

City of Ramsey
Agenda
Economic Development Authority (EDA)
Thursday, January 13, 2022
7:30 am
Council Chambers, 7550 Sunwood Drive NW

Remote Attendance available at 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.

- 1. Call to Order**
- 2. Approve Agenda**
- 3. Approve Minutes**
 1. Approve Meeting Minutes for December 9, 2021
- 4. EDA Business**
 1. Consider Extension of CBRE Real Estate Listing Agreement for City Owned Land
 2. Receive 2021 Business Retention and Expansion Presentation
 3. Authorize 2022 Ramsey EDA Business Expo Budget and Date
- 5. Member/Staff Input**
- 6. Adjournment**

Economic Development Authority (EDA)

3. 1.

Meeting Date: 01/13/2022

Submitted For: Sean Sullivan, Community Development

By: Wendy Schlueter, Community Development

Title:

Approve Meeting Minutes for December 9, 2021

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 December 9, 2021 meeting minutes

Action:

Motion to approve December 9, 2021 EDA meeting minutes.

Attachments

[EDA Minutes](#)

Form Review

Inbox	Reviewed By	Date
Sean Sullivan	Sean Sullivan	01/03/2022 09:20 AM
Brian Hagen	Brian Hagen	01/04/2022 12:14 PM
Kurt Ulrich	Kurt Ulrich	01/05/2022 04:00 PM
Form Started By: Wendy Schlueter		Started On: 12/17/2021 02:24 PM
Final Approval Date: 01/05/2022		

**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,

Sean Sullivan
Economic Development Manager

ATTEST:

Wendy Schlueter
Economic Development Administrative Assistant

Draft by Amanda Staple
TimeSaver Off Site Secretarial, Inc.

DRAFT

Economic Development Authority (EDA)

4. 1.

Meeting Date: 01/13/2022

Submitted For: Sean Sullivan, Community Development

By: Sean Sullivan, Community Development

Title:

Consider Extension of CBRE Real Estate Listing Agreement for City Owned Land

Purpose/Background:

The purpose of this case is to consider extending the listing agreement with CBRE for some of the the City owned land held for resale. The City currently lists some of its own property utilizing Costar/Loopnet and MNCAR through the Anoka County access. City Staff has been satisfied with the work of Brian Pankratz with CBRE on the current listings. Covid-19 has slowed down many projects/retailers/restaurants but the City is still receiving inquiries generated from listings from CBRE and the City listings. The speed in which site selection and acquisition progressed has seemed to improve over the past few months and the City continues to entertain offers and interest. The City closed on three parcels in 2021 and has four others under a purchase agreement. The proposed listing agreement with CBRE would be from February 1, 2022 - January 31, 2023.

Notification:

Notification is not required.

Observations/Alternatives:

The the of the listing agreement is proposed to be extended 1 year to January 31, 2023. All other terms and condition remain the same as July 10, 2019 Listing Agreement The following changes (and current status) have been made to the properties on the attached listing agreement below:

1. Parcel 50a - ~~28-32-25-41-0020~~ 28-32-25-41-0024 (O'Reilly site sold on 12/15/21 for \$228,900. Remnant parcel under contract with Java Companies for \$1,366,259)
2. ~~Parcel 47c - 28-32-25-31-0023~~ (Parcel sold to Stories Foundation on 12/29/21 for \$67,953.60)
3. Parcel 47e - ~~28-32-25-23-0018~~ 28-32-25-23-0020 (Gigi's Salon site sold on 7/21/21 for \$247,324. Remnant former Hotel Site on Market)
4. Parcel 46 - 28-32-25-22-0058 (Centra Homes interest in majority of site. Site on Market)
5. Parcel 42a - 7994 Sunwood Drive - 28-32-25-23-0012 (Under Purchase Agreement with RGH Ramsey for \$461,155)
6. Parcel 42b - 7990 Sunwood Drive - 28-32-25-23-0011 (Under Purchase Agreement with RGH Ramsey for \$461,155)
7. Parcel 42c - 7992 Sunwood Drive- 28-32-25-23-0013 (Under Purchase Agreement with RGH Ramsey for \$461,155)
8. Parcel 48a -28-32-25-24-0017 (Site on the Market)
9. Parcel 48c - 28-32-25-31-0025 (Muni Plaza Retail - Site on Market)

Brian Pankratz will be in attendance to answer questions and to highlight listing activity by CBRE.

Alternatives include, but are not limited to the following:

1. Recommendation to City Council approval of Listing Agreement as presented. (Recommended)
2. Something else.

Funding Source:

There is no immediate or initial up front costs. CBRE is only paid at time of sale, and a commission is deducted from the gross sales price rather than an hourly rate. In addition, Staff has negotiated a reduction of commission from 5% to 3% for City generated leads on CBRE listed property.

Recommendation:

Staff recommends approval of the Listing Agreement with CBRE, from February 1, 2022 - January 31, 2023.

Action:

Motion to recommend to the City Council approval of the attached Listing Agreement with CBRE from February 1, 2022 - January 31, 2023.

Attachments

[ACTION - 2022 CBRE Listing Agreement](#)

[Parcel Number COR Listing Map](#)

[CBRE Property Listing Activity](#)

[CBRE Sign locations](#)

[CBRE Listing Agreement \(Reference\)](#)

[Retail Market Report](#)

[Industrial Market Report](#)

[Office Market Report](#)

Form Review

Inbox

Sean Sullivan (Originator)
Brian Hagen
Kurt Ulrich
Form Started By: Sean Sullivan
Final Approval Date: 01/05/2022

Reviewed By

Sean Sullivan
Brian Hagen
Kurt Ulrich

Date

01/04/2022 04:34 PM
01/05/2022 04:02 PM
01/05/2022 04:11 PM
Started On: 01/03/2022 09:32 AM



AMENDMENT TO LISTING AGREEMENT

CBRE, INC.
BROKERAGE AND MANAGEMENT
LICENSED REAL ESTATE BROKER

January 3, 2022

This is an Amendment to the Exclusive Sales Listing Agreement ("Listing") dated July 10, 2019 between City of Ramsey ("Owner") and CBRE, INC. ("Broker") for the real property described as Multiple Land Parcels, City of Ramsey, Minnesota.

- 1. Parcel 50c - 28-32-25-41-0020-28-32-25-41-0024
2. Parcel 47c - 28-32-25-31-0023
3. Parcel 47e - 28-32-25-23-0018-28-32-25-23-0020
4. Parcel 46 - 28-32-25-22-0058
5. Parcel 42a -7994 Sunwood Drive - 28-32-25-23-0012
6. Parcel 42b - 7990 Sunwood Drive - 28-32-25-23-0011
7. Parcel 42c - 7992 Sunwood Drive- 28-32-25-23-0013
8. Parcel 48a -28-32-25-24-0017
9. Parcel 48c - 28-32-25-31-0025

Owner and Broker hereby agree to amend the Listing as follows:

- 1. That the Listing Term be extended for another period commencing February 1, 2022 and ending midnight January 31, 2023
2. All other terms and conditions remain the same.

As used herein the term "Owner" shall be deemed to include a tenant wishing to affect a sublease, lease assignment or lease cancellation.

Except as expressly set forth in this Amendment, the Listing shall remain in full force and effect.

BROKER:

OWNER:

CBRE, Inc.
Licensed Real Estate Broker

City of Ramsey

By: Jeffrey V. Jiovanazzo

By: Kurtis G. Ulrich

Title: Managing Director

Title: City Administrator

Address: 800 LaSalle Avenue

Address: 7550 Sunwood Drive NW

Suite 1900

Ramsey, MN 55303

Minneapolis, MN 55402

Telephone: (952) 924-4600

Telephone: (763) 433-9845

Date:

Date:

Minnesota Sale/Lease Disclosures

Property: Multiple Land Parcels, City of Ramsey, Minnesota

Seller/Landlord Disclosure of Material Facts, Delivery of Reports, and Compliance with Laws. Sellers/landlords are hereby requested to disclose directly to buyers/tenants all facts known to sellers/landlords that materially affect the value or desirability of the Property and are not readily observable nor known to the buyer/tenant, including, but not limited to, facts regarding hazardous materials, zoning, construction, design, engineering, soils, title, survey, fire/life safety, proneness to natural hazards such as earthquakes, and other matters, and to provide buyers/tenants with copies of all reports in the possession of or accessible to sellers/landlords regarding the Property. Sellers/landlords and buyers/tenants must comply with all applicable federal, state and local laws, regulations, codes, ordinances and orders, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

Americans with Disabilities Act (ADA). The Americans With Disabilities Act (42 United States Code §12101 et seq.) and other federal, state and local requirements may require changes to the Property. Have your experts investigate and evaluate these matters.

Taxes. Sales, leases and other real estate transactions can have federal, state and local tax consequences. In sales transactions, Internal Revenue Code §1445 requires buyers to withhold and pay to the IRS 15% of the gross sales price within 20 days of the date of a sale unless the buyers can establish that the sellers are not foreigners, generally by having the sellers sign a Non-Foreign Seller Affidavit. Depending on the structure of the transaction, the tax withholding liability can exceed the net cash proceeds to be paid to sellers at closing. Have your experts investigate and evaluate these matters.

Flood Zones. Many lenders require flood insurance for properties located in flood zones, and government authorities may regulate development and construction in flood zones. Whether or not located in a flood zone, properties can be subject to flooding and moisture problems, especially properties on a slope or in low-lying areas. Buyers/tenants should have their experts confirm whether the Property is in a flood zone and otherwise investigate and evaluate these matters.

Fires. Properties, whether or not located in a fire hazard zone, are subject to fire/life safety risks and may be subject to state and local fire/life safety-related requirements, including retrofit requirements. Have your experts investigate and evaluate these matters.

Hazardous Materials and Underground Storage Tanks. Due to prior or current uses of the Property or in the areas or the construction materials used, the Property may have hazardous or undesirable metals (including but not limited to lead-based paint), minerals (including but not limited to asbestos), chemicals, hydrocarbons, petroleum-related compounds, or biological or radioactive/emissive items (including but not limited to electrical and magnetic fields) in soils, water, building components, above or below-ground tanks/containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. If the Property was built before 1978 and has a residential unit, sellers/landlords must disclose all reports, surveys and other information known to them regarding lead-based paint to buyers/tenants and allow for inspections (42 United States Code §4851 et seq.). Have your experts investigate and evaluate these matters.

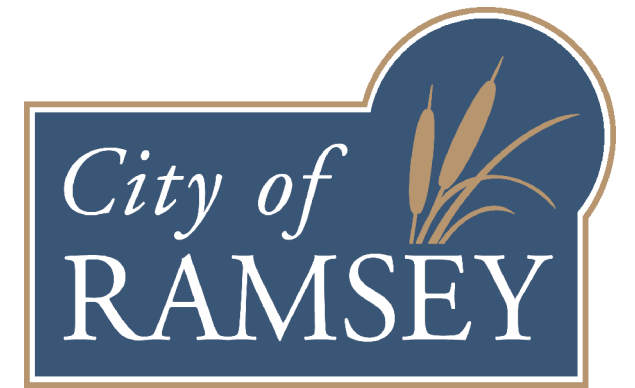
Property Inspections and Evaluations. Buyers/tenants should have the Property thoroughly inspected and all parties should have the transaction thoroughly evaluated by the experts of their choice. Ask your experts what investigations and evaluations may be appropriate as well as the risks of not performing any such investigations or evaluations. Information regarding the Property supplied by the real estate brokers has been received from third party sources and has not been independently verified by the brokers. Have your experts verify all information regarding the Property, including any linear or area measurements, the availability of all utilities, applicable zoning, and entitlements for the intended use. All work should be inspected and evaluated by your experts, as they deem appropriate. Any projections or estimates are for example only, are based on assumptions that may not occur, and do not represent the current or future performance of the property. Real estate brokers are not experts concerning, nor can they determine if any expert is qualified to provide advice on, legal, tax, design, ADA, engineering, construction, soils, title, survey, fire/life safety, insurance, hazardous materials, or other such matters. Such areas require special education and, generally, special licenses not possessed by real estate brokers. Consult with the experts of your choice regarding these matters.

CONSULT YOUR ADVISORS – This document has legal consequences. No representation or recommendation is made by Broker as to the legal or tax consequences of this Agreement or the transaction(s) which it contemplates. This form is not intended to substitute for any disclosures the law requires that the parties make to each other. These are questions for your attorney and financial advisors.

NOTICE: IF YOU RELIST WITH ANOTHER BROKER WITHIN THE OVERRIDE PERIOD AND THEN LEASE YOUR PROPERTY TO ANYONE WHOSE NAME APPEARS ON THIS LIST, YOU COULD BE LIABLE FOR FULL COMMISSIONS TO BOTH BROKERS. IF THIS NOTICE IS NOT FULLY UNDERSTOOD, SEEK COMPETENT ADVICE.

NOTICE: THE COMPENSATION FOR THE SALE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S CLIENT.

WHERE PERMITTED BY LAW, WE EACH KNOWINGLY AGREE TO WAIVE ANY AND ALL RIGHTS TO HAVE A DISPUTE ON ANY MATTER RELATING TO, OR ARISING FROM THIS AGREEMENT DETERMINED BY A JURY.

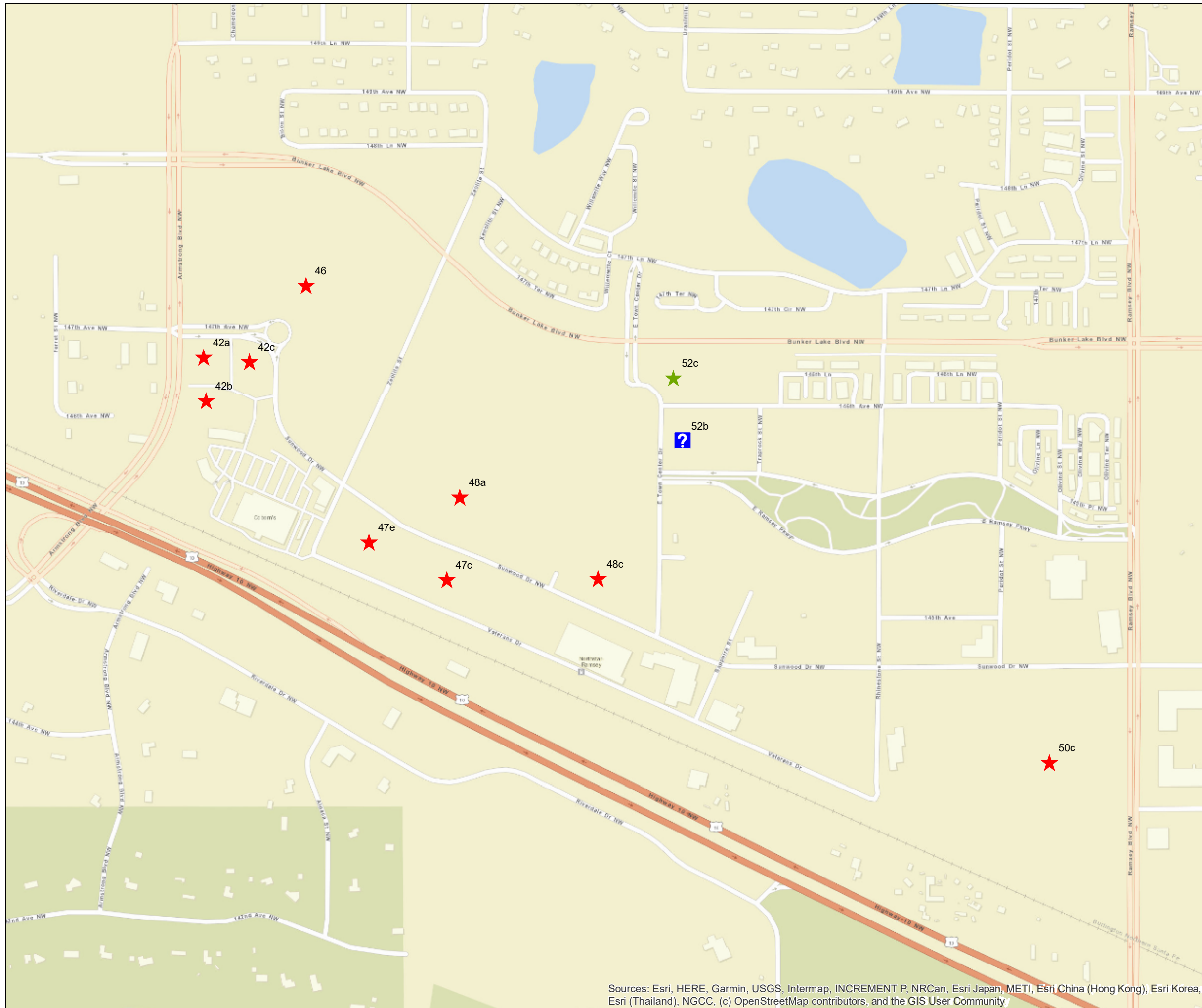


City Listings COR Area

Listings

Listings type

- ★ CBRE
- ★ City
- ❓ PENDING



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

January 2022 City of Ramsey Land Review

City of Ramsey-CBRE Closed Deals

1. Municipal Center NIK
2. Aeon
3. Centra Homes
4. Common Bond
5. Inland Development/Affinity
6. PSD, LLC
7. Coastal Living
8. Stone Brook Daycare
9. Purmort Homes
10. Muni Center-Meadow Creek
11. GiGi's Salon
12. Java Properties – O'Reilly
13. Stories Foundation

City of Ramsey-CBRE Under Contract/PA Status

1. Rob Hardy-PA (Parcel 42a, 42b, and 42c)
2. Java Properties-PA (Parcel 50c)

Prospects (sample list)

Prospect	Active or Met with City	Inactive met with City	CBRE Reach Out-No Response	CBRE Reach Out-Not Interested
Enclave Development- Looking for apartment sites				X
Kindercare				x
Discount Tire				x
Panera				X
Red Savoy				x
Pizza Luce				X
Public Storage			x	
Centra Homes	X			
Integrate Properties			X	
Scooters Coffee			X	
Casey's	x		X	

HJ Development			x	
Lennar	x			
DR Horton			x	
Pulte			x	
David Weekley Homes			x	
Vincent-apartments and townhomes			x	
LMC-apartments			x	
Sota Car Wash			X	
Zips Car Wash			X	
Border Foods			x	
Inland-Looking at 46 for housing	X			
Dunkin	X-Reviewing demo's, traffic counts, likes growth story			
Heartland Dental Group	x-Looking for expansion site. Want to be near grocery			
Kwik Trip	X			
Aldi	X			
Hy-Vee	X looking for Fast & Fresh Concept locations	x		
Starbucks	x-Looking for sites. Provided locations in COR			
Jimmy Johns			x	
NAPA			x	
Cub Foods				x-supplier to Coburns
Ryan Companies		X-potential for medical use		

Opus Companies		X		
IDP	X			
Hampton Companies		x-Opened facility south of Hwy 10		
PSD	X	x-under construction/completed industrial, apartment and retail in Ramsey		
Paxmar	X			
Dollar Tree	X	x		
Fourteen Foods-DQ franchisee				X
New Horizon				X
YMCA		X		
Speedway	X			
Holiday	X			
Abra/Caliber	X			
Oppidan	X			
United Properties for senior housing				X
Lifetime Fitness				X
Scannell Development				X
Ebbert Companies				X
Summit Development-senior housing				X
Charter School Fund		X		
Continental Properties	X-interested in non COR site for apartment development			
Excelsior Group				X
Mister Car Wash	X			
LGI Homes				X
Mills Fleet Farm				X

Wal-Mart				X
Metro Self Storage	X			
Platinum Development		X		
Willie McCoy's	X			
Culver's				X-Franchisee led
Noodles				X
Chipolte				X
Smashburger				X
Raising Canes				X
Chick Fil A				X
All American Car Wash				X
Panera Bread				X
Taco Bell				x

Monthly Blast of properties to 3000 prospects including brokers, builders, contractors, developers, investors, etc. Properties are posted on MnCAR/Catalyst, Loopnet, Costar, CBRE.com.

