

**City of Ramsey**  
**Agenda**  
**Economic Development Authority (EDA)**  
**Thursday, January 9, 2020**  
**7:30 am**  
**Council Chambers, 7550 Sunwood Drive NW**

- 1. Call to Order**
- 2. Approve Agenda**
- 3. Approve Minutes**
  1. Approve Meeting Minutes for November 14, 2019
- 4. EDA Business**
  1. Consider Purchase Agreement and Preliminary Tax Increment Financing (TIF) Agreement Structure for Part of Outlot A, COR Stone Brook Academy; Case of Cobblestone Hotel Development, LLC (Portions may be closed to the public)
  2. Authorize 2020 Annual Ramsey EDA Business Expo Budget
  3. Receive 2019 Business Retention and Expansion Presentation
- 5. Member/Staff Input**
- 6. Adjournment**

**Economic Development Authority (EDA)**

**3. 1.**

**Meeting Date:** 01/09/2020

**By:** Wendy Schlueter, Community  
Development

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**Title:**

Approve Meeting Minutes for November 14, 2019

**Purpose/Background:**

Purpose: The purpose is to approve the meeting minutes for the EDA meeting held the prior months. Background: The meeting minutes are attached for review and approval.

**Notification:**

**Observations/Alternatives:**

**Funding Source:**

**Recommendation:**

Approval of November 14, 2019 meeting minutes

**Action:**

Motion to approve November 14, 2019 EDA meeting minutes.

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**Attachments**

November Minutes

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**Form Review**

<b>Inbox</b>	<b>Reviewed By</b>	<b>Date</b>
Sean Sullivan	Sean Sullivan	12/02/2019 04:01 PM
Tim Gladhill	Tim Gladhill	01/02/2020 10:47 AM
Form Started By: Wendy Schlueter		Started On: 11/26/2019 03:18 PM
Final Approval Date: 01/02/2020		

**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 14, 2019, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Acting Chairperson Chris Riley  
                          Member Scott Cords  
                          Member Glen Hardin  
                          Member Mark Kuzma

Members Absent:     Chairperson Jim Steffen  
                          Member Brian Burandt

Also Present:         Sean Sullivan, Economic Development Manager  
                          Tim Gladhill, Community Development Director

**1.     CALL TO ORDER**

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

**2.     APPROVE AGENDA**

Motion by Member Hardin, seconded by Member Kuzma, to approve the agenda.

Motion carried. Voting Yes: Acting Chairperson Riley, Members Hardin, Kuzma and Cords.  
Voting No: None. Absent: Chairperson Steffen and Member Burandt.

**3.     APPROVE MINUTES**

**3.01:   Approve Meeting Minutes Dated October 10, 2019**

Motion by Member Hardin, seconded by Member Kuzma, to approve the October 10, 2019, minutes as presented.

Motion carried. Voting Yes: Acting Chairperson Riley, Members Hardin, Kuzma, and Cords.  
Voting No: None. Absent: Chairperson Steffen and Member Burandt.

**4.     EDA BUSINESS**

**4.01:   Consider Purchase Agreement for Part of Outlot A, COR Stone Brook Academy;  
          Case of GiGi's Salon and Spa, Inc. (Portions may be closed to the public)**

Economic Development Manager Sullivan presented the staff report.

Member Cords asked if there has been concern by the potential hotel buyer related to the site selection.

Economic Development Manager Sullivan explained that the hotel developer does not prefer the corner site and therefore this would not impact that project.

Acting Chairperson Riley explained that it is often difficult to plan for a development that has not officially come forward and may not eventually come forward but agreed that it is helpful to attempt to plan ahead.

Member Hardin stated that the City paid for fill to improve that lot at the cost of approximately \$1 per square foot, which would make a \$4 per square foot net at \$3 per square foot. He asked if the purchase price is sufficient.

Economic Development Manager Sullivan explained that the price for the Stonebrook site was \$3.11 and fill was not placed on that site. He provided additional details on the price per square foot the City paid for the lot, with the fill and noted that the purchase price would cover that cost.

Member Kuzma stated that he supports this project as this will sell another piece of City owned property and place it back on the tax rolls.

Motion by Member Kuzma, seconded by Member Cords, to recommend to City Council to approve the Purchase Agreement for part of Outlot A, COR Stone Brook Academy, subject to City Attorney approval.

Further discussion: Member Scott asked if there is any additional funding requested from the City for this project, such as TIF. Economic Development Manager Sullivan stated that in this case assistance has not been requested by the buyer. Acting Chairperson Riley agreed that this seems to be a good deal for the City to sell additional land and retain a Ramsey business.

Motion carried. Voting Yes: Acting Chairperson Riley, Members Kuzma, Cords, and Hardin.

Voting No: None. Absent: Chairperson Steffen and Member Burandt.

**4.02: Consider Resolution #19-272 Approving Second Purchase Agreement for Lot 1, Block 1, Anderson Dahlen South Addition; Case of Knoll Properties LLC**

Economic Development Manager Sullivan presented the staff report.

Acting Chairperson Riley asked if this would simply extend the current PA to January 31, 2020

Economic Development Manager Sullivan explained that as it stands currently the applicant is in default of the PA because a notice to proceed was not issued. He stated that this is a new PA which extends that term to January 31, 2020. He stated that the applicant has plans ready at this

time and this would allow a few extra months for the applicant to make the necessary business decision.

Member Cords stated that it appears that the additional 75 to 80 days to proceed seems a reasonable course of action.

Acting Chairperson Riley stated that Anderson Dahlen has been a great local business and he is supportive of the business continuing to try to move forward with expansion. He agreed that the extension seems to make sense. He stated that if the January 31<sup>st</sup> date comes and goes, the City would then need to reconsider other offers.

Economic Development Manager Sullivan stated that there was another letter of interest on the property but not a formal offer and that there is some potential interest relating to the Public Works Facility design.

Motion by Member Hardin, seconded by Member Cords, to recommend to City Council to adopt Resolution #19-272 approving Purchase Agreement for Lot 1, Block 1, Anderson Dahlen South Addition; subject to City Attorney review and approval.

Motion carried. Voting Yes: Acting Chairperson Riley, Members Hardin, Cords, and Kuzma. Voting No: None. Absent: Chairperson Steffen and Member Burandt.

#### **4.03: Consider Alternative Land Use Options for Northwest Quadrant of The COR**

Community Development Director Gladhill presented the staff report.

Economic Development Manager Sullivan explained that one acceptable development alternative includes three quadrants of medium density residential and one quadrant identified for retail. He asked if the EDA would support the ability for all four quadrants to be developed as residential. He noted that it would be helpful information to have when approached by developers.

Acting Chairperson Riley stated that different groups in the City could bring forward different opinions on this matter. He stated that citizens certainly want a certain type of development.

Member Hardin stated that he is not opposed to medium density housing in the area but would prefer to see retail on the parcels closest to the roundabout, with the other two areas medium density. He stated that he would also not be opposed to modifying some of that into residential.

Member Kuzma echoed the comments that he would prefer to see retail over residential. He noted that there is the PSD project across the street and believed the property near the roundabout would be the most valuable for retail. He asked why access could not be provided from Armstrong or Bunker.

Economic Development Manager Sullivan explained that the City and County have a JPA regarding access onto the County roads and the only approved entry at this time is Zeolite. He

noted that there may be ability to add a right-in/right-out on Bunker Lake Boulevard but that distance from the intersection and the limited access would not be conducive to retail. He stated that the input that they have received from brokers and potential developers is that the northwest portion of the site is not attractive for retail because of the reduced visibility from Highway 10 and that it is not convenient to access.

Community Development Director Gladhill stated that in 2021 or 2022 there are plans to expand Bunker Lake Boulevard to four lanes, which changes the existing conditions.

Member Cords asked if that entire section of Bunker Lake Boulevard would be four lanes divided by a median.

Community Development Director Gladhill confirmed that to be true. He noted that there is a section in the industrial park area that does not have plans to expand to four lanes at this time, but the County is reviewing that section. He stated that the intersection treatments will be determined during the design process.

Member Cords stated that he likes the proposal with the lower left-hand quadrant being reserved for retail.

Acting Chairperson Riley confirmed the direction of the EDA to reserve one quadrant of the site for future retail rather than requiring retail on the entire site.

Economic Development Manager Sullivan noted that the Planning Commission will also review this topic again and were interested to hear the input of the EDA. He stated the three quadrant residential and one quadrant retail that the EDA supported were actually created by the Planning Commission in a worksession.

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

Economic Development Manager Sullivan provided an update on the business network event which will take place on November 19, 2019.

Community Development Director Gladhill provided brief updates on development projects.

## **6. ADJOURNMENT**

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

Motion carried. Voting Yes: Acting Chairperson Riley, Members Hardin, Kuzma, and Cords.  
Voting No: None. Absent: Chairperson Steffen and Member Burandt.

The regular meeting of the Economic Development Authority adjourned at 8:08 a.m.

Respectfully submitted,

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Sean Sullivan  
Economic Development Manager

ATTEST:

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Wendy Schlueter  
Economic Development Administrative Assistant

Draft by Amanda Staple  
*TimeSaver Off Site Secretarial, Inc.*

**Economic Development Authority (EDA)**

4. 1.

**Meeting Date:** 01/09/2020**Submitted For:** Sean Sullivan, Community Development**By:** Sean Sullivan, Community Development**Title:**

Consider Purchase Agreement and Preliminary Tax Increment Financing (TIF) Agreement Structure for Part of Outlot A, COR Stone Brook Academy; Case of Cobblestone Hotel Development, LLC  
(Portions may be closed to the public)

**Purpose/Background:**

The purpose of this case is to consider a proposed Purchase Agreement and Preliminary Tax Increment Financing (TIF) Agreement Structure. This does not approve the proposed project. Traditionally, this step in the process of City Land Sale Transactions only includes consideration for the Purchase Agreement while the TIF Agreement would come at a later date. However, since the TIF Agreement is an integral part of the Land Sale Price, Staff and Ehlers (financial advisor) have done preliminary analysis to determine if assistance in the form of land write-down is warranted. Staff will bring the final version of the TIF Agreement back to the EDA at a future meeting after a more detailed review for formal recommendation to the City Council on the TIF Agreement specifically. Staff is looking for EDA to provide a recommendation on the general terms in order to keep this review moving forward.

The City of Ramsey and Cobblestone Hotel Development, LLC have been negotiating the terms of a purchase agreement over the past 6 months. Cobblestone has offered \$1.00 to acquire the site needed to construct a 60 Unit, four story hotel, including a restaurant. The proposal would then reimburse the City for the land acquisition through Tax Increment Financing (TIF) Revenue generated by the project.

The value of the land is estimated to be between \$4.00 and \$6.00 per square foot and the lot size is approximately 1.5 acres. Based on this information, the value of the land ranges between \$261,360 and \$392,040. If the City were to sell the land at a reduced price, it would constitute a business subsidy to the Developer and a Public Hearing and TIF Agreement would be required. The proposed value assigned to the price is within the City's approved deal range for this parcel.

The proposed purchase agreement includes a development concept previously reviewed by the EDA and Planning Commission. The lot configuration, as currently presented allows leaves approximately 1.5 acres for a future project to the west that is currently under contract by GiGi's Salon. The time periods and extensions outlined in the term sheet and PA are consistent with the standard template.

**Notification:**

Notification is not required.

**Observations/Alternatives:****Observations:**

The request for a Business Subsidy in the form of a land write-down (reduced sales price) triggers the need for business subsidy analysis. The Anoka County Assessor has preliminarily reviewed the proposed project and has it valued at \$4.25M. There are many positive components to construction of a 60 Unit, 4-Story Hotel with Restaurant that address EDA, Council and community goals. They include, but are not necessarily limited to the following.

- Estimated Tax Assessed Value \$4.25M
- Estimated Annual Property Taxes \$139,000
- Filling demand for more lodging in the City of Ramsey
- High-Quality Full-Service Restaurant

- Pool (quasi-community space)
- 12FT, 13PT (25 total new jobs)
- Sale of a City parcel in the The COR with the City receiving \$326,700 in TIF (Est. 9-10 year payback)
- Value of land is within the City deal range
- Parcel begins to generate taxes (currently tax exempt)
- Increased traffic/commerce to The COR

In order to ensure that the assistance is truly needed for the project to move forward, the Application has been reviewed/underwritten by Ehlers, the City's Financial Advisor. The underwriting will address whether the rate of return by the Developer is within industry standards, is truly needed for the project to succeed (satisfy the TIF, "But For" Test) and includes a reasonable return on investment for the City. Ehlers has completed the underwriting including the land write down resulting in a cash return of 4.8% and a cash on cost return of 7% by year 3, which are below industry standards. It is clear that provision of the land cost write down is not unduly enriching the developer, but it is providing enough incentive to draw investment into the City of Ramsey. "But-for" the provision of the incentive, the project would not occur in the City of Ramsey.

**Deal Structure:**

The proposed deal structure is similar to projects in Sunfish Lake Business Park and other previous TIF Developments in the City, although it has been a number of years since the City has utilized this structure. Up-front TIF Financing in the form of reduce land sale price is being asked for by the Developer to inject more equity into the project on the front end in order to increase ratios for primary, traditional financing. Rather than the Developer taking a TIF Note as equity in the project to be reimbursed over time and paying for the land up front as is the case with more recent projects in the COR, the Developer is asking the City to receive payment for the land over time. The City will ultimately be made whole on the land transaction and a TIF Agreement and Minimum Assessment Agreement would be drafted to ensure this. Staff estimated 9-10 years of TIF will be sufficient time for the payback. In other words, the City's return on investment would be delayed over time but still achieved. The City's reimbursement would come with property tax collection on the parcel, so there is little risk involved if the City finds the delayed return approach acceptable.

The following components of the deal structure are unique to standard Purchase Agreements with the City.

- Land Sale Price/Payment
- Earnest Money (due to the amount of the Offer Price, the proposal does not include a significant amount of Earnest Money)

Based on the Memo by Ehlers, Staff will work with the Developer regarding the potential for look back provisions. Staff will bring the final version of the TIF Agreement back to the EDA at a future meeting for review and formal recommendation to the City Council.

**Funding Source:**

This case is being handled as part of normal Staff duties. If financial assistance is provided, TIF District 14 will also be a funding source.

**Recommendation:**

Assuming that the EDA is comfortable with the structure of the payment for the land, Staff recommends approval of the Purchase Agreement and Preliminary TIF Agreement Structure for part of Outlot A, COR Stone Brook Academy, subject to City Attorney approval as to legal form.

**Action:**

Motion to recommend approval of the Purchase Agreement and Preliminary TIF Agreement Structure for part of Outlot A, COR Stone Brook Academy, subject to City Attorney approval as to legal form.

Term Sheet

Business Assistance Application

Ehlers Analysis Memo

PA CITY FORM Cobblestone Hotel Draft 1.2.20

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**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Sean Sullivan (Originator)  
Tim Gladhill  
Sean Sullivan (Originator)  
Tim Gladhill  
Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 01/02/2020

**Reviewed By**

Sean Sullivan  
Sean Sullivan  
Sean Sullivan  
Tim Gladhill  
Sean Sullivan  
Tim Gladhill  
Sean Sullivan  
Tim Gladhill

**Date**

12/31/2019 04:23 PM  
01/02/2020 02:06 PM  
01/02/2020 02:08 PM  
01/02/2020 02:17 PM  
01/02/2020 04:41 PM  
01/02/2020 05:05 PM  
01/02/2020 05:08 PM  
01/02/2020 05:09 PM  
Started On: 12/20/2019 02:47 PM

**TERM SHEET FOR COBBLESTONE HOTEL – 1.2.20**

<b>Real Estate</b>	Tax ID Number: Portion of 28-32-25-23-0018. East Half of Outlot A, COR Stone Brook Academy
<b>Acreage</b>	Approximately 1.5 acres or 65,340 SF (T.B.D.)
<b>Asking Price</b>	\$392,040 (\$6.00 / SF) (SF Subject to change based on approved Plat)
<b>Offer Price</b>	<b>\$1.00 (\$0.00 / SF) (Property Value assigned to \$326,700 \$5.00/SF)</b>
<b>Earnest Money</b>	<b>\$1.00 Non-refundable upon Notice to Proceed being executed.</b>
<b>Inspection Period</b>	180 days from Effective Date (Date City Council approves) (city requires plat/ site plan. approval before sale)
<b>Closing</b>	Within 30 days of Notice to Proceed.
<b>Extensions</b>	Developer will deposit \$1,000 in escrow for each 60 day extension (2 extensions allowed) Once extensions are made the money becomes non-refundable.
<b>City take care of</b>	Provide existing ALTA Survey and updated Title Work. The Developer will contract to plat the property and the City will reimburse costs of platting.
<b>Performance</b>	City to require construction of a minimum 60 unit, Four Story Hotel with Restaurant and obtain a Certificate of Occupancy one year after Closing. If this is not done, the City may exercise the Right of Re-Entry.
<b>Assignment</b>	Requires city approval if not same owners / company.
<b>Contingencies</b>	<b>In addition to all other requirements and contingencies by the Buyer and Seller herein, the Purchase Price of \$1.00 is contingent on the following:</b> <ul style="list-style-type: none"><li><b>a. Satisfactory review of the underwriting by the Seller demonstrating the need of financial assistance in the form of a land write down of \$326,699.</b></li><li><b>b. City Council approval and execution of a Tax Increment Financing Agreement between the Seller and Buyer and or its assigns.</b></li><li><b>c. City Council approval of Business Subsidy for Buyer and or its assigns.</b></li></ul>
<b>Review</b>	EDA (Sean): Land Transaction/ Purchase Agreement/ Right of Re-Entry Planning Commission (Tim): Land Use, Development Agreement, Site Plan, Plat City Council: Final Approval on both items

**EXHIBIT A**  
**BUSINESS ASSISTANCE APPLICATION**

**A. APPLICANT INFORMATION**

Name of Corporation/Partnership Cobblestone Hotel Development, LLC  
 Address 980 American Dr Neenah, WI 54956  
 Primary Contact Brian Wogernese  
 Address 980 American Dr Neenah, WI 54956  
 Phone 920.230.2022 Fax 866.403.7287 E-mail bwogernese@cobblestonehotels.com

Type of business assistance requested (select one):

Tax Abatement  Tax Increment Financing  Revolving Loan Fund  Other

Have you been, or are you currently, involved in any bankruptcy proceedings or lawsuits related to other development projects with which you have been involved? If yes, please provide an explanation.

