

**City of Ramsey**  
**Agenda**  
**Economic Development Authority (EDA)**  
**Thursday, September 10, 2020**  
**7:30 am**

**Council Chambers, 7550 Sunwood Drive NW**

Remote Attendance available at [www.cityoframsey.com/meetings](http://www.cityoframsey.com/meetings). To maximize social distancing due to the COVID-19 Pandemic, those that can join remotely are encouraged to do so. Those joining remotely and requesting to speak are asked to use a webcam when speaking.

**Remote Attendance in accordance with Minnesota Statute 13D.02**

1. **Call to Order**
2. **Approve Agenda**
3. **Approve Minutes**
  1. Approve Meeting Minutes for August 13, 2020
4. **EDA Business**
  1. Consider Purchase Agreement for Part of Outlot GG, Ramsey Town Center Addition; Case of Java Properties  
(Portions may be closed to the public)
  2. Discuss Potential Billboard and Dynamic Display Sign Plan for Highway 10
5. **Member/Staff Input**
6. **Adjournment**

**Economic Development Authority (EDA)**

**3. 1.**

**Meeting Date:** 09/10/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Wendy Schlueter, Community Development

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**Title:**

Approve Meeting Minutes for August 13, 2020

**Purpose/Background:**

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

**Notification:**

**Observations/Alternatives:**

**Funding Source:**

**Recommendation:**

Approval of August 13, 2020 meeting minutes

**Action:**

Motion to approve August 13, 2020 EDA meeting minutes.

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**Attachments**

[EDA Minutes](#)

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**Form Review**

**Inbox**

Sean Sullivan

Tim Gladhill

Form Started By: Wendy Schlueter

Final Approval Date: 09/04/2020

**Reviewed By**

Sean Sullivan

Tim Gladhill

**Date**

09/02/2020 04:13 PM

09/04/2020 10:12 AM

Started On: 08/20/2020 10:29 AM

**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, August 13, 2020, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Chairperson Jim Steffen  
                          Member Scott Cords  
                          Member Glen Hardin  
                          Member Ryan Heineman  
                          Member Mark Kuzma  
                          Member Chris Riley

Members Absent:     Member Brian Burandt

Also Present:         Sean Sullivan, Economic Development Manager  
                          Tim Gladhill, Deputy City Administrator

**1.     CALL TO ORDER**

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

**2.     APPROVE AGENDA**

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

A roll call vote was performed:

Member Heineman	aye
Member Cords	aye
Member Riley	aye
Member Kuzma	aye
Member Hardin	aye
Chairperson Steffen	aye

Motion carried.

**3.     APPROVE MINUTES**

**3.01:   Approve Meeting Minutes Dated July 16, 2020**

Motion by Member Riley, seconded by Member Hardin, to approve the July 16, 2020, minutes as presented.

A roll call vote was performed:

Member Heineman aye  
Member Cords aye  
Member Riley aye  
Member Kuzma aye  
Member Hardin aye  
Chairperson Steffen aye

Motion carried.

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

##### **4.01: Consider Third Amendment to Purchase Agreement with Ramsey Hotel Group LLC**

Economic Development Manager Sullivan presented the staff report.

Member Cords asked if the developer is still generally interested in building or whether this is just treading water.

Economic Development Manager Sullivan replied that the developer is interested and frustrated with the COVID challenges. He stated that the developer is therefore requesting an extension rather than letting the PA terminate.

Deputy City Administrator Gladhill noted that the developer put great expense into plan preparation, so there have been funds invested in this process. He stated that although the PA is unique, the developer has invested funds in the process.

Chairperson Steffen asked if the developer could build tomorrow, if the COVID challenges were to disappear.

Deputy City Administrator Gladhill stated that the developer did receive approval of the Site Plan through the Planning Commission and City Council but has not yet applied for a building permit, so construction could not begin that quickly.

Member Riley stated that consistent with what has been done in the past with these types of requests, he would like the City to have some consideration, as this land is being held off the market. He suggested that a non-refundable cash payment from the developer be provided to the City for this extension.

Chairperson Steffen asked the amount of earnest money put down currently that would not be refundable.

Economic Development Manager Sullivan commented that this was a unique PA in which earnest money was not required noting that the City was going to be fully reimbursed for the price of the land through TIF. He asked Member Riley the amount he would suggest requesting as a payment.

Member Riley suggested \$3,500 to \$5,000, as the City should receive something in return for holding this land off the market for one year.

Economic Development Manager Sullivan confirmed that if the PA is extended, the City would hold the property and would not be able to entertain other offers on the property during that time.

Chairperson Steffen agreed that there should be some type of good faith payment to hold the property for an additional year. He asked where the \$3,500 figure mentioned in the case comes from.

Economic Development Manager Sullivan explained that because this project and Gigi's were moving forward in similar timeframes, there was a lot of surveying work for the platting of the property. He stated that there was language that would allow the refunding of the platting costs (\$3,500) when the property closes. He stated that language could be removed or negotiated to lessen the amount of City reimbursement.

Member Hardin asked if staff is aware of any other inquiries related to this site.

Economic Development Manager Sullivan replied that there has been no other interest in this site. He stated that development in the retail market has slowed and he did not anticipate that this would be a site that many people would be interested in with current market conditions.

Member Hardin stated that perhaps rather than requesting additional funds, the PA be extended for six months, to spring, at which time it could be reviewed again.