CITY OF RAMSEY PROPERTY SIGNS





1900 LaSalle Plaza
800 LaSalle Avenue
Minneapolis, MN 55402
+1 952 924 4600

July 10, 2019

BY ELECTRONIC MAIL

City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

Attention: Sean Sullivan and Kurt Ulrich

**Re: *Exclusive Sales Listing Agreement
Multiple Land Parcels, City of Ramsey, Minnesota ("Property")
Vacant Land Exhibit B***

Dear Sean and Kurt,

Thank you for selecting CBRE, Inc. ("CBRE") to represent you. The terms of our engagement are contained in this agreement ("Agreement").

1. This Agreement shall terminate six months from August 1, 2019 ("Term").
2. During the Term, you appoint us your exclusive agent with the right to list and market the Property for sale and to negotiate agreements for the sale of the Property (which includes portions thereof). If, during the Term, the Property is removed from the market because escrow is opened or an offer to purchase the Property is accepted, and if the sale is not consummated for any reason, then the Term will be extended by the longer of the number of days that (i) escrow was open or (ii) the Property was removed from the market, but in no event more than 180 calendar days in the aggregate.
3. We will commit the appropriate number of qualified and licensed professionals to this engagement. Your "Listing Team" is comprised of Brian Pankratz. We will have the right to change members of the Listing Team as necessary and appropriate. The Listing Team shall owe you duties of trust, confidence and loyalty.
4. We will offer the Property at an initial listing price that is per separate agreement and Acceptable to Owner, although the Property may be sold upon such other terms as you may agree. However, it is your right to: (a) approve, modify, reject or disapprove any and all proposals and offers as well as any prospective purchasers for the Property and (b) adjust the terms and conditions of any offer made, including but not limited to, adjusting the Property's listing price.
5. We will work with you to create and implement a sales strategy for the Property, including preparation of appropriate and customary marketing materials (such as an offering brochure). In developing the strategy, we will rely on (without requirement to verify) any information provided to us by you, your agents, affiliates and/or any of the Property's managers. However, we will not issue any written marketing materials without your prior written approval. Further, you authorize us to place one or more signs on the Property as we deem appropriate.
6. The success of this engagement relies, in part, on cooperation and communication between City of Ramsey and CBRE Listing Team. Therefore, you agree to: (i) provide us with all available information to assist us in marketing the Property; (ii) make CBRE Listing Team aware of all inquiries regarding CBRE listed properties; and (iii) work with CBRE Listing Team to conduct

negotiations with prospective purchasers as needed. If a prospective buyer is a City generated lead that has not had prior discussions with CBRE Listing Team, and CBRE services are not required, CBRE commissions will be reduced from 5% to 3%..

7. You represent that you either are the fee owner of or otherwise have control over the Property. You further represent that you have full authority to enter into this Agreement without violating anyone else's rights, or any other agreements or contractual obligations.
8. We will present all offers to you and assist you in developing and negotiating counteroffers until a PSA is signed and all contingencies are satisfied or waived. You agree that you and/or your legal counsel are solely responsible for determining the legal sufficiency of the documents related to this engagement and the tax consequences of any transaction. You are also responsible for evaluating any offers and determining with whom you will negotiate or enter into a transaction. While we may assist you in gathering reasonably available information, we cannot represent or warrant the creditworthiness of any prospect and/or their ability to satisfy their obligations under a purchase agreement. All final business and legal decisions shall be made solely by you. Notwithstanding any designation of us as "agent" in this Agreement, we will have no right, power, or authority to enter into any agreement with any prospective purchaser, real estate broker, or any other person in the name of, on behalf of, or otherwise binding upon you.
9. **NOTICE: THE COMPENSATION FOR THE SALE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S CLIENT.**
10. We will earn (and you agree to pay) a commission in accordance with this Agreement and the attached Commission Schedule (Exhibit "A") if either of the following occur:
 - (a) during the Term, you sell the Property to a purchaser, whether procured by us, you or anyone else; or
 - (b) within one hundred eighty (180) days after the expiration of the Term or after the Agreement otherwise terminates (the "Override Period"), the Property is sold to, or negotiations continue, resume or commence and thereafter continue leading to a sale of the Property to any person or entity (including his/her/its successors, assigns or affiliates) with whom, during the Term, CBRE either negotiated (either directly or through another broker or agent) or to whom the Property was submitted during the Term ("Existing Prospect"). You agree that CBRE is authorized to continue negotiations with Existing Prospects. We will submit to you a list of such Existing Prospects in a "Protective List" within seventy-two (72) hours following the expiration or termination of the Term as required by M.S.A. §82.66(1); provided, however, that if a written offer has been submitted prior to said expiration or termination date, then it shall not be necessary to include the offeror's name on the list. The protective list may include only persons who have, during the Term, either made an affirmative showing of interest in the property by responding to an advertisement, or by contacting the Broker or having been physically shown the property by the Broker.

NOTICE: IF YOU RELIST WITH ANOTHER BROKER WITHIN THE OVERRIDE PERIOD AND THEN SELL YOUR PROPERTY TO ANYONE WHOSE NAME APPEARS ON THIS LIST, YOU COULD BE LIABLE FOR FULL COMMISSIONS TO BOTH BROKERS. IF THIS NOTICE IS NOT FULLY UNDERSTOOD, SEEK COMPETENT ADVICE.

11. You agree that we are authorized to cooperate with and, if appropriate, share our commission with "Cooperating Brokers" (such as a broker representing a purchaser). We will be responsible for paying the fee or commission due to the Cooperating Broker (if any) provided the Cooperating Broker: (i) represents the prospective purchaser pursuant to a written agreement, a copy of which is furnished to us prior to the execution of the transaction; (ii) is properly licensed; and (iii) executes and delivers to us an acceptable cooperating brokerage agreement. Market conditions may exist whereby the Cooperating Broker receives an above-standard fee and/or broker bonus. If so, our commission shall be increased by (and you agree to pay) an amount such that we receive no less than 50% of the total fee in accordance with the Commission Schedule.

12. If you lease the Property to anyone during the Term or Post-Term, you agree to pay CBRE a lease commission in accordance with Exhibit A.
13. The Listing Team are your designated agents to the exclusion of all of CBRE's other licensees. All other CBRE licensees shall be referred to as "Non-Listing Team Agents" and shall be considered Cooperating Brokers. You acknowledge that we are an international brokerage firm and that we may represent prospective purchasers. You consent to the representation of such prospective purchasers by Non-Listing Team Agents and consent to any dual agency created by such representation. You acknowledge that Non-Listing Team Agents owe duties of trust, confidence and loyalty exclusively to their clients. The Listing Team and Non-Listing Team Agents shall not disclose the confidential information of one principal to the other.
14. Questions regarding environmental and zoning issues may arise during the course of our representation. CBRE is not obligated to perform, and has not made any investigation of the physical conditions or zoning issues relating to the Property. You agree to disclose to us and allow us to disclose to prospective purchasers everything you know (after reasonable inquiry by you) regarding present and future property issues including, but not limited to, structural, mechanical, hazardous materials, zoning and environmental matters affecting the Property and/or the Property's condition.
15. If the Property becomes the subject of foreclosure proceedings before the expiration of the Term, then in our sole and absolute discretion we may: (a) suspend this Agreement until we may elect to reinstate it or (b) terminate this Agreement and enter into a listing agreement with any receiver, party initiating foreclosure, party purchasing the Property at a foreclosure sale, or any other third party.
16. While we are confident that our relationship will be mutually satisfactory, if there is a dispute between us, then we agree to resolve it subject to the following:
 - (a) if either party institutes a legal proceeding against the other party relating to this Agreement, the prevailing party shall recover from the non-prevailing party all of its (i) reasonable attorneys' fees and costs, (ii) expert-related fees and costs and (iii) other related expenses. All past due amounts shall bear interest at twelve percent (12%) per annum or the maximum rate permitted in the state in which the Property is located. No party will be entitled to punitive, special and/or consequential damages, and we each waive all rights to and claims for relief other than for compensatory damages; and
 - (b) **WHERE PERMITTED BY LAW, WE EACH KNOWINGLY AGREE TO WAIVE ANY AND ALL RIGHTS TO HAVE A DISPUTE ON ANY MATTER RELATING TO, OR ARISING FROM THIS AGREEMENT DETERMINED BY A JURY.**
17. You and CBRE agree to comply with all applicable laws, regulations, codes, ordinances and administrative orders. Further, we both acknowledge that: (a) it is illegal to refuse to display or lease or sell to or from any person because of one's membership in a protected class, e.g.: race, color, religion, national origin, sex, ancestry, age, marital status, physical or mental handicap, familial status or any other class protected by applicable law and (b) the Property will be offered in compliance with all applicable anti-discrimination laws.
18. This Agreement is our entire agreement and supersedes all prior understandings between us regarding this engagement and is governed by the laws of the state where the Property is located, without regard to its conflict of laws principles. This Agreement will be binding and inure to the benefit of our lawful representatives, heirs, successors, designees and assignees. It may not be altered or terminated except in a writing signed by both you and CBRE. Neither party's failure to exercise any of its rights under this Agreement will relieve the other party of its obligations hereunder. Nothing herein is or may be deemed a waiver or full statement of any of our rights or remedies, whether at law or in equity, all of which are expressly reserved. If any provision of this Agreement is unenforceable or void under applicable law, the remaining provisions will continue to be binding. This Agreement and the rights, interests or obligations created hereunder will not be assigned by either of the parties without the prior written consent of the other party. We each agree that we have both participated in the negotiation and drafting of this Agreement. You acknowledge that the person signing this Agreement on your behalf has your full authority to execute it. This

Agreement will be binding whether signatures are exchanged electronically or by hand, by mail, by fax, by electronic transfer or image, by photocopy or in counterparts.

19. Either party can cancel the Listing Agreement after 6 months with 30 day written notice.

Thank you again for this opportunity. We look forward to working with you.

Very truly yours,

CBRE, Inc.
Licensed Real Estate Broker

By: 
Name: Jeff Jiovanazzo
Title: Managing Director

Date: July 18, 2019

AGREED:

City of Ramsey

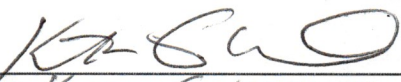
By: 
Name: Kurtis G. URICK
Title: CITY Administrator
Date: 7-29-19

EXHIBIT A – Commission Schedule

- A. *Sale.* As to sales of real property, CBRE's commission shall be five percent (5%) of the gross sales price. If a cooperating broker or salesperson procures the sale, the commission will be seven percent (7%) of the gross sales price. Gross sales price shall include any and all consideration received or receivable, in whatever form, including but not limited to assumption or release of existing liabilities. In the event this sale is in connection with a "build to suit" transaction, the commission shall be calculated on the gross sales price plus the gross construction cost of the building to be constructed on the Property. The commission shall be earned and paid on the date title to the Property is transferred to the purchaser; provided, however, that if the transaction involves an installment contract, then payment shall be made upon execution of such contract. In the event you contribute or convey the Property or any interest therein to a corporation, joint venture, partnership, or other business entity, the commission shall be calculated on the fair market value of the Property or the portion thereof that is so transferred, and shall be earned and paid at the time of the contribution or transfer. If you are a partnership, corporation, or other business entity, and an interest in the partnership, corporation or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property, and applicable law does not prohibit the payment of a commission in connection with such sale or transfer, the commission shall be calculated on the fair market value of the Property, rather than the gross sales price, multiplied by the percentage of interest so transferred, and shall be paid at the time of the transfer.
1. *Definitions.* Under this Agreement the terms "sell," "sale" or "sold" shall mean: (a) an exchange of the Property; (b) the granting of an option to purchase the Property; or (c) any other transfer, conveyance or contribution of a controlling interest in the Property or in the entity which owns the Property, including, but not limited to, situations where you are a corporation, partnership or other business entity and a controlling interest in such corporation, partnership or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property.
 2. *Option to Purchase.* If you grant an option to purchase the Property, you agree to pay us a commission in accordance with this Commission Schedule, on the price paid for the option and for any extensions when you receive payment for any such option and/or extensions. If the option is exercised, whether during the Term or after, we will earn a further commission in accordance with this Agreement. Notwithstanding the foregoing, to the extent that all or part of the price paid for the option or any extension thereof is applied to the sales price of the Property, then any commission previously paid by you to us on account of the option payments will be credited against the commission payable to us on account of the exercise of the option.
 3. Broker (CBRE) shall receive a minimum fee based on a sales price of \$1.50 per gross SF for the sale of any industrial or office land and a minimum fee of \$5,000.00 for the sale of any residential parcel of land \$5,000.00 for the sale of any residential parcel of land greater than \$45,000; and, a minimum fee of \$3,500.00 for the sale of any residential parcel of land less than or equal to \$45,000.
 4. If a potential prospect/buyer is generated by the City of Ramsey with no prior contact or discussions with/from CBRE than the commission will be reduced to 3% of the gross sales price to calculate commissions. If potential buyer generated by City of Ramsey has a cooperative broker the CBRE Listing Team commission will be equal to the cooperative broker and in no event will be no higher than 3.5%.

EXHIBIT B – Subject Parcels

1. Parcel 50a - 28-32-25-41-0020
2. Parcel 52b - AEON 2 Parcel-28-32-25-13-0092
3. Parcel 47c - 28-32-25-31-0023
4. Parcel 47e - 28-32-25-23-0018
5. Parcel 46 - 28-32-25-22-0058
6. Parcel 42a -7994 Sunwood Drive - 28-32-25-23-0012
7. Parcel 42b - 7990 Sunwood Drive - 28-32-25-23-0011
8. Parcel 42c - 7992 Sunwood Drive- 28-32-25-23-0013
9. Parcel 48a -28-32-25-24-0017
10. Parcel 48c - 28-32-25-31-0025

Owner Marketing Approval

Property Name:	City of Ramsey Land Parcels
Property Address:	Ramsey, MN
Broker(s):	Brian Pankratz

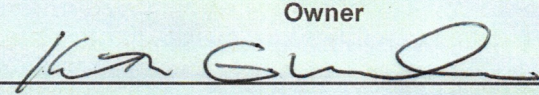
I hereby authorize CBRE to actively market the above-referenced property for signage, spec sheets, brochures, postcards, company web page, campaign logic, MNCAR, Co-Star & Loopnet:

TOTAL BUILDING SQUARE FOOTAGE:	
AVAILABLE SQUARE FOOTAGE:	
OFFICE SQUARE FOOTAGE:	
WAREHOUSE SQUARE FOOTAGE:	
LOT AREA:	66.27
CLEAR HEIGHT:	
LOADING:	
CONSTRUCTION:	
YEAR BUILT:	
SPRINKLERED:	
POWER:	
COLUMN SPACING:	
PARKING:	
LEASE RATES/SALE PRICE:	
EST. 2019 REAL ESTATE TAXES:	
EST. 2019 CAM:	
EST. 2019 TOTAL:	
COMMENTS:	

APPROVED this 29th day of July, 2019

City of Ramsey

Owner

By: 

Title: City Administrator

© 2018 CBRE, Inc. The information about this property has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

Minnesota Sale/Lease Disclosures

Property: City of Ramsey Land

Seller/Landlord Disclosure of Material Facts, Delivery of Reports, and Compliance with Laws. Sellers/landlords are hereby requested to disclose directly to buyers/tenants all facts known to sellers/landlords that materially affect the value or desirability of the Property and are not readily observable nor known to the buyer/tenant, including, but not limited to, facts regarding hazardous materials, zoning, construction, design, engineering, soils, title, survey, fire/life safety, proneness to natural hazards such as earthquakes, and other matters, and to provide buyers/tenants with copies of all reports in the possession of or accessible to sellers/landlords regarding the Property. Sellers/landlords and buyers/tenants must comply with all applicable federal, state and local laws, regulations, codes, ordinances and orders, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

Americans with Disabilities Act (ADA). The Americans With Disabilities Act (42 United States Code §12101 et seq.) and other federal, state and local requirements may require changes to the Property. Have your experts investigate and evaluate these matters.