 Yes No

On a separate sheet, please provide the following:

- Brief description of the corporation/partnership's business, including history, principal product or service, etc. **Attach as Part 1.**
- List names of officers and shareholders/partners with more than five percent (5%) interest in the corporation/partnership. **Attach as Part 2.**
- Brief description of the proposed project. **Attach as Part 3.**
- A *but for* analysis and narrative. **Attach as Part 4.**
- Completed Revolving Loan Fund Application. **Attach as Part 5 if required.**

Attorney Name Robyn Hansen  
 Address 980 American Dr Neenah, WI 54956  
 Phone 920.230.2022 Fax 866.403.7287 E-mail rhansen@cobblestonehotels.com

Contractor Name Primate Builders, LLC  
 Address 980 American Dr Neenah, WI 54956  
 Phone 920.955.3999 Fax 866.403.7287 E-mail ssell@primatbuilders.com

Engineer Name Excel Engineering  
 Address 100 Camelot Dr Fond du Lac, WI 54935  
 Phone 920.926.9800 Fax \_\_\_\_\_ E-mail jeff.1@excelengineer.com

Architect Name Excel Engineering  
 Address 100 Camelot Dr Fond du Lac, WI 54935  
 Phone 920.926.9800 Fax \_\_\_\_\_ E-mail jeff.1@excelengineer.com

**B. PROJECT INFORMATION**

The project will be: (Check all that apply)

- Industrial: (  New Construction     Redevelopment/Rehab     Expansion )
- Office/research facility: (  New Construction     Redevelopment/Rehab     Expansion )
- Commercial: (  New Construction     Redevelopment/Rehab     Expansion )
- Housing: (  New Construction     Redevelopment/Rehab     Expansion )
- Other \_\_\_\_\_

The project will be:     Owner Occupied     Leased Space

- If leased space, please attach a list of names and addresses of future tenants and indicate the status of commitments or lease agreements. **Attach as Part 5.**

Project Address .    T.B.D., East Half of Outlot A, COR Stone Brook Academy, Anoka County, MN

- Include Legal Description and PID number(s). **Attach as Part 6.** Portion 28-32-25-23-0018

Site Plan Attached:     Yes     No

Current Real Estate Taxes on Project Site: \$ 0

Estimated Real Estate Taxes Upon Completion:    Phase I \$ 136,563

Phase II	\$ _____
Phase III	\$ _____
Total	\$ _____

Construction Start Date:

Summer 2020

Construction Completion Date:

Summer 2021

If Phased Project: NA    % Completed in \_\_\_\_\_ years

\_\_\_\_\_ % Completed in \_\_\_\_\_ years

\_\_\_\_\_ % Completed in \_\_\_\_\_ years

**C. PUBLIC PURPOSE OBJECTIVES**

It is the policy of the City and EDA of Ramsey that the business assistance should result in a public benefit as identified in items 1-10 below. Please indicate how the proposed project will accomplish this by checking the appropriate boxes. **Attach additional narrative as Part 7.**

1. To encourage redevelopment.
2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
3. To enhance and/or diversify the City's economic base.
4. To encourage additional unsubsidized private (re)development.
5. To remove blight and/or encourage (re)development of commercial and industrial areas.
6. To create housing opportunities.
7. To provide a diversity of housing.
8. To provide a variety of family housing ownership alternatives and housing choices.
9. To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock in residential areas.
10. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
- Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
  - Mitigation of project impact on the natural environment.

**D. SOURCES & USES OF FUNDS**

**Attach additional information as Part 8**

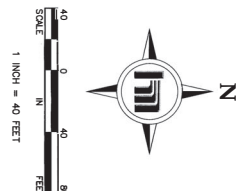
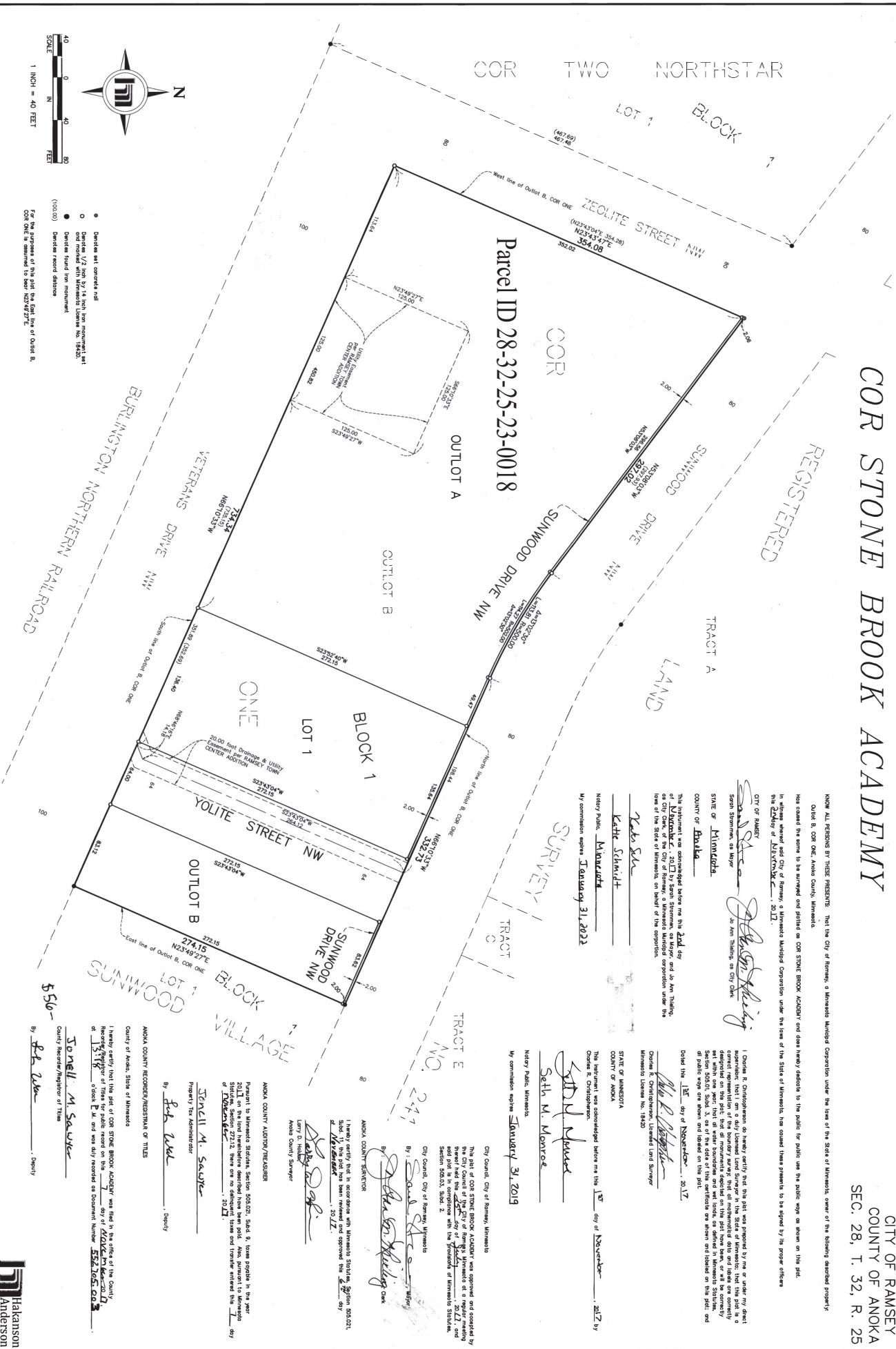
<u>SOURCES</u>	<u>AMOUNT</u>
Bank Loan	\$ <u>5,000,000.<sup>00</sup></u>
Other Loans	\$ <u>0.00</u>
Owner Equity	\$ <u>2,970,000.<sup>00</sup></u>
Fed Grant/Loan	\$ <u>0.00</u>
State Grant/Loan	\$ <u>0.00</u>
Industrial Development Bonds	\$ <u>0.00</u>
Tax Increment Financing	\$ <u>0.00 LANDWRITEDOWN</u>
Tax Abatement	\$ <u>0.00</u>
Revolving Loan Fund	\$ <u>0.00</u>
Other	\$ <u>0.00</u>
<b>TOTAL</b>	\$ <u>7,970,000.<sup>00</sup></u>

<u>USES</u>	<u>AMOUNT</u>
Land Acquisition	\$ <u>1.00</u>
Site Development	\$ <u>500,000</u>
Construction	\$ <u>5,300,000</u>
Machinery & Equipment	\$ <u>385,000</u>
Architectural/Engineering Fees	\$ <u>100,000</u>
Debt Service Reserve	\$ <u>0.00</u>
Contingencies	\$ <u>100,000</u>
Other	\$ <u>584,999</u>
<b>TOTAL</b>	\$ <u>7,970,000</u>

Total Amount of business assistance requested from either Revolving Loan Fund, Abatement, Tax Increment Financing or another source: \$ 326,700 ... LANDWRITE DOWN

# COR STONE BROOK ACADEMY

552-765-003  
CITY OF RAMSEY  
COUNTY OF ANOKA  
SEC. 28, T. 32, R. 25



- Denotes set concrete nail
  - Denotes 1/2 inch dia. iron monument, set
  - Denotes found iron monument
  - Denotes record station
- (100.00)  
For the purposes of this plan the East line of Outlot B, COR ONE is assumed to bear N23°49'27"E

REGISTERED

Parcel ID 28-32-25-23-0018

My commission expires January 31, 2022

My commission expires January 31, 2019

CITY OF RAMSEY  
 State of Minnesota  
 County of Anoka  
 I, Keith Stenlund  
 Henry Public, Minnesota  
 My commission expires January 31, 2022

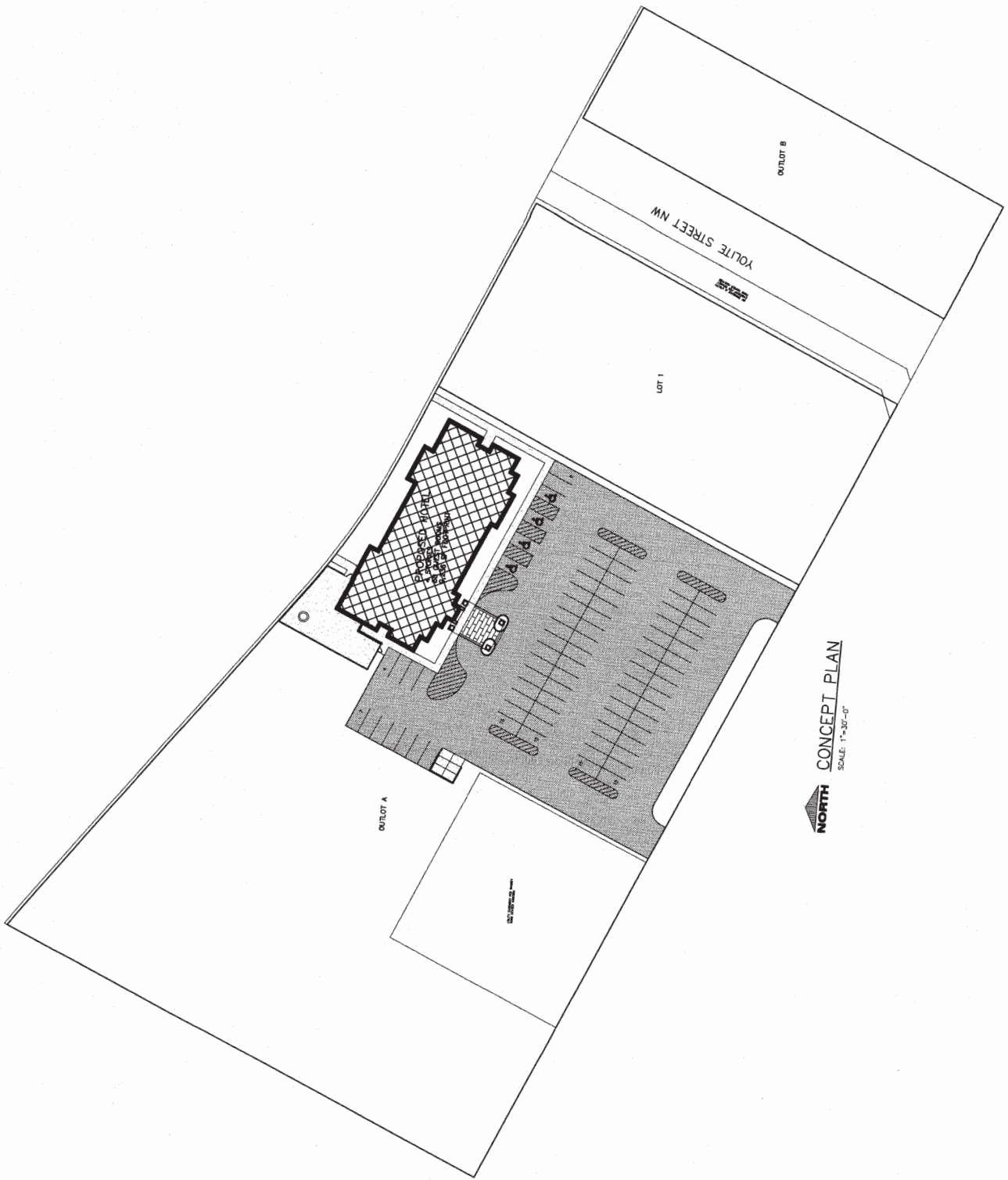
CITY OF ANOKA  
 State of Minnesota  
 County of Anoka  
 I, Seth M. Moore  
 Henry Public, Minnesota  
 My commission expires January 31, 2019

ANOKA COUNTY RECORDER/REGISTRAR OF TITLES  
 I hereby certify that this plan of COR STONE BROOK ACADEMY was filed in the office of the County Recorder/Registrar of Titles for public record on this 7 day of NOVEMBER, 2021 at 1:31 PM o'clock P.M. and was duly recorded as Document Number 552765003  
 County Recorder/Registrar of Titles  
 By: Sorell M. Sawyer  
 Deputy

ANOKA COUNTY RECORDER/REGISTRAR OF TITLES  
 I hereby certify that in accordance with Minnesota Statutes, Section 506.021, Subd. 9, taxes payable in the year 2021 on the land hereunder described have been paid. Also payable to Minnesota State Land Office, 1000 University Ave., St. Paul, MN 55103, the sum of 20.27 dollars.  
 County Recorder/Registrar of Titles  
 By: John Wick  
 Deputy

CITY COUNCIL, CITY OF RAMSEY, MINNESOTA  
 I hereby certify that in accordance with Minnesota Statutes, Section 506.021, Subd. 9, taxes payable in the year 2021 on the land hereunder described have been paid. Also payable to Minnesota State Land Office, 1000 University Ave., St. Paul, MN 55103, the sum of 20.27 dollars.  
 City Council, City of Ramsey, Minnesota  
 By: Keith Stenlund  
 Henry Public, Minnesota  
 My commission expires January 31, 2022

CITY COUNCIL, CITY OF ANOKA, MINNESOTA  
 I hereby certify that in accordance with Minnesota Statutes, Section 506.021, Subd. 9, taxes payable in the year 2021 on the land hereunder described have been paid. Also payable to Minnesota State Land Office, 1000 University Ave., St. Paul, MN 55103, the sum of 20.27 dollars.  
 City Council, City of Anoka, Minnesota  
 By: Seth M. Moore  
 Henry Public, Minnesota  
 My commission expires January 31, 2019



**NORTH**  
**CONCEPT PLAN**  
SCALE: 1"=30'-0"

# Cobblestone Hotel & Suites Ramsey, MN

Number of Units: **60**

Building Specifications: 60 unit, 4-story Boutique Style Hotel & Suites with standard and extended stay rooms, guest cocktail lounge & Steak House, hot continental breakfast, fitness room, and pool.

<b>Total Land &amp; Prep</b>	<b>\$500,000</b>	
<i>per room</i>	<i>\$8,333</i>	
<b>Building Construction</b>	<b>\$5,300,000</b>	
<i>per room</i>	<i>\$88,333</i>	
<b>Fixtures, Furnishings, and Equipment</b>	<b>\$1,385,000</b>	
<i>per room</i>	<i>\$23,083</i>	
<b>Indirect Costs</b>	<b>\$785,000</b>	
<i>per room</i>	<i>\$13,083</i>	
Appraisal	\$5,000	
Architectural / Engineering	\$100,000	
Surveys	\$10,000	
Development Services	\$250,000	
Pre-Opening Expenses	\$40,000	
Working Capital	\$100,000	
Legal and Accounting Fees	\$10,000	
Construction Period Interest / Loan Fees / Closing	\$150,000	
Insurance & Taxes During Construction	\$20,000	
Project Contingency	\$100,000	
<b>Total Project Costs:</b>	<b>\$7,970,000</b>	
<i>per room</i>	<i>\$132,833</i>	
Requested Loan Amount:	\$5,000,000	62.7%
Expected Cash Injection:	\$2,970,000	37.3%

**Sources of Funding**

Bank Loan	\$5,000,000	<b>Debt Interest:</b>	5.50%
Expected Cash Injection	\$2,970,000	<b>Debt Terms:</b>	20
<b>Total:</b>	<b>\$7,970,000</b>	<b>Debt Service:</b>	<b>\$412,732</b>