Economic Development Manager Sullivan stated that the developer is asking for one year and confirmed that could be a pushback in the negotiation. He stated that he would like to keep the deal in play and not push the developer away.

Member Kuzma stated that on the news this morning they are predicting that the pandemic could kick up again. He stated that cashflow is difficult for everyone right now. He stated that perhaps the one-year extension be granted with a \$5,000 or \$10,000 fee implemented if the developer walks away after that one-year period.

Economic Development Manager Sullivan stated that would be similar to non-refundable earnest money which would be similar to Member Riley's suggestion. He stated that while that could be considered an incentive to move forward, he would guess that the City would be required to obtain that money now and hold it during the agreement period as the City would be hard pressed to gain that money after the one year period.

Member Heineman asked if there is another way to get the developer to have more skin in the game without requiring a payment to the City, which would incentivize them to move forward.

Economic Development Manager Sullivan commented that the developer has invested funds into this process through the escrow, survey, platting and site plan processes. He stated that the developer was ready to move forward but COVID hit harder than expected. He stated that the next step in the process for the developer would be to pull a building permit, which has an additional cost of \$50,000 to \$60,000 for the developer to obtain the necessary architectural plans.

Deputy City Administrator Gladhill stated that from the building inspections side, the developer will need to pay for the plan review fee in addition to the building permit process costs.

Chairperson Steffen stated that he would be willing to offer a six-month extension with no additional funds involved or a full year extension with some type of payment to the City.

Economic Development Manager Sullivan noted that would provide staff with the ability to negotiate with the developer between now and the City Council review. He stated that ultimately the City Council will make the decision on whether or not to extend the PA.

Member Cords stated that he is more comfortable with the suggestion of extending for six months with no payment required and a review done after the six months.

Member Kuzma stated that these are weird times because of COVID and business in general is struggling, especially hospitality. He stated that he wants to support this project and would be willing to accept the PA extension for one year as stated in the case.

Member Riley stated that he understands and agrees that these are different times but feels strongly that the City needs to get something in return for giving something. He believed that the City should be cognizant of these trying times and make it an affordable payment that shows interest and commitment to moving forward. He stated that the developer asked for one year and if six months is provided, they could be back here in six months to discuss that again.

Deputy City Administrator Gladhill noted that the six-month extension could be provided with no payment and the ability for an administrative extension after that for an additional six months. He noted that if the second six-month extension is chosen, the earnest money could be triggered.

Chairperson Steffen commented that if the COVID situation persists and they are back in six months to review this again, he believed that the EDA would be willing to grant the second extension at no cost. He stated that he would hate to make that decision today when the future is very uncertain.

Motion by Member Hardin, seconded by Member Kuzma, to recommend to City Council to modify the Developers Third Amendment to Purchase Agreement proposal to extend the Inspection Period 6 for six months, subject to City Attorney review.

A roll call vote was performed:

Member Heineman aye

Member Cords            aye  
Member Riley            nay  
Member Kuzma           aye  
Member Hardin           aye  
Chairperson Steffen    aye

Motion carried.

**4.02: Recommend 2021 EDA Budget and Levy**

Deputy City Administrator Gladhill presented the staff report.

Member Hardin asked if the Council provided a number or percentage for each department to trim from the budget.

Deputy City Administrator Gladhill provided information on the EDA budget and levy authority, noting that Ramsey requires approval from the Council on those figures.

Chairperson Steffen referenced the professional services budget line item and noted that the EDA has not come close to spending that amount of funds.

Economic Development Manager Sullivan explained that he can complete a lot of the preliminary tax increment financing analysis work that the previous employee was unable to do, which caused a need for those professional services. He stated that when there are years with many development proposals, those professional services dollars are needed to put proposals together.

Chairperson Steffen asked the cash balance of the EDA fund and whether those funds could be used if necessary.

Economic Development Manager Sullivan stated that the current balance is about \$1,300,000. He noted that certain projects require property acquisition and that is when those funds could typically be used.

Chairperson Steffen stated that he feels it would be justified to reduce the professional services line item to \$30,000.

Member Cords stated that he would support that reduction.

Member Hardin stated that he would also support that reduction.

Economic Development Manager Sullivan stated that he would support the recommendation and if he feels that it would be warranted to increase that item in the future, he would feel comfortable bringing that back before the EDA.

Motion by Chairperson Steffen, seconded by Member Cords, to adopt the 2021 EDA Budget and Levy as modified, reducing the Professional Services budget line item from \$43,000 to \$30,000 (Net reduction of \$13,000)

A roll call vote was performed:

Member Heineman	aye
Member Cords	aye
Member Riley	aye
Member Kuzma	aye
Member Hardin	aye
Chairperson Steffen	aye

Motion carried.

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

The EDA reviewed the Staff Update.

Economic Development Manager Sullivan provided an update on the Business Appreciation Day event that will be held on August 17<sup>th</sup>. He stated that the City is almost prepared to roll out its business grant program and provided an update on that progress along with some information on the Anoka County business grant program.

## **6. ADJOURNMENT**

Motion by Chairperson Steffen, seconded by Member Hardin, to adjourn the meeting.

A roll call vote was performed:

Member Heineman	aye
Member Cords	aye
Member Riley	aye
Member Kuzma	aye
Member Hardin	aye
Chairperson Steffen	aye

Motion carried.