Taxes. Sales, leases and other real estate transactions can have federal, state and local tax consequences. In sales transactions, Internal Revenue Code §1445 requires buyers to withhold and pay to the IRS 15% of the gross sales price within 20 days of the date of a sale unless the buyers can establish that the sellers are not foreigners, generally by having the sellers sign a Non-Foreign Seller Affidavit. Depending on the structure of the transaction, the tax withholding liability can exceed the net cash proceeds to be paid to sellers at closing. Have your experts investigate and evaluate these matters.

Flood Zones. Many lenders require flood insurance for properties located in flood zones, and government authorities may regulate development and construction in flood zones. Whether or not located in a flood zone, properties can be subject to flooding and moisture problems, especially properties on a slope or in low-lying areas. Buyers/tenants should have their experts confirm whether the Property is in a flood zone and otherwise investigate and evaluate these matters.

Fires. Properties, whether or not located in a fire hazard zone, are subject to fire/life safety risks and may be subject to state and local fire/life safety-related requirements, including retrofit requirements. Have your experts investigate and evaluate these matters.

Hazardous Materials and Underground Storage Tanks. Due to prior or current uses of the Property or in the areas or the construction materials used, the Property may have hazardous or undesirable metals (including but not limited to lead-based paint), minerals (including but not limited to asbestos), chemicals, hydrocarbons, petroleum-related compounds, or biological or radioactive/emissive items (including but not limited to electrical and magnetic fields) in soils, water, building components, above or below-ground tanks/containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. If the Property was built before 1978 and has a residential unit, sellers/landlords must disclose all reports, surveys and other information known to them regarding lead-based paint to buyers/tenants and allow for inspections (42 United States Code §4851 et seq.). Have your experts investigate and evaluate these matters.

Property Inspections and Evaluations. Buyers/tenants should have the Property thoroughly inspected and all parties should have the transaction thoroughly evaluated by the experts of their choice. Ask your experts what investigations and evaluations may be appropriate as well as the risks of not performing any such investigations or evaluations. Information regarding the Property supplied by the real estate brokers has been received from third party sources and has not been independently verified by the brokers. Have your experts verify all information regarding the Property, including any linear or area measurements, the availability of all utilities, applicable zoning, and entitlements for the intended use. All work should be inspected and evaluated by your experts, as they deem appropriate. Any projections or estimates are for example only, are based on assumptions that may not occur, and do not represent the current or future performance of the property. Real estate brokers are not experts concerning, nor can they determine if any expert is qualified to provide advice on, legal, tax, design, ADA, engineering, construction, soils, title, survey, fire/life safety, insurance, hazardous materials, or other such matters. Such areas require special education and, generally, special licenses not possessed by real estate brokers. Consult with the experts of your choice regarding these matters.

CONSULT YOUR ADVISORS – This document has legal consequences. No representation or recommendation is made by Broker as to the legal or tax consequences of this Agreement or the transaction(s) which it contemplates. This form is not intended to substitute for any disclosures the law requires that the parties make to each other. These are questions for your attorney and financial advisors.

MARKETVIEW

RETAIL

Minneapolis/St. Paul, H1 2021

In-person shopping helps retail recovery

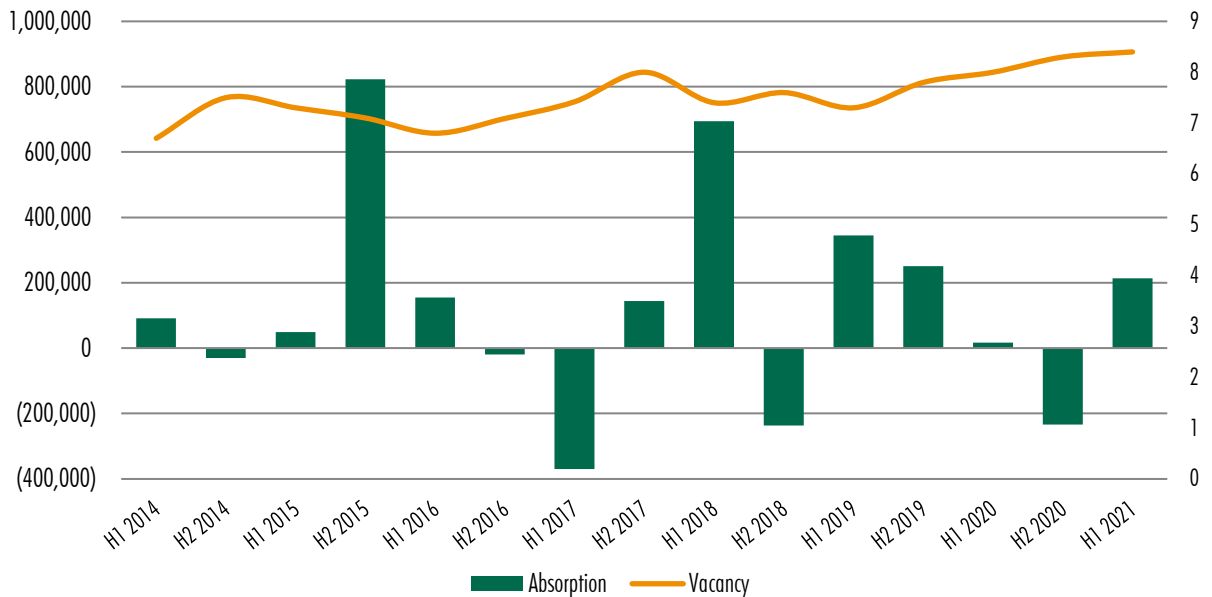
Vacancy Rate **8.5%**

Net Asking Rate **\$19.06 per sq. ft.**

Under Construction **28,000 sq. ft.**

Net Absorption **213,771 sq. ft.**

Figure 1: Direct Vacancy Rate and Absorption



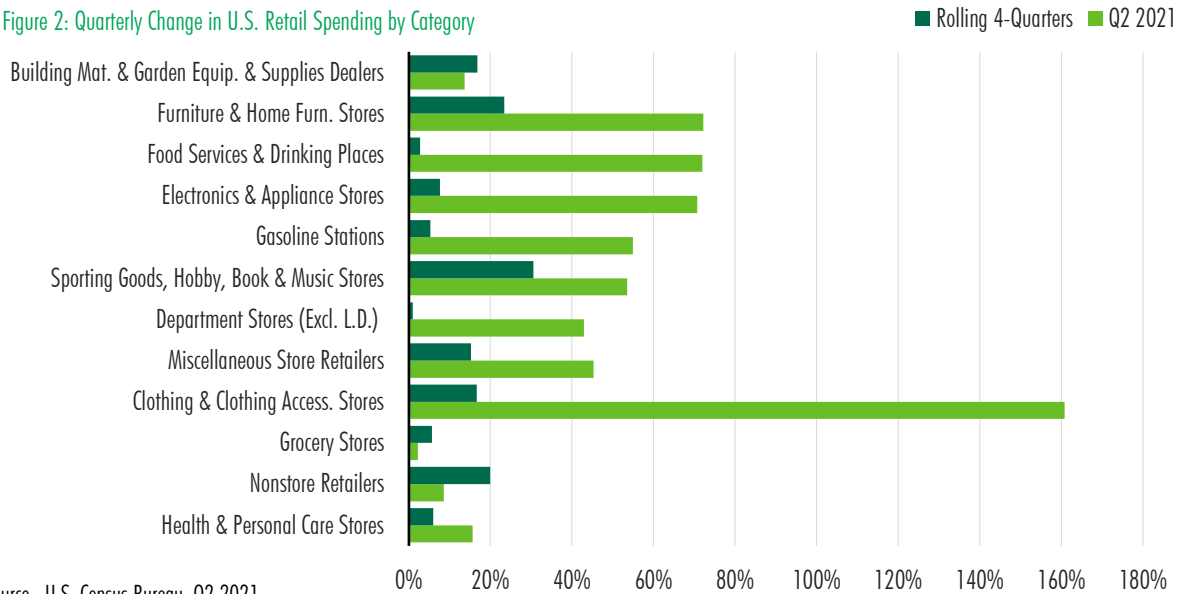
Source: CBRE Research, H1 2021.

- Net absorption in H1 2021 was 213,771 sq. ft. as retail sales recovered and shoppers returned to stores in person
- Furniture and sporting goods drove the largest leases in H1 2021
- Investor sales volume picked up slightly as net leased properties and grocery-anchored centers remained attractive

MARKET OVERVIEW

The Minneapolis/St. Paul retail market showed considerable recovery in H1 2021 as pandemic restrictions eased, allowing in-person shopping to resume. Although average asking rates fell to \$19.06 per sq. ft., absorption was 213,771 sq. ft., a sign of retail recovery. A slight uptick in retail investment sales was evidence of new capital flowing into the market.

Figure 2: Quarterly Change in U.S. Retail Spending by Category



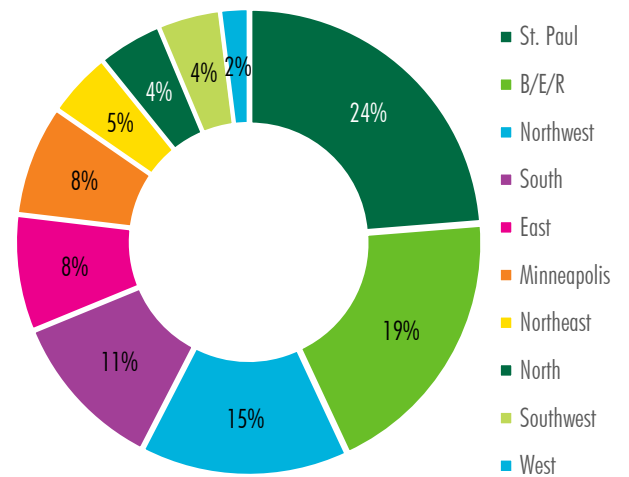
Source: U.S. Census Bureau, Q2 2021.

Clothing, furniture, restaurants and electronics stores showed the strongest quarterly recovery in Q2 2021.

A 114,608 sq. ft. lease by HOM Furniture at Midway Marketplace placed the St. Paul submarket ahead of all others with 24% of all H1 2021 leasing. A 75,000 sq. ft. lease by Rypen at the Galleria put the Bloomington/Edina/Richfield (B/E/R) submarket in second place with 19%, just ahead of the Northwest submarket, which had 15% of all leasing.

Furniture stores represented the top four leases in H1 2021, including Schneiderman's 47,103 sq. ft. lease at Rosedale Commons and Bob's Discount Furniture further expanding with a 37,109 sq. ft. lease at Arbor Lakes.

Figure 3: Major Leases by Submarket



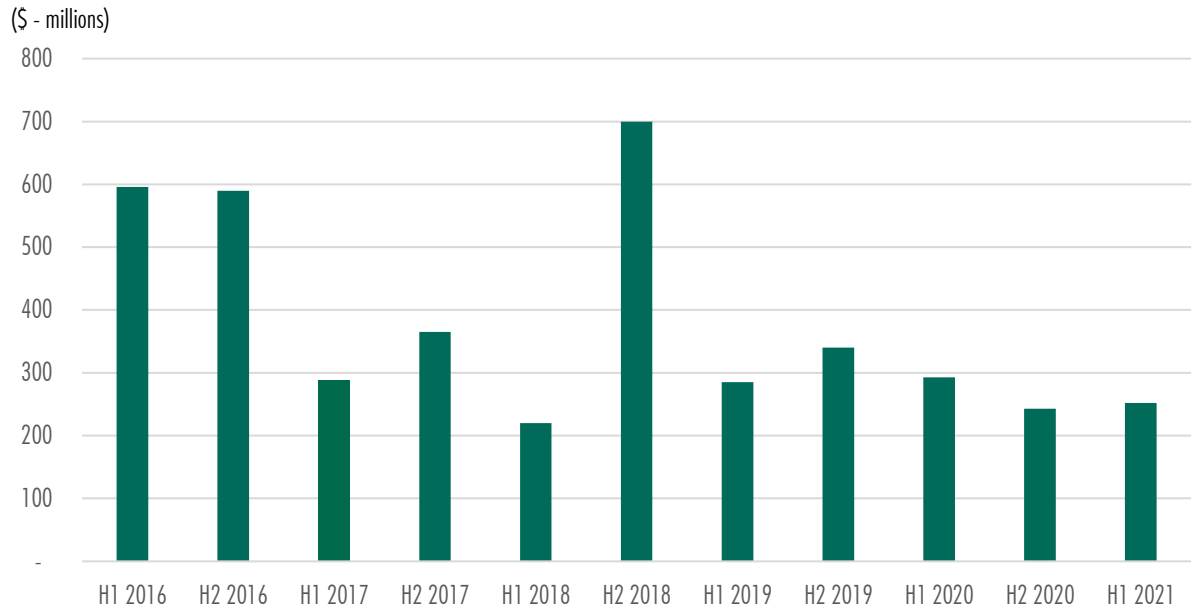
Source: CBRE Research, H1 2021.

Figure 4: Top Lease Transactions

Tenant	Sq. Ft.	Center	City	Landlord
HOM Furniture	114,608	Midway Marketplace	St. Paul	Kraus-Anderson
Rypen	75,000	Galleria	Edina	Hines
Schneiderman's	47,103	Rosedale Commons	Roseville	Tanurb Developments, Inc.
Bob's Discount Furniture	37,109	Arbor Lakes	Maple Grove	Kimco Realty
Burlington	32,874	Hi-Lake Center	Minneapolis	Wellington Management

Source: CBRE Research, H1 2021.

Figure 5: Transaction Volume — Previous Five Years



Source: CBRE Research, H1 2021.

INVESTMENT SALES

Investment activity picked up slightly in H1 2021 over H2 2020, and grocery-anchored centers topped the list of transactions. Chanhassen West Village Center, anchored by Lunds & Byerlys, sold for \$24.0 million, and the Cub Foods-anchored Champlin Marketplace sold for \$15.5 million.

Smaller multitenant properties with a quality mix of grab-and go restaurants and essential businesses continued to be popular, including 1840 E 66th St in Richfield, which sold for \$455 per sq. ft.

Single-tenant net leased properties, large and small, continued to attract investor interest, notably the \$14.0 million acquisition of Mills Fleet Farm, as well as properties occupied by discount retailers, pharmacies and automotive stores.

Other centers were sold for redevelopment, some as retail and some as other uses. The former Sam’s Club at 3745 Louisiana Avenue was sold to Loffler to become its headquarters and distribution hub, and the former Gander Mountain in Eden Prairie was purchased for \$7.2 million for redevelopment to a multitenant grocery anchored Asian retail plaza.

Figure 6: Largest Property Sales Transactions by Price

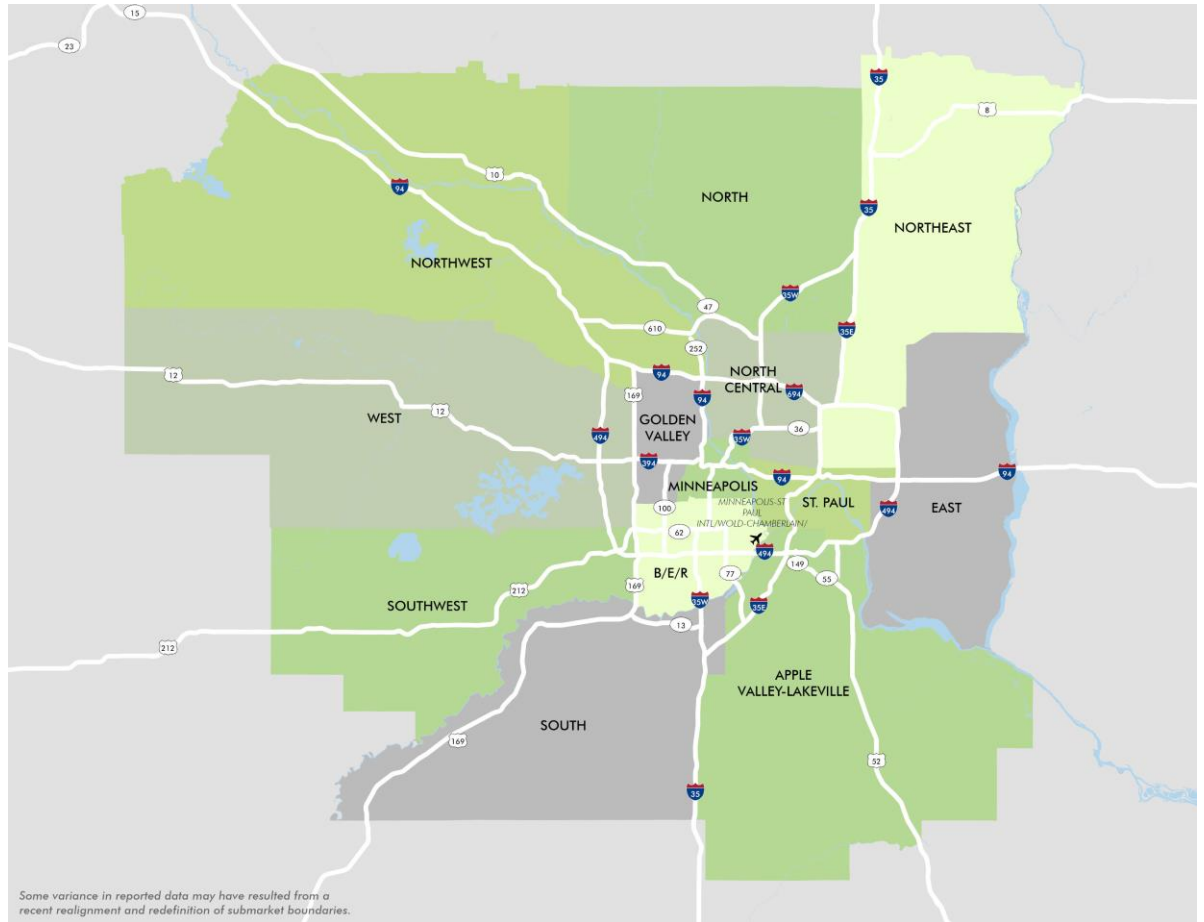
Property Name	Buyer	Price (\$)	Total Sq. Ft.	City
Chanhassen West Village Center	Phillips Edison & Co	24,800,000	137,572	Chanhassen
Champlin Marketplace	Brixmor	15,500,000	88,577	Champlin
Mills Fleet Farm	Northpointe Cambridge LLC	14,000,000	174,178	Cambridge
Former Sam’s Club	Louisiana Crossing LLC	9,100,000	150,637	St. Louis Park
Former Gander Mountain	Asian Plaza Property LLC	7,200,000	64,388	Eden Prairie

Source: CBRE Research, Real Capital Analytics, H1 2021.