*\* Pricing noted above valid for 90 days from document date shown*



RAMP UP YEAR:												Rooms	
	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,860	1,680	1,860	1,800	1,860	1,800	1,860	1,860	1,800	1,860	1,800	1,860	21,900
Lodging Occupancy %	43.5%	44.2%	48.4%	57.5%	58.1%	65.0%	65.3%	65.3%	62.5%	58.1%	42.5%	37.5%	54.0%
Total Occ. Rooms	810	743	900	1,035	1,080	1,170	1,215	1,215	1,125	1,080	765	698	11,835
Average Daily Rate	\$97.85	\$98.80	\$101.65	\$110.20	\$110.20	\$112.10	\$113.05	\$113.05	\$107.35	\$104.50	\$99.75	\$95.00	\$106.40
Revenue Per Available Room (REVPAR)	\$42.61	\$43.67	\$49.19	\$63.37	\$63.99	\$72.87	\$73.85	\$73.85	\$67.09	\$60.68	\$42.39	\$35.63	\$57.50
<b>REVENUE:</b>													
Guest Rooms	79,259	73,359	91,485	114,057	119,016	131,157	137,356	137,356	120,769	112,860	76,309	66,263	1,259,244
F&B Revenue	8,100	7,425	9,000	10,350	10,800	11,700	12,150	12,150	11,250	10,800	7,650	6,975	118,350
Vending Revenue	2,025	1,856	2,250	2,588	2,700	2,925	3,038	3,038	2,813	2,700	1,913	1,744	29,588
<b>TOTAL HOTEL REVENUE</b>	<b>89,384</b>	<b>82,640</b>	<b>102,735</b>	<b>126,995</b>	<b>132,516</b>	<b>145,782</b>	<b>152,543</b>	<b>152,543</b>	<b>134,831</b>	<b>126,360</b>	<b>85,871</b>	<b>74,981</b>	<b>1,407,182</b>
<b>HOTEL PAYROLL EXPENSE</b>													
Hotel Manager	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	70,000
Ast. Manager/Sales Manager	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Housekeeping	4,455	4,084	4,950	5,693	5,940	6,435	6,683	6,683	6,188	5,940	4,208	3,836	65,093
Maintenance	793	734	915	1,141	1,190	1,312	1,374	1,374	1,208	1,129	763	663	12,592
Front Desk	3,963	3,668	4,574	5,703	5,951	6,558	6,868	6,868	6,038	5,643	3,815	3,313	62,962
F&B Staffing	4,455	4,084	4,950	5,693	5,940	6,435	6,683	6,683	6,188	5,940	4,208	3,836	65,093
Breakfast/Social	1,585	1,467	1,830	2,281	2,380	2,623	2,747	2,747	2,415	2,257	1,526	1,325	25,185
Workers Comp Insurance	631	601	680	763	785	834	859	859	801	773	613	574	8,773
Payroll Tax	3,156	3,005	3,402	3,814	3,925	4,170	4,294	4,294	4,005	3,864	3,065	2,872	43,866
<b>TOTAL HOTEL PAYROLL</b>	<b>29,038</b>	<b>27,642</b>	<b>31,302</b>	<b>35,086</b>	<b>36,111</b>	<b>38,367</b>	<b>39,506</b>	<b>39,506</b>	<b>36,842</b>	<b>35,545</b>	<b>28,198</b>	<b>26,420</b>	<b>403,563</b>
<b>HOTEL OPERATING EXPENSE</b>													
Cleaning Supplies	405	371	450	518	540	585	608	608	563	540	383	349	5,918
Laundry Supplies	608	557	675	776	810	878	911	911	844	810	574	523	8,876
Linens	810	743	900	1,035	1,080	1,170	1,215	1,215	1,125	1,080	765	698	11,835
Guest Supplies	1,013	928	1,125	1,294	1,350	1,463	1,519	1,519	1,406	1,350	956	872	14,794
Operating Supplies	689	631	765	880	918	995	1,033	1,033	956	918	650	593	10,060
Uniforms Expense	648	594	720	828	864	936	972	972	900	864	612	558	9,468
Repairs & Maintenance	396	367	457	570	595	656	687	687	604	564	382	331	6,296
Swimming Pool	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	12,500
Grounds/Landscaping	750	1,000	1,000	500	500	500	500	500	500	500	500	750	7,500
Franchise Fee	5,115	4,620	5,115	4,950	5,115	4,950	5,115	5,115	4,950	5,115	4,950	5,115	60,225
Training Expense	417	417	417	417	417	417	417	417	417	417	417	417	5,000
Property Mgmt. System Expense	430	430	430	430	430	430	430	430	430	430	430	430	5,160
Complimentary Breakfast	3,240	2,970	3,600	4,140	4,320	4,680	4,860	4,860	4,500	4,320	3,060	2,790	47,340
Travel Agent Fees	1,981	1,834	2,287	2,851	2,975	3,279	3,434	3,434	3,019	2,822	1,908	1,657	31,481
Reservations Expense	750	750	750	750	750	750	750	750	750	750	750	750	9,000
F&B Expenses	4,050	3,713	4,500	5,175	5,400	5,850	6,075	6,075	5,625	5,400	3,825	3,488	59,175
Vending Expense	1,013	928	1,125	1,294	1,350	1,463	1,519	1,519	1,406	1,350	956	872	14,794
Marketing / Advertising	793	734	915	1,141	1,190	1,312	1,374	1,374	1,208	1,129	763	663	12,592
Utilities	6,257	5,785	7,191	8,890	9,276	10,205	10,678	10,678	9,438	8,845	6,011	5,249	98,503
Cable/Internet/Phone	4,650	4,650	4,650	4,650	4,650	4,650	4,650	4,650	4,650	4,650	4,650	4,650	55,800
Credit Card Expense	2,011	1,859	2,312	2,857	2,982	3,280	3,432	3,432	3,034	2,843	1,932	1,687	31,662
Management Fee	5,363	4,958	6,164	7,620	7,951	8,747	9,153	9,153	8,090	7,582	5,152	4,499	84,431
Other Expense/Frequent Stay	203	186	225	259	270	293	304	304	281	270	191	174	2,959
Accounting Services	400	400	400	400	400	400	400	400	400	400	400	400	4,800
<b>TOTAL OPERATING EXPENSES</b>	<b>43,031</b>	<b>40,465</b>	<b>47,215</b>	<b>53,265</b>	<b>55,175</b>	<b>58,927</b>	<b>61,075</b>	<b>61,075</b>	<b>56,137</b>	<b>53,990</b>	<b>41,258</b>	<b>38,554</b>	<b>610,168</b>
Income Before Fixed Expenses	17,314	14,533	24,219	38,643	41,230	48,488	51,962	51,962	41,852	36,825	16,415	10,007	393,451
Gross Operating Profit (GOP)	19.37%	17.59%	23.57%	30.43%	31.11%	33.26%	34.06%	34.06%	31.04%	29.14%	19.12%	13.35%	27.96%
<b>RESERVES &amp; FIXED EXPENSES</b>													
Debt Service	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	412,732
Real Estate Taxes (Estimates)	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	112,161
Insurance	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	25,200
Reserves For Replacement	894	826	1,027	1,270	1,325	1,458	1,525	1,525	1,348	1,264	859	750	14,072
<b>TOTAL RESERVES &amp; FIXED</b>	<b>46,735</b>	<b>46,668</b>	<b>46,868</b>	<b>47,111</b>	<b>47,166</b>	<b>47,299</b>	<b>47,367</b>	<b>47,367</b>	<b>47,189</b>	<b>47,105</b>	<b>46,700</b>	<b>46,591</b>	<b>564,165</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>4,973</b>	<b>2,260</b>	<b>11,744</b>	<b>25,927</b>	<b>28,458</b>	<b>35,584</b>	<b>38,989</b>	<b>38,989</b>	<b>29,057</b>	<b>24,115</b>	<b>4,110</b>	<b>(2,189)</b>	<b>242,018</b>
<b>NET CASH FLOW</b>	<b>(29,421)</b>	<b>(32,134)</b>	<b>(32,650)</b>	<b>(8,466)</b>	<b>(5,936)</b>	<b>1,189</b>	<b>4,595</b>	<b>4,595</b>	<b>(5,337)</b>	<b>(10,279)</b>	<b>(30,285)</b>	<b>(36,584)</b>	<b>(170,715)</b>

NOTE: The above information is a forward looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with its data rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Therefore, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.



**Numbers projected and compared to similar markets for a hotel with the following rooms:**

	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
Lodging Rooms Available	1,860	1,680	1,860	1,800	1,860	1,800	1,860	1,860	1,800	1,860	1,800	1,860	21,900
Lodging Occupancy %	48.4%	49.1%	53.8%	63.9%	64.5%	72.2%	72.6%	72.6%	69.4%	64.5%	47.2%	41.7%	60.0%
Total Occ. Rooms	900	825	1,000	1,150	1,200	1,300	1,350	1,350	1,250	1,200	850	775	13,150
Average Daily Rate	\$103.00	\$104.00	\$107.00	\$116.00	\$116.00	\$118.00	\$119.00	\$119.00	\$113.00	\$110.00	\$105.00	\$100.00	\$112.00
Revenue Per Available Room (REVPAR)	\$49.84	\$51.07	\$57.53	\$74.11	\$74.84	\$85.22	\$86.37	\$86.37	\$78.47	\$70.97	\$49.58	\$41.67	\$67.25
<b>REVENUE:</b>													
Guest Rooms	92,700	85,800	107,000	133,400	139,200	153,400	160,650	160,650	141,250	132,000	89,250	77,500	1,472,800
F&B Revenue	9,000	8,250	10,000	11,500	12,000	13,000	13,500	13,500	12,500	12,000	8,500	7,750	131,500
Vending Revenue	2,700	2,475	3,000	3,450	3,600	3,900	4,050	4,050	3,750	3,600	2,550	2,325	39,450
<b>TOTAL HOTEL REVENUE</b>	<b>104,400</b>	<b>96,525</b>	<b>120,000</b>	<b>148,350</b>	<b>154,800</b>	<b>170,300</b>	<b>178,200</b>	<b>178,200</b>	<b>157,500</b>	<b>147,600</b>	<b>100,300</b>	<b>87,575</b>	<b>1,643,750</b>
<b>HOTEL PAYROLL EXPENSE</b>													
Hotel Manager	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	65,000
Ast. Manager/Sales Manager	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
Housekeeping	4,500	4,125	5,000	5,750	6,000	6,500	6,750	6,750	6,250	6,000	4,250	3,875	65,750
Maintenance	1,854	1,716	2,140	2,668	2,784	3,068	3,213	3,213	2,825	2,640	1,785	1,550	29,456
Front Desk	6,489	6,006	7,490	9,338	9,744	10,738	11,246	11,246	9,888	9,240	6,248	5,425	103,096
F&B Staffing	4,950	4,538	5,500	6,325	6,600	7,150	7,425	7,425	6,875	6,600	4,675	4,263	72,325
Breakfast/Social	927	858	1,070	1,334	1,392	1,534	1,607	1,607	1,413	1,320	893	775	14,728
Workers Comp Insurance	697	660	759	865	892	954	985	985	910	874	675	626	9,884
Payroll Tax	3,573	3,384	3,891	4,431	4,572	4,889	5,049	5,049	4,666	4,480	3,462	3,210	50,655
<b>TOTAL HOTEL PAYROLL</b>	<b>32,157</b>	<b>30,453</b>	<b>35,017</b>	<b>39,877</b>	<b>41,151</b>	<b>43,999</b>	<b>45,441</b>	<b>45,441</b>	<b>41,993</b>	<b>40,321</b>	<b>31,154</b>	<b>28,891</b>	<b>455,894</b>
<b>HOTEL OPERATING EXPENSE</b>													
Cleaning Supplies	450	413	500	575	600	650	675	675	625	600	425	388	6,575
Laundry Supplies	675	619	750	863	900	975	1,013	1,013	938	900	638	581	9,863
Linens	900	825	1,000	1,150	1,200	1,300	1,350	1,350	1,250	1,200	850	775	13,150
Guest Supplies	1,125	1,031	1,250	1,438	1,500	1,625	1,688	1,688	1,563	1,500	1,063	969	16,438
Operating Supplies	765	701	850	978	1,020	1,105	1,148	1,148	1,063	1,020	723	659	11,178
Repairs & Maintenance	695	644	803	1,001	1,044	1,151	1,205	1,205	1,059	990	669	581	11,046
Swimming Pool	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	1,042	12,500
Grounds/Landscaping	750	1,000	1,000	500	500	500	500	500	500	500	500	750	7,500
Franchise Fee	5,115	4,620	5,115	4,950	5,115	4,950	5,115	5,115	4,950	5,115	4,950	5,115	60,225
Property Mgmt. System Expense	430	430	430	430	430	430	430	430	430	430	430	430	5,160
Complimentary Breakfast	3,600	3,300	4,000	4,600	4,800	5,200	5,400	5,400	5,000	4,800	3,400	3,100	52,600
Travel Agent Fees	2,318	2,145	2,675	3,335	3,480	3,835	4,016	4,016	3,531	3,300	2,231	1,938	36,820
Reservations Expense	750	750	750	750	750	750	750	750	750	750	750	750	9,000
F&B Expenses	4,500	4,125	5,000	5,750	6,000	6,500	6,750	6,750	6,250	6,000	4,250	3,875	65,750
Vending Expense	1,350	1,238	1,500	1,725	1,800	1,950	2,025	2,025	1,875	1,800	1,275	1,163	19,725
Marketing / Advertising	510	472	589	734	766	844	884	884	777	726	491	426	8,100
Utilities	6,264	5,792	7,200	8,901	9,288	10,218	10,692	10,692	9,450	8,856	6,018	5,255	98,625
Cable/Internet/Phone	4,650	4,200	4,650	4,500	4,650	4,500	4,650	4,650	4,500	4,500	4,500	4,650	54,750
Credit Card Expense	2,349	2,172	2,700	3,338	3,483	3,832	4,010	4,010	3,544	3,321	2,257	1,970	36,984
Management Fee	6,264	5,792	7,200	8,901	9,288	10,218	10,692	10,692	9,450	8,856	6,018	5,255	98,625
Other Expense/Frequent Stay	225	206	250	288	300	325	338	338	313	300	213	194	3,288
Accounting Services	400	400	400	400	400	400	400	400	400	400	400	400	4,800
<b>TOTAL OPERATING EXPENSES</b>	<b>45,126</b>	<b>41,914</b>	<b>49,653</b>	<b>56,146</b>	<b>58,355</b>	<b>62,299</b>	<b>64,770</b>	<b>64,770</b>	<b>59,258</b>	<b>57,056</b>	<b>43,091</b>	<b>40,264</b>	<b>642,701</b>
Income Before Fixed Expenses	27,117	24,158	35,331	52,327	55,294	64,002	67,989	67,989	56,249	50,223	26,055	18,421	545,155
Gross Operating Profit (GOP)	25.97%	25.03%	29.44%	35.27%	35.72%	37.58%	38.15%	38.15%	35.71%	34.03%	25.98%	21.03%	33.17%
<b>RESERVES &amp; FIXED EXPENSES</b>													
Debt Service	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	34,394	412,732
Real Estate Taxes (Estimates)	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	9,347	112,161
Insurance	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	25,200
Reserves For Replacement	1,044	965	1,200	1,484	1,548	1,703	1,782	1,782	1,575	1,476	1,003	876	16,438
<b>TOTAL RESERVES &amp; FIXED</b>	<b>46,885</b>	<b>46,806</b>	<b>47,041</b>	<b>47,325</b>	<b>47,389</b>	<b>47,544</b>	<b>47,623</b>	<b>47,623</b>	<b>47,416</b>	<b>47,317</b>	<b>46,844</b>	<b>46,717</b>	<b>566,531</b>
<b>NET OPERATING INCOME (NOI)</b>	<b>14,626</b>	<b>11,746</b>	<b>22,684</b>	<b>39,397</b>	<b>42,299</b>	<b>50,852</b>	<b>54,761</b>	<b>54,761</b>	<b>43,227</b>	<b>37,301</b>	<b>13,606</b>	<b>6,098</b>	<b>391,357</b>
<b>NET CASH FLOW</b>	<b>(19,760)</b>	<b>(23,649)</b>	<b>(11,710)</b>	<b>5,003</b>	<b>7,904</b>	<b>16,458</b>	<b>20,366</b>	<b>20,366</b>	<b>8,833</b>	<b>2,906</b>	<b>(20,789)</b>	<b>(28,296)</b>	<b>(21,375)</b>

<b>Five Year Numbers Projected Summary</b>						
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	
	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
Lodging Rooms Available	21,900	21,900	21,900	21,900	21,900	
Lodging Occupancy %	60.0%	64.8%	68.1%	71.5%	74.7%	
Total Occ. Rooms	13,150	14,202	14,912	15,658	16,362	
Average Daily Rate	\$112.00	\$117.60	\$121.13	\$124.76	\$128.50	
<b>REVENUE:</b>						
Guest Rooms	1,472,800	97.0%	1,670,155	97.0%	1,806,273	97.0%
Meeting Room	6,575	0.4%	8,521	0.5%	10,438	0.6%
Vending / Bar Revenue	39,450	2.6%	42,606	2.5%	44,736	2.4%
	=====		=====		=====	=====
<b>TOTAL HOTEL REVENUE</b>	<b>1,518,825</b>	<b>100.0</b>	<b>1,721,282</b>	<b>100.0</b>	<b>1,861,448</b>	<b>100.0</b>

NOTE: The above information is a forward looking projection of anticipated expenses and profit with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research, (STR) in the market's proximity along with to date site shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.





5 Year Projection										
The following statistics are preliminary projection based on assumed costs of prototypical hotel										Rooms: 60
	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	21,900		21,900		21,900		21,900		21,900	
Lodging Occupancy %	60.0%	60.0%	64.8%	64.8%	68.1%	68.1%	71.5%	71.5%	74.7%	74.7%
Total Occ. Rooms	13,150		14,202		14,912		15,658		16,362	
Average Daily Rate	\$112.00		\$117.60		\$121.13		\$124.76		\$128.50	
Revenue Per Available Room (REVPAR)	\$67.25		\$76.26		\$82.48		\$89.20		\$96.01	
<b>REVENUE:</b>										
Guest Rooms	1,472,800	89.60%	1,670,155	90.05%	1,806,273	90.31%	1,953,484	90.56%	2,102,633	90.81%
F&B Revenue	131,500	8.00%	142,020	7.66%	149,121	7.46%	156,577	7.26%	163,623	7.07%
Vending Revenue	39,450	2.40%	42,606	2.30%	44,736	2.24%	46,973	2.18%	49,087	2.12%
<b>TOTAL HOTEL REVENUE</b>	<b>1,643,750</b>	<b>100%</b>	<b>1,854,781</b>	<b>100%</b>	<b>2,000,130</b>	<b>100%</b>	<b>2,157,034</b>	<b>100%</b>	<b>2,315,343</b>	<b>100%</b>
<b>HOTEL PAYROLL EXPENSE</b>										
Hotel Manager	65,000	3.95%	65,975	3.56%	66,965	3.35%	67,969	3.15%	68,989	2.98%
Ast.Manager/SalesManager	45,000	2.74%	46,350	2.50%	47,741	2.39%	49,173	2.28%	50,648	2.19%
Housekeeping	65,750	4.00%	67,723	3.65%	69,754	3.49%	71,847	3.33%	74,002	3.20%
Maintenance	29,456	1.79%	33,403	1.80%	45,157	2.26%	48,837	2.26%	52,566	2.27%
Front Desk	103,096	6.27%	106,189	5.73%	109,375	5.47%	112,656	5.22%	116,035	5.01%
F&B Staffing	72,325	4.40%	78,111	4.21%	82,017	4.10%	86,117	3.99%	89,993	3.89%
Breakfast/Social	14,728	0.90%	15,170	0.82%	15,625	0.78%	16,094	0.75%	16,576	0.72%
Workers Comp Insurance	7,708	0.47%	7,991	0.43%	8,475	0.42%	8,762	0.41%	9,056	0.39%
Payroll Tax	50,383	3.07%	52,614	2.84%	55,638	2.78%	57,682	2.67%	59,733	2.58%
<b>TOTAL HOTEL PAYROLL</b>	<b>453,445</b>	<b>27.59%</b>	<b>473,525</b>	<b>25.53%</b>	<b>500,745</b>	<b>25.04%</b>	<b>519,136</b>	<b>24.07%</b>	<b>537,598</b>	<b>23.22%</b>
<b>HOTEL OPERATING EXPENSE</b>										
Cleaning Supplies	6,575	0.40%	7,101	0.38%	7,456	0.37%	7,829	0.36%	8,181	0.35%
Laundry Supplies	9,863	0.60%	10,652	0.57%	11,184	0.56%	11,743	0.54%	12,272	0.53%
Linens	13,150	0.80%	14,202	0.77%	14,912	0.75%	15,658	0.73%	16,362	0.71%
Guest Supplies	16,438	1.00%	17,753	0.96%	18,640	0.93%	19,572	0.91%	20,453	0.88%
Operating Supplies	11,178	0.68%	12,072	0.65%	12,675	0.63%	13,309	0.62%	13,908	0.60%
Repairs & Maintenance	11,046	0.67%	16,702	0.90%	27,094	1.35%	39,070	1.81%	42,053	1.82%
Swimming Pool Maintenance	12,500	0.76%	15,000	0.81%	18,000	0.90%	21,600	1.00%	25,920	1.12%
Grounds/Landscape	7,500	0.46%	7,725	0.42%	7,957	0.40%	8,195	0.38%	8,441	0.36%
Franchise Fee	60,225	3.66%	60,225	3.25%	60,225	3.01%	60,225	2.79%	60,225	2.60%
Property Mgmt. System Expense	5,160	0.31%	5,263	0.28%	5,368	0.27%	5,476	0.25%	5,585	0.24%
Complimentary Breakfast	52,600	3.20%	56,808	3.06%	59,648	2.98%	62,631	2.90%	65,449	2.83%
Travel Agent Fees	36,820	2.24%	41,754	2.25%	45,157	2.26%	48,837	2.26%	52,566	2.27%
Reservations Expense	9,000	0.55%	9,180	0.49%	9,364	0.47%	9,551	0.44%	9,742	0.42%
F&B Expenses	65,750	4.00%	71,010	3.83%	74,561	3.73%	78,289	3.63%	81,812	3.53%
Vending Expense	19,725	1.20%	21,303	1.15%	22,368	1.12%	23,487	1.09%	24,543	1.06%
Marketing / Advertising	8,100	0.49%	9,186	0.50%	9,935	0.50%	10,744	0.50%	11,564	0.50%
Utilities	98,625	6.00%	111,287	6.00%	120,008	6.00%	129,422	6.00%	138,921	6.00%
Cable/Internet/Phone	54,750	3.33%	61,779	3.33%	66,620	3.33%	71,846	3.33%	77,119	3.33%
Credit Card Expense	36,984	2.25%	41,733	2.25%	45,003	2.25%	48,533	2.25%	52,095	2.25%
Management Fee	98,625	6.00%	111,287	6.00%	120,008	6.00%	129,422	6.00%	138,921	6.00%
Other Expense/Frequent Stay	3,288	0.20%	3,551	0.19%	3,728	0.19%	3,914	0.18%	4,091	0.18%
Accounting Services	4,800	0.29%	5,416	0.29%	5,841	0.29%	6,299	0.29%	6,761	0.29%
<b>TOTAL OPERATING EXPENSES</b>	<b>642,701</b>	<b>39.10%</b>	<b>710,986</b>	<b>38.33%</b>	<b>765,751</b>	<b>38.29%</b>	<b>825,652</b>	<b>38.28%</b>	<b>876,984</b>	<b>37.88%</b>
Income Before Fixed Expenses	547,604	33.31%	670,270	36.14%	733,633	36.68%	812,246	37.66%	900,760	38.90%
Gross Operating Profit (GOP)										
<b>RESERVES &amp; FIXED EXPENSES</b>										
Real Estate Taxes (Estimates)	112,161	6.82%	112,161	6.05%	112,161	5.61%	112,161	5.20%	112,161	4.84%
Insurance	25,200	1.53%	25,704	1.39%	26,218	1.31%	26,742	1.24%	27,277	1.18%
Reserves For Replacement	16,438	1.00%	18,548	1.00%	40,003	2.00%	64,711	3.00%	92,614	4.00%
<b>NET OPERATING INCOME (NOI)</b>	<b>393,805</b>	<b>23.96%</b>	<b>513,857</b>	<b>27.70%</b>	<b>555,252</b>	<b>27.76%</b>	<b>608,631</b>	<b>28.22%</b>	<b>668,708</b>	<b>28.88%</b>
Loan (Interest Payment)	271,474	16.52%	263,506	14.21%	255,089	12.75%	246,196	11.41%	236,803	10.23%
LOAN (Principal Reduction)	141,258	8.59%	149,226	8.05%	157,643	7.88%	166,536	7.72%	175,929	7.60%
<b>NET CASH FLOW</b>	<b>(\$18,927)</b>	<b>-1.15%</b>	<b>\$101,124</b>	<b>5.45%</b>	<b>\$142,519</b>	<b>7.13%</b>	<b>\$195,899</b>	<b>9.08%</b>	<b>\$255,976</b>	<b>11.06%</b>
<b>RETURN ON INVESTMENT (ROI) %</b>	<b>-0.64%</b>		<b>3.40%</b>		<b>4.80%</b>		<b>6.60%</b>		<b>8.62%</b>	

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.