The regular meeting of the Economic Development Authority adjourned at 8:17 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:** 09/10/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

**Title:**

Consider Purchase Agreement for Part of Outlot GG, Ramsey Town Center Addition; Case of Java Properties (Portions may be closed to the public)

**Purpose/Background:**

The City of Ramsey and Java Properties have been negotiating the terms of a purchase agreement over the past two months. Java Properties has agreed to the attached purchase agreement and the general terms and conditions outlined on the attached Term Sheet. The proposed purchase price is within the City's approved deal range for this parcel; however, it still will require site plan and plat approval through the normal planning and zoning process.

The proposed purchase agreement includes a development concept previously reviewed by the Planning Commission on September 3, 2020. The Planning Commission is generally comfortable with the current concept plan, subject to full Site Plan Review. The time periods, and extensions outlined in the term sheet and PA are consistent with recent PA templates.

**Notification:**

Notification is not required.

**Observations/Alternatives:**

**Observations:** The site is .72 acres in size with a purchase price of \$250,432. (\$8.00/SF) This price is within the approved "deal range". Java Properties is a Developer and the end user is proposed to be O'Reilly Auto Parts. A copy of the preliminary site plan is attached. This was a city generated lead for a CBRE listed city parcel. Based on the current Listing Agreement with CBRE, the commission will be 3% of gross sales price if sold.

The following items are worth highlighting:

Earnest Money	\$5,000, Nonrefundable after a Notice to Proceed has been given by the Buyer.
Inspection Period	180 days from Effective Date (Date City Council Approves) (city requires plat/ site plan approval before sale).
Closing	Within 30 days of Notice to Proceed.
Extensions	Developer will deposit \$5,000 in escrow for each 60 day extension (2 extensions allowed) Once extensions are made the money becomes non-refundable.
Performance	City to require construction of a minimum 7,000 SF building and obtain a Certificate of Occupancy one year after Closing. If this is not done, the City may exercise the Right of Re-Entry.

**Alternatives:**

1. Recommendation to City Council to approve Purchase Agreement as presented. (Staff recommendation)
2. Recommendation to City Council to approve Purchase Agreement with changes.
3. Something else.

**Funding Source:**

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

**Recommendation:**

Staff recommends approval of the attached Purchase Agreement as presented, subject to City Attorney approval.

**Action:**

Motion to recommend that the City Council approve the attached Purchase Agreement for part of Outlot GG, Ramsey Town Center Addition, subject to City Attorney approval.

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**Attachments**

Site Location Map

Term Sheet

ACTION - Draft Purchase Agreement

Elevations

Site Plan

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**Form Review****Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 09/04/2020