Figure 7: Minneapolis/St. Paul Multi-Tenant Retail Market Statistics

Submarket	Market Rentable Area (Sq. Ft.)	Direct Vacancy Rate (%)	Average Net Asking Rate (\$/Sq. Ft./Yr)	2020 Net Absorption (Sq. Ft.)	2021 YTD Net Absorption (Sq. Ft.)	Active Construction (Sq. Ft.)
Apple Valley-Lakeville	6,856,932	6.0	15.82	(98,396)	23,231	28,000
B/E/R	7,134,780	8.5	26.84	230,094	22,401	-
East	4,745,029	6.8	20.49	(87,348)	-	-
Golden Valley	4,569,318	9.6	21.38	(10,350)	(917)	-
Minneapolis	2,872,974	11.1	26.26	(22,585)	3,000	-
North	5,131,708	7.7	11.50	(151,112)	22,500	-
North Central	7,698,508	13.0	17.56	(16,254)	(29,580)	-
Northeast	3,390,421	11.3	15.24	(20,613)	123,733	-
Northwest	6,767,996	5.9	20.01	(162,110)	(6,600)	-
South	5,084,003	7.7	14.82	(123,413)	42,339	-
Southwest	3,091,760	3.1	19.36	264,577	(23,129)	-
St. Paul	3,075,324	18.2	16.07	11,399	38,901	-
West	5,455,068	4.2	20.80	(37,008)	(1,608)	-
Totals	65,873,839	8.5	19.06	(341,440)	213,771	28,000

Source: CBRE Research, H1 2021.



CONTACTS

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Senior Field Research Analyst

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CBRE OFFICES

800 Lasalle Ave

Suite 1900

Minneapolis, MN 55402

FIGURES | MINNEAPOLIS INDUSTRIAL | Q3 2021

Absorption and construction at decade highs and matched by leasing activity

▼ 4.2%
Vacancy Rate

▲ 2.0M
SF Net Absorption

▲ 5.1M
SF Under Construction

▼ \$6.53 PSF
Average Asking Rate (NNN)

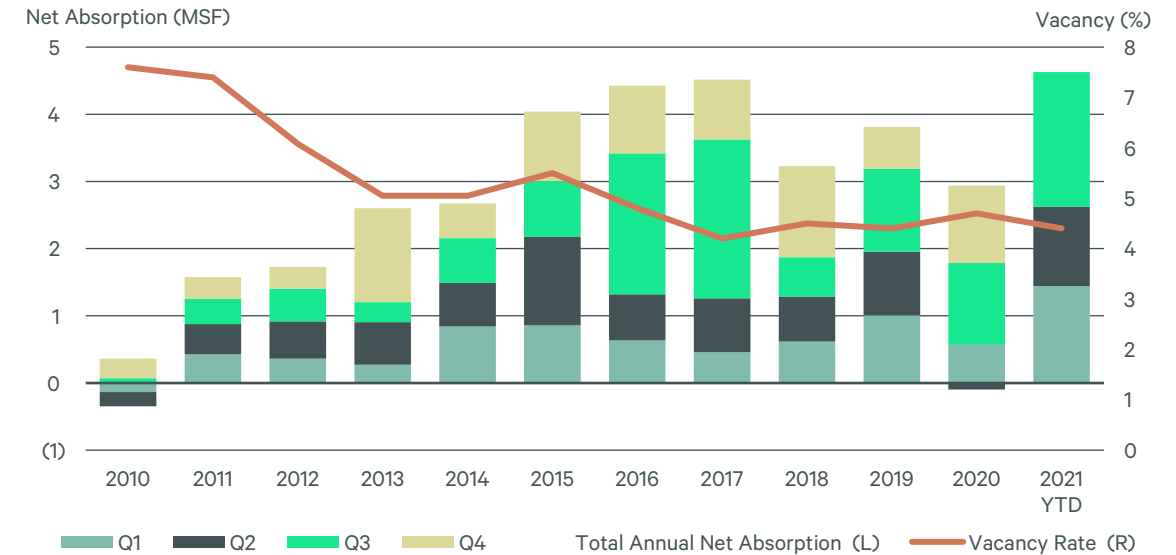
Note: Arrows indicate change from previous quarter.

MARKET OVERVIEW

- Q3 2021 absorption was nearly 2 million sq. ft, with nearly 6 million sq. ft. under construction.
- Leasing activity was up 25% over Q2 with a balance across industry type including Retail, Manufacturing, Life Sciences, and Transportation/Warehousing.
- New investors continue to be attracted to the Minneapolis market, as evidenced by Nicola Wealth Real Estate’s \$225 million purchase of the Blackstone Minneapolis Industrial Infill Portfolio.

Vacancy continues to decline amidst increased leasing volume and an all-time high of nearly 15 million sq. ft. of demand from tenants in the market. This has led to a boom in speculative development, with 3.5 million sq. ft. under construction for delivery in 2021 and 2022 and an additional 3 million sq. ft. planned that could be delivered in 2022.

FIGURE 1: Quarterly and Annual Net Absorption vs. Vacancy



Source: CBRE Research, Q3 2021.

Absorption, Vacancy and Construction

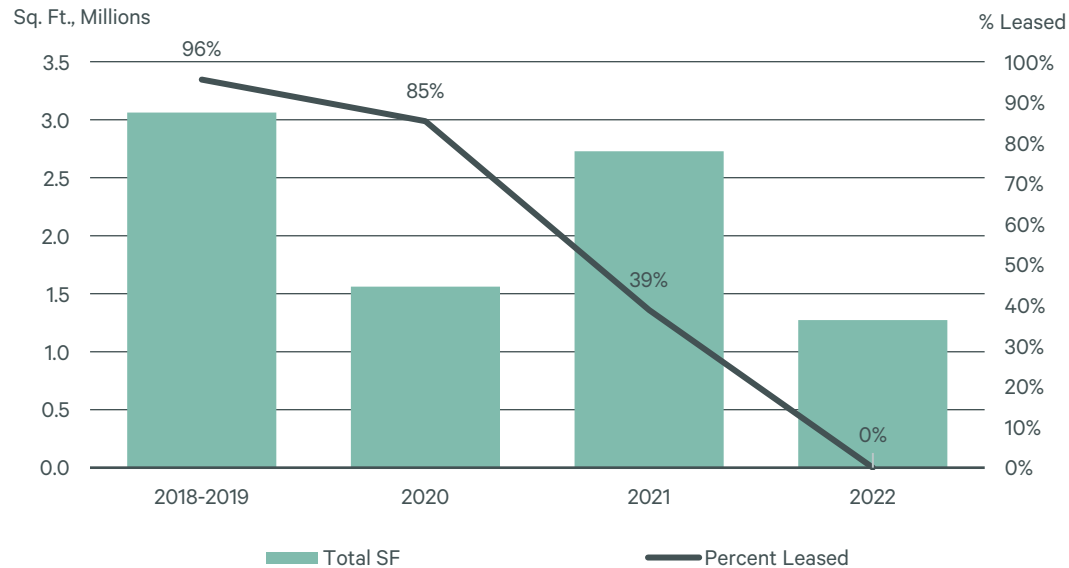
Q3 absorption was nearly 2.0 million sq. ft., more than any single quarter since 2017. Absorption year-to-date is 2021 over 4.6 million sq. ft., more than any year in the past decade, with one quarter remaining.

There are currently 5.9 million sq. ft. of new industrial development under construction in the Minneapolis market. Of that, 4.6 million sq. ft. is speculative development.

Speculative Development Boom

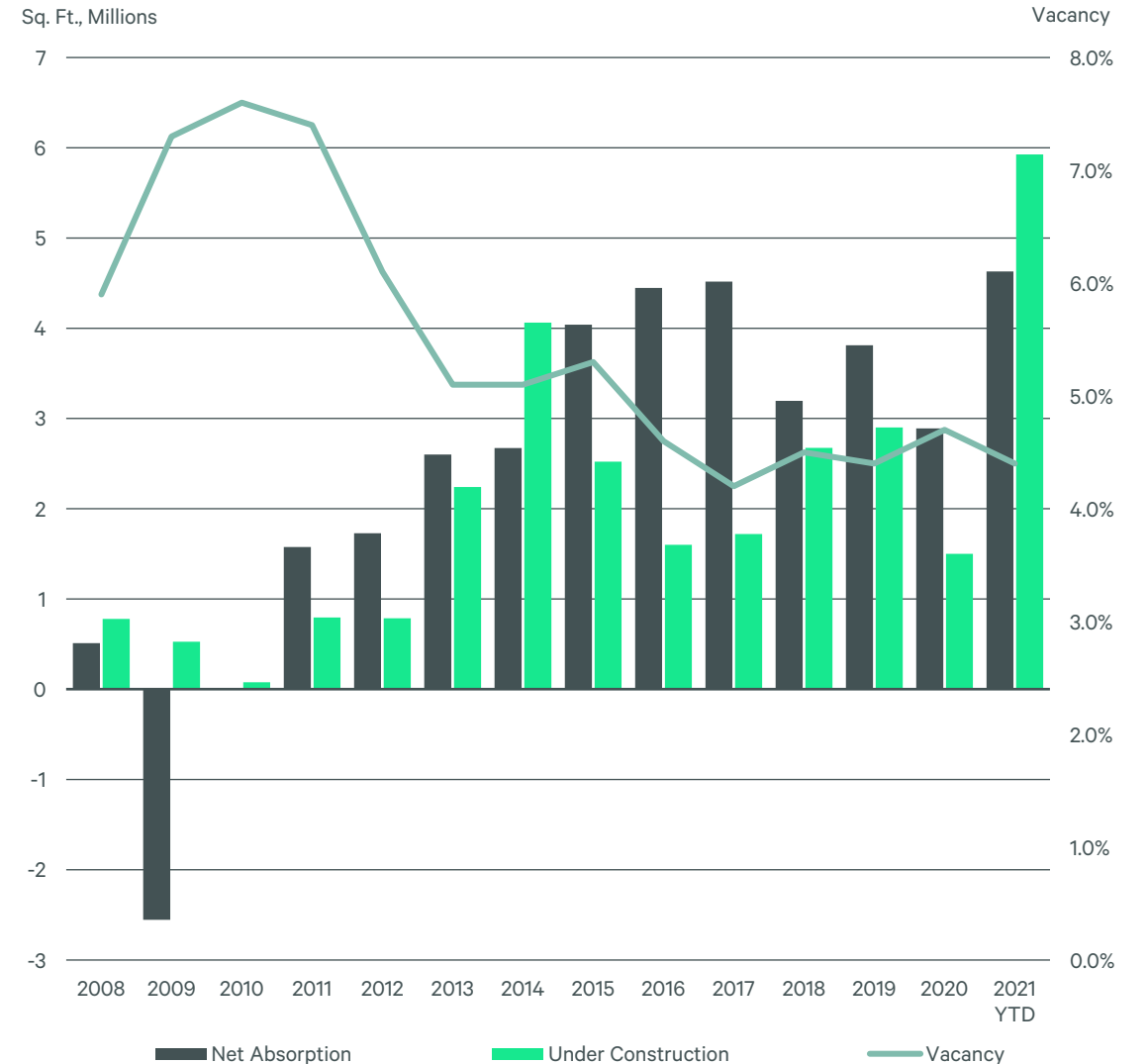
There is currently a boom in speculative industrial development. Of the total 2.7 million sq. ft. of speculative development expected to be completed in 2021, 39% has been preleased.

FIGURE 2: Speculative Development by Year Built and Percentage Leased



Source: CBRE Research, Q3 2021.

FIGURE 3: Minneapolis/St. Paul Industrial Net Absorption and Under Construction Vs. Direct Vacancy



Source: CBRE Research, Q3 2021.

Leasing

Strong Q3 2021 leasing and user sale activity was led by the Northwest submarket. Overall Q3 activity was up 25% over Q2, topping 5 million sq. ft.

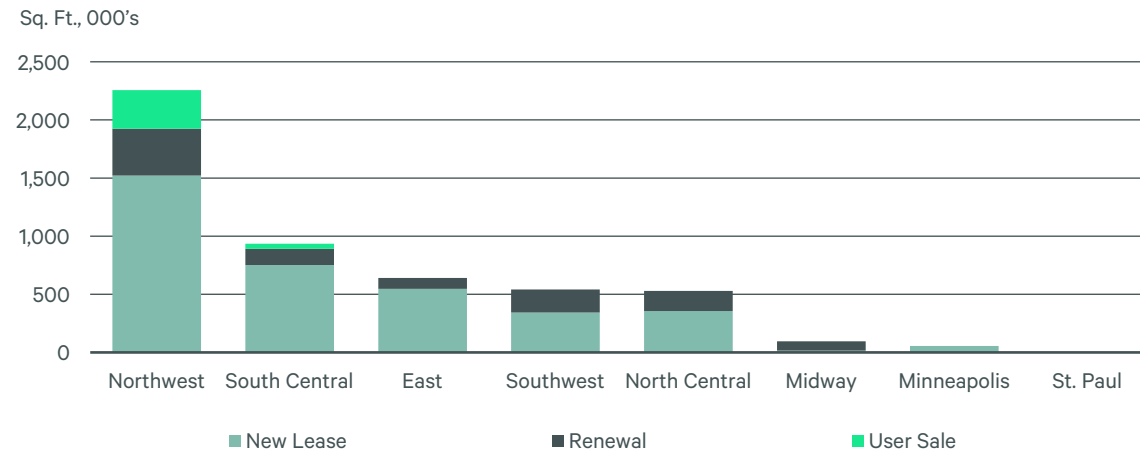
- New leases and expansions accounted for 71% of all market activity in Q3, with renewals at 22% and Use Sales at 7%.
- The Northwest submarket led the Minneapolis Industrial market with 45% of all Q3 activity, with more than 2.2 million sq. ft. transacted. The South Central (18%), East (13%), Southwest (11%) and North Central (10%) shared the remaining activity.
- Retail, driven by E-commerce, accounted for nearly one third of all Q3 activity, with Manufacturing following closely behind at 29%. Each saw numerous new leases and expansions across the market.
- Life Sciences, Business Services, Wholesale and Transportation/Distribution represented a balanced share of the additional industrial demand in the Minneapolis market.

FIGURE 4: Top Transactions

Tenant	Size (Sq. Ft.)	Address	Submarket	Transaction Type	Industry
Confidential E-commerce	517,000	xxxx Hudson Rd.	East	New Lease	Retail
Confidential E-commerce	297,094	10650 89th Av N	Northwest	New Lease	Retail
Room & Board	221,000	6601 Queens Av	Northwest	Expansion	Manufacturing
Bunzl Distribution	155,313	10100 89th Av N	Northwest	Renewal	Wholesale
Omnetics	123,729	8840 Evergreen Blvd	North Central	New Lease	Manufacturing

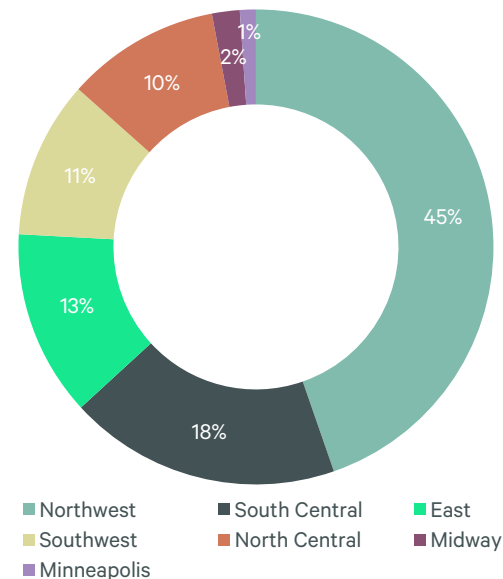
Source: CBRE Research, Q3 2021.