**5 Year Break Even** Rooms: 60

The following statistics are preliminary projections based on assumed costs of prototypical hotel.

	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
Lodging Rooms Available	21,900		21,900		21,900		21,900		21,900	
Lodging Occupancy %	66.6%	66.6%	63.8%	63.8%	64.8%	64.8%	63.9%	63.9%	62.6%	62.6%
Total Occ. Rooms	14,596		13,977		14,188		14,001		13,711	
Average Daily Rate	\$112.00		\$117.60		\$121.15		\$124.76		\$128.50	
Revenue Per Available Room (REVPAR)	\$74.65		\$75.05		\$78.47		\$79.76		\$80.45	
<b>REVENUE:</b>										
Guest Rooms	1,634,752	89.60%	1,643,695	90.05%	1,718,564	90.31%	1,746,791	90.56%	1,761,928	90.81%
F&B Revenue	145,960	8.00%	139,770	7.66%	141,880	7.46%	140,010	7.26%	137,110	7.07%
Vending Revenue	43,788	2.40%	41,931	2.30%	42,564	2.24%	42,003	2.18%	41,133	2.12%
<b>TOTAL HOTEL REVENUE</b>	<b>1,824,500</b>	<b>100%</b>	<b>1,825,396</b>	<b>100%</b>	<b>1,903,008</b>	<b>100%</b>	<b>1,928,804</b>	<b>100%</b>	<b>1,940,171</b>	<b>100%</b>
<b>HOTEL PAYROLL EXPENSE</b>										
Hotel Manager	65,000	3.56%	66,950	3.67%	68,959	3.62%	71,027	3.68%	73,158	3.77%
Asst. Manager/Sales Manager	45,000	2.47%	46,350	2.54%	47,741	2.51%	49,173	2.55%	50,648	2.61%
Housekeeping	72,980	4.00%	69,885	3.83%	70,940	3.73%	70,005	3.63%	68,555	3.53%
Maintenance	32,695	1.79%	32,874	1.80%	42,964	2.26%	43,670	2.26%	44,048	2.27%
Front Desk	125,000	6.85%	128,750	7.05%	132,613	6.97%	136,591	7.08%	140,689	7.25%
F&B Staffing	80,278	4.40%	76,874	4.21%	78,034	4.10%	77,006	3.99%	75,411	3.89%
Breakfast/Social	32,695	1.79%	33,676	1.84%	34,686	1.82%	35,727	1.85%	36,799	1.90%
Workers Comp Insurance	8,517	0.47%	8,620	0.47%	9,080	0.48%	9,262	0.48%	9,427	0.49%
Payroll Tax	57,771	3.17%	57,997	3.18%	60,627	3.19%	61,557	3.19%	62,342	3.21%
<b>TOTAL HOTEL PAYROLL</b>	<b>519,936</b>	<b>28.50%</b>	<b>521,976</b>	<b>28.60%</b>	<b>545,643</b>	<b>28.67%</b>	<b>554,017</b>	<b>28.72%</b>	<b>561,076</b>	<b>28.92%</b>
<b>HOTEL OPERATING EXPENSE</b>										
Cleaning Supplies	7,298	0.40%	6,989	0.38%	7,094	0.37%	7,001	0.36%	6,856	0.35%
Laundry Supplies	10,947	0.60%	10,483	0.57%	10,641	0.56%	10,501	0.54%	10,283	0.53%
Linens	14,596	0.80%	13,977	0.77%	14,188	0.75%	14,001	0.73%	13,711	0.71%
Guest Supplies	18,245	1.00%	17,471	0.96%	17,735	0.93%	17,501	0.91%	17,139	0.88%
Operating Supplies	12,407	0.68%	11,880	0.65%	12,060	0.63%	11,901	0.62%	11,654	0.60%
Repairs & Maintenance	12,261	0.67%	16,437	0.90%	25,778	1.35%	34,936	1.81%	35,239	1.82%
Swimming Pool Maintenance	12,500	0.69%	15,000	0.82%	18,000	0.95%	21,600	1.12%	25,920	1.34%
Grounds/Landscape	7,500	0.41%	7,725	0.42%	7,957	0.42%	8,195	0.42%	8,441	0.44%
Franchise Fee	60,225	3.30%	60,225	3.30%	60,225	3.16%	60,225	3.12%	60,225	3.10%
Property Mgmt. System Expense	5,160	0.28%	5,263	0.29%	5,368	0.28%	5,476	0.28%	5,585	0.29%
Complimentary Breakfast	58,384	3.20%	55,908	3.06%	56,752	2.98%	56,004	2.90%	54,844	2.83%
Travel Agent Fees	40,869	2.24%	41,092	2.25%	42,964	2.26%	43,670	2.26%	44,048	2.27%
Reservations Expense	9,000	0.49%	9,180	0.50%	9,364	0.49%	9,551	0.50%	9,742	0.50%
F&B Expenses	72,980	4.00%	69,885	3.83%	70,940	3.73%	70,005	3.63%	68,555	3.53%
Vending Expense	21,894	1.20%	20,966	1.15%	21,282	1.12%	21,002	1.09%	20,567	1.06%
Marketing / Advertising	12,261	0.67%	12,328	0.68%	12,889	0.68%	13,101	0.68%	13,214	0.68%
Utilities	109,470	6.00%	109,524	6.00%	114,180	6.00%	115,728	6.00%	116,410	6.00%
Cable/Internet/Phone	54,750	3.00%	54,777	3.00%	57,106	3.00%	57,880	3.00%	58,221	3.00%
Credit Card Expense	41,051	2.25%	41,071	2.25%	42,818	2.25%	43,398	2.25%	43,654	2.25%
Management Fee	109,470	6.00%	109,524	6.00%	114,180	6.00%	115,728	6.00%	116,410	6.00%
Other Expense/Frequent Stay	3,649	0.20%	3,494	0.19%	3,547	0.19%	3,500	0.18%	3,428	0.18%
Accounting Services	4,800	0.26%	4,802	0.26%	5,007	0.26%	5,074	0.26%	5,104	0.26%
<b>TOTAL OPERATING EXPENSES</b>	<b>699,716</b>	<b>38.35%</b>	<b>698,001</b>	<b>38.24%</b>	<b>730,075</b>	<b>38.36%</b>	<b>745,978</b>	<b>38.68%</b>	<b>749,251</b>	<b>38.62%</b>
Income Before Fixed Expenses	604,848		605,419		627,289		628,809		629,844	
Gross Operating Profit (GOP)										
<b>RESERVES &amp; FIXED EXPENSES</b>										
Real Estate Taxes (Estimates)	112,161	6.15%	112,161	6.14%	112,161	5.89%	112,161	5.82%	112,161	5.78%
Insurance	25,200	1.38%	25,704	1.41%	26,218	1.38%	26,742	1.39%	27,277	1.41%
Reserves For Replacement	54,735	3.00%	54,762	3.00%	76,120	4.00%	77,152	4.00%	77,607	4.00%
<b>NET OPERATING INCOME (NOI)</b>	<b>412,752</b>	<b>22.62%</b>	<b>412,792</b>	<b>22.61%</b>	<b>412,790</b>	<b>21.69%</b>	<b>412,753</b>	<b>21.40%</b>	<b>412,799</b>	<b>21.28%</b>
Loan (Interest Payment)	271,474	14.88%	263,506	14.44%	255,089	13.40%	246,196	12.76%	236,803	12.21%
Loan (Principal Reduction)	141,258	7.74%	149,226	8.18%	157,643	8.28%	166,536	8.63%	175,929	9.07%
<b>NET CASH FLOW</b>	<b>\$20</b>	<b>0.00%</b>	<b>\$60</b>	<b>0.00%</b>	<b>\$58</b>	<b>0.00%</b>	<b>\$21</b>	<b>0.00%</b>	<b>\$67</b>	<b>0.00%</b>

NOTE: The above information is a forwards looking projection of anticipated expenses and profits with regard to this project based on the professional experience of Core Distinction Group LLC (CDG) participation in other projects, similar in nature. Occupancy and ADR projections derived from market data trends reported by Smith Travel Research (STR) in the market's proximity along with to date rate shopping of local and surrounding hotels. This projection could change due to changes in the economy, both locally and overall, the acceptance of the project by the local community and patrons and the fact that CDG has not been involved in a project in this area and in a municipality with these demographics in the past. Thereby, all investors understand and acknowledge that these forward looking projections are not warranted by CDG and are subject to change and fluctuation.

**E. ADDITIONAL DOCUMENTATION AND CHECKLIST**

Applicants will also be required to provide the following documentation. All personal financial information will be kept private and confidential.

- 1. Written business plan or a description of the business, ownership/ management, date established, products and services, and future plans.
- 2. Financial statements for past two years, including profit and loss statements and balance sheets.
- 3. Two year financial projections.
- 4. Personal financial statements of all major shareholders (principals) including the most recent 2 years of tax returns. (If requested.)
- 5. Letter of commitment from other sources of financing, stating terms and conditions of their participation in the project.
- 6. Administrative fee of up to \$5,000. In addition to defraying the cost of staff time, the fee will be used to pay costs associated with processing this request for financial assistance such as legal, engineering and financial analysis. The City reserves the right to stop the processing of the request until additional fees are paid should the original amount be insufficient to pay such costs. That portion which remains unspent, if any, will be returned only if the project is denied approval.
- 7. Attach the following documentation:

- \_\_\_\_\_ Part 1 – Corporation/Partnership Description
- \_\_\_\_\_ Part 2 – List of Shareholders/Partners
- \_\_\_\_\_ Part 3 – Description of Project
- \_\_\_\_\_ Part 4 – *But For* Analysis
- N/A \_\_\_\_\_ Part 5 – List of Prospective Lessees (If requested)
- \_\_\_\_\_ Part 6 – Legal Description, Property Identification Numbers, maps of the project area, and project renderings
- \_\_\_\_\_ Part 7 – Public Purpose Narrative
- \_\_\_\_\_ Part 8 – Sources & Uses of Funds – Additional Information

The undersigned certifies that all information provided in this application is true and correct to the best of the undersigned's knowledge. The undersigned authorizes the City and EDA of Ramsey to check credit references, verify financial and other information, and share this information with other political subdivisions as needed. The undersigned also agrees to provide any additional information as may be requested by the City after the filing of this application.

Applicant Name As Cobblestone Hotel Development LLC Date 12/30/19  
 By \_\_\_\_\_  
 Its managing member

**EXHIBIT B**  
**BUSINESS ASSISTANCE REVIEW WORKSHEET**  
**FOR COMMERCIAL/INDUSTRIAL PROJECTS**  
TO BE COMPLETED BY APPLICANT AND CITY STAFF

**A. The project meets which of the following objectives as set forth in Section C of the Business Assistance policy:**

- 1. To encourage redevelopment.
- 2. To retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.
- 3. To enhance and/or diversify the City's economic base.
- 4. To encourage additional unsubsidized private (re)development.
- 5. To remove blight and/or encourage (re)development of commercial and industrial areas.
- 6. To accomplish other public policies which may be adopted such as the promotion of quality urban or architectural design, energy conservation, and decreasing capital and/or operating costs of local government.
  - Utilization of architectural and landscaping techniques that will enable the components of the project to blend with the natural environment.
  - Mitigation of project impact on the natural environment.

**B. Ratio of Private to Public Investment in Project:**

\$ 2,970,000.00 Private Investment  
 \$ 326,700 Public Investment  
9:1 Ratio Private : Public Financing

**Points:** 5  
 5:1 5  
 4:1 4  
 3:1 3  
 2:1 2  
 Less than 2:1 1

**C. Job Creation:**

12 Net new jobs (minimum 40 hours per week) or fulltime equivalents

**Points:** 3  
 50+ 5  
 20+ 4  
 10+ 3  
 5+ 2  
 Less than 2 1

**D. Wage Level of jobs created:**

Average hourly wage  
 Of new jobs \$11.00/hr

**Points:** 2  
 Over \$21/hour 5  
 \$18-21/hour 4  
 \$14-17/hour 3  
 \$10-13/hour 2  
 Under \$10/hour 1

**E. Ratio Of Business Assistance To New Jobs Created:**

\$ 326,700 Business assistance requested  
12 FTE Number of net *new* jobs created  
 \$ 27,225 of business assist. per net *new* job created

<b>Points:</b>	<u>3</u>
\$5,000 or less	<u>5</u>
\$15,000 or less	<u>4</u>
\$25,000 or less	<u>3</u>
\$50,000 or less	<u>2</u>
Over \$75,000	<u>1</u>

**F. Project size:**

The project will result in the construction  
 of 31,521 square feet

<b>Points:</b>	<u>3</u>
75,000+	<u>5</u>
50,000+	<u>4</u>
25,000+	<u>3</u>
10,000+	<u>2</u>
5,000 or less	<u>1</u>

**G. Type of Project:**

100% Owner Occupied  
 Mix Owner Occupied & Investment  
 Investment Property

<b>Points:</b>	<u>5</u>
	<u>5</u>
	<u>3</u>
	<u>1</u>

**H. Likelihood that the project will result in unsubsidized, spin-off development:**

High  
 Moderate  
 Low

<b>Points:</b>	<u>3</u>
	<u>5</u>
	<u>3</u>
	<u>1</u>

I.

<u>5</u>
<u>3</u>
<u>2</u>
<u>3</u>
<u>3</u>
<u>5</u>
<u>3</u>

Sub-Total Points 24 of a possible 35 points.

**Bonus Points**

The project will be 100% *pay-as-you-go* financing.  
 The project is a redevelopment project.

**Bonus Points:**

<u>0</u>
<u>3</u>
<u>3</u>

**Total Points:** 24

Overall project analysis:	High	35 points
	Moderate	25 points
	Low	15 points
	Not Eligible	5 points

The principals of Cobblestone Hotel Development, LLC also are the principals in the following companies:

WHG Companies, LLC, a Hotel Management Company [www.whgco.com](http://www.whgco.com)

BriMark Builders, LLC, a hotel construction company [www.brimarkbuilders.com](http://www.brimarkbuilders.com)

Cobblestone Hotels, LLC, a hotel franchise company [www.staycobblestone.com](http://www.staycobblestone.com)



Based out of Neenah, Wisconsin, WHG Companies, a hospitality management company, was founded by an independent owner/operator. Growth for WHG Companies has been fueled by implementing creative marketing strategies, and combining them with exceptional customer service programs. WHG currently oversees seventy-eight hotel properties, five restaurants, and one event center; covering seventeen states.

Fusing development services with operational support, WHG is positioned to contribute to every aspect of a hotel. From a conceptual idea to an existing, mature property, they can assist with any facet specific to your needs to help your property thrive.

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**Marketing**

- Personalized Sales Training
- Customized Research and Planning
- Sales Promotion
- Tourism and Travel Department
- Reporting and Monitoring

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**Operations**

- Cost Control Systems
- Food/Beverage Concepts
- Menu Planning and Design
- Standardized Purchasing
- Personnel Recruitment/Training
- Life Safety Training
- Policy Manuals
- Preventative Maintenance
- Insurance Claim Control
- Energy Management

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**Accounting and Finance**

- Cash Management
- Internal Audit
- Payroll Processing
- Budgeting and Profit Planning
- Management Information Systems
- Financial Statement
- Mortgage Submission Packaging

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**New Development and Renovation**

- Market Evaluation/Feasibility Studies
- Site Selection
- Development of Plans and Specifications
- Project Budgeting
- Bid Preparation and Selection
- Construction/Project Management
- Interior Design
- Pre-Opening Marketing
- Staffing



BriMark's experts are skilled in every aspect of new hotel construction, from initial site planning and conceptual budgeting, to the property's opening. Our hotel renovation projects are coordinated with property managers to minimize disruption to hotel operations. We also work with owners on Rebranding and Property Improvement Plans (PIPs) from conceptual estimates through full design and construction.

BriMark Builders is a dedicated and results oriented company. With strong leadership and creative problem-solving skills, we work to produce a cost effective, high quality product.

**Services Offered:**

- Coordination of Market Study
- Assistance with Site Selection—ensuring optimum visibility and accessibility
- Assistance in Raising Equity for Hotel Project
- Assistance in Acquiring Financing Package for Project
- Obtain approvals form Local Municipality and State—obtaining all possible development related incentives
- Obtain all Local and State Zoning Approvals and complete Permitting Process
- Provide complete set of detailed Construction Plans
- Secure and arrange for Hotel Franchise
- Secure Professional Hotel Management Company
- Provide a complete Turn-Key Budget
- Provide Complete Hotel Construction Services
- Provide Turn-Key Hotel completion including all FF&E
- Arrange for all Landscaping and Signage
- Provide Monitoring Services for completed Hotel

All of the services above are included when you utilize BriMark for your hotel development project.

**States we have built in:**

Arkansas	Nebraska
Colorado	New York
Idaho	North Dakota
Illinois	Ohio
Indiana	Pennsylvania
Iowa	Texas
Kansas	Utah
Louisiana	Wisconsin
Minnesota	Wyoming

# ABOUT COBBLESTONE HOTELS

[www.cobblestonehotels.com](http://www.cobblestonehotels.com) / [www.cobblestonefranchising.com](http://www.cobblestonefranchising.com)

Headquartered in Neenah, Wisconsin, Cobblestone Hotels, LLC prides itself in filling the lodging needs of communities throughout the United States through its upper midscale brands, Cobblestone Hotel & Suites, Cobblestone Inn & Suites, and its conversion brand Boarders Inn & Suites by Cobblestone Hotels. Since its first property opened in Clintonville, Wisconsin in January of 2008, the brand has expanded to 160+ locations open or under construction, spread across 27 states. With more than 30 locations under development, Cobblestone Hotels is one of the fastest growing hotel brands in the country. The cohesive approach of community and entrepreneurship provides the catalyst for success.

