

**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, October 13, 2022, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present:     Chairperson Michael Olson  
                          Member Chelsee Howell  
                          Member Rachal Johnson  
                          Member William MacLennan  
                          Member Chris Riley  
                          Member Shanna Stewart

Members Absent:     Member Scott Wiyninger

Also Present:         Sean Sullivan, Economic Development Manager

**4.02: Consider Cancellation of Purchase Agreement for Parcel 50; Case of Java Companies, LLC**

Economic Development Manager Sullivan presented the staff report.

Member Howell asked if the City would need to have to setup a purchase agreement in the same way if this developer were to come back, or whether the notice to proceed language could be removed so that if the developer did not move forward again the City would not lose out on the earnest money after holding land for a significant amount of time.

Economic Development Manager Sullivan replied that every purchase agreement can be negotiated with terms the EDA and Council agree to. He stated that those agreements are setup in that way to allow the due diligence, tenant and site plan approval work. He commented that in this case the developer is aware of who the tenants would be and therefore could be an ask if they were to come back for a future purchase agreement. He noted that the one thing that would be problematic is that typically the development review process occurs during that six months as well. He noted that the money is therefore allowed to be refundable during that time in the case that perhaps the City does not approve the development plans. He noted that time period could be shortened. He believed that this developer would come back at a later time as they are interested in the site but noted that the site will go back on the market and someone else may be interested before that time.

Member Stewart stated that land prices will increase and therefore she would recommend that the developer lose out on this price if they were to come back.

Economic Development Manager Sullivan commented that he would love to see a developer come forward and be willing to endure the shutdown of Ramsey Boulevard, but there will be a turn lane constructed that would make the site more marketable therefore after those improvements have been made the site would likely increase in price. He agreed that the market could be different in two years and the pricing could change for the developer.

Member Riley commented that this site would then be available for sale and would be marketed.

Chairperson Olson asked if it is known as to whether all the tenants were backing out, or just a few.

Economic Development Manager Sullivan replied that two tenants did not want to move forward under the scenario and therefore with only one tenant potentially committed the developer did not want to move forward.

Chairperson Olson commented that he surprised that the developer had proposed this project with that timing to begin with, with the knowledge of the upcoming shutdowns for the Highway 10 project.

Economic Development Manager Sullivan commented that the west side of The COR, along Armstrong will become more marketable because that will not be closed and will have more traffic during Highway 10 construction.

Member MacLennan agreed with Member Stewart that if the developer were to come back, the land price would not remain at this level. He understood the need for the developer to not move forward at this time.

Member Howell stated her concerns with the refund of the additional earnest money related to the extension of the due diligence period. She suggested that in future purchase agreements the additional earnest money for the extensions of the due diligence period not be refundable.

Motion by Member Stewart, seconded by Member MacLennan, to recommend to City Council to approve Cancellation Agreement for Parcel 50 with Java Companies, LLC as presented, subject to City Attorney review.

Motion carried. Voting Yes: Chairperson Olson, Members Stewart, MacLennan, Howell, Johnson, and Riley. Voting No: None. Absent: Member Wiyninger.

## **6. ADJOURNMENT**

Motion by Member MacLennan, seconded by Member Stewart, to adjourn the meeting.

Motion carried. Voting Yes: Chairperson Olson, Members MacLennan, Stewart, Howell, Johnson, and Riley. Voting No: None. Absent: Member Wiyninger.

The regular meeting of the Economic Development Authority adjourned at 8:05 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.*

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