FIGURE 5: Top Transaction Type by Submarket and Sq. Ft.



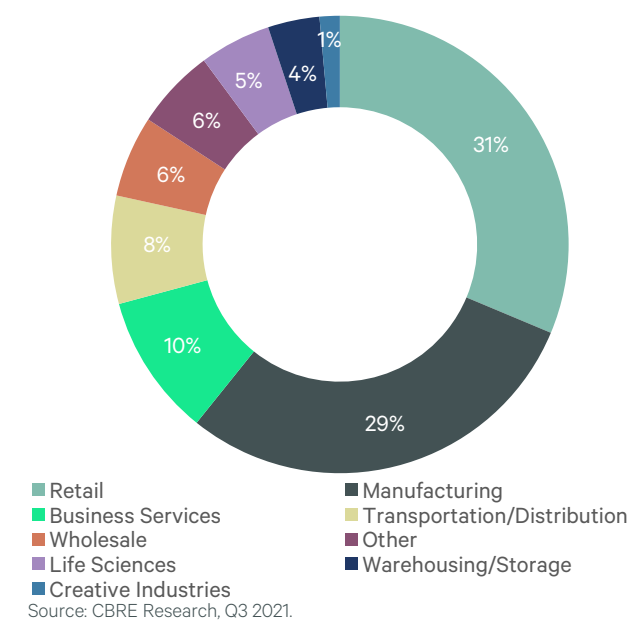
Source: CBRE Research, Q3 2021.

FIGURE 6: Top Transactions by Sq. Ft. by Submarket



Source: CBRE Research, Q3 2021.

FIGURE 7: Top Transactions by Industry Type



Source: CBRE Research, Q3 2021.

Investment Sales

The Minneapolis Industrial market continues to be attractive to domestic and cross-border capital. Total sale volume for 2021 could approach the all-time high of \$1.76 billion set in 2020.

Nicola Wealth Real Estate entered the Minneapolis market in Q3 with the \$225 million purchase of the Blackstone Minneapolis Industrial Infill Portfolio.

CBRE represented the seller in the sale of Chanhassen Lakes I & II to Summerhill Commercial Real Estate.

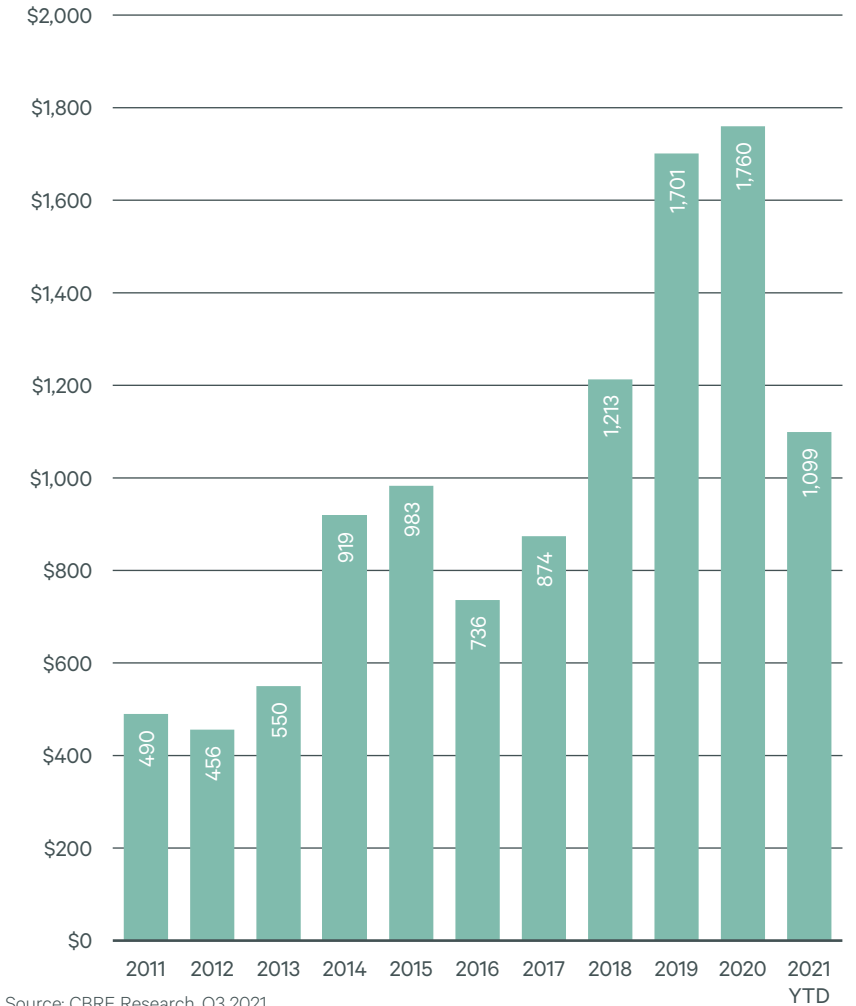


FIGURE 8: Q3 2021 Top Investment Sales

Property	Location	Buyer	Sale Price (\$)	Size (Sq. Ft.)	Price Per Sq. Ft. (\$)
Blackstone Minneapolis Industrial Infill Portfolio	Various	Nicola Wealth Real Estate	225,750,000	1,915,637	118
Capitol Beverage Sale/Leaseback	Rogers	WP Carey REIT	26,500,000	187,243	142
Rankin Business Center	St. Paul	Big River Real Estate	10,575,000	107,000	100
Energy Park Corporate Center	St. Paul	Lincoln Property Company	9,150,000	100,364	91
Chanhassen Lakes I & II	Chanhassen	Summerhill Commercial Real Estate	9,020,000	106,359	85

Source: CBRE Research, Q3 2021.

FIGURE 9: Minneapolis/St. Paul Industrial Investment Volume (thousands)



Source: CBRE Research, Q3 2021.

FIGURE 10: Minneapolis/St. Paul Industrial Market Statistics

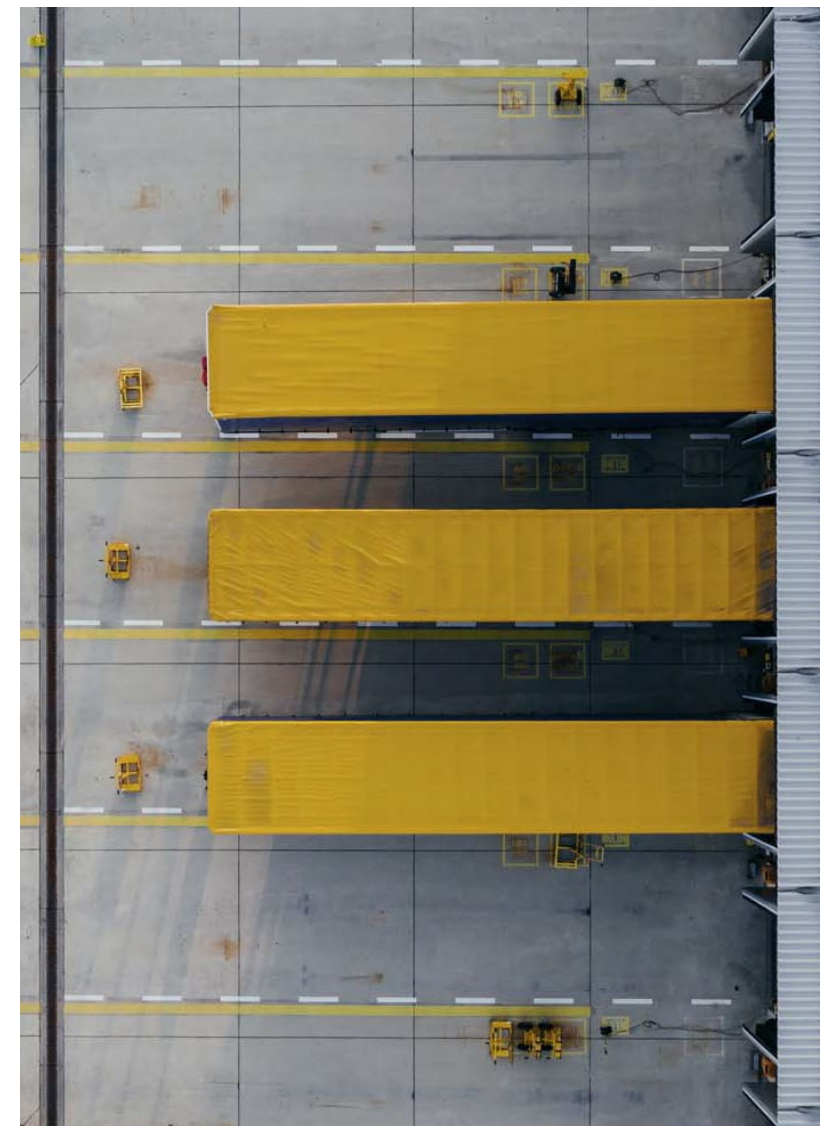
Submarket	Rentable Area (Sq. Ft.)	Total Availability Rate (%)	Direct Vacancy Rate (%)	Average Warehouse Net Asking Rate (\$/Sq. Ft./Yr)	Average Office Net Asking Rate (\$/Sq. Ft./Yr)	Average Net Blended Asking Rate (\$/Sq. Ft./Yr)	Q3 2021 Net Absorption (Sq. Ft.)	2021 YTD Net Absorption (Sq. Ft.)
Metro Overall	343,780,326	6.0%	4.2%	\$5.06	\$9.51	\$6.53	1,987,303	4,610,516
Northwest	74,789,405	7.1%	5.1%	\$4.85	\$9.60	\$6.92	439,128	1,423,903
Southwest	70,471,080	6.9%	5.1%	\$5.31	\$9.56	\$6.38	644,393	881,663
North Central	53,165,857	5.4%	3.7%	\$5.38	\$9.67	\$6.93	40,753	831,680
South Central	52,725,403	6.4%	4.5%	\$5.08	\$9.49	\$6.30	742,539	1,270,053
Midway	31,291,663	5.0%	3.4%	\$4.55	\$8.76	\$6.45	(92,725)	(20,601)
Minneapolis	25,626,879	3.3%	2.0%	\$4.37	\$10.77	\$5.53	35,440	8,868
East	19,480,469	5.5%	3.2%	\$5.34	\$9.38	\$6.19	177,775	123,093
St. Paul	16,229,570	5.2%	4.0%	\$5.02	\$9.16	\$5.47	0	91,857

Source: CBRE Research, Q3 2021.

FIGURE 11: Minneapolis/St. Paul Industrial Construction Statistics

Submarket	Construction Starts	Starts Preleased	Spec Under Construction	BTS Under Construction	Total Under Construction	Spec Completed	BTS Completed	Construction Completed
Metro Overall	947,624	19	3,760,666	1,354,936	5,115,602	-	1,024,500	1,024,500
Southwest	301,000	-	806,952	-	806,952	-	-	-
Northwest	394,224	-	1,637,224	1,174,536	2,811,760	-	75,000	75,000
South Central	140,400	100	549,250	140,400	689,650	-	812,000	812,000
North Central	112,000	36	646,240	40,000	686,240	-	-	-
Midway	-	-	-	-	-	-	-	-
Minneapolis	-	-	-	-	-	-	-	-
St. Paul	-	-	-	-	-	-	-	-
East	-	-	121,000	-	121,000	-	137,500	137,500

Source: CBRE Research, Q3 2021.



Economic Overview

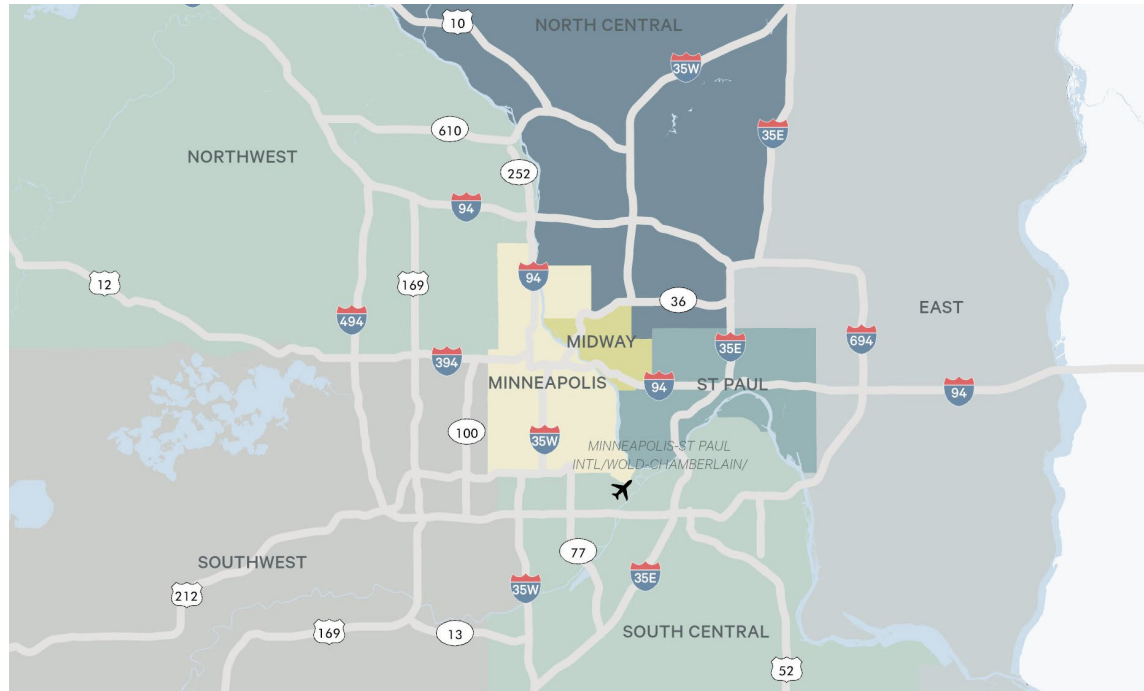
The summer of 2021 began with a surge, only to ease back as the Delta variant forced many consumers to rethink their holidays and restaurant visits. Consequently, we pared back our GDP growth outlook for this year by an entire percentage point, to 6%, followed by nearly 4% year-on-year growth in 2022. The labor market has also been volatile, primarily due to a reversal in hiring within the Accommodation & Food Services sector, reflecting uncertainty in the space. But demand for labor remains high and most signals suggest the key problem firms face is finding workers. Thus, employment growth should remain above 3% through 2022. Longer-term hiring in the U.S. will be restrained by a shrinking labor force.

Shortages are not just limited to people. Key economic inputs ranging from raw materials to microchips pushed consumer prices up by 5% year-on-year. Some supply bottlenecks have proven transitory and annual price increases are stalling. Inflation should ultimately settle into the low-2% range next year. The Fed is responding to these labor market and price developments by announcing it might begin tapering its quantitative easing program as soon as this November.

A plausible outlook is that waves of COVID-19 continue but the U.S. economy and health system learn to manage these disruptions. This will allow room for 5% GDP growth in 2022, as business investment and consumer activity normalize. Upside risks include the prospect of greater infrastructure spending, albeit the political dynamics are fluid. Also, the construction of more housing units to correct a historic shortage—estimated at 3.8 million units, per FreddieMac—would also be material tailwind for growth.



Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. **Availability Rate:** Total Available Sq. Ft. divided by the total building Area. **Average Asking Lease Rate:** A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. **Building Area:** The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. **Gross Activity:** All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. **Gross Lease Rate:** Rent typically includes real property taxes, building insurance, and major maintenance. **Net Absorption:** The change in Occupied Sq. Ft. from one period to the next. **Net Lease Rate:** Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. **Occupied Sq. Ft.:** Building Area not considered vacant. **Vacancy Rate:** Total Vacant Sq. Ft. divided by the total Building Area. **Vacant Sq. Ft.:** Space that can be occupied within 30 days.

Survey Criteria

Includes all industrial buildings 10,000 sq. ft. and greater in size in the Minneapolis/St. Paul market. Buildings which have begun construction as evidenced by site excavation or foundation work.

Contact

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FIGURES | MINNEAPOLIS OFFICE | Q3 2021

Signs of life as the office market begins slow rebound

▲ 21.2%
Vacancy Rate

▲ 107,177
SF Net Absorption

▲ 649,821
SF Under Construction

▲ \$16.48 PSF
Average Asking Rate (NNN)

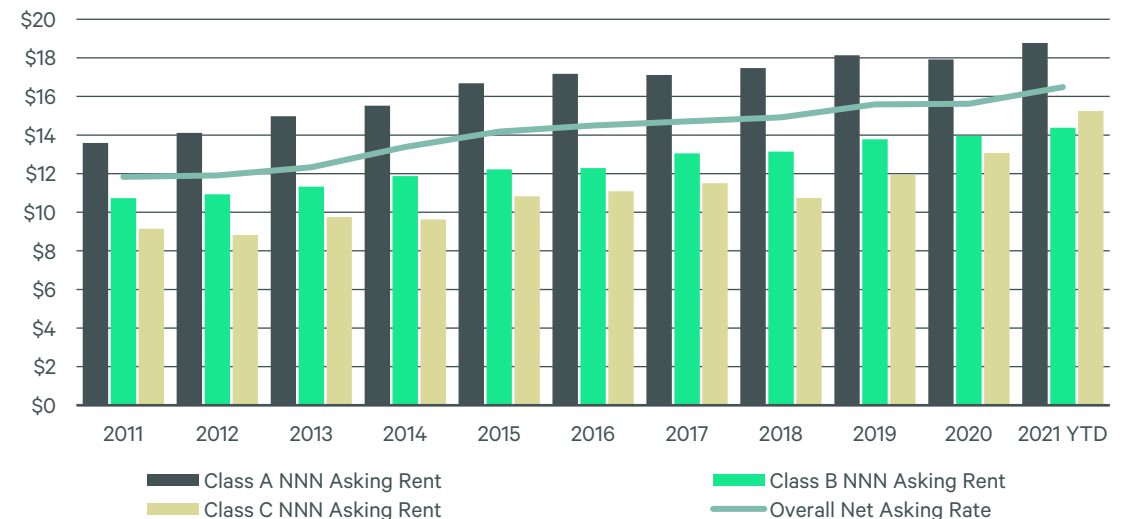
Note: Arrows indicate change from previous quarter.