## HISTORY

In 2007, while driving from Sioux Falls, SD to Oshkosh, Wisc. Brian Wogernese went through many small towns, and realized these small towns' need for hotels were being overlooked. Upon returning from this trip the perfect prototype was drawn out; however, none of the bigger brands wanted anything less than 65 units. From there, the Cobblestone Hotels began. A 31-unit Cobblestone Inn & Suites was designed that would ensure these small towns were given the quality and amenities that you would see in the bigger markets. A brand that offers all of the amenities a larger brand would provide, but just the right size for smaller communities that couldn't support a 65-unit hotel. It didn't take long for the phone calls to start coming in from various small towns in the Midwest. Now, ten years after the first location opened in Clintonville, Wisconsin, Cobblestone Hotels has expanded development into larger markets, while still holding true to the core mission of providing quality lodging to communities across the nation.

## FRANCHISE SUPPORT

### Global Distribution and Central Reservations Service Support

- 24 Hours a Day, 7 Days a Week Booking Engine
- Mobile Website for easy on the go booking
- 24 Hour Central Reservation Call Center
- Complete GDS Representation and third-party distribution via online travel sites including: GDS Connectivity through all the major booking channels (AMADEUS, GALILEO, WORLDSPAN, and PEGASUS) and direct link through SABRE.
- Building of all Property Shells for all GDS
- Communication/Relationship Management with all Third-Party Internet Sites

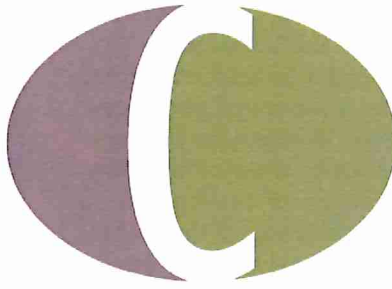
### National Sales, Marketing, and Revenue Management Service Support

- Cobblestone Rewards Program
- Social Media Support
- Graphic and Marketing Design Services
- National Sales
- National Online Marketing Ad Campaigns
- Extensive, Daily, Search Engine Optimization
- Market Analysis and Planning
- Extensive and Expansive Public Relations
- Proven Sales and Marketing

### Operational Service Support

- Quality Assurance
- Fully Developed Brand Standards
- Training
- Cobblestone Hotels Onsite Training – Brand Standards and PMS Training (with certain systems)
- Cobblestone Hotels Brand Manager/Owner Training
- Ongoing Webinar Training Available to all Staff Members
- Brand wide purchasing power (with no required vendors)
- Proven and Sound Business Acumen





December 12, 2019

With the success of our Cobblestone Main Street Prototype, we are excited to be looking at another location for us within the city of Ramsey, MN

Cobblestone Hotels offers our guest "Big City Quality... Small Town Values" in every aspect of our hotels. We offer upper-midscale hotel accommodations across the United States for those away from home on business or leisure. Complimentary Hot Breakfast Buffet, Wireless Internet, Daily Newspaper, and Onsite Convenience Stores are all staples in the Cobblestone Hotels Brand mixing convenience, comfort and extraordinary customer service to create a perfect and relaxing stay.

Our plan for a hotel in your community would be constructing a 60 unit 4-story hotel with a full-service steak house located on the ground level. The hotel would feature a stone and brick façade. The hotel would feature both standard rooms and suites, as well as extended stay rooms. The furnishings and finishing's of the hotel are all upgraded and modern in style. The hotel would also feature additional amenities of a pool, business center, meeting room, and exercise room.

The Wisconsin Chophouses that we currently operate offer an upscale menu featuring the highest quality USDA Choice cuts of meats, sea food, and an extensive shareables menu including truffle mac & cheese, Risotto, Asparagus, mashed potatoes, and a wide array of desserts. We feature 20 wines by the glass as well as 20 beers on tap. We also feature a relaxing outside patio area for guests to relax and enjoy a beverage or even a full dinner. The patio would also feature a fire pit.

Between the hotel and the restaurant, we plan to employ at least 25 people, with approximately 12 Full time equivalents.

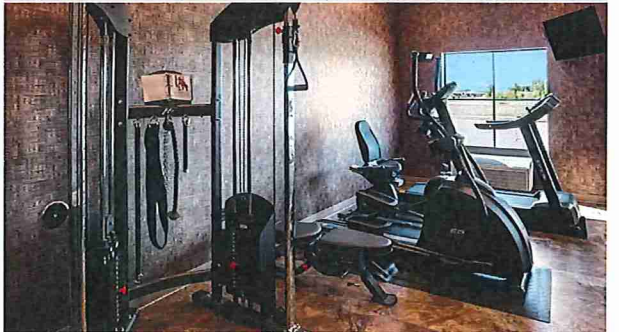
We have included in this letter pictures of the finished product, showing the outside of the facility, along with pictures of the inside of the facility showing guest rooms and guest public spaces including the exercise area and the restaurant and outside patio area.

We appreciate your time and consideration of our project and are very excited at the chance to be looking at working with your community on our next Cobblestone Main Street Hotel.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Wogernese". The signature is fluid and cursive, with a long horizontal stroke at the end.

Brian Wogernese  
President & CEO  
Cobblestone Hotels, LLC



# Memo

**To:** Sean Sullivan, Economic Development Manager  
**From:** Jason Aarsvold, Ehlers  
**Date:** 1-2-2020  
**Subject:** Cobblestone Hotel – Request for Assistance

The City of Ramsey received a request for assistance to construct a 60 room Cobblestone Hotel and Suites project within the COR area on City-owned land. The developer is requesting the City write-down the cost of the land to \$1 to make the project financially feasible.

You requested that Ehlers review the developer’s proposal to determine whether the request is reasonable and within industry standards. Ehlers conducted a thorough review of the developer’s budget and operating pro forma to ensure all development costs, anticipated revenues, and expenditures were represented appropriately. The table below depicts the sources and uses of funds for the project as proposed by the developer.

<b>SOURCES</b>			
	<b>Amount</b>	<b>Pct.</b>	<b>Per Room</b>
First Mortgage	5,000,000	62.7%	83,333
Developer Equity	2,970,001	37.3%	49,500
<b>TOTAL SOURCES</b>	<b>7,970,001</b>	<b>100%</b>	<b>132,833</b>

<b>USES</b>			
	<b>Amount</b>	<b>Pct.</b>	<b>Per Room</b>
Acquisition Costs	1	0.0%	0
Construction Costs	5,800,000	72.8%	96,667
Furniture, Fixtures, & Equipment	1,385,000	17.4%	23,083
Professional Services	265,000	3.3%	4,417
Financing Costs	170,000	2.1%	2,833
Developer Fee	250,000	3.1%	4,167
Cash Accounts/Escrows	100,000	1.3%	1,667
<b>TOTAL USES</b>	<b>7,970,001</b>	<b>100%</b>	<b>132,833</b>

## Analysis

Generally, this project meets the expectations of a limited service, or upper midscale, hotel project regarding the financing structure, projected revenues, developer fee, and on-going operational costs. Following are our findings from the analysis completed for the project:

- The Developer proposes to finance the entire hotel project with a combination of equity and debt. The proposed financing includes just over 37% equity and 62.7% debt in the form a first mortgage. For a project of this nature, we would expect to see an equity

contribution of at least 25%. The developer indicates the first mortgage would include a 20-year term with 5.5% interest. While these terms are within industry standards and are used for the analysis, we were not given an actual lending commitment to review.

- The total development cost (TDC) for this project is \$7.97 million or \$132,833 per room, assuming no payment for the land. Based on our experience with similar projects, we would expect total development costs to range between \$125,000 and \$150,000 per room with a payment for land. The development costs are within an acceptable range, but we did not receive a detailed breakdown for review. **Using a look-back provision for development costs in the purchase/development agreement is advised.**
- The development fee of \$250,000 is 3.1% of total development costs. For a project of this nature, we would expect to see a developer fee of no more than 5%. The proposed fee is acceptable.
- The developer proposes an Average Daily Rate (ADR) of \$112 in year one with a 60% percent occupancy assumption. This increases to an ADR of \$121 by year three with a 68% occupancy assumption. We typically see ADR assumptions of between \$110 and \$125 in year 1 depending on the local market. The projected ADR is on the lower-end of the acceptable range. Occupancy should be at or above 68% upon stabilization, and this project is exceeding that benchmark. Given the lower projected ADR, however, a look-back provision is recommended.
- The total operating costs are projected at just over \$20,800 per room. The proposed operating costs are within industry standards.
- The projected rates of return for this project, with the full land write-down, are below industry standards. Upon stabilization, the projected cash on cost return (net operating income / TDC) is 7%. Hotel developer/owners would like to see a cash on cost of up to 9%. The projected cash on cash return (annual cash flow / equity) is 4.8%. Hotel developer/owners would like to see a cash on cash return of up to 10%.

## Recommendations

In summary, the lower than average projected return on investment means the project does demonstrate a need for assistance. Providing the requested land write-down will help facilitate development of the hotel without unduly enriching the developer.

In addition, we estimate the project will generate approximately \$45,000 annually in tax increment within the COR TIF district. These funds will be available as a result of this project to repay the City for land costs and other investment in the COR area.

To provide added assurance that the assistance is warranted, including a look-back provision in the purchase/development agreement is recommended. This provision will help ensure the actual TDC is as much as projected and that the returns on investment do not exceed industry standard.

## PURCHASE AGREEMENT

This Agreement is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **COBBLESTONE HOTEL DEVELOPMENT, LLC** and/or its assigns, a Wisconsin limited liability company (“Buyer”).

In consideration of the Earnest Money, the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **EFFECTIVE DATE.** The effective date of this Agreement is \_\_\_\_\_ (the “Effective Date”).
2. **SALE OF PROPERTY.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller approximately 1.5 acres of vacant land, legally described as follows:

The East half of Outlot A, COR Stone Brook Academy, to be platted as: T.B.D.

Anoka County PID Number: Portion of 28-32-25-23-0018

3. **PURCHASE PRICE.** The purchase price for the Property is \$1.00 including the easement area on +/- 1.5 acres (65,340 square feet) subject to a lot split as outlined in Exhibit A plus or minus the prorations and credits as provided for herein (the “Purchase Price”). The property valuation is \$326,700, is proposed to be reimbursed through Tax Increment Financing.
4. **EARNEST MONEY AND ADDITIONAL EARNEST MONEY.** Within five business days after the Effective Date, Buyer must deposit the sum of \$1.00 (the “Earnest Money”) with Commercial Partners Title Company (“Escrow Agent”), via wire transfer or delivery of a certified check payable to Escrow Agent.
  - a. If Buyer does not deposit the Earnest Money as required above, then Seller may terminate this Agreement by written notice to Buyer; provided, however, if Buyer deposits the Earnest Money with Escrow Agent before Seller exercises Seller’s right to terminate, Seller’s right to terminate is extinguished.
  - b. Upon Seller’s receipt of a Notice to Proceed from Buyer in accordance with Section 9(b), all of the Earnest Money becomes non-refundable (except in accordance with Section 22 as a result of a default by Seller).

- c. If Buyer does not provide a Notice to Proceed to Seller in accordance with Section 9(b), this Agreement automatically terminates, and Escrow Agent must disburse all Earnest Money Escrow Agent holds to Buyer.
  - d. At Closing, Escrow Agent shall disburse to Seller any Earnest Money not previously disbursed to Seller, and Buyer shall receive a credit against the Purchase Price owing at Closing in an amount equal to the amount of the Earnest Money.
5. **SURVEY.** Seller has provided the Buyer an ALTA/NSPS 2016 survey (Table A, items 1-4 and 6, 8, and 11) for Outlot B, COR One (the "Survey") from a duly licensed surveyor dated April 18, 2017. Buyer may arrange with the surveyor to include additional information on the Survey at Buyer's expense.

6. **TITLE COMMITMENT.**

- a. Seller makes no representations or warranties with respect to the status of title to the Property. Within thirty (30) business days after the Effective Date, Seller shall, at Seller's expense, obtain a commitment from Escrow Agent to issue an owner's policy of title insurance insuring Buyer's title to the Property (the "Title Commitment") and deliver the Title Commitment and copies of or internet access to copies of all recorded documents referenced in the Title Commitment to Buyer.
- b. Buyer shall have until the date thirty (30) days after the receipt of the Title Commitment and the Survey (collectively, "**Title/Survey**") to review Title/Survey and to give Seller written notice of (i) any defects in the marketability of Seller title to the Property or any encumbrances on Seller's title to the Property that are objectionable to Buyer, and (ii) the specific actions Buyer requests that Seller take with respect to each such defect or encumbrance (a "**Title Objection Notice**"). Any defects in or encumbrances on Seller's title that Buyer does not identify in a timely Title Objection Notice are each a "**Permitted Exception**." Within three (3) business days after Seller's receipt of a Title Objection Notice from Buyer, Seller will notify Buyer, in writing, of the actions, if any, that Seller is willing to take with respect to each of the matters identified in the Title Objection Notice and the time frame in which Seller will take those actions ("**Seller's Title Notice**"). If Seller's Title Notice indicates that Seller unconditionally agrees to make Seller's title to the Property marketable on or before the closing date established pursuant to Section 10, the parties shall proceed to closing pursuant to the terms of this Agreement. If Seller's Title Notice indicates that Seller does not unconditionally agree to make Seller's Title to the Property marketable on or before the closing date established in Section 10, Buyer may, at any time with three (3) business days after Buyer's receipt of Seller's Title Notice, terminate this Agreement by written notice to Buyer in which case this Agreement is terminated and Escrow Agent must disburse any Earnest Money to Buyer ("**Buyer's Title Termination Notice**"). If Buyer does not deliver a Buyer's Title Termination Notice to Seller within the three (3)

business days after Buyer's receipt of Seller's Title Notice, than Seller must perform in accordance with Seller's Title Notice, Buyer shall be deemed to have waived Buyer's objections to the extent Seller has not agreed to address them in Seller's Title Notice, the matters to which Buyer objected and Seller did not agree to resolve are deemed Permitted Exceptions, and the parties shall proceed to Closing in accordance with the terms of this Agreement and the terms of Seller's Title Notice.

- 7. RIGHT OF ENTRY.** At all times after Buyer has deposited the Earnest Money with Seller and before the Closing, Buyer (and its employees, agents, and contractors) may enter the Property for the purpose of conducting soil tests, environmental tests and additional survey work, subject to the following conditions:
- a. Within one week after the termination of this Agreement, if either Seller or Buyer terminate this Agreement in accordance with the provisions hereof prior to Closing, Buyer must repair and or restore any damage Buyer or its employees, agents or contractors cause to the Property and remove any personal property, refuse or debris Buyer or its employees, agents or contractors brought onto or authorized third parties to bring onto the Property.
  - b. Buyer must defend and indemnify Seller from and against and hold Seller harmless Seller from all "Claims," as defined in Section 10, arising out of, resulting from or relating to any loss of or damage to any property or business or out of any injury to or death of any person, if the loss, damage, injury, or death arises or is alleged to arise either directly or indirectly and either wholly or in part from: (a) any action or omission of Buyer or its employees, agents, or contractors, while on the Property pursuant to this Section; or (b) actions or omissions of Buyer or Buyer's employees, agents, or contractors that cause or result in the release of any Hazardous Substance onto the Property or onto other property.
  - c. Buyer must comply with and shall cause it employees, agents, and contractors to comply with all applicable laws, while on the Property.
  - d. Other than a standard Phase 1 environmental assessment, Buyer may not commence any environmental testing on the Property until Buyer submits a work plan for such testing to Seller and Seller approves the work plan, in writing. Seller may not unreasonably withhold, condition or delay Seller's approval of a work plan.
  - e. Buyer must, promptly and without demand from Seller, provide Seller with true and complete copies of all draft and final reports relating to Buyer's geotechnical and environmental investigations and testing of the Property including, without limitation, any reports relating to any Phase I Environmental Site Assessment of the Property.
  - f. The cost of any test or additional survey work will be borne solely by Buyer.

**8. PROPERTY SOLD AS IS.** Subject to Buyer's right to terminate this Agreement pursuant to Section 9, Buyer agrees to accept the Property in its current condition, including, without limitation, its current environmental and geological condition, and in an "AS-IS" and with "ALL FAULTS" condition. Buyer's payment of the Purchase Price at Closing constitutes Buyer's acknowledgment and agreement that:

- a. Seller has not made any written or oral representations or warranties of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose);
- b. Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property;
- c. Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing; and
- d. The condition of the Property is fit for Buyer's intended use.
- e. Buyer accepts all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated from or to the Property.

**9. INSPECTION PERIOD.**

- a. Except as otherwise provided in Section 6, Buyer shall have from the date that Buyer deposits the Earnest Money with Escrow Agent to **180 days from the effective date**\_\_\_\_\_ (the "**Inspection Period**") to investigate the Property and determine, in Buyer's sole judgment, whether (i) the condition of the Property is suitable to Buyer's intended use; and (ii) Buyer will be able to obtain all governmental approvals (including, but not limited to, approvals necessary to subdivide and re-plat the Property) and utilities necessary for Buyer's intended use of the Property. Buyer acknowledges and agrees that Seller has not made any covenants, representations or warranties regarding Buyer's ability to obtain governmental approvals from the City of Ramsey or any other governmental entity. The City of Ramsey will review, consider and act on any applications Buyer submits to the City for governmental approvals in accordance with City Code.

- b. Buyer may, at any time on or before 5:00 p.m. on the last day of the Inspection Period, terminate the Agreement by written notice to Seller based on Buyer's determination, in Buyer's sole and absolute discretion, that the condition of the Property is not suitable for Buyer's intended use or that Buyer may not be able to obtain all governmental approvals and utilities necessary for Buyer's intended use of the Property. In addition, this Agreement automatically terminates at 5:00 p.m. on the last day of the Inspection Period unless, prior to that time Buyer delivers a written notice of Buyer's intention to proceed (a "**Notice to Proceed**") to Seller.
- c. If, pursuant to Section 9(b) either Buyer terminates this Agreement or this Agreement is automatically terminated, the Escrow Agent must disburse to Buyer any Earnest Money Escrow Agent holds.

**10. DEFINITIONS.** As used in this Agreement:

**"Claim"** or **"Claims"** means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgments, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

**"Environmental Law"** means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act (the Clean Water Act), 33 U.S.C. § 1251 et seq. the Clean Air Act, 42 U.S.C. § 7401 et seq., and the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing or hereafter enacted.

**"Hazardous Substance"** or **"Hazardous Substances"** means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

**11. RELEASE.** By accepting the deed to the Property, Buyer, for itself, its directors, officers, stockholders, divisions, agents, affiliates, subsidiaries, predecessors, successors, and assigns and anyone acting on its behalf or their behalf hereby fully releases and forever discharges Seller from any and all Claims (including without limitation all Claims arising under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation), past, present and future, known and unknown, existing and contingent, arising out of, resulting from, or relating to the condition of the Property, and Buyer hereby waives any and all causes of action (including without limitation any right of contribution) Buyer had, has or may have

against Seller and anyone acting on its behalf with respect to the condition of the Property, whether arising at common law, in equity or under a federal, state or local statute, rule or regulation. The foregoing shall apply to any condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated from or to the Property.

**12. NOTICES.** Notices permitted or required by this Agreement must be in writing and shall be deemed given when delivered in legible form to the party to whom addressed. Notices may be sent by certified mail or e-mail. Notices are effective two business days after they are mailed via certified mail, return receipt requested or, if sent by email, upon email transmission (provided that any email transmission that occurs after 5:00 pm Pacific Time will be deemed provided on the following day). If delivered at the Closing, a notice shall be deemed given when hand-delivered to the party's representative at the Closing. The business addresses of the parties are as follows:

Seller:           City Administrator  
                    City of Ramsey  
                    7550 Sunwood Drive N.W.  
                    Ramsey, MN 55303  
                    Email: kulrich@cityoframsey.com

Buyer:            COBBLESTONE HOTEL DEVELOPMENT, LLC  
                    Brian Wogernese  
                    980 American Drive  
                    Neenah, WI 54956  
                    Email: bwogernese@staycobblestone.com

Notices not given in the manner or within the time limits set forth in this Agreement are of no effect and may be disregarded by the party to whom they are directed.