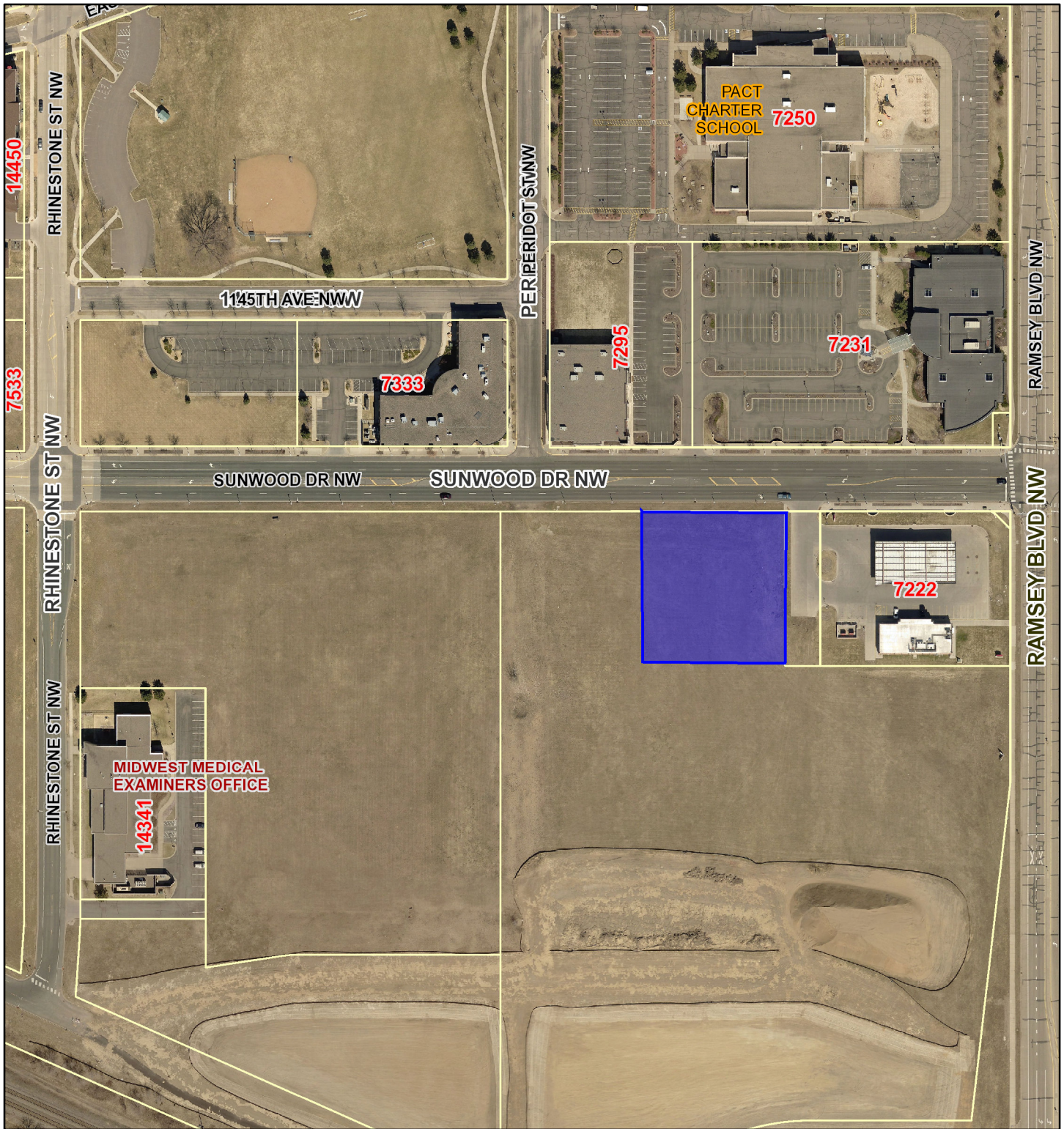
**Reviewed By**

Sean Sullivan  
Sean Sullivan  
Sean Sullivan  
Tim Gladhill

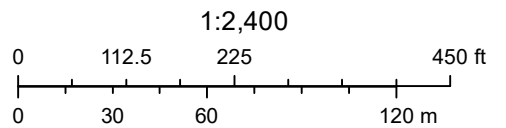
**Date**

09/02/2020 04:13 PM  
09/03/2020 08:45 AM  
09/03/2020 09:02 AM  
09/04/2020 10:23 AM  
Started On: 09/02/2020 02:56 PM

# Site Location Map - Java Properties



September 2, 2020



## TERM SHEET FOR JAVA PROPERTIES (O'Reilly Auto Parts) – 9.2.20

<b>Real Estate</b>	Tax ID Number: Portion of 28-32-25-41-0020. Part of Outlot GG, Ramsey Town Center Addition (Part of Parcel 50a)
<b>Acreage</b>	Approximately .72 acres or 31,304 SF
<b>Asking Price</b>	\$250,432 (\$8.00 / SF) (SF Subject to change based on approved Plat)
<b>Offer Price</b>	\$250,432 (\$8.00 / SF)
<b>Earnest Money</b>	\$5,000 Non-refundable upon Notice to Proceed being executed.
<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>Commission</b>	This was a City generated lead for a CBRE Listed property. Per the terms of the listing agreement, the City will pay 3% of gross sales price to CBRE.
<b>Extensions to Close</b>	Developer will deposit \$5,000 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 as part of the site plan process.
<b>Performance</b>	City to require construction of a minimum 7,000 SF commercial/retail building (O'Reilly Auto Parts) compliant with COR Zoning requirements 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>	None at this time
<b>Review</b>	EDA (Sean): Land Transaction/ Purchase Agreement/ Right of Re-Entry Planning Commission (Tim/Chloe): Land Use, Development Agreement, Site Plan, Plat City Council: Final Approval on both items

## PURCHASE AGREEMENT

This Agreement is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **Java Companies, LLC. & or Assigns**, a Minnesota 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 .72 acres (31,304 square feet) of vacant land, legally described as follows:  
  
Part of Outlot GG, Ramsey Town Center Addition, to be platted as:  
  
T.B.D. Anoka County, Minnesota  
  
PID Number: Portion of 28-32-25-41-0020 (“Property”)
3. **PURCHASE PRICE.** The purchase price for the Property is \$250,432 (the “Purchase Price”).
4. **EARNEST MONEY AND ADDITIONAL EARNEST MONEY.** Within five business days after the Effective Date, Buyer must deposit the sum of \$5,000.00 (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, 2, 3, 4, 5, 7A, 8, 11 and 14) for Part of Outlot GG, Ramsey Town Center Addition (the "Survey") from a duly licensed surveyor dated August 11, 2016. 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.

The payment and indemnification provisions of this Section 7 shall survive any termination or cancellation of this Agreement and are referred to herein as the “Surviving Obligations.”

**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. The Property is a legally subdivided and separately taxed parcel of land as of the date hereof (or the Seller shall otherwise obtain all necessary governmental consents for the conveyance of the Property and the recording of the deed to be delivered at closing so that Buyer’s interest in the Property after Closing can be shown of record).
- f. 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 [REDACTED] **Date to be inserted based on 180 days from 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](mailto:kulrich@cityoframsey.com)

Buyer: Java Companies, LLC & or Assigns.  
Mark R. Krogh  
879 Scheffer avenue  
St Paul, MN 55102  
Email: [andy@javacompanies.com](mailto:andy@javacompanies.com) and [mark@javacompanies.com](mailto:mark@javacompanies.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 Five Thousand and 00/100 Dollars (\$5,000.00) earnest money with Escrow Agent for each

extension. Each \$5,000 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;
  - iii. The Right of Re-Entry Agreement provided for in Section 28 below; and
  - iv. 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;
  - ii. Execute and deliver the Right of Re-Entry Agreement provided for in Section 28 below; and
  - iii. 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 2019 for the Property.
2. Seller shall pay all special assessments levied or pending against the Property as of the Closing Date.
3. Seller's own attorney's fees.
4. One-half the cost of any closing fees.
5. The cost of real estate broker commission fees as prescribed in Section 14.
6. 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. Notwithstanding the forgoing Seller may enforce Buyer's Surviving Obligations by pursuant to an action in Anoka County District Court to recover its actual damages arising from Buyer's failure to perform or pay the Surviving Obligations. Any such action must be commenced within six (6) months after the date of termination or cancellation of this Agreement.
  - 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.** **Within one year from the Closing Date,** Buyer shall construct and obtain a certificate of occupancy from the City of Ramsey for a minimum 7,000 SF building compliant with COR Zoning requirements to be further defined by an approved Site Plan.. At Closing, a “Right of Re-Entry Agreement” shall be executed and recorded against 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 be in the process of obtaining 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.