MARKET OVERVIEW

- The Minneapolis office market experienced 107,177 sq. ft. of positive absorption in Q3 2021, a marked increase over the first two quarters of the year.
- Q3 leasing was 38% higher than the previous quarter, and 61% of activity was new leases or expansions.
- Three buildings are under construction, including the much-anticipated RBC Gateway, the first new multitenant office tower in the Minneapolis CBD in 20 years, which will open in early 2022.
- Average net asking rates increased to \$16.48 per sq. ft. and the vacancy rate increased to 21.2%.

The Minneapolis office market showed signs of improvement in Q3 as the economy continued to reopen. Despite increases in vacancy, leasing was stronger than Q2 and absorption was positive for the first quarter since Q1 2020.

FIGURE 1: Historical Annual Net Asking Rates



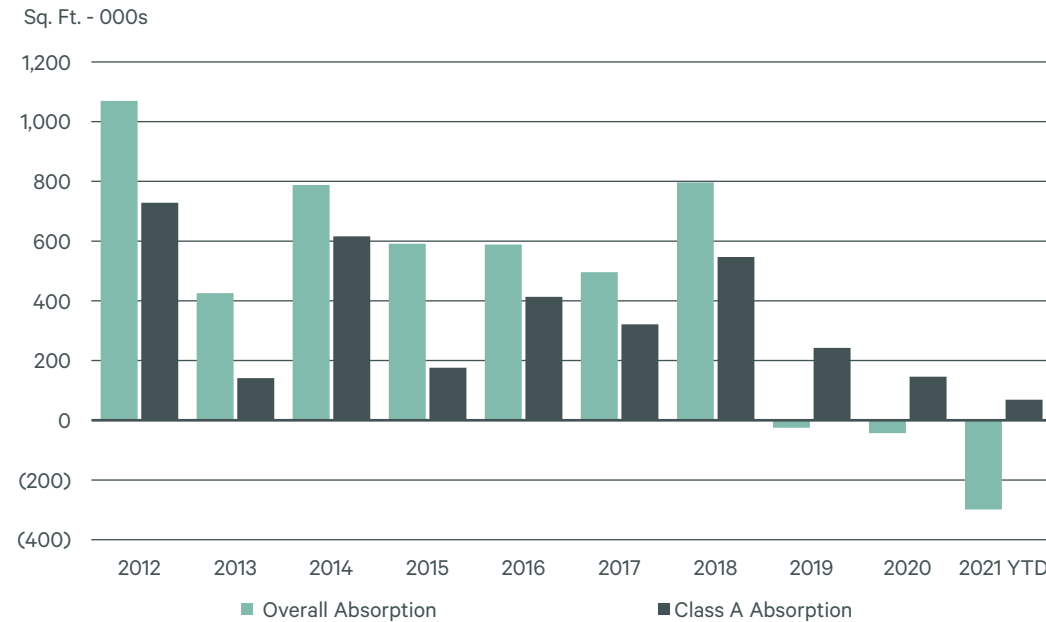
Source: CBRE Research, Q3 2021.

Market Overview

Q3 absorption was 107,177 sq. ft., making for the market’s first quarter of positive net absorption since Q1 2020.

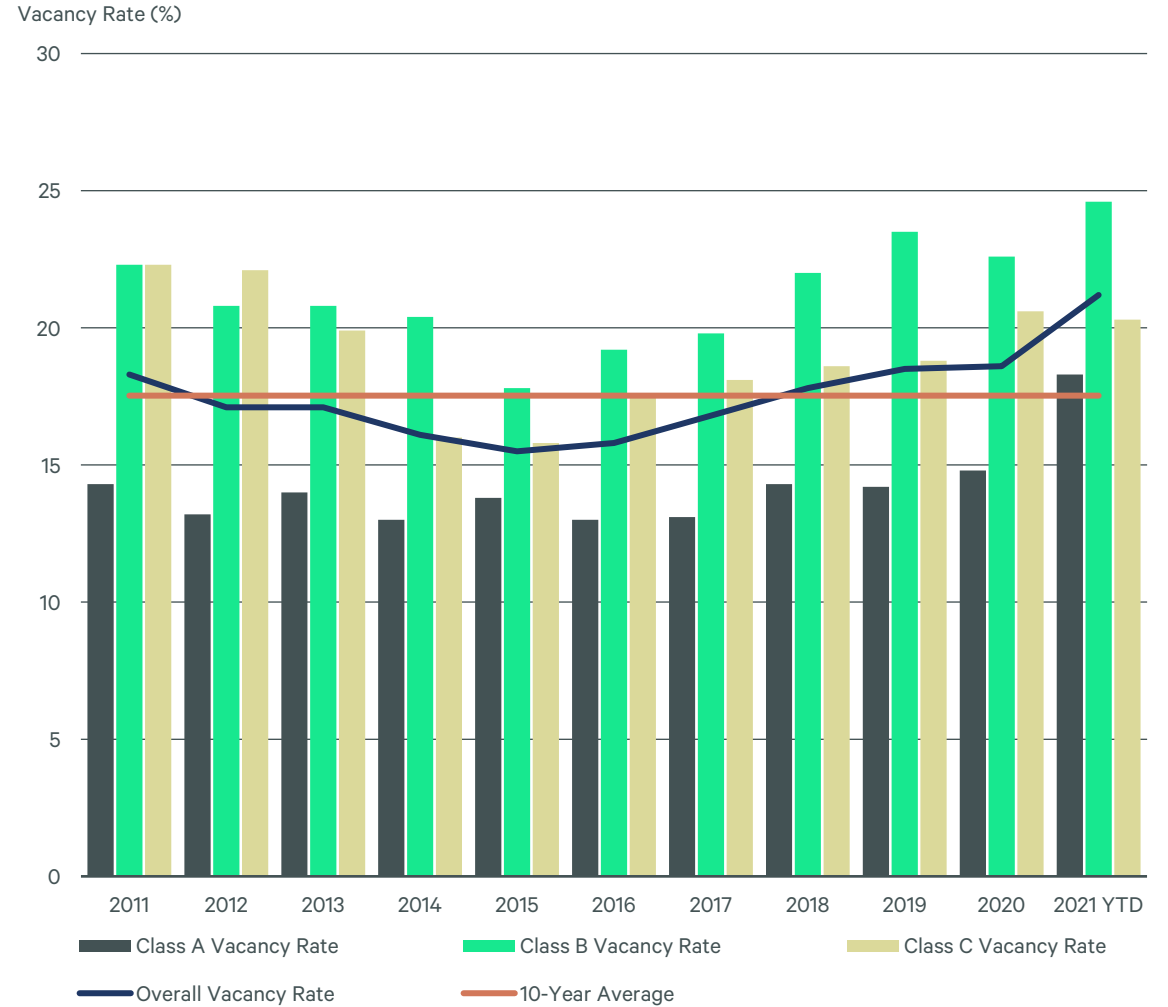
Class A office continues to outperform the overall market by a relatively wide margin. Class A vacancy is 18.3%, 290 basis points lower than the overall vacancy rate. Class A absorption is outpacing overall absorption for the third year in a row, and new Class A buildings such as RBC Gateway and 10 West End continue to attract new tenants, with recent signings by Castlelake and the Radisson Hotel Group, respectively.

FIGURE 2: Historical Total Absorption vs. Class A Absorption



Source: CBRE Research, Q3 2021.

FIGURE 3: Historical Vacancy and Vacancy by Class



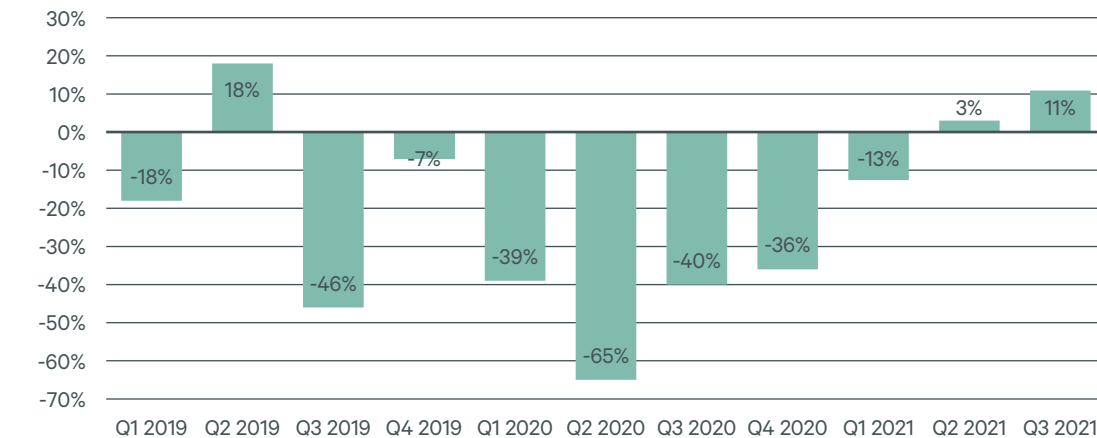
Source: CBRE Research, Q3 2021.

Leasing

Leasing activity was up 38% from Q2. The quarter's volume of 827,443 sq. ft. represented an 11% increase over Q3 2020, indicating an acceleration of the gently positive trend in year-over-year growth seen in Q2 2021 following seven quarters of year-over-year decreases.

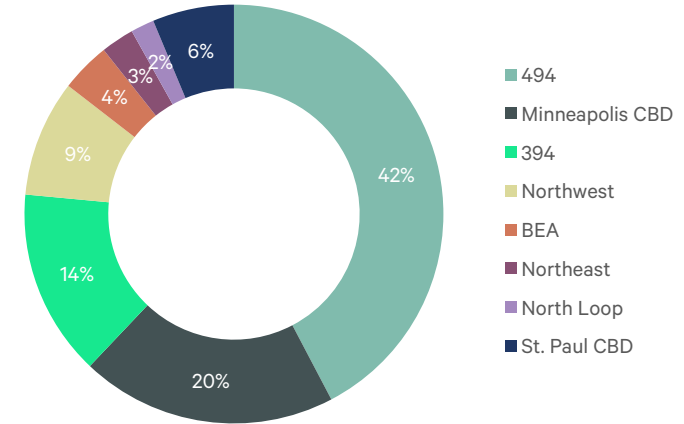
- New leases and expansions accounted for 61% of all market activity in Q3, with renewals at 22% and Use Sales at 17%.
- The 494 submarket led the Minneapolis Office market with 39% of all Q3 activity, with 350,027 sq. ft. transacted. The Minneapolis CBD followed with 163,558 sq. ft., representing 20% of remaining activity, with the 394 corridor's 119,311 sq. ft. of activity making it the third most active submarket for Q3 leasing.
- Tenants in Business Services industries made up a quarter of Q3 leasing activity, closely followed by Technology users at 21% and Finance-Insurance users at 19%.
- The remainder of the quarter's leasing activity was generated by users in Manufacturing, Transportation, Healthcare, Education, and the Creative Industries, among others.

FIGURE 4: Year over Year Change in Quarterly Volume



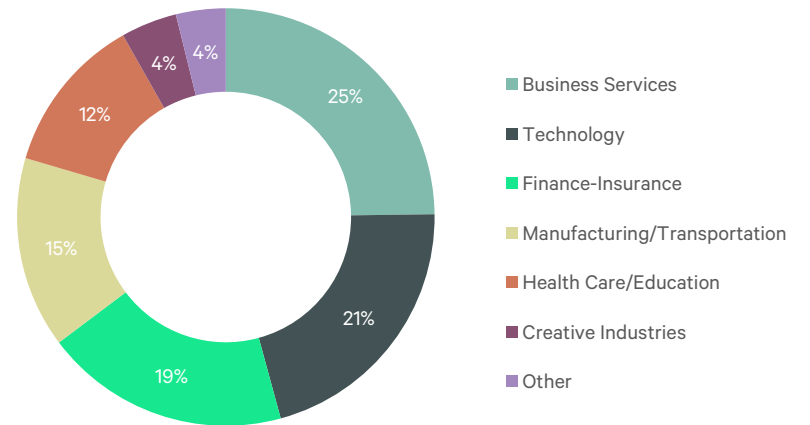
Source: CBRE Research, Q3 2021.

FIGURE 5: Top Transactions by Submarket and Sq. Ft.



Source: CBRE Research, Q3 2021.

FIGURE 6: Top Transactions by Industry and Sq. Ft.



Source: CBRE Research, Q3 2021.

Investment Sales

Third-quarter office investment sales volume in the Minneapolis market—that is, transactions excluding sales for redevelopment or occupancy—saw a 9.7% decrease from Q2 to \$130.5 million, bringing the 2021 YTD investment sales volume to \$452.7 million. The YTD volume represents a 19% improvement over the total volume transacted during the first three quarters of 2020.

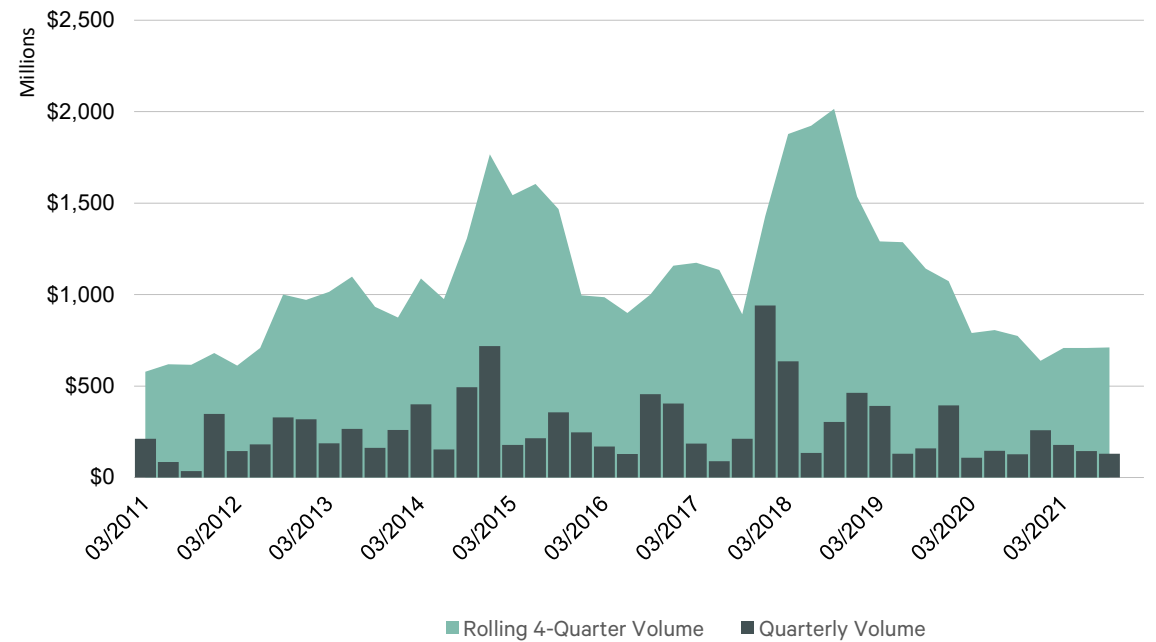
The quarter’s largest transaction was the sale of the Metropoint Office Portfolio to ABS Management for \$63.5 million. CBRE represented the seller in the sale of West Ridge to Altus Properties.



