in Ramsey.</p>
<p><u>(10) ZIP Code</u> In 2015, the City of Ramsey did open its doors to the first ever Ramsey substation USPS Post Office. Although this is a positive step for Ramsey, the need for an independent zip code still exists. The purpose of this tactic is to pursue an independent zip code for our community.</p> <p>Process:</p> <ol style="list-style-type: none"> 1. Meet USPS minimum standards for obtaining a new zipcode (delivery points, deliver routes, scheme items, sectors). The City needs to submit a request for an audit. 2. USPS audit made—Ramsey either meets minimum thresholds or not. If they do, move on to step 3. 3. USPS conducts a survey of community to gather feedback/ support for a new zip code. 4. USPS grants Ramsey a new zip code. 	<ol style="list-style-type: none"> 1. Completed in July of 2016 2. In process, expected to be completed by fall of 2016 3. Expected for completion in 2017. 4. Expected for completion in 2017/208. 	<p>No additional resources requested. Normal staff duties.</p>	<p>Approval or denial of a new Ramsey zip code.</p>

APPENDICES

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APPENDIX A

Ramsey Economic Development 2015 ACTIVITY REPORT

ECONOMIC DEVELOPMENT EVENTS

1. EDA Spring Business Expo
2. Ramsey Happy Days Festival, Business Expo
3. EDA Fall Networking Event
4. MN Marketing Partnership Familiarization Tour
5. EDA Business Appreciation Golf Tournament
6. Anoka Area Chamber Golf Tournament
7. Anoka County Developer/ Broker Event
8. Multiple Highway 10 Lobbying Tours
9. Armstrong Interchange Ground Breaking (December)

BUSINESS VISITS

Formal (3): Riverside Manufacturing, Waltek, Zero Zone

Informal (10): Life Fitness, Dedicated Networks, Molin Concrete, RJM, JBT, All Seasons Garage, Sil-Pro, Country Side Services, Sil-Pro, In'Tech, PSD LLC, M&G Trailer.

BUSINESS WELCOME BLASTS

9: Stoney River, The Lunch Box, USPS Mail Substation, Molin Concrete, All Seasons Garage Door, China Dragon, GNC, Country Side Services, Quality Forklift.

CITY OWNED LAND TRANSACTIONS

- PSD LLC---\$1.89M (13.97 acres)
- Common Bond---\$435K (1.85 acres)
- Casey's---\$596K (1.36 acres)
- GS Land---\$616K (14.86 acres)
- Meadow Creek---\$0 (land swap)
- TOTAL--\$3.58M GROSS (32.04 acres)

PROJECTS WITH CITY/ STATE INCENTIVES

- PSD LLC---\$500K FV TIF
- Life Fitness---\$350K FV TIF
- Life Fitness---\$441K FV DEED
- Dedicated Networks---\$130K FV DEED
- Dynamic Group---\$250K FV DEED
- TOTAL--\$1.672M FV, PAYGO

NEW CONSTRUCTION VALUES, MAJOR PROJECTS

- Dedicated Networks---20K SF (\$915K)
- PSD LLC---121 Units (\$13.9M)
- Common Bond---47 Units (\$7M)
- Casey's General Store---5K SF (\$2.3M)
- Life Fitness---48K SF (\$3.2M)
- NTI---2K SF (\$150K)
- Coborn's---Remodel (\$492K)
- TOTAL--\$28M New Const. Val. (Major Projects Only)

MISCELLANEOUS

1. Creation of business advocacy Group for improvements to U.S. Highway 10.
2. Future Business Park: completed infrastructure study and economic development study (December/ January). Next step, policy discussion/ direction.
3. Old Municipal Center: phase one sold, and currently under development. Phase two requires demolition and site cleanup—expected to be ready by summer 2016. Demolition will likely be funded by the Anoka County HRA.
4. Replaced COR real estate signs.
5. 167 Avenue/ Highway 47 *EDA Workplan item* dropped (consider grant program).
6. Spring Business Expo *EDA Workplan item* discussion initiated. Was requested to be brought back for further discussion.
7. EDA began sponsoring the Anoka Area Chamber of Commerce, Manufacturers Coalition.
8. New TIF district created—TIF District 15, for demolition of the former Health Quest building.

APPENDIX B

Ramsey Economic Development Dashboard of Funds

FUNDS & ACCOUNTS		
EDA Fund (end of 2015)		\$ 795,000
	<i>Utilized for project costs associated with EDA initiatives. Examples include property acquisition, site preparation, demolition, professional services, other.</i>	
Revolving Loan		\$ 301,000
	<i>Fill financing gap between project costs and private debt financing</i>	
	<i>Typically, low or even zero interest rate; entices recruitment and expansion in Ramsey.</i>	
Anoka Country HRA (end of 2015)		\$ 994,034
	<i>All purpose redevelopment and economic development dollars</i>	
	<i>OMC redevelopment targeted (\$200-\$500K), Future Biz Park?</i>	
	Sub Total	\$ 2,090,034
ASSETS (future land proceeds)		
Nordvick Property #45, 1.43 Acres (147th/Armstrong)		\$ 436,036
	<i>Purchased for by City for \$800,000, \$600,000 from EDA fund. Listed for \$10 psf (\$622,908)</i>	
	<i>Building demolition and site clean up, EDA Fund (23,550).</i>	
Industrial Park Property #28, .95 Acres (Basalt/Bunker)		\$ 61,950
	<i>Purchased for by City for \$211,200 in 2006, 11% of proceeds must payback CDBG County</i>	
	<i>Currently listed by CBRE for \$105,000</i>	
Industrial Park Property #37, 4.14 Acres (Ramsey/Jasper)		\$ 315,000
	<i>Purchased for by City for \$XXXXX in XXXX. Proceeds will go back to TIF Account #1</i>	
	<i>Currently listed by CBRE for \$450,000</i>	
Former Bookstore Property #40, 1.23 Acres, Dolomite/Hwy 10		\$ 150,500
	<i>Purchased for by City for \$XXXXX in XXXX. Proceeds are open to EDA use (w/Council approval)</i>	
	<i>Currently listed by CBRE for \$215,000</i>	
Former Amoco Station Property #08, 1.01 Acres, Hwy 47/142nd		\$ 123,200
	<i>Purchased for by City for \$XXXXX in XXXX. Proceeds will go back to XXXXXX.</i>	
	<i>Currently listed by CBRE for \$176,000</i>	
	Sub Total	\$ 1,086,686
ANNUAL EDA BUDGET		
Miscellaneous Operating Supply (2017 projected)		\$ 18,000
	<i>Primary Fund for EDA events and miscellaneous costs. Examples include expo, golf tournament, networking event, business of the years costs.</i>	
Miscellaneous Professional Services (2017 projected)		\$ 50,000
	<i>Primary fund to supplement EDA initiatives with professional services.</i>	
	<i>Examples: site investigation, ED consulting, Financial consulting, site concepts.</i>	
Marketing (2017 projected)		\$ 30,000
	Sub Total	\$ 98,000