**13. CLOSING.** This transaction shall close within 30 days after Buyer delivers a Notice to Proceed to Seller or on such earlier date as Seller and Buyer may establish by mutual, written agreement; provided, however, Buyer may extend the Closing a total of two (2) times, each time for a period of sixty (60) days, by depositing an additional One Thousand and 00/100 Dollars (\$1,000.00) earnest money with Escrow Agent for each extension. Each \$1,000 extension payment shall be non-refundable, but applicable to the Purchase Price. The Closing shall take place at the offices of the Escrow Agent, or at some other place as the parties may mutually agree prior to such date. At the option of either Party, the executed closing documents, Purchase Price and closing costs may be deposited with the Escrow Agent and disbursed by the Escrow Agent pursuant to avoid the necessity for a Closing at which the Parties are present.

- a. **Seller's Obligations at Closing.** At Closing, Seller must deliver to Escrow Agent, for delivery to Buyer:
- i. A limited warranty deed, duly executed and acknowledged on behalf of the City and with the City's seal affixed, conveying title to the Property, subject to (A) the lien of real estate taxes, if any, not yet due and payable and any installments of special assessments certified for payment therewith; (B) Building, Subdivision and Zoning Ordinances; (C) Matters that would be disclosed by an accurate survey of the Property; and (D) matters that constitute Permitted Exceptions pursuant to Section 6;
  - ii. A certified copy of a duly adopted City Ordinance and Resolution authorizing Seller's sale of the Property to Buyer; and
  - iii. Seller's affidavits, well disclosure certificate (if required), settlement statement approved by Seller and Buyer, and any other documents required by the Escrow Agent.
- b. **Buyer's Obligations at Closing.** At Closing, Buyer must:
- i. Wire Transfer (or deliver a certified check in) an amount equal to the amount of the Purchase Price adjusted for to reflect Buyer's prior payment of the Earnest Money and to reflect amounts Buyer must pay or will receive pursuant to Section 14(c), to Escrow Agent for disbursement to Seller and others pursuant to this Agreement and the Settlement Statement; and
  - ii. File or cause Escrow Agent to file an Electronic Certificate of Real Estate Value, if required and necessary.
- c. **Closing Costs.**
- i. At Closing, the following Seller closing costs and expenses must be paid from the Purchaser Price or, if the Purchase Price is not sufficient, paid by Seller:
    1. Seller shall pay all outstanding property taxes, including but not limited to, Payable 2020 for the Property.
    2. Seller's own attorney's fees.
    3. One-half the cost of any closing fees.
    4. The cost of real estate broker commission fees as prescribed in Section 14.
    5. State Deed Tax
  - ii. At Closing Buyer must pay the Purchase Price to Seller and the following costs and expenses:

1. Buyer's portion of prorated property taxes.
2. Buyer's own attorney's fees.
3. One-half the cost of any closing fees.
4. Documentary and recording fees for the deed(s).
5. The cost of the owner's title insurance policy, if Buyer elects to purchase an Owner's title insurance policy.

d. **Possession**. Seller must deliver possession of the Property to Buyer at Closing.

**14. REAL ESTATE BROKERS.** Seller and Buyer represent and warrant to each other that they have dealt with no brokers, real estate agents, finders or the like in connection with this transaction, other than CBRE, Inc. ("Sellers Broker"). Seller shall pay Seller's Broker as required by their agreement 3% of final gross sale price. Seller and Buyer agree to indemnify each other and to hold each other harmless against all claims, damages, costs or expenses of or for any broker's fees or commissions resulting for their actions or agreements regarding the execution or performance of this Agreement, other than the fees payable to Seller's Broker, and will pay all costs of defending any action or lawsuit brought to recover any such fees or commissions incurred by the other party, including reasonable attorney's fees.

**15. ASSIGNMENT.** This Agreement may not be assigned without the written consent of the non-assigning Party. The Seller recognizes the Buyer intends to assign this Agreement to an affiliated special purpose entity that will be registered officially with the State of Minnesota.

**16. THIRD PARTY BENEFICIARY.** There are no third-party beneficiaries of this Agreement, intended or otherwise.

**17. JOINT VENTURE.** Seller and Buyer, by entering into this Agreement and completing the transactions described herein, shall not be considered joint ventures or partners.

**18. CAPTIONS.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

**19. ENTIRE AGREEMENT / MODIFICATION.** This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver or modification of any of its terms will be effective unless in writing executed by the parties.

**20. BINDING EFFECT.** This Agreement binds and benefits the Parties and their successors and assigns.

**21. CONTROLLING LAW.** This Agreement is made under the laws of the State of Minnesota and such laws will control its interpretation.

**22. REMEDIES.**

- a. If Buyer fails to perform any of the terms or conditions of this Agreement within the specified time limits, Seller may declare this Agreement terminated pursuant to Minnesota Statutes section 559.21. Seller's sole remedy in the event of Buyer's default is retention of the Earnest Money, unless Buyer defaults under Section 7 or 12 of this Agreement, in which case Seller may retain the Earnest money or suspend the performance of its obligations under this Agreement and commence an action in Anoka County District Court to recover its actual damages arising from the default.
- b. If Seller fails to perform any of the terms or conditions of this Agreement within the specified time limits, Buyer may, as its sole remedy, declare this Agreement terminated in which case Escrow Agent and, if applicable, Seller, shall refund the Earnest Money (both the Initial Disbursement and the Remaining Earnest Money) to Buyer, or, in the alternative, Buyer may have this Agreement specifically enforced and recover any incidental damages. Buyer waives all claims for consequential damages against Seller based on Seller's breach or alleged default hereunder.

**23. WAIVER.** Failure of Seller or Buyer to insist upon the performance of any of the covenants, agreements and/or conditions of this Agreement or to exercise any right or privilege herein shall not be deemed a waiver of any such covenant, condition or right.

**24. SURVIVAL OF TERMS AND CONDITIONS.** The terms and conditions of this Agreement shall survive and be in full force and effect after the delivery of the deed, and shall not be deemed to have merged therein.

**25. SEVERABILITY.** Each provision of this Agreement shall apply to the extent permitted by applicable law and is intended to be severable. If any provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of the Agreement.

**26. CONSTRUCTION.** The Parties acknowledge that this Agreement was initially prepared by Seller solely as a convenience and that all Parties and their counsel hereto have read and full negotiated all the language used in this Agreement. The Parties acknowledge that because all Parties and their counsel participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement to construe ambiguous or unclear language in favor of or against any Party.

**27. COUNTERPARTS; DIGITAL COPIES.** This Agreement may be executed in any number of counterparts and the signature pages of the separate counterparts combined into a single copy of this Agreement which will then constitute a fully executed version

of this Agreement. A facsimile, .pdf file or digital copy of a signed counterpart or of an assemblage of counterparts of this Agreement shall be deemed to be an original thereof.

**28. CONSTRUCTION DEADLINE.** Buyer shall obtain a certificate of occupancy from the City of Ramsey for the construction of minimum 60 unit 4 story hotel with restaurant compliant with COR Zoning requirements to be further defined by an approved Site Plan a year after closing. At Closing, a “Right of Re-Entry Agreement” must be executed and recorded to the Property providing that, in the event the above deadline is not met, Seller has the right to reclaim title to the parcel(s) for which a certificate of occupancy was not obtained.

**29. TIME PERIODS.** The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. Pacific Time on the last day of the applicable time period provided for in this Agreement. If the time for the performance of any obligation or taking any action under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance or taking such action shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.

**30. PLATTING & DEVELOPMENT AGREEMENT.** Buyer must obtain an approved final plat, development agreement, and building exterior visual renderings with the City of Ramsey for its intended project before Closing. The Development Agreement and Site Plan must comply with all local zoning ordinances and design standards, including The COR Design Standards. City of Ramsey will reimburse Buyer up to \$3500 for re-platting expense. The reimbursement will only take place upon a successful closing and City of Ramsey is not responsible for any cost reimbursement if Buyer does not close on subject property. Buyer to provide written documentation of platting costs for reimbursement.

**31. CONTINGENCIES.** In addition to all other requirements and contingencies by the Buyer and Seller herein, the Purchase Price of \$1.00 is contingent on the following:

- a. Satisfactory review of the underwriting by the Seller demonstrating the need of financial assistance in the form of a land write down of \$326,699.
- b. City Council approval and execution of a Tax Increment Financing Agreement between the Seller and Buyer and or its assigns.
- c. City Council approval of Business Subsidy for Buyer and or its assigns.

**SELLER: The City of Ramsey**, a Minnesota municipal corporation

By: \_\_\_\_\_  
John LeTourneau, Mayor

Dated: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Kurt Ulrich, City Administrator

Dated: \_\_\_\_\_, 2020

**BUYER: COBBLESTONE HOTEL DEVELOPMENT, LLC .**

By: Cobblestone Hotel Development, LLC

\_\_\_\_\_  
Brian Wogernese, Managing Member

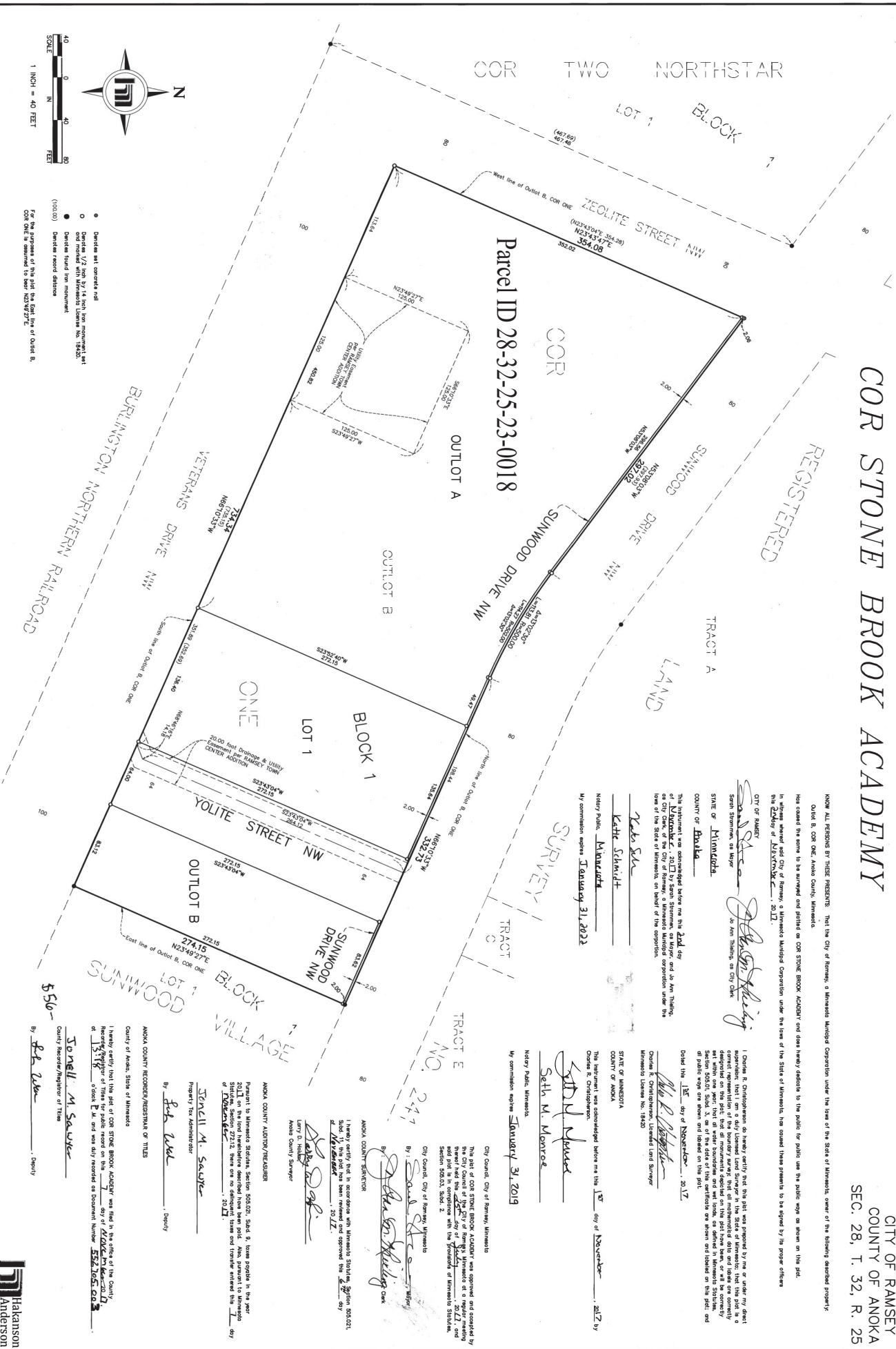
Dated: \_\_\_\_\_, 2020

EXHIBIT A

OFFICIAL PLAN

COR STONE BROOK ACADEMY

552-765-063  
CITY OF RAMSEY  
COUNTY OF ANOKA  
SEC. 28, T. 32, R. 25



REGISTERED

My commission expires January 31, 2022

My commission expires January 31, 2019

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Ramsey, a Minnesota Municipal Corporation under the laws of the State of Minnesota, owner of the following described property:  
 Outlot B, COR ONE, Anoka County, Minnesota  
 Has caused the same to be surveyed and platred as COR STONE BROOK ACADEMY and deems hereby desirable to the public for public use as shown on this plat.  
 In witness whereof, the City of Ramsey, a Minnesota Municipal Corporation under the laws of the State of Minnesota, has caused these presents to be signed by its proper officers  
 the 24th day of November, 2017.  
 CITY OF RAMSEY  
 Mayor: [Signature]  
 State of Minnesota  
 County of Anoka

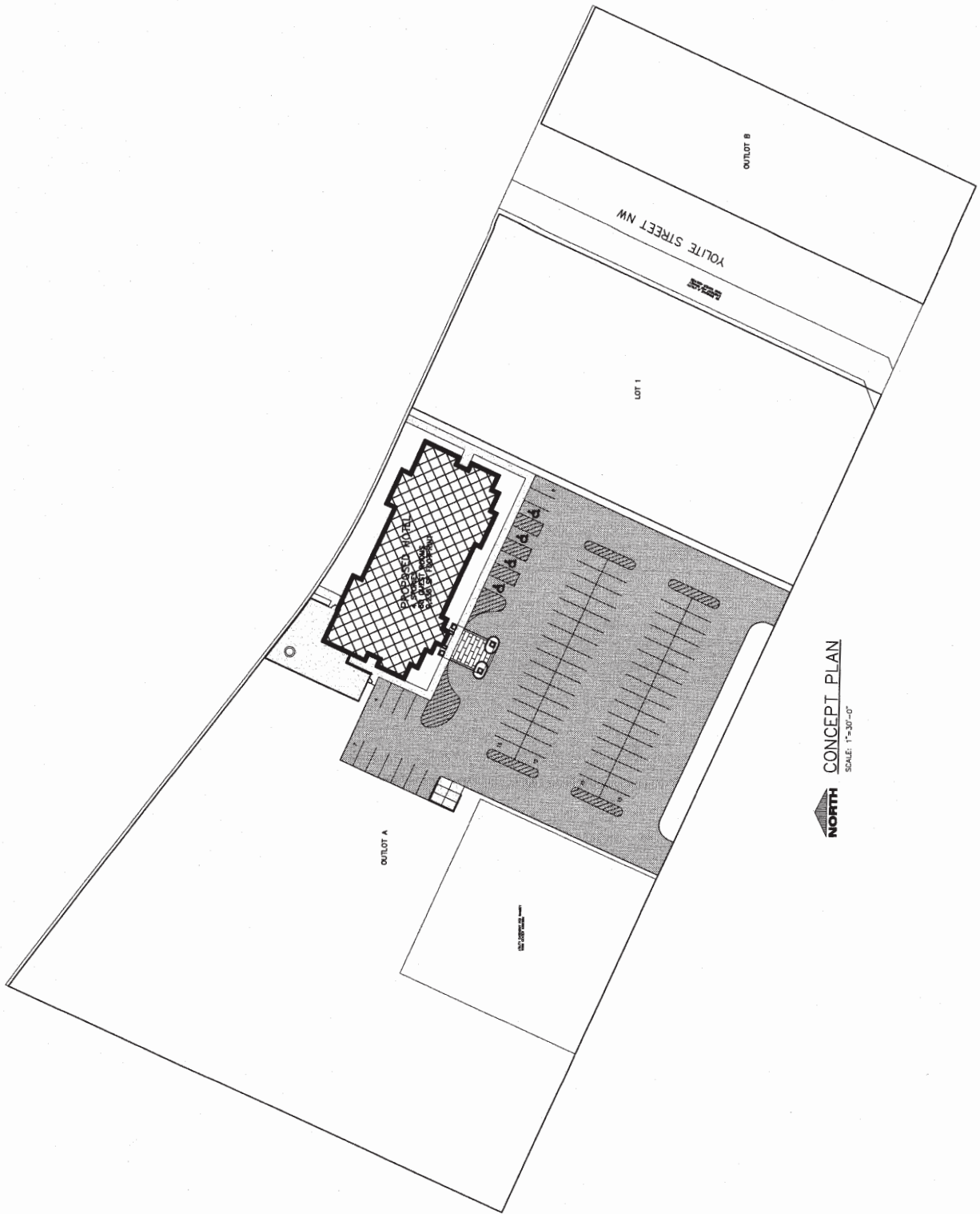
I, [Signature] of the County of Anoka, State of Minnesota, do hereby certify that this plat was prepared by me or under my direct supervision and that I am a duly licensed and sworn surveyor in the State of Minnesota. I hereby certify that the plat is a true and correct copy of the original as shown on the plat and that the same has been filed for record in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017, and that the same is a true and correct copy of the original as shown on the plat and that the same has been filed for record in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017.  
 Dated this 15th day of November, 2017.  
 My commission expires January 31, 2019  
 State of MINNESOTA  
 County of ANOKA  
 City Council, City of Ramsey, Minnesota  
 This instrument was acknowledged before me this 1st day of November, 2017 by  
 Charles R. Christenson,  
 City Council, City of Ramsey, Minnesota  
 My commission expires January 31, 2019

ANOKA COUNTY RECORDER/REGISTRAR OF TITLES  
 I hereby certify that in accordance with Minnesota Statutes, Section 502.021, Subpart 1, I have duly recorded this instrument in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017, and that the same is a true and correct copy of the original as shown on the plat and that the same has been filed for record in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017.  
 City Council, City of Ramsey, Minnesota  
 My commission expires January 31, 2019

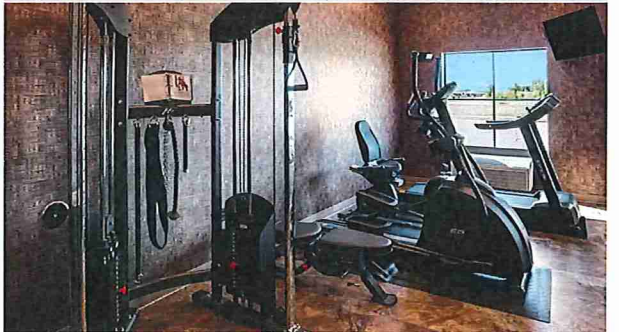
ANOKA COUNTY RECORDER/REGISTRAR OF TITLES  
 I hereby certify that in accordance with Minnesota Statutes, Section 502.021, Subpart 1, I have duly recorded this instrument in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017, and that the same is a true and correct copy of the original as shown on the plat and that the same has been filed for record in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017.  
 City Council, City of Ramsey, Minnesota  
 My commission expires January 31, 2019

ANOKA COUNTY RECORDER/REGISTRAR OF TITLES  
 I hereby certify that in accordance with Minnesota Statutes, Section 502.021, Subpart 1, I have duly recorded this instrument in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017, and that the same is a true and correct copy of the original as shown on the plat and that the same has been filed for record in the office of the County Recorder of Anoka County, Minnesota, on this 24th day of November, 2017.  
 City Council, City of Ramsey, Minnesota  
 My commission expires January 31, 2019





**NORTH**  
**CONCEPT PLAN**  
SCALE: 1"=30'-0"



## Economic Development Authority (EDA)

4. 2.