FIGURE 7: Notable Minneapolis Office Investment Sales, Q3 2021

Property	Location	Buyer	Sale Price (\$)	Size (Sq. Ft.)	Price Per Sq. Ft. (\$)
Metropoint Office Portfolio	St. Louis Park	ABS Management	63,500,000	541,000	117
Superior Office Center	Eden Prairie	Buhl Investors	12,000,000	93,000	129
West Ridge	St. Louis Park	Altus Properties	11,400,000	64,118	178

FIGURE 8: Minneapolis Office Investment Sales Volume, 2011 – 2021



Source: Real Capital Analytics

Market Summary Statistics

FIGURE 9: Minneapolis/St. Paul Office Market Statistics, Q3 2021 (cont. on next page)

Submarket	Rentable Area (Sq. Ft.)	Total Vacancy Rate	Y-o-Y Vacancy Trend	Average Net Asking Rate (Sq. Ft./Yr)	Y-o-Y Asking Rate Trend	Q3 Net Absorption (Sq. Ft.)	Y-o-Y Net Absorption Trend	YTD Net Absorption (Sq. Ft.)	Multi-Tenant Under Construction (Sq. Ft.)	Multi-Tenant & Single-Tenant Combined Stats	
										Rentable Area (Sq. Ft.)	Vacancy Rate
Metro Overall	76,003,356	21.2%	↑	\$16.48	↑	107,177	↑	(298,603)	649,821	96,712,505	16.7%
Class A	36,691,173	18.3%	↑	\$18.77	↑	60,848	↓	68,805	649,821	49,501,002	13.6%
Class B	32,143,290	24.6%	↑	\$14.38	↑	(27,133)	↑	(382,592)	-	38,793,565	20.4%
Class C	7,168,893	20.3%	↑	\$15.25	↑	73,462	↑	15,184	-	8,417,938	17.3%
Minneapolis CBD	22,247,477	21.4%	↑	\$17.57	↑	154,474	↑	109,281	532,000	28,604,889	16.7%
Class A	13,711,494	14.5%	↑	\$19.88	↑	59,543	↑	67,403	532,000	19,498,669	10.3%
Class B	6,976,155	35.2%	↑	\$14.30	↑	68,535	↑	32,433	-	7,094,430	34.6%
Class C	1,559,828	20.5%	↓	\$14.81	↑	26,396	↑	9,445	-	2,011,790	15.9%
394 Corridor	11,841,259	19.3%	↑	\$20.35	↑	(40,120)	↓	(106,121)	37,821	13,098,648	17.4%
Class A	6,009,290	21.0%	↑	\$21.90	↑	(36,453)	↓	(94,377)	37,821	7,044,740	17.9%
Class B	4,816,637	19.2%	↑	\$17.82	↑	2,359	↑	(3,808)	-	5,038,576	18.4%
Class C	1,015,332	9.0%	↓	\$16.27	↑	(6,026)	↓	(7,936)	-	1,015,332	9.0%
494 Corridor	16,958,104	19.8%	↑	\$16.49	↑	(6,976)	↓	13,568	-	19,633,608	17.1%
Class A	8,588,649	18.5%	↑	\$17.95	↑	(28)	↓	57,499	-	10,506,696	15.2%
Class B	6,903,278	20.3%	↓	\$14.24	↑	(8,145)	↓	(47,111)	-	7,660,735	18.3%
Class C	1,466,177	24.3%	↑	\$17.27	↑	1,197	↑	3,180	-	1,466,177	24.3%
North Loop	4,177,056	26.0%	↑	\$18.83	↑	(21,677)	↓	(54,695)	-	4,414,556	24.6%
Class A	877,775	18.7%	↑	\$22.11	↑	0	→	0	-	1,115,275	14.7%
Class B	2,211,812	30.1%	↑	\$19.35	↑	(22,946)	↓	(29,728)	-	2,211,812	30.1%
Class C	1,087,469	23.6%	↑	\$15.21	↑	1,269	↑	(24,967)	-	1,087,469	23.6%

FIGURE 9: Minneapolis/St. Paul Office Market Statistics, Q3 2021 (cont. from previous page)

Submarket	Rentable Area (Sq. Ft.)	Total Vacancy Rate	Y-o-Y Vacancy Trend	Average		Q3 Net Absorption (Sq. Ft.)	Y-o-Y Net Absorption		YTD Net Absorption (Sq. Ft.)	Multi-Tenant Under Construction (Sq. Ft.)	Multi-Tenant & Single-Tenant Combined Stats	
				Net Asking Rate (Sq. Ft./Yr)	Y-o-Y Asking Rate Trend		Trend	Trend			Rentable Area (Sq. Ft.)	Vacancy Rate
Midway	2,534,180	15.7%	↑	\$15.32	↑	53,807	↑	89,279	-	3,803,522	10.4%	
Class A	603,984	23.5%	↑	\$15.46	↑	0	→	0	-	603,984	23.5%	
Class B	1,531,962	14.4%	↑	\$15.70	↑	3,181	↑	40,360	-	2,325,917	9.5%	
Class C	398,234	8.7%	↓	\$12.86	↓	50,626	↑	48,919	-	873,621	4.0%	
Northeast	2,526,556	14.3%	↑	\$14.00	↓	27,451	↑	(132,062)	-	2,811,710	12.9%	
Class A	465,813	24.0%	↑	\$15.18	↓	25,415	↑	(2,790)	-	465,813	24.0%	
Class B	1,921,117	11.4%	↑	\$14.82	↑	2,036	↑	(129,272)	-	2,206,271	9.9%	
Class C	139,626	23.1%	↓	\$8.38	↑	0	→	0	-	139,626	23.1%	
BEA	3,220,915	33.1%	↑	\$12.77	↓	0	↑	(193,355)	-	4,644,213	23.0%	
Class A	1,382,727	31.2%	↑	\$14.04	↓	0	↓	(3,421)	-	1,885,765	22.9%	
Class B	1,709,176	36.2%	↑	\$12.57	↑	0	↑	(189,934)	-	2,629,436	23.5%	
Class C	129,012	12.9%	↓	\$11.13	→	0	→	0	-	129,012	12.9%	
Northwest	1,390,088	22.6%	↑	\$12.69	↑	0	↓	(7,043)	-	2,538,219	12.4%	
Class A	244,850	13.8%	↓	\$13.13	↓	0	→	1,144	-	1,245,981	2.7%	
Class B	867,163	20.9%	↑	\$13.05	↑	0	↓	629	-	1,014,163	17.9%	
Class C	278,075	35.7%	↑	\$11.00	→	0	→	(8,816)	-	278,075	35.7%	
St. Paul CBD	6,244,576	23.9%	↓	\$12.56	↓	13,469	↓	13,448	-	9,640,480	15.5%	
Class A	2,685,792	18.6%	↓	\$13.72	↑	13,469	↓	8,389	-	3,240,792	15.5%	
Class B	3,249,791	27.9%	↓	\$11.58	↓	0	→	5,667	-	6,090,695	14.9%	
Class C	308,993	28.9%	↑	\$16.72	↑	0	→	(608)	-	308,993	28.9%	
Suburban St. Paul	4,863,145	19.9%	↑	\$11.39	↓	(73,251)	↑	(30,903)	80,000	7,522,660	12.9%	
Class A	2,120,799	23.2%	↑	\$14.01	↑	(1,098)	↓	34,958	80,000	3,893,287	12.6%	
Class B	1,956,199	16.2%	↓	\$9.19	↓	(72,153)	↑	(61,828)	-	2,521,530	12.6%	
Class C	786,147	20.5%	↑	\$12.08	↓	0	↑	(4,033)	-	1,107,843	14.6%	

Economic Overview

The summer of 2021 began with a surge, only to ease back as the Delta variant forced many consumers to rethink their holidays and restaurant visits. Consequently, we pared back our GDP growth outlook for this year by an entire percentage point, to 6%, followed by nearly 4% year-on-year growth in 2022. The labor market has also been volatile, primarily due to a reversal in hiring within the Accommodation & Food Services sector, reflecting uncertainty in the space. But demand for labor remains high and most signals suggest the key problem firms face is finding workers. Thus, employment growth should remain above 3% through 2022. Longer-term hiring in the U.S. will be restrained by a shrinking labor force.

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Survey Criteria

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Economic Development Authority (EDA)

4. 2.

Meeting Date: 01/13/2022

Submitted For: Sean Sullivan, Community Development

By: Sean Sullivan, Community Development

Title:

Receive 2021 Business Retention and Expansion Presentation

Purpose/Background:

The purpose of this case is to receive the attached report/information on the 2021 Business Retention & Expansion Program with a focus on Business Visits/Surveys. The 2020 goal was to make 50 business visits. In 2021, 41 formal business visits/surveys were conducted. Due to the Pandemic, 22% formal visits were conducted via phone.

The attached report/presentation is summary data from all the formal visits in 2021 Many of the 2021 targeted businesses visits did not occur due to their busy schedules and the pandemic. Staff and some businesses found phone visits convenient and staff is willing to extend this for businesses that would prefer that option in the future. These visits are a good way to strengthen relationships with businesses.

Notification:

Notification is not required.

Observations/Alternatives:

See attached report for detailed observations and 2021 recommendation. Staff is recommending the following for 2022:

Balance Between Retail and Commercial / Industrial Businesses Formal Visits

- Follow-up With Remainder of Businesses that Received City Grants
- Visit Newer Businesses to Ramsey
- Goal of over 30 Formal Visits in 2022
- Both Phone, Virtual and In-Person Visits (Efficiency)
- Continued efforts to connect businesses with available business assistance programs

Funding Source:

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

Recommendation:

Staff recommends that the EDA accept the 2021 Report and to set business retention goals for 2022 as outlined above.

Action:

Motion to accept 2021 Business Retention Report and adopt the plan for 2022 as outlined above.

Attachments

2021 Business Retention and Expansion Report

Form Review

Inbox

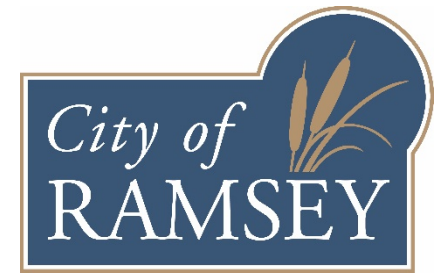
Reviewed By

Date

Sean Sullivan (Originator)
Brian Hagen
Sean Sullivan (Originator)
Brian Hagen
Kurt Ulrich
Form Started By: Sean Sullivan
Final Approval Date: 01/05/2022

Sean Sullivan
Sean Sullivan
Sean Sullivan
Brian Hagen
Kurt Ulrich

01/03/2022 09:18 AM
01/03/2022 09:20 AM
01/03/2022 09:20 AM
01/04/2022 12:37 PM
01/05/2022 04:10 PM
Started On: 01/03/2022 08:24 AM



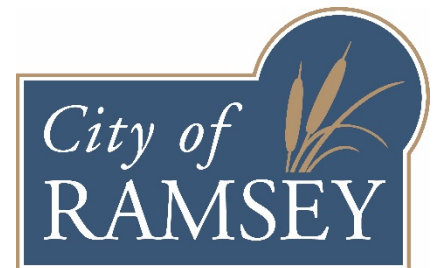
ECONOMIC DEVELOPMENT

2021 Business Retention & Expansion Program

2021 SUMMARY

Business visits are conducted throughout the year by the Economic Development Manager. Each visit is approximately 30 minutes long. The City uses questions based on the GMSP Salesforce survey template. These business visits help establish and maintain relationships with the business community and can identify areas in need of improvement or affirmation of current practices for the City. The 2021 goal was to have 50 formal business visits.

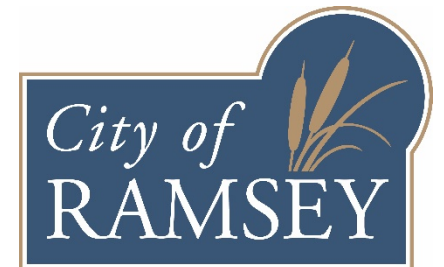
In 2021, a total of 41 formal visits were completed. A focus was put on follow-up visits to 2020 COVID grant recipients (25 of the 41 received a grant). Twenty-two percent of visits were conducted via phone this year due to the Pandemic and were preferred by many businesses. Many informal visits and communication with Ramsey businesses occurred but are not part of Summary Data provided within the report.



2021 BUSINESS VISITS (PHONE & IN-PERSON)

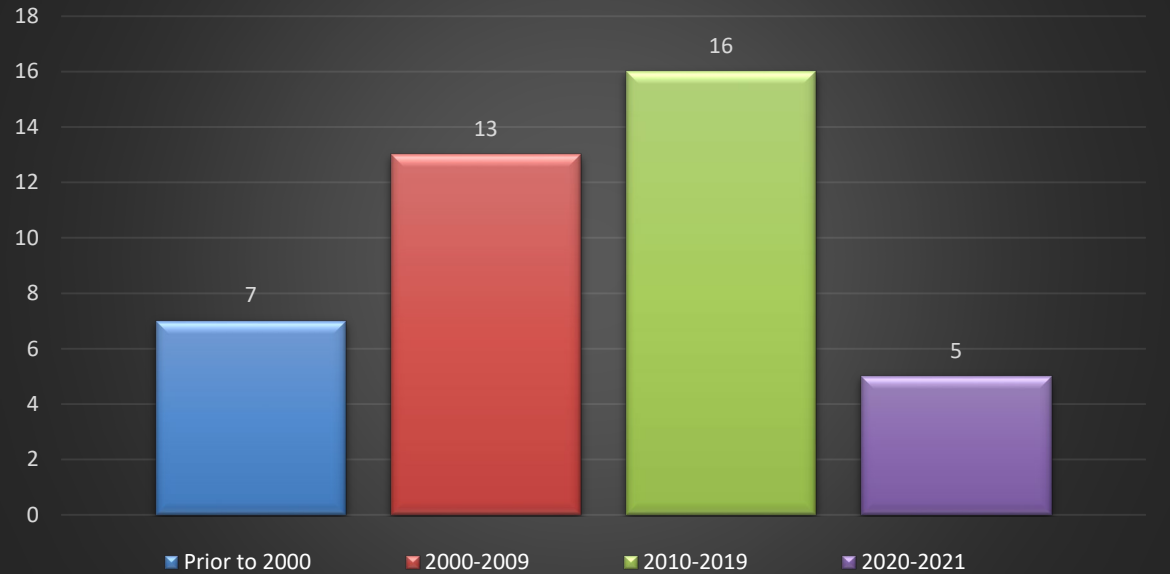
- Acapulco Mexican Restaurant
- Adrenaline Sports Center Inc.
- American Family Insurance - Brock DeVries Agency
- American Print and Digital, LLC
- Anoka Ramsey Dental PA
- Aurelio's Pizza
- Blue Velvet Car Wash
- Championship Products Unlimited, LLC dba JR Wrestling
- Chips Tool Repair Inc
- Coborn's, Inc.
- Comfort Suites of Ramsey
- Delta ModTech
- DepotStar, Inc.
- Dimensional Concepts
- Elderberry Queen
- *ElysiuMassage, LLC**
- Fastenal
- Flagship Bank Minnesota
- Inky Elf, LLC.
- Integrity Tool & Engineering, Inc
- King Kong Hobbies
- Kitchen Table LLC
- LaVysh Nail Lounge
- Lisa's Catering Corp.
- Marked by Imagination, Inc.
- MENSCH LLC dba McDuff's Bar and Grill
- *Mixmi Brands Inc**
- Outpost Bar and Grill
- *Panto Gravers Inc**
- Prevail Counseling Group PLLC
- Ramsey Bicycle
- Ramsey Storage Center
- Riversbend Bar and Grill
- Showdown Displays
- Suite Living Senior Care of Ramsey
- Sunwood Nutrition
- Team Packaging Co
- The Links At NorthFork Golf Course & Banquet Center
- Triumph Group
- Ursa Major Athletics LLC dba Yorfit
- Virtex Enterprises (formerly Altron Inc)

* NOTE: 3 businesses are no longer a Ramsey business due to retirement, Hwy 10 project or COVID.

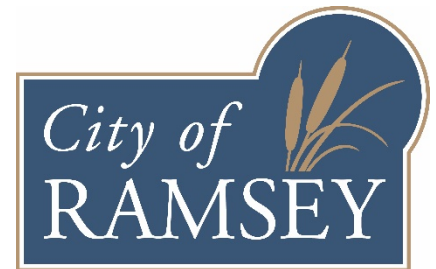
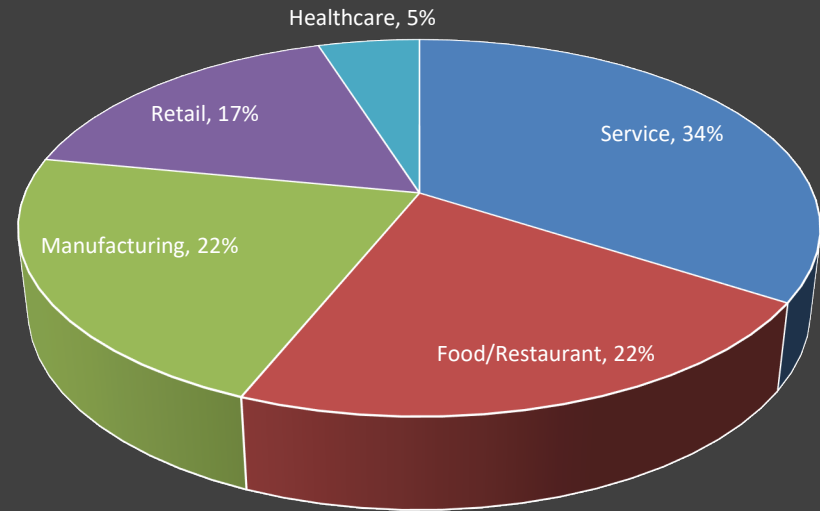