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

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

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

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

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

**BUYER: JAVA COMPANIES, LLC. & OR ASSIGNS**

By: \_\_\_\_\_  
Mark Krogh, Chief Manager

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

**Exhibit A**

**Legal Description**

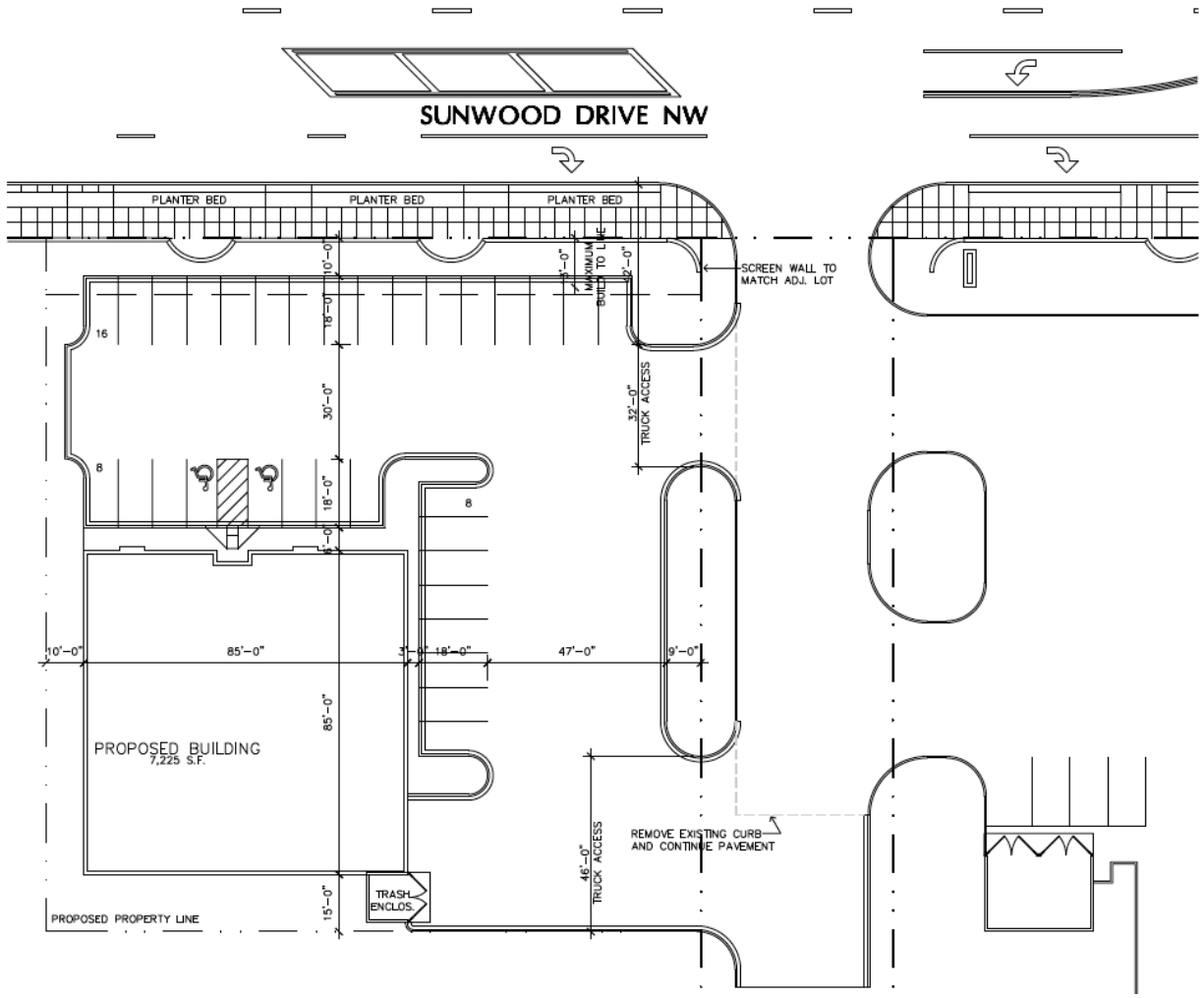
Part of Outlot GG. Ramsey Town Center Addition, to be platted as:

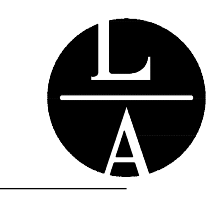
T.B.D. Anoka County, Minnesota

PID Number: Portion of 28-32-25-41-0020 (“Property”)

