

**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
 Member Rachal Johnson (remote)
 Member William MacLennan
 Member 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 out and get quotes with a cost not to exceed \$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 for 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.

4.02: Consider Approval of Fourth Amendment to Purchase Agreement for Lots 1, 2, and 3, Block 1, COR TWO; Case of RGH Ramsey LLC (Portions may be closed to the public)

Chairperson Steffen recused himself from this discussion as the developer is a relative of his.

Economic Development Manager Sullivan presented the staff report.

Acting Chairperson Cords asked the status of the developer in terms of finding businesses to put within the proposed spaces.

Economic Development Manager Sullivan commented that there is open communication with the developer and the volume about the potential prospects has increased recently. He stated that retailers are starting to look in the market again following the pause during COVID.

Member Riley commented that it is clear as to why nothing has happened in the last year but is optimistic for the future. He stated that the fact the developer is willing to put in another \$10,000 is great and he supports this action.

Member MacLennan commented that he also supports this as the developer is interested, is willing to put up more money and is putting in the effort.

Acting Chairperson Cords commented that this has been ongoing for two years by the end of the proposed term and it sounds like the \$50,000 that will have been put into this by the developer would be equal to payment of the property taxes. He stated that he also likes that there is someone that is willing to continue to put money and effort into this.

Motion by Acting Chairperson Cords, seconded by Member MacLennan, to recommend approval of Fourth Amendment to Purchase Agreement for Lots 1, 2, and 3, Block 1, COR TWO, subject to City Attorney review.

A roll call vote was performed:

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

Motion carried.

Chairperson Steffen rejoined the group.

~~**4.03: Consider Offers for Outlot B Ramsey Town Center 7th Addition (portions of meeting may be closed to the public under Minnesota Statutes Section 13.D.05 Subdivision 3(e)(3) to develop or consider offers or counteroffers for the purchase or sale of real or personal property)**~~ Item previously removed from the agenda.

5. MEMBER / STAFF UPDATE

Economic Development Manager Sullivan stated that invitations will be sent out for Business Appreciation Day this week and asked if there is a meal preference between steak or prime rib. He commented that Wells Catering was selected for the caterer.

It was the consensus of the EDA to choose prime rib.

Deputy City Administrator Gladhill commented that this will be his last EDA meeting as his last day with Ramsey will be June 22nd.

Chairperson Steffen thanked Deputy City Administrator Gladhill for his great work over the years and wished him well.

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.