**Meeting Date:** 01/09/2020

**By:** Sean Sullivan, Community  
Development

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### **Title:**

Authorize 2020 Annual Ramsey EDA Business Expo Budget

### **Purpose/Background:**

The purpose of this case is to provide an update and to get authorization for an EDA allocation for the 2020 Ramsey EDA Business Expo.

Annually, the Ramsey EDA sponsors a Business Expo. The purpose of this annual event is to promote Ramsey's businesses (typically retail and service industries) to the community. In the past, this event typically drew 200-300 people and had 45-50 business exhibitors. Last year the event was moved to Adrenaline Sports Center and attendance increased to 500-600 people with 61 exhibitors. The logistical set-up was also different as the EDA contracted with an event planning organization to prepare the booths, pipe and drape.

In 2019, the EDA allocated \$7,000 for the event and resulted in \$586.41 net revenue after all expenditures. Planning has commenced for the 2020 Expo to be held on April 4, 2020 and staff is working on ways to get the best return on investment from EDA expenditures while maintaining a quality event. To maximize event configuration, Staff is proposing 59 booths for 2020. The EDA previously directed staff to keep the event at Adrenaline on April 4, 2020 based on the success of the venue in 2019. Staff received two (2) quotes for the event materials and setup and both quotes were less than last year's vendor. In response, Staff recommends reducing the registration fee for Ramsey Businesses from \$60 to \$50.

### **Notification:**

Notification is not required.

### **Observations/Alternatives:**

Below is a status update on a number some of items related to this event (a project budget is attached for review):

- Venue: Adrenaline Sports Center (\$800 estimated)
- Equipment Rentals and Pipe, Drape and Electricity: tables, chairs and drapes (\$2,160 estimated)
- Event Flyer and Registration: Not created yet (No cost, internal)
- Proposed Base Registration Fees for 2020: Ramsey Business -\$50 (**Reduced from \$60**), Non-Ramsey Business-\$75, Electricity-\$15 (dependent on event cost, could be lowered)
- Preference given to Ramsey area retail, service, restaurant and other industries. Craft / Merchant vendors and Non-Ramsey businesses will be placed on a waiting list.
- Giveaway: TBD, Last year we did Ramsey Bags (\$1,000 estimated)
- Entertainment: Balloon Artist (\$1,100 estimated)
- Traffic Sign Covers (\$300)
- Supplies (\$100)
- Marketing:
  - Mobile Sign Boards (4) - (\$800.00) (**One time Purchase**)
  - Express Signs (5) + PW Signs (\$800.00)
  - Color Full Page Color Flyers - Need to design (Last year's Flyer attached)
  - Anoka County Shopper Ad Space (\$200.00)
  - Anoka County Union Article
  - Ramsey Resident, Facebook, City Website

The EDA allocated \$7,000 for last year's event. Staff is proposing a \$6,000 allocation for the 2020 Expo, a

reduction of \$1,000 from last year.

**Funding Source:**

The Ramsey EDA Business Expo is funded as part of the 2020 EDA Budget. A portion of the EDA Levy is used to fund this expense, along with additional Event Revenue. See attached budget.

**Recommendation:**

Staff recommends that the EDA approve the proposed budget for the 2020 EDA Business Expo.

**Action:**

Motion to authorize the proposed budget for the 2020 Ramsey EDA Business Expo.

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**Attachments**

2019 Business Expo Flyer

Proposed 2020 Business Expo Budget

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**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 01/02/2020

**Reviewed By**

Sean Sullivan  
Tim Gladhill

**Date**

12/30/2019 01:16 PM  
01/02/2020 10:39 AM  
Started On: 12/27/2019 02:58 PM

# 11th Annual City of Ramsey Economic Development Authority



# Business Expo 2019

## Join us for Ramsey's 11th Annual Business Expo

Experience the variety of businesses that the City of Ramsey has to offer. Bring the whole family for a day of fun giveaways and to meet these local: restaurants, professional services and retail businesses!

### Highlights

- Admission is FREE
- Each guest will receive a City of Ramsey tote at the door!
- Giveaways & activities for children and adults
- Local Business coupons, deals & information
- Balloon art & airbrush tattoos by "A Touch of Magic"

**Event:**

Ramsey Business Expo

**Date:**

Saturday, April 6, 2019

**Time:**

10:00 am – 2:00 pm

**Location:**

Adrenaline Sports Center  
8310 147th Avenue NW  
Ramsey, MN 55303

**For Info:**

cityoframsey.com  
econdev@cityoframsey.com  
763-433-9828 or  
763-433-9868

## 2020 EDA Business Expo Budget

EXPENSES	Details	2019 Actual	2020 Projected	2020 Actual
Venue-Adrenaline Sports Ctr		\$ (800.00)	\$ (800.00)	
Set up-Pipe/Draping, Tables, Chairs	2019 Event Architect includes \$1080 Elec cost for 12 booths	\$ (6,237.00)	\$ (2,160.00)	
Electricity / Venue	Venue Charge		\$ (500.00)	
Giveaway at door	Ace Sales (bags) Qty 300 x 1.99/bag+Setup/Shipping	\$ (787.50)	\$ (1,000.00)	
Express Signs	5 Express signs + 3-4 PW signs	\$ (675.00)	\$ (800.00)	
New Sandwich Boards (Purchase)	Vendor TBD		\$ (800.00)	
Do All - 4 Sandwich board signs	8 - 2' x3' posters for 4 sandwich boards	\$ (192.00)	\$ (250.00)	
Shopper Ad space		\$ (150.00)	\$ (200.00)	
Balloon Artist (A Touch of Magic)	Balloon Art/Airbrush tattoo	\$ (1,068.00)	\$ (1,100.00)	
Facebook advertising	Social media, Connexus, AAC, Explore MN online advertising	\$ -		
Do All - parking sign covers*	20 covers, rush 12	\$ (150.00)	\$ (300.00)	
Misc. Supplies	Misc (candy,water, trsh bags)	\$ (62.09)	\$ (100.00)	
<b>Total Expenses</b>		<b>\$ (10,121.59)</b>	<b>\$ (8,010.00)</b>	<b>\$ -</b>
<b>REVENUES</b>				
Applications (2018 = 48 Total 2019 = 61 Total)	Electricity (\$15 per/12 booths)	\$ 3,690.00	\$ 2,700.00	
EDA allocation		\$ 7,000.00	\$ 6,000.00	
<b>Total Revenues</b>		<b>\$ 10,690.00</b>	<b>\$ 8,700.00</b>	<b>\$ -</b>
<b>BALANCE:</b>		<b>\$ 568.41</b>	<b>\$ 690.00</b>	<b>\$ -</b>
	<i>Fees Charged</i>			
	<i>Ramsey</i>	\$60	\$50	
	<i>Non-Ramsey</i>	\$75	\$75	
Inputs/estimated	<i># Booths</i>	61	59	
Public/Non Profit			5	

**Economic Development Authority (EDA)**

4. 3.

**Meeting Date:** 01/09/2020

**By:** Sean Sullivan, Community  
Development

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**Title:**

Receive 2019 Business Retention and Expansion Presentation

**Purpose/Background:**

The purpose of this case is to receive the attached report/information on the 2019 Business Retention & Expansion Program. The 2019 goal was to make 30 business visits. In 2019, 25 formal business visits/surveys were conducted but over 30 business contacts/communication were made. In 2018, 32 business visits/surveys were made. Staff had numerous informational meetings with Ramsey businesses over the course of the year that are not included in this report.

The attached report is summary data from all the visits in 2019. With the strong economy, it has been difficult to get visits scheduled with many businesses, but Staff will continue to work toward the goal of 30 in subsequent years. These visits are a good way to strengthen relationships with businesses.

**Notification:**

Notification is not required.

**Observations/Alternatives:**

See attached report for detailed observations.

**Funding Source:**

This case is being handled as part of normal Staff duties.

**Recommendation:**

No action is requested.

Staff will recommend this report/information be reviewed by the EDA during the 2021 EDA Work Plan Update, and by the City Council 2020 Strategic Plan Update.

**Action:**

No action is requested.

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**Attachments**

2019 BR and E Presentation

Proposed 2020 Survey Form

2019 and Prior Survey Form

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**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill

**Reviewed By**

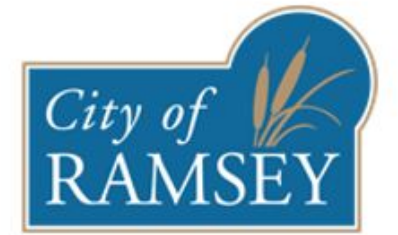
Sean Sullivan  
Tim Gladhill

**Date**

12/31/2019 01:43 PM  
01/02/2020 10:45 AM

Form Started By: Sean Sullivan  
Final Approval Date: 01/02/2020

Started On: 12/23/2019 01:15 PM



# **ECONOMIC DEVELOPMENT**

2019 Business Retention & Expansion Program

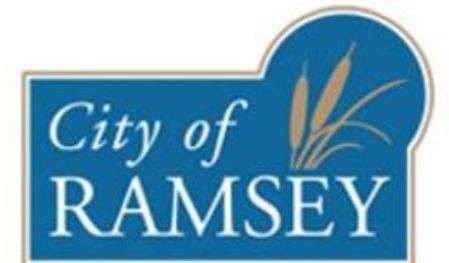
# SUMMARY

*Business visits are conducted throughout the year by the Economic Development Manager. Each visit is approximately 30-45 minutes long. The City has used a 9 question survey. These business visits help establish and maintain relationships with the business community and can identify areas in need of improvement or affirmation of current practices for the City. The 2019 goal was to visit 30 businesses per year.*

*In 2019, a total of 25 formal visits were completed. Other information visits and communication with Ramsey businesses occurred but are not part of Summary Data provided within the report. Over 30 business contacts were made in 2019.*

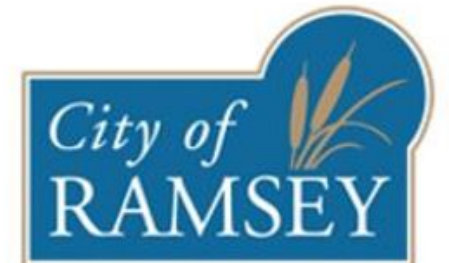
*Staff now has access to a more robust data base management software (Sales Force). Staff intends try a new survey compatible with that data base so that meaningful reports can be generated more easily.*

*Note: Sample size varies, not all companies answered each question, some companies provided multiple answers.*



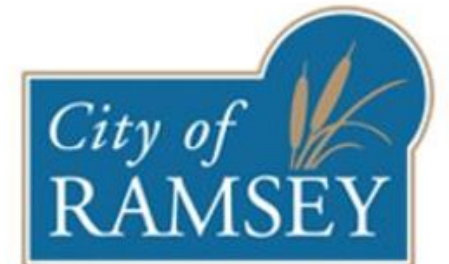
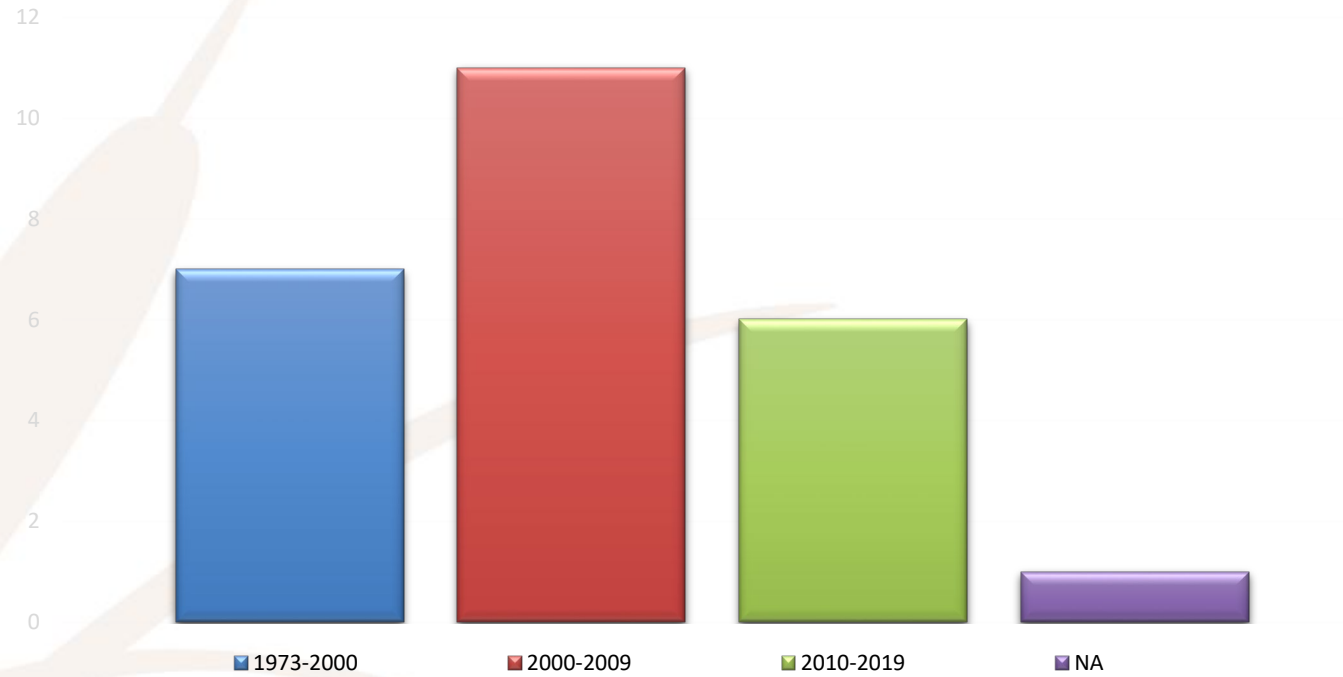
# 2019 FORMAL BUSINESS VISITS

- Molin Concrete
- Global Glove
- Ohm Premier Vaping
- Ve-Ve, Inc.
- 401 Manufacturing
- Digital Tool and Automation
- Class C Components
- Command Tooling Systems
- Accent Precision Wood
- Life Fitness
- Bertolas and Pekula
- Waltek Inc.
- Panther Precision Machine
- Plant and Things
- Adrenaline Sports Center
- Acapulco Restaurant
- Rain for Rent
- Diamond Auto
- Coborn's
- Depot Star
- Hardin Companies
- Minnesota Waterjet
- Dehn Oil
- US Bank



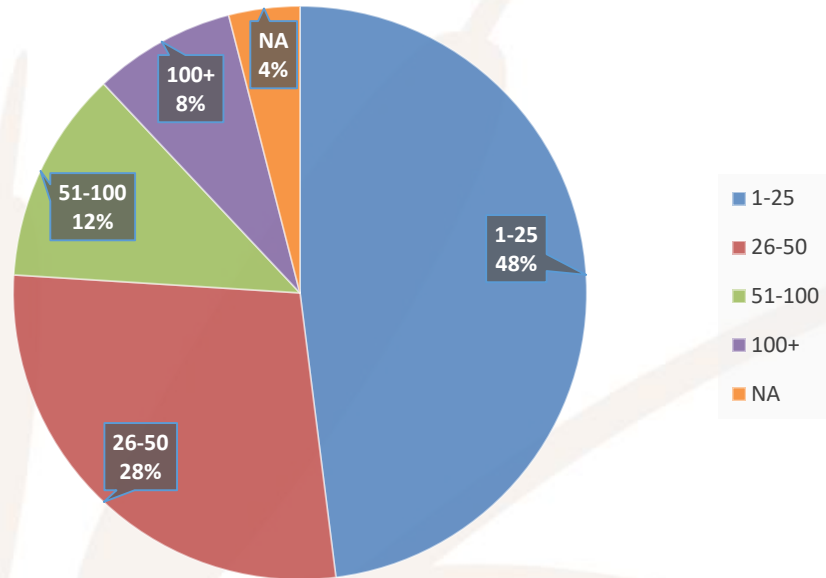
# BUSINESSES LOCATED TO RAMSEY

When Each Business Located to Ramsey

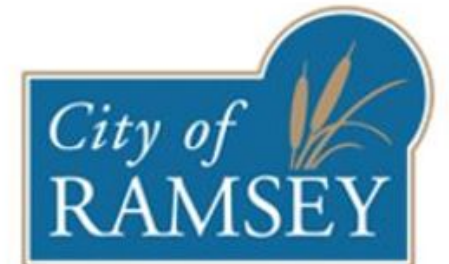
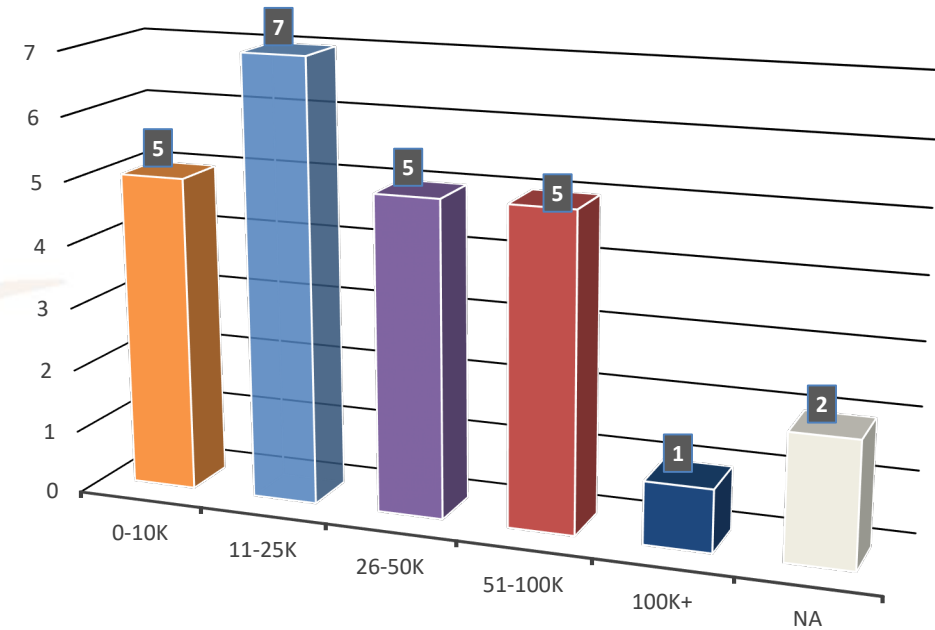