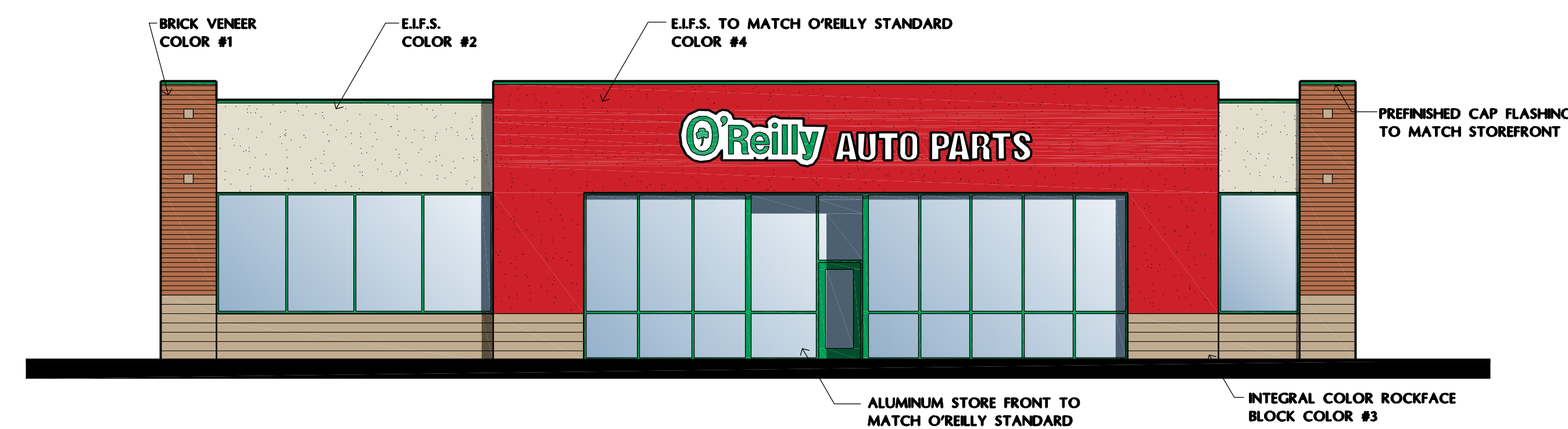
# Exhibit B

## Concept Plan

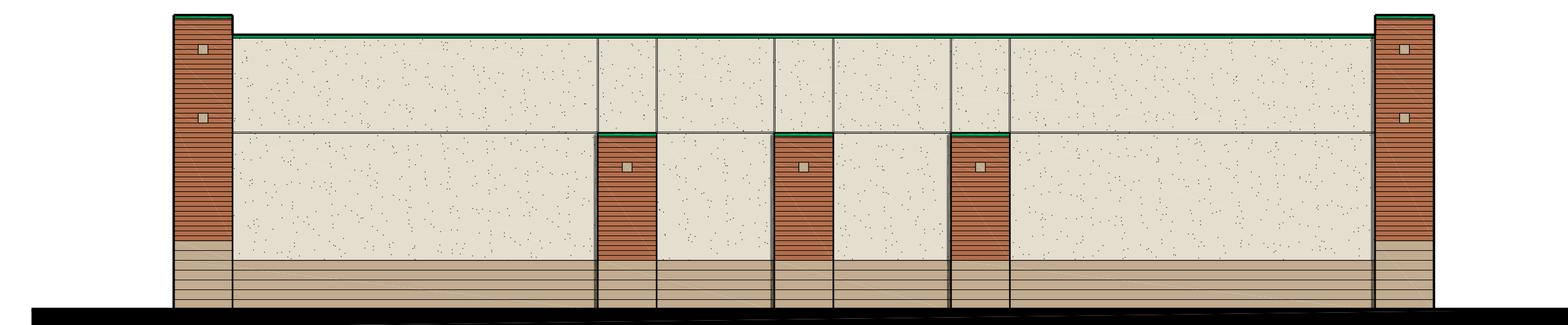




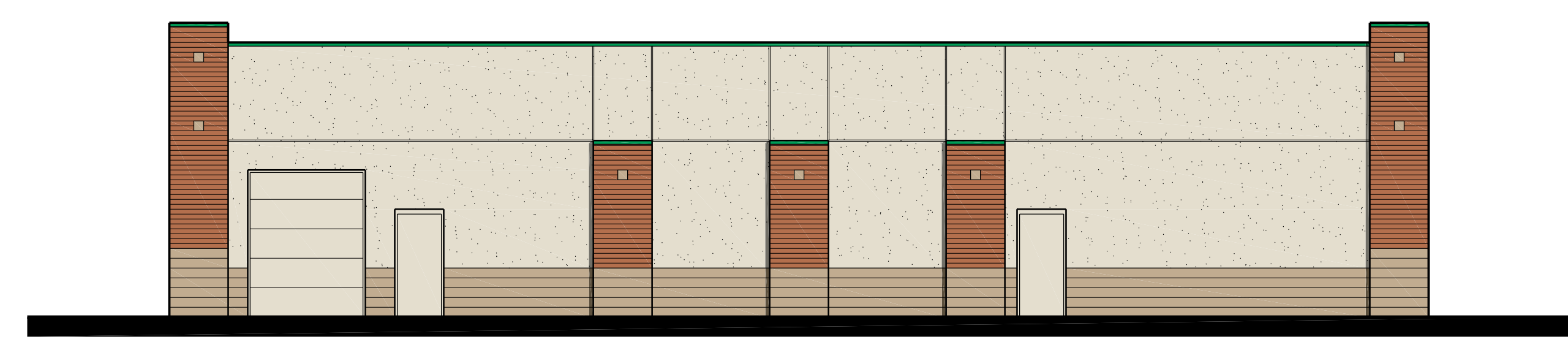
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NORTH ELEVATION