BUSINESS PROFILES

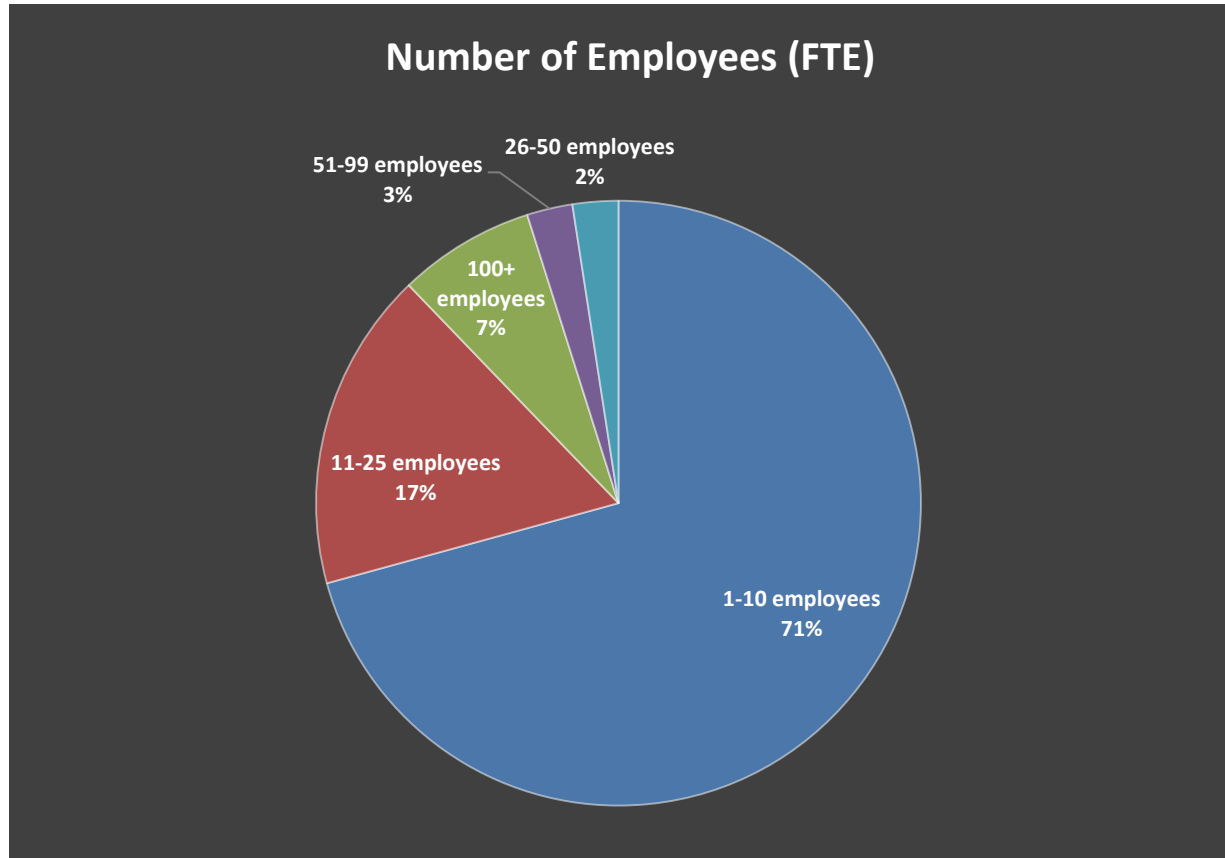
Year Business Located to Ramsey



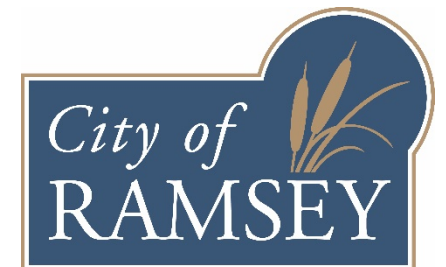
Types of Businesses



EMPLOYEES

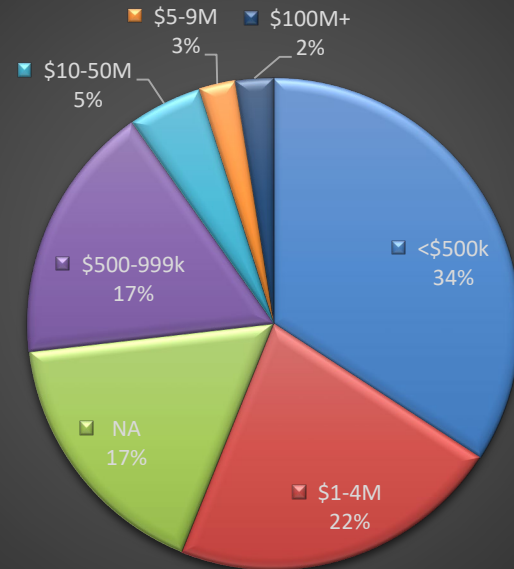


- 73% Businesses plan to hire in next 2-5 years
- Reasons Job Openings Hard to Fill:
 - 36% Lack of candidates
 - 28% Poor work ethic
 - 20% Other
 - 12% Lack of technical skills
 - 4% Competition

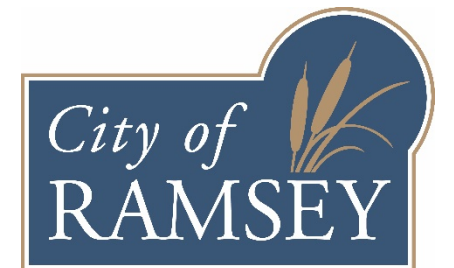
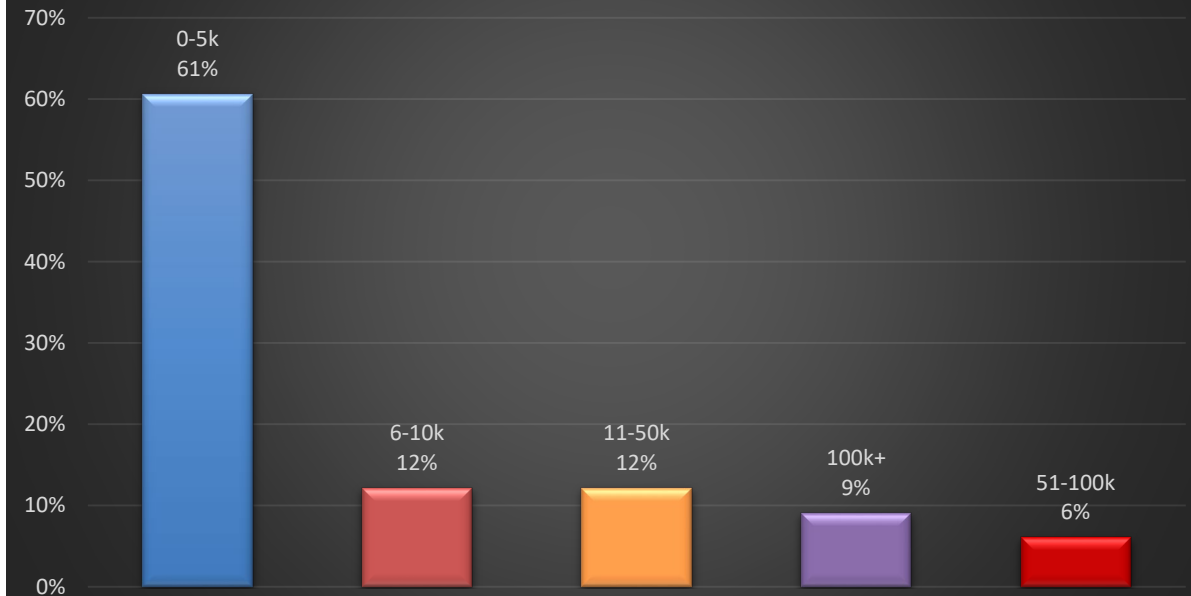


ANNUAL SALES / FACILITY SIZE

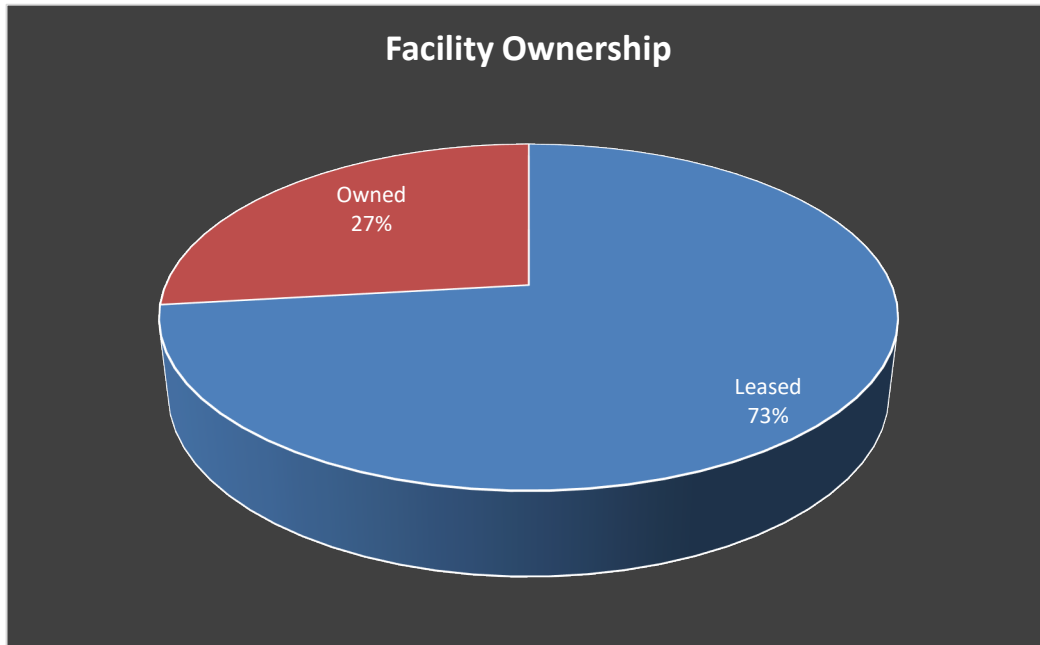
Annual Sales (2020 Gross)



Facility Size Square Feet (thousands)



OWNERSHIP / EXPANSION

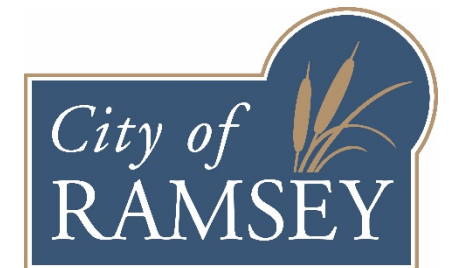
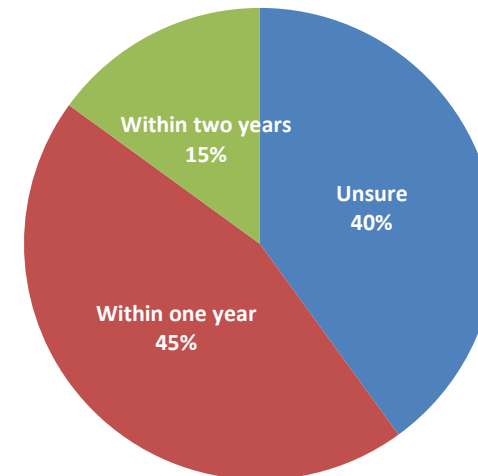


Expansion

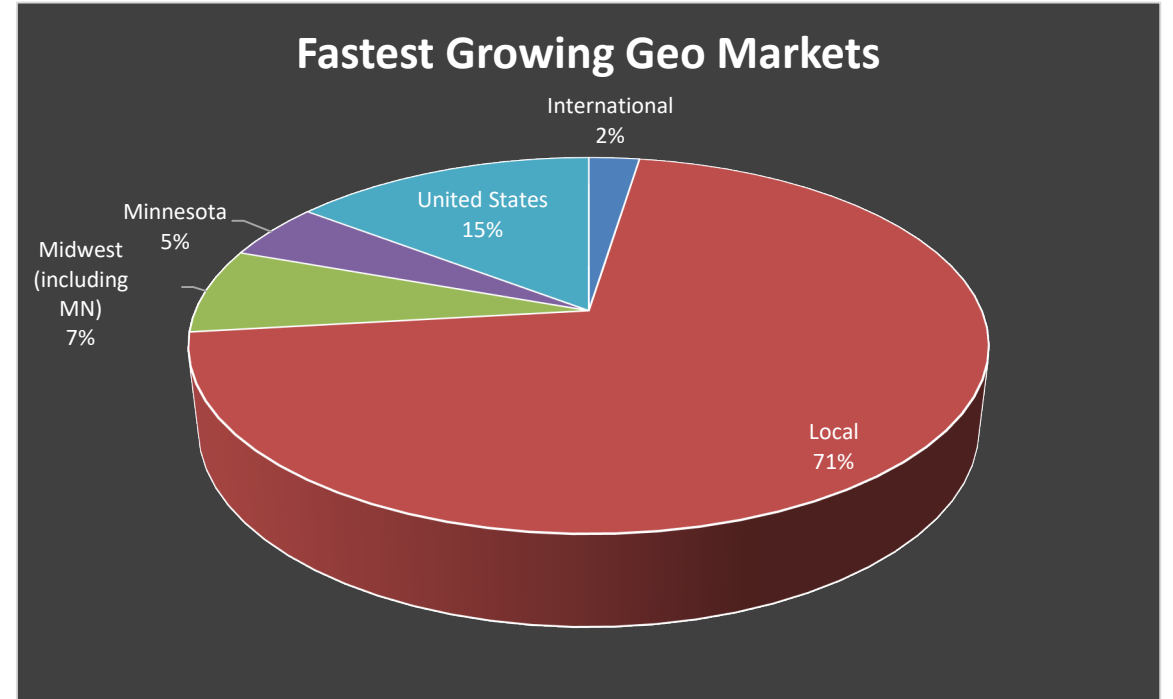
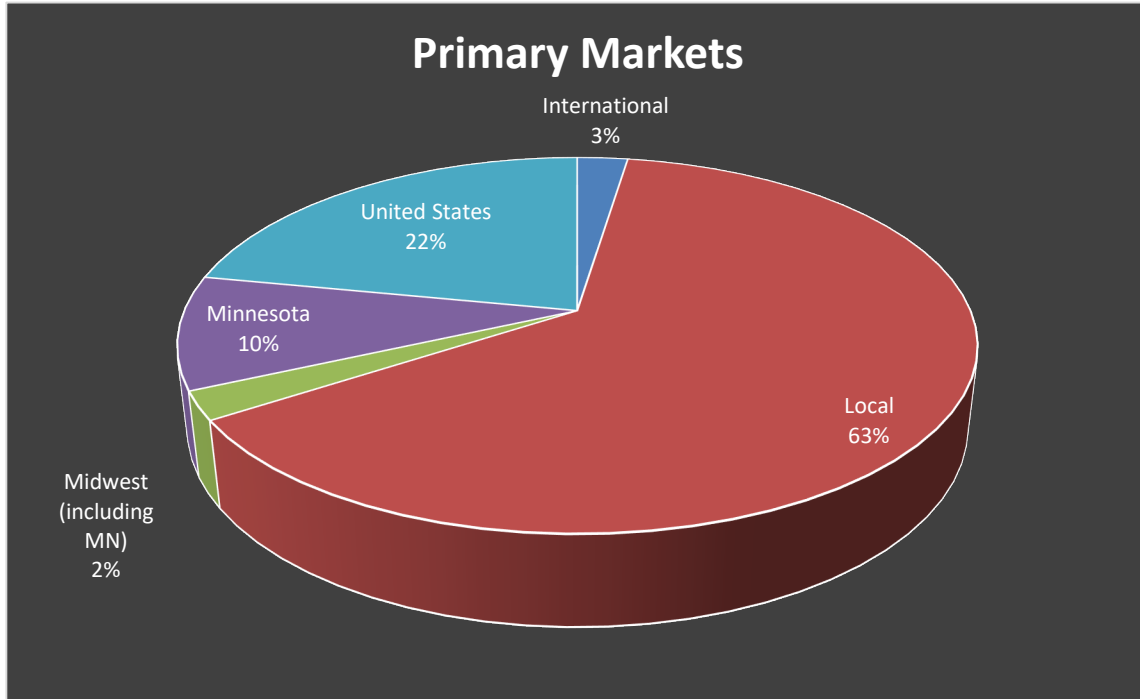
Does this company plan to...?

- 27% Make major equipment purchases
- 6% Renovate/Expand current facilities
- 3% Invest in new facilities
- 3% Not Identified

Approx. Date of Investment

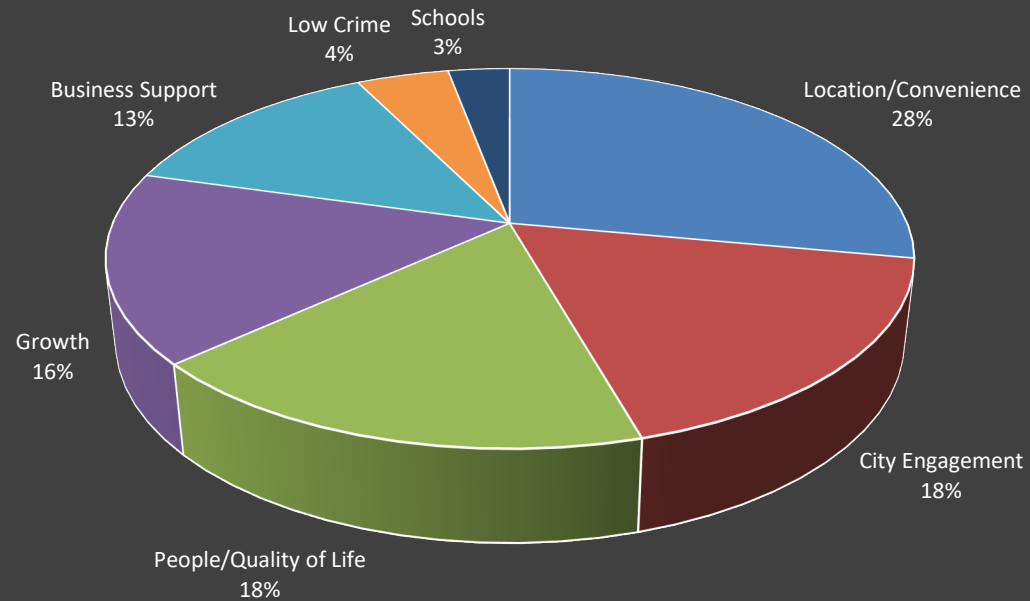


MARKETS SERVED / OUTLOOK

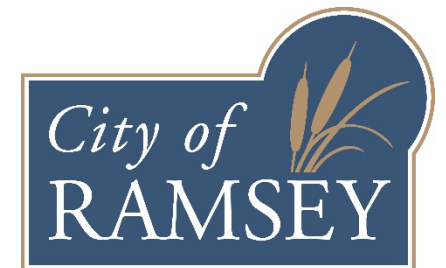
