

**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, June 10, 2021, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Jim Steffen
 Member Scott Cords
 Member Chelsee Howell
 Rachal Johnson (remote)
 William MacLennan
 Michael Olson
 Member Chris Riley

Members Absent: None

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 Cords, seconded by Member Olson, to approve the agenda.

Motion carried. Voting Yes: Chairperson Steffen, Members Cords, Howell, Johnson, MacLennan, Olson, and Riley. Voting No: None. Absent: None.

3. CONSENT AGENDA

3.01: Approve Meeting Minutes Dated May 13, 2021

Motion by Member Riley, seconded by Member Olson, to approve the May 13, 2021, minutes as presented.

Motion carried. Voting Yes: Chairperson Steffen, Members Riley, Cords, Howell, Johnson, MacLennan, and Olson. Voting No: None. Absent: None.

4. EDA BUSINESS

4.01: Consider Renovation and Lease of Old Town Hall

Economic Development Manager Sullivan presented the staff report.

Member Cords asked the last time the building was used for commercial or other official purposes.

Economic Development Manager Sullivan commented that he was unsure but believes perhaps the 1980s.

Member Riley asked for information on parking and signage.

Economic Development Manager Sullivan replied that there are some parking spaces on site and cross easement agreements likely would be used for shared parking. He noted that the business would start with night and weekend hours, which would be generally different than the hours of the bank and daycare. He stated that a sign could not be hung on the building but there is great visibility from Highway 47 and a standing monument sign could be placed out front to advertise the business.

Member Cords asked if there would be rules as to how the building could be used/restored because it is a historical site.

Economic Development Manager Sullivan commented that the building could be used for any purpose but confirmed that there are some regulations that would apply to renovations as outlined in the RCP report.

Chairperson Steffen commented that he did not recall an EDA case in 2018 to repair the roof and asked why that was done, and why only that was done.

Economic Development Manager Sullivan commented that case did not come before the EDA and only went to the City Council. He stated that the roof repairs were identified in the RCP report and if it were not repaired, the building would not have made it because of the poor condition.

Member Olson asked the estimated length of the renovation.

Economic Development Manager Sullivan was unsure of the length of time, noting that the repairs are not that significant. He stated that the length would be dependent on contractor availability. He stated that staff would need to do some research in terms of paint color palette acceptable for renovation standards.

Chairperson Steffen asked if the business owner is aware of the timeline and is okay with that.

Economic Development Manager Sullivan confirmed that the business owner is aware it will take time to make the improvements. He noted that the business is currently online, and the owner likes this location and building and is willing to follow the timeline of the City.

Member Olson asked if there is a specific type of contractor that would be used to complete the renovation that specializes in historical buildings.

Economic Development Manager Sullivan replied that is not required. He noted that the RCP report would be shared with a contractor to identify the things that would need to be followed.

Member Riley commented that if this is leased to a for profit entity, this would become a taxable property and this would also provide an opportunity for a local business owner. He referenced the miscellaneous cost budgeted and noted that while that is a healthy amount he would wonder if that should be increased because of the unknown items that could arise.

Economic Development Manager Sullivan replied that if the EDA decides to move forward, staff would go to out get quotes with a not to exceed cost of \$50,000. He stated that the City Council could choose to increase the contingency.

Member MacLennan referenced the lease proposal and asked if this would be a three-year lease.

Economic Development Manager Sullivan confirmed that the proposal would be for a three-year lease at this time.

Member MacLennan asked if that length could be extended to five years to ensure the City receives a return on the investment.

Economic Development Manager Sullivan commented that while that is a good discussion, that would be a big ask for a start up business that is moving from an online format to a brick and mortar location. He reviewed some of the offers the City has received in the past to lease the building. He commented that if the condition of the building is improved to support a business, the City would most likely not have a problem leasing the space to another use.

Member MacLennan asked if the monument sign would be the cost of the business, or whether that would remain in place to be used by a future user as well.

Economic Development Manager Sullivan replied that it would depend upon the type of sign the business chooses. He stated that it would be wonderful to have an interchangeable sign, but that would be discussed as this moves forward.

Chairperson Steffen asked if this was on the City's radar regardless of whether this is being brought forward because of the interest of the tenant.

Economic Development Manager Sullivan replied that this was on the radar of the City, but perhaps not at the top of the list. He stated that the City does continue to receive interest in the site, but it does not move forward because of the condition of the building.

Member Olson asked if the web address for the business is available.

Economic Development Manager Sullivan replied that he did not have the website, but staff could get that information.

Chairperson Steffen commented that he loves this idea. He noted that the roof has been repaired and it would make sense to complete the necessary renovations in order to support use.

Motion by Chairperson Steffen, seconded by Member MacLennan, to recommend to City Council to obtain quotes to complete the full renovation and to utilize EDA/HRA funds to complete the renovation and recommend that the City Council authorize staff to enter into negotiations with Small Town Girl Boutique.

Further discussion: Chairperson Steffen asked if the EDA would need to designate whether EDA or HRA funds should be used. Economic Development Manager Sullivan commented that if there is a preference, that should be specified. He reviewed the available EDA balance and noted that there could be a stipulation that if EDA funds are used, the lease revenue come back to the EDA fund. Chairperson Steffen asked if the EDA should recommend that HRA funds be used prior to suggesting the EDA fund. Economic Development Manager Sullivan noted that he would suggest using EDA funds, but either fund would be appropriate. Deputy City Administrator Gladhill explained that the HRA account is actually the Anoka County HRA fund and noted that fund is probably overprescribed for use with other projects. He stated that this would seem to be a good use of EDA funds, especially if the lease revenue were going to come back to the EDA fund. Chairperson Steffen confirmed that he would leave the motion as stated and allow staff to make the choice on the fund to be used, with the stipulation that the revenue come back to the EDA fund.

A roll call vote was performed:

Member Howell	aye
Member Riley	aye
Chairperson Steffen	aye
Member Cords	aye
Member Johnson	aye
Member MacLennan	aye
Member Olson	aye

Motion carried.

6. ADJOURNMENT

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

A roll call vote was performed:

Member Howell	aye
Member Riley	aye
Chairperson Steffen	aye
Member Cords	aye

Member Johnson aye
Member MacLennan aye
Member Olson aye

Motion carried.

The regular meeting of the Economic Development Authority adjourned at 8:02 a.m.

Respectfully submitted,

Sean Sullivan
Economic Development Manager

ATTEST:

Wendy Schlueter
Economic Development Administrative Assistant

Draft by Amanda Staple
TimeSaver Off Site Secretarial, Inc.

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