SOUTH ELEVATION



EAST ELEVATION

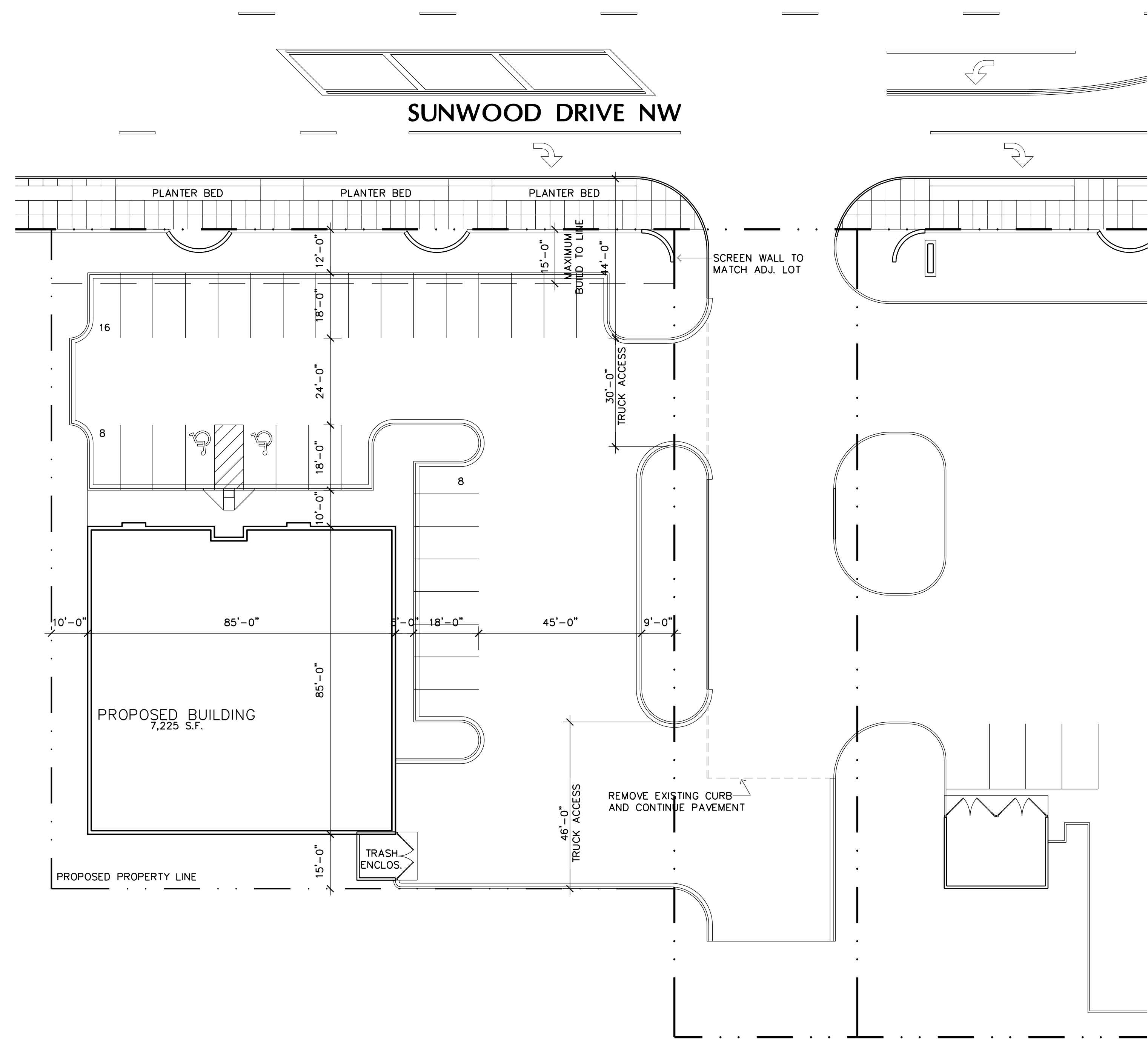


WEST ELEVATION

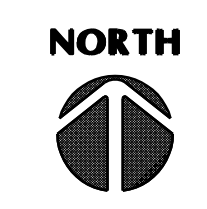
# O'REILLY AUTO RAMSEY

Ramsey, Minnesota

NOTE: THIS DRAWING IS FOR ILLUSTRATIVE PURPOSES ONLY. ACTUAL COLORS NEED TO BE FIELD VERIFIED.

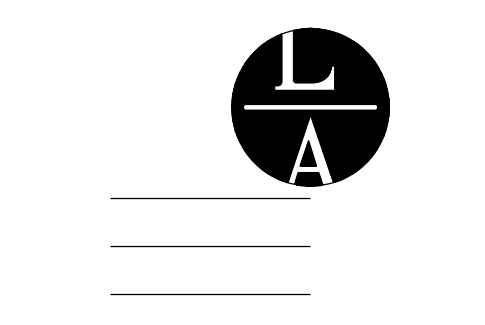


1 SITE PLAN  
A1 SCALE: 1" = 20'-0"



**SITE DATA**  
 LOT SIZE: 31,304 S.F. 0.72 ACRES  
 FLOOR AREA RATIO: 7,225/31,304 = 23.1% < 25% MIN. \*VARIANCE REQ'D  
 ZONING: COR-3 WORKPLACE DISTRICT  
 BUILDING: AUTO PARTS STORE (CONDITIONAL USE) 7,225 S.F.