# NUMBER OF EMPLOYEES / FACILITY SIZE

## Number of Employees

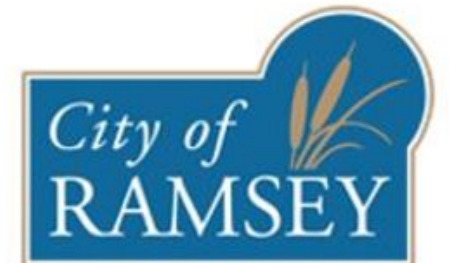
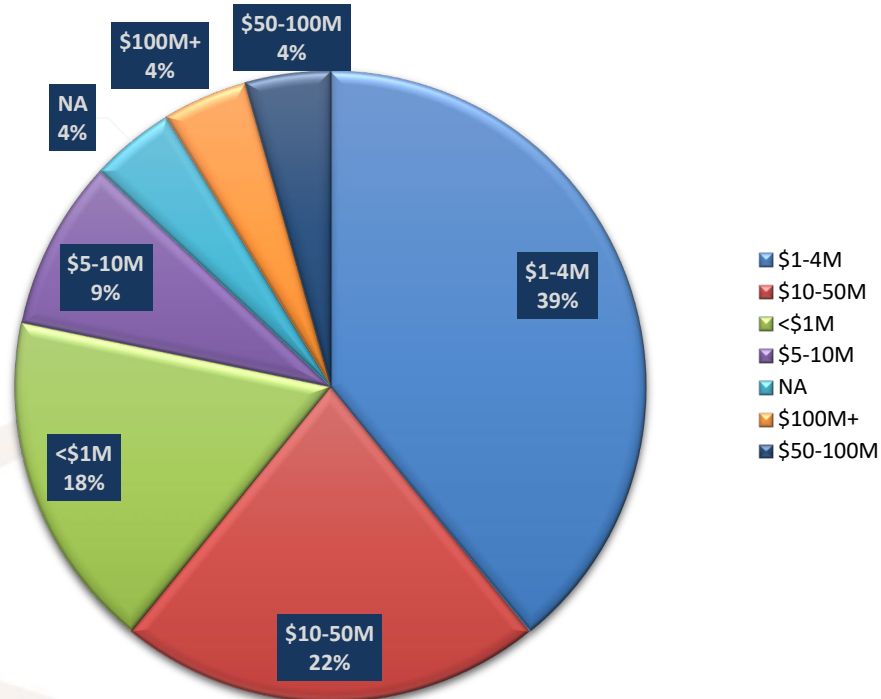


## Facility Size, Square Feet (thousands)



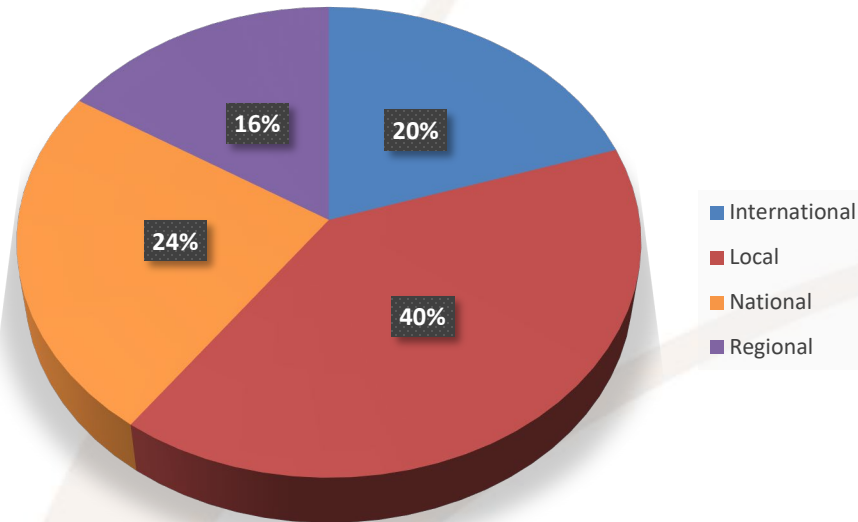
# ANNUAL SALES

2019 Estimated Annual Sales (Millions)

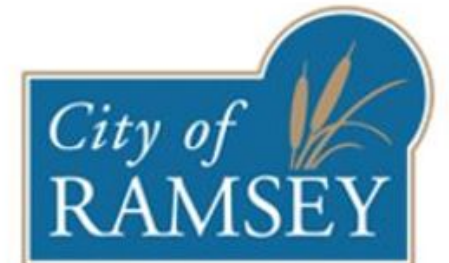
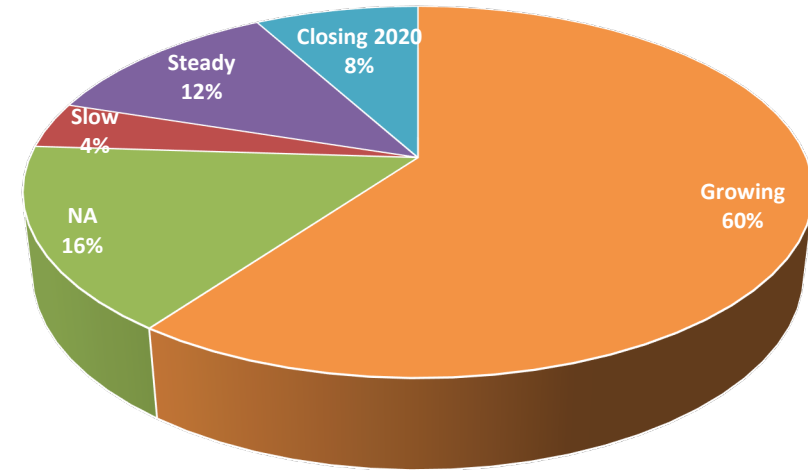


# MARKETS SERVED / OUTLOOK

Markets Served

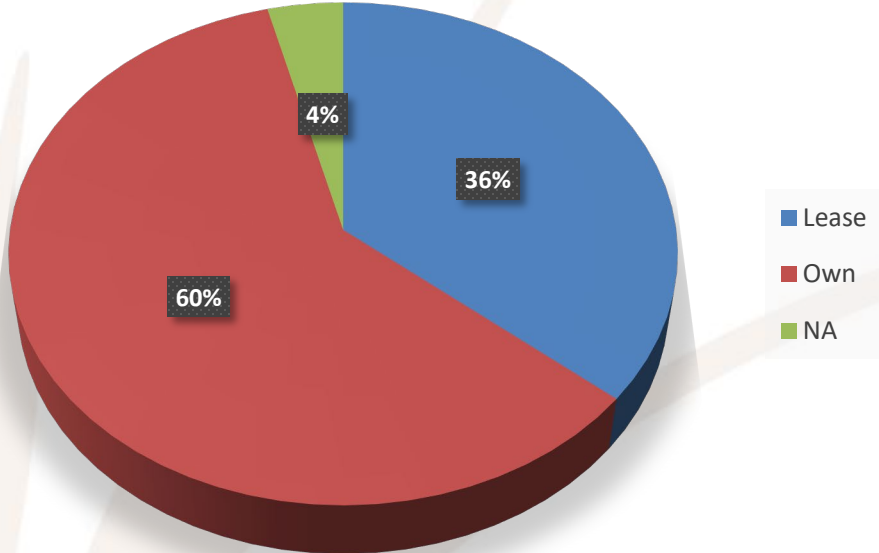


Outlook

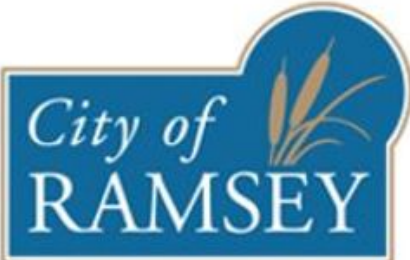
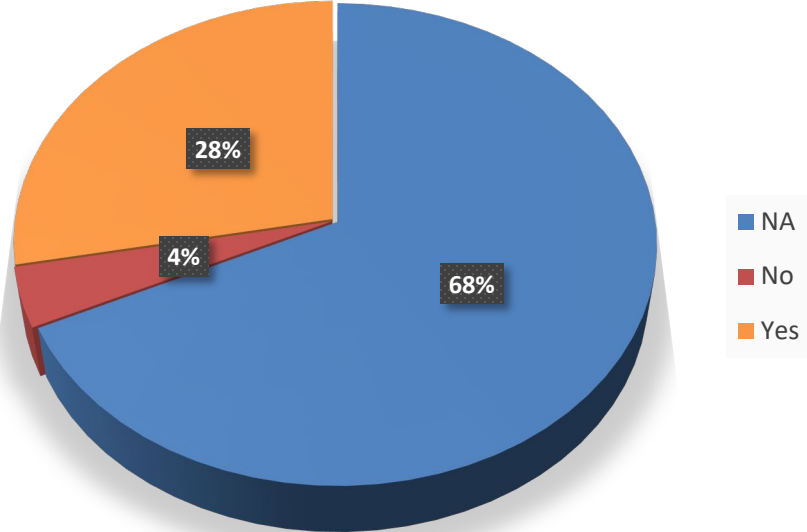


# OWNERSHIP / EXPANSION

Facility Ownership



Expansion in Near Future?



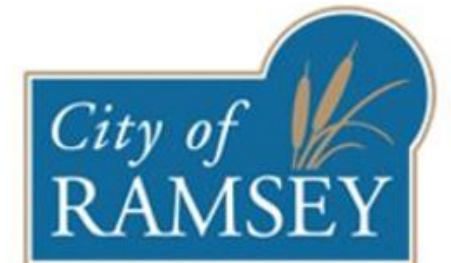
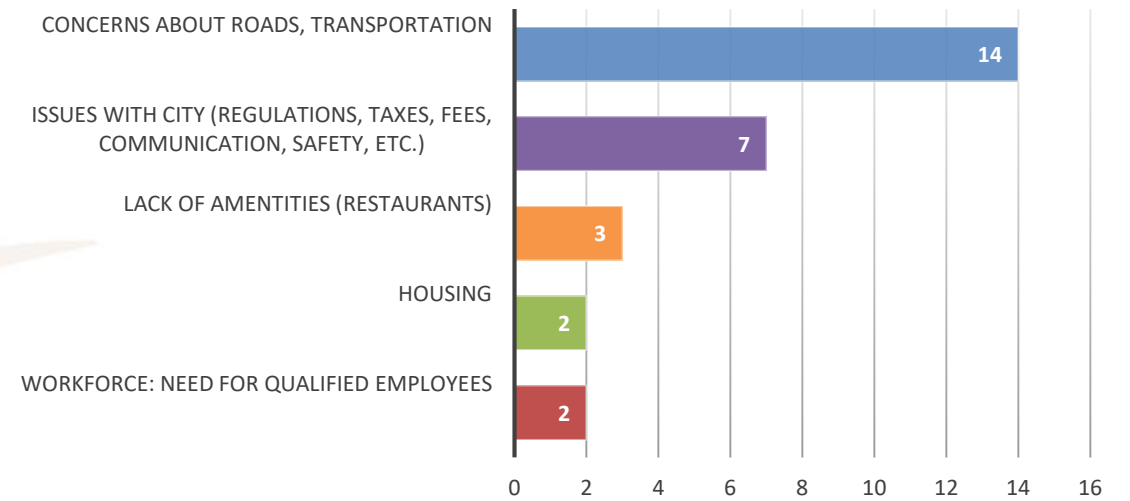
# STRENGTHS & WEAKNESSES

## City of Ramsey: Strengths



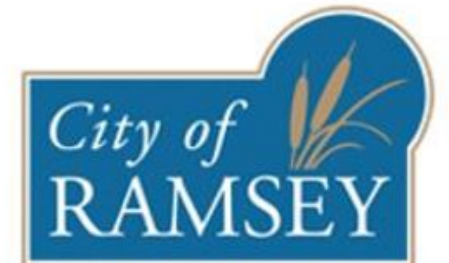
*\*\*Sample size varies, not all companies answered each question, some companies provided multiple answers*

## City of Ramsey: Weaknesses



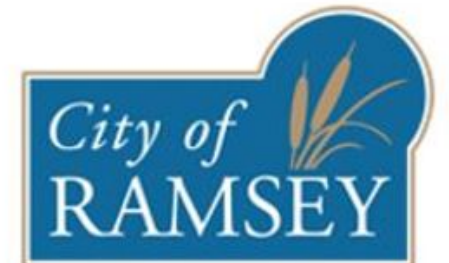
# FEEDBACK – WHY RAMSEY?

- Good Location
- Proximity of Workforce
- Good Workforce
- Proximity to Customers
- Proximity to Competitors
- Project Incentives
- Hwy 10 Visibility and Traffic Counts
- Access to Hwy 10 / Mainline Transportation Corridors
- City's Pro-Business Growth Climate
- Grew up Here. Like Community
- Friendly, Welcoming City Staff and Officials
- Low Crime
- Live Nearby
- Growing Community – New Rooftops



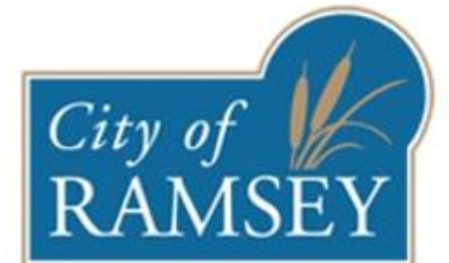
# AREAS OF IMPROVEMENT (COMMENTS)

- Traffic, Traffic, Traffic (Highway 10, Highway 47, Bunker Lake Boulevard)
  - Congestion
  - Loss of Access
  - Bad Accidents
- Medians and U-turns difficult for traffic maneuvers within City
- Reducing fees relating to business signage
- Don't like Storm Water Management Fee
- Taxes too high
- Too much high density development in COR
- Need more police
- Need more restaurants
- Workforce Recruitment, Development, and Retention
- Road maintenance could be improved
- Too much focus on parks and trails
- Blighted properties on Hwy 10 need to be addressed



# 2020 BUSINESS VISITS (PROPOSED)

- B.R. Mechanical
- Cabinetry Concepts
- Countryside Printing
- Delta ModTech
- Dynamic Group
- Fastenal
- Heartland Tire
- Heritage Millwork
- Hoya
- Lazydays
- Lisa's Catering
- Marshall Concrete
- Matrix Tool and Design
- Metro Dentalcare
- MOCORP
- Northern Technologies
- Perfective Tool
- Pleasureland RV
- Power Lodge
- Ramsey Animal Clinic
- Ramsey Dental Center
- Rivers Bend Dental
- Rum River Hills Golf
- Salon Ciry
- Sauter and Sons
- Sign Zone
- Stoney River
- TLM Cabinets
- Tag Machine
- The Links at Northfork





## BRE Common Questions Survey Reporting Form (rev 12/17/19)

### **COMPANY INFORMATION**

Company Name:

Contact Name:

Contact Email:

Visit Date:

### **INTERVIEWER**

Interviewer Name: Sean Sullivan

Interviewer Email Address: ssullivan@cityoframsey.com

Organization Type: City of Ramsey

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### **BUSINESS AND FACILITY DETAILS**

Primary Business Sector?

Type of facility (select all that apply):

- Branch  Distribution  Franchise  Headquarters  Home-based  Manufacturing  R&D  
 Sales-Office

Is this facility owned or leased? OWNED or LEASED

Has the company ownership changed? YES or NO

Or is change imminent? YES or NO

Explain:

What Was Gross Revenue for your Company?

Over the past year, have company sales (select one):

- Increased  Decreased  Been relatively stable  Fluctuated widely  Not identified

What has contributed to the increase or decrease in sales?

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### **PRODUCTS AND SERVICES**

What are the company's major products and services?

Has this company introduced new products? YES or NO

Briefly describe new products:

Where are your products manufactured?

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**EMPLOYMENT AND WORKFORCE**

How many full time employees are at this facility?

Has the number of employees at this facility changed in the past year (select one):

Increased  Decreased  Stayed the same

If increased, how many employees have been hired in the past year? \_\_\_\_\_

In the next year, do you expect the number of jobs at facility to (select one):

Increase  Decrease  Be relatively stable  Unsure

Do you plan to hire in the next 2-5 years? YES or NO

If yes, how many employees do you anticipate hiring? \_\_\_\_\_

What types of jobs are you hiring?

If you have hired in the past year, was it hard to fill positions? YES or NO

Why are openings hard to fill? (select all that apply):

Poor work ethic  Lack of basic education  Lack of technical skills  Lack of candidates

Challenging location  Competition  Other

What positions were the hardest to fill?

Do you anticipate needing to train existing employees? YES or NO

If YES, what type of training is needed?

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**MARKET INFORMATION**

Company's primary market (select one):

International  United States  Midwest (including MN)  Minnesota  Local

Company's fastest growing geographic market (select one):

International  United States  Midwest (including MN)  Minnesota  Local  Not identified

Does this company export? YES or NO

If exporting, where (select all that apply):

Africa & Middle East  Canada  Europe & Russia  Greater China

India, Pakistan, Central/South Asia  Japan & Korea  Southeast Asia  Australia & Pacific Oceania

Latin America & Caribbean  Mexico

Other \_\_\_\_\_

If not exporting, is there interest in exporting/selling internationally? YES or NO

Need assistance with exporting issues? YES or NO

**INVESTMENT PLAN**

Does the company plan to (check all that apply)

- Invest in new facilities  Make major equipment purchase  Renovate/Expand current facilities
- None

Please explain:

Approximate date of investment (select one):

- Within one year  Within two years  Within three years  Unsure

Do you currently have room on your site to expand? YES or NO

Are you interested in financial resources or tools? YES or NO

If YES, which financial tools?

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**COMMUNITY**

What are the strengths of the community?

What are the weaknesses of the community?

Have you interacted with any of the departments at City Hall? If so, what department and please describe your experience.

Are there any priority projects or initiatives the City should consider in order to enhance the business climate?

Does the community have enough housing and the right type of housing for your future employees? YES or NO

Is transportation or transit a concern for your employees? YES or NO

If YES, what modes of transportation are needed?

**POST DISCUSSION VISIT**

Does this company require follow up? YES or NO

If YES, what type of follow up is needed?

**NOTES:**

**Rank the local business climate: Community Rankings: 1 = Poor 5 = Great**

**Education and Training**

K-12	1	2	3	4	5	n/a
Higher education	1	2	3	4	5	n/a
Customized Training Programs	1	2	3	4	5	n/a
Overall Workforce Quality	1	2	3	4	5	n/a

**Transportation/Location**

Public Transportation	1	2	3	4	5	n/a
Highway Infrastructure	1	2	3	4	5	n/a
Air Service	1	2	3	4	5	n/a
Proximity to Suppliers	1	2	3	4	5	n/a

**Quality of Life**

Recreational Opportunities	1	2	3	4	5	n/a
Cultural Opportunities	1	2	3	4	5	n/a
Crime Rate	1	2	3	4	5	n/a
Social Organizations and Networks	1	2	3	4	5	n/a
Housing Supply for Workforce	1	2	3	4	5	n/a

**Local Access to Capital**

Lending by local financial institutions	1	2	3	4	5	n/a
Assistance from local governments and/or non-profits	1	2	3	4	5	n/a

**Local Government**

Attitude towards business	1	2	3	4	5	n/a
Permitting/Zoning	1	2	3	4	5	n/a
Local Taxes	1	2	3	4	5	n/a
Local fees	1	2	3	4	5	n/a

**Utilities**

Telecommunications/Broadband Service	1	2	3	4	5	n/a
Telecommunications/Broadband Rates	1	2	3	4	5	n/a
Electric Rates	1	2	3	4	5	n/a
Electric Reliability	1	2	3	4	5	n/a



## 2019 BUSINESS SURVEY

Company \_\_\_\_\_

Date of visit \_\_\_\_\_

Visited With \_\_\_\_\_

Preferred Contact \_\_\_\_\_

*(For City communication)*

Email Address \_\_\_\_\_

Phone # \_\_\_\_\_

### **HISTORY/BACKGROUND/PRODUCTS/SERVICES**

[Origination, ownership structure, products/services, etc.]

### **NUMBER OF EMPLOYEES**

[F.T.E., changes/trends]

### **SALES**

[Past year/projected, changes/trends]

### **FACILITY**

[size, own/lease]

### **MARKETS**

[Where do you serve and where do you buy from]

### **OUTLOOK**

[Where do you see you company heading in the coming years, short and long term]

### **WHY RAMSEY**

[Why is your business located in Ramsey—strengths]

### **RAMSEY WEAKNESSES**

[What can we do better to serve our business community?]

### **FOLLOW UP**

[Questions, requests or concerns about the City in relation to your business]