

**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, December 9, 2021, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Scott Cords
 Member Chelsee Howell
 Member Rachal Johnson
 Member Michael Olson
 Member Chris Riley (via Zoom)
 Member Jim Steffen (via Zoom)

Members Absent: Member William MacLennan

Also Present: Sean Sullivan, Economic Development Manager

1. CALL TO ORDER

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

2. APPROVE AGENDA

Motion by Member Johnson, seconded by Member Olson, to approve the agenda.

A roll call vote was performed:

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

Motion carried.

3. CONSENT AGENDA

3.01: Approve Meeting Minutes Dated November 18, 2021

Motion by Member Johnson, seconded by Member Howell, to approve the November 18, 2021, minutes as presented.

A roll call vote was performed:

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

Motion carried.

4. EDA BUSINESS

4.01: Consider Second Amendment to Purchase Agreement for Outlot B, COR Stone Brook Academy; Case of Stories Foundation

Economic Development Manager Sullivan presented the staff report.

Chairperson Cords asked if the City has significant investment into this particular project or the land as a function of this project.

Economic Development Manager Sullivan commented that the only investment has been staff time and time put into the site plan which have been covered through escrow.

Member Steffen stated that he would like to hear from the developer.

Mark Thurston, Stories Foundation, thanked the EDA for allowing him to share this proposal. He stated that they are in strong fundraising mode and have been for some time. He stated that they have met with a number of banks that are supportive of the project but cannot provide assistance until additional funds are raised. He stated that they would like to close on the lot and use that as a marketing tool and showing a step forward towards the completion of the project.

Chairperson Cords asked how close they are to starting construction.

Mr. Thurston replied that they believe \$1,000,000 in funding will be the point where they would begin construction. He stated that they are turning over every stone and making new contacts in order to raise funds and speak with banks.

Chairperson Cords commented that he did not see a negative impact to the City to hold onto this. He assumed there are no other interests attempting to get into the project and therefore would support the staff recommendation.

Economic Development Manager Sullivan agreed noting that this is a unique site that fits this project well. He believed that it would be appropriate to give this project another year and confirmed that he has not received any other interest in the site.

Motion by Member Johnson, seconded by Member Olson, to recommend to City Council to approve Second Amendment to Purchase Agreement and Right of Re-Entry Agreement for Outlot B, COR Stone Brook Academy as presented; subject to City Attorney review.

A roll call vote was performed:

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

Motion carried.

4.02: Consider Options Regarding Purchase Agreement for Lot 4, Block 1, Riverside West; Case of Windows and Doors USA LLC (Portions of meeting could be closed to the public)

Economic Development Manager Sullivan presented the staff report.

Chairperson Cords asked if this would be reasonable time to expect response from the applicant.

Economic Development Manager Sullivan commented that typically with purchase agreements, there would be earnest money provided to City after the purchase agreement is approved by City Council and work would begin on the site plan. He stated that the applicant did previously mention the uncertainty of the market. He noted that he has never had an applicant go this silent before and he did not see any recent progress or desire to make progress. He stated that the applicant has expressed concern with the right of re-entry agreement, but it was explained that the City uses that as common practice. He stated that it is a good project he would like to see happen but is not receiving indications that it will come to fruition.

Member Olson asked if the right of re-entry agreement is common for cities to use.

Economic Development Manager Sullivan commented that some cities use the clause while others do not. He stated that Ramsey is unique in the amount of land it owns, whereas some cities do not own much land for development. He stated that the clause is good to have because the desire is for the land to be developed rather than a situation where a person purchases the property to sit on it for a length of time. He stated that the right of re-entry agreement has been enacted and used in the past. He stated that under that clause the City has the right to take the property back but does not have to take the property back. He noted that a financial penalty could also be imposed if development does not happen by certain dates.

Member Riley stated that it is important to have the right of re-entry as that protects the interest of the City and the residents, as the intent is to have the land developed rather than remain vacant for decades. He suggested that staff keep moving with the applicant but advise him that the land is

not under contract and is on the market. He noted that staff could continue to work with the applicant in the same manner they would any other interested buyer.

Chairperson Cords stated that the recommendation would be to terminate the purchase agreement. He noted that Member Riley has suggested that be done but let the applicant know that staff would continue to work with him if he is still interested. He asked if the City has the ability to terminate the purchase agreement.

Economic Development Manager Sullivan confirmed that the City does have that ability and reviewed the recommendation from the City Attorney. He stated that the purchase agreement is not valid as it was not signed by both parties and earnest money was not provided. He confirmed that staff could continue to work with the applicant and if progress is made, a purchase agreement could be proposed again in the future.

Motion by Member Cords, seconded by Member Olson, to recommend to City Council to provide written notice to Windows and Doors USA that the that the purchase agreement drafted on September 28, 2021 is no longer valid.

Further discussion: Member Johnson commented that if the applicant is not responding to staff, she feels that is a clear direction that there is no intent by the applicant to proceed.

A roll call vote was performed:

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

Motion carried.

4.03: West Armstrong Redevelopment Area Update and Approval of Topographic Survey

Economic Development Manager Sullivan presented the staff report.

Chairperson Cords asked if the EDA budget would cover the \$8,000 and whether the remaining would be funding in another manner.

Economic Development Manager Sullivan confirmed that the EDA fund would be used and the PIR fund would be used for the remainder of the cost.

Chairperson Cords acknowledged that the EDA has discussed completing this project in order to make the properties more attractive for industrial development.

Motion by Member Johnson, seconded by Member Olson, to authorize funding and order report of Engineering Services for West Armstrong Redevelopment Area Topographical Survey as presented (\$7,955) and recommend to City Council to Authorize the Funding and Order Engineering Services for West Armstrong Redevelopment Area (designs/plans/feasibility update) as presented (\$49,835).

A roll call vote was performed:

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

Motion carried.

5. MEMBER / STAFF UPDATE

Economic Development Manager Sullivan provided an update on recent development inquiries and activities. He also provided details on the registrations received thus far for the business networking event which highlight the pending Hwy 10 project.

Chairperson Cords asked if there are any updates on the Java proposal.

Economic Development Manager Sullivan stated that the purchase agreement will go before the City Council on December 14th. He stated that the developer is excited to get the purchase agreement approved.

6. ADJOURNMENT

Motion by Member Olson, seconded by Member Howell, to adjourn the meeting.

A roll call vote was performed:

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

Motion carried.

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Sean M. Sullivan". The signature is written in a cursive style with a clear, legible font.

Sean Sullivan
Economic Development Manager

ATTEST:

A handwritten signature in black ink that reads "Wendy Schlueter". The signature is written in a cursive style with a clear, legible font.

Wendy Schlueter
Economic Development Administrative Assistant

Draft by Amanda Staple
TimeSaver Off Site Secretarial, Inc.