**PARKING DATA**  
 RETAIL (2/1,000 S.F. MIN-4/1,000 S.F. MAX) - 14 MIN/29 MAX  
 STALLS PROVIDED - 32 STALLS \*VARIANCE REQ'D



**LAMPERT ARCHITECTS**  
 420 Summit Avenue  
 St. Paul, MN 55102  
 Phone: 763.755.1211 Fax: 763.757.2849  
 lampert@lampert-arch.com

ARCHITECT CERTIFICATION:  
 I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ARCHITECT UNDER THE LAWS OF THE STATE OF MINNESOTA.

**PRELIMINARY NOT FOR CONSTRUCTION**

SIGNATURE  
 LEONARD LAMPERT  
 PRINT  
 13669  
 LICENSE  
 08/01/00  
 STATE

**JAVA PROPERTIES**  
 879 Scheffer Avenue  
 St. Paul, MN 55102  
 Phone: 952-403-9595

**O'REILLY AUTO  
 SUNWOOD DR**  
 Sunwood Drive NW, Ramsey Minnesota

Copyright 2020  
 Leonard Lampert Architects Inc.  
 Project Designer: JAMES B  
 Drawn By: ALE  
 Checked By: LL

Revisions

8/6/20	PRELIMINARY

**SITE PLAN**

Sheet Number

**A1**

Project No.

## Economic Development Authority (EDA)

4. 2.

**Meeting Date:** 09/10/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

---

### **Title:**

Discuss Potential Billboard and Dynamic Display Sign Plan for Highway 10

### **Purpose/Background:**

Staff has received input from Developers and potential End-Users indicating that it is difficult to be seen from Highway 10 in the COR and surrounding areas. The City Council and Planning Commission have recently granted approvals for 75 foot tall signage on the land under contract by RGH Ramsey and another parcel owned by PSD LLC to assist in increasing visibility to Highway 10 traffic.

In order to increase visibility further, Staff has reached out to Blue Ox Media for additional ideas. Blue Ox Media is a Dynamic Display Billboard owner and operator. Blue Ox Media erected the newer billboard on Highway 169 in Champlin, which provides additional advertising opportunities for local and national businesses. Staff thought that this would be a good place to start for some general discussion on what the next possible next steps could be and if the EDA has an interest in pursuing this any further.

### **Notification:**

N/A

### **Observations/Alternatives:**

Staff would like to know if the EDA has any interest in exploring the possibility of locating a Dynamic Display Billboard on Hwy 10 to provide opportunities for Ramsey businesses to increase marketing exposure for businesses. Tom McCarver, from Blue Ox Media, will be at the EDA meeting to provide some background and answer some questions.

Within the last 1-2 years, the City renovated the Community Sign adjacent to the Northstar Commuter Rail Station. The intent of this sign was clearly defined as a community sign providing community messaging only, not advertising for local businesses. This current discussion is to consider ways to provide an additional sign that is focused on advertising for local businesses, not a community message sign.

Topics of presentation / discussion will include:

- **What is looked at in determining the siting for a sign**

- Traffic Counts
- Market Research
- National Advertisers
- Local Advertisers
- Location
- Cost

- **How are signs funded / Constructed**

- Advertisement Revenue
  - Who can advertise
- Cost roughly about \$500,000 for construction of 40 foot tall, 2 sided dynamic display sign
- Privately owned
  - Land Lease
  - Land ownership

- Potential for shared cost with EDA initially if not financially feasible by Vendor
- **Champlin Sign**
  - How it was located
  - How it was funded
  - Local advertising
  - Utilized a land lease from City
- **Additional Billboard Sign Companies**
  - Blue Ox Media, Clear Channel, Out Front Media, Lamar (more St Cloud Market), others
- **Options for selecting a Vendor for Billboard Sign**
  - Request for Proposals (RFP) to other billboard owners
    - City would need to develop RFP and potentially identify sites / areas
      - Potential for nobody to respond due to marginal Ramsey market
  - Exclusivity Agreement to negotiate with single vendor
    - Allows Vendor to spend more resources upfront to determine if market is worth investment and to make proposal to city (Less time/cost to city upfront)

**Possible Next Steps:**

1. Determine if the EDA is would like to take the lead on obtaining a private billboard sign in Ramsey
2. Direct Staff to gather more information as determined by the EDA (possible sites, need, potential advertisers)
3. Provide a recommendation to City Council on whether a RFP or a Exclusivity Agreement should be the method to work with/select a Vendor
4. Something else

**Funding Source:**

N/A

**Recommendation:**

Based on discussion

**Action:**

Based on discussion

**Attachments**

Champlin Sign Photo and Information

**Form Review**

<b>Inbox</b>	<b>Reviewed By</b>	<b>Date</b>
Sean Sullivan (Originator)	Sean Sullivan	09/03/2020 12:01 PM
Tim Gladhill	Tim Gladhill	09/04/2020 10:22 AM
Form Started By: Sean Sullivan		Started On: 08/28/2020 03:52 PM
Final Approval Date: 09/04/2020		

## CHAMPLIN – Blue Ox Media

West Side of Highway 169, 500 feet south of 120th Ave.

Blue Ox Media's EXCLUSIVE Highway 169 advertising coverage provides brands with the only digital Out of home billboard coverage within a 5+ mile radius! No other OOH coverage exists along Highway 169 from I-694 through the entire area.

Reaching consumers in the heart of the northwest metro, this location is ideal marketing coverage for healthcare, higher education, technology and auto brands. Additionally, the sign is a short drive from several colleges, some of the metros top retailers and the affluent communities of Anoka, Coon Rapids, Osseo & Maple Grove!

Size: 14' X 48'

Facing: North & South

Type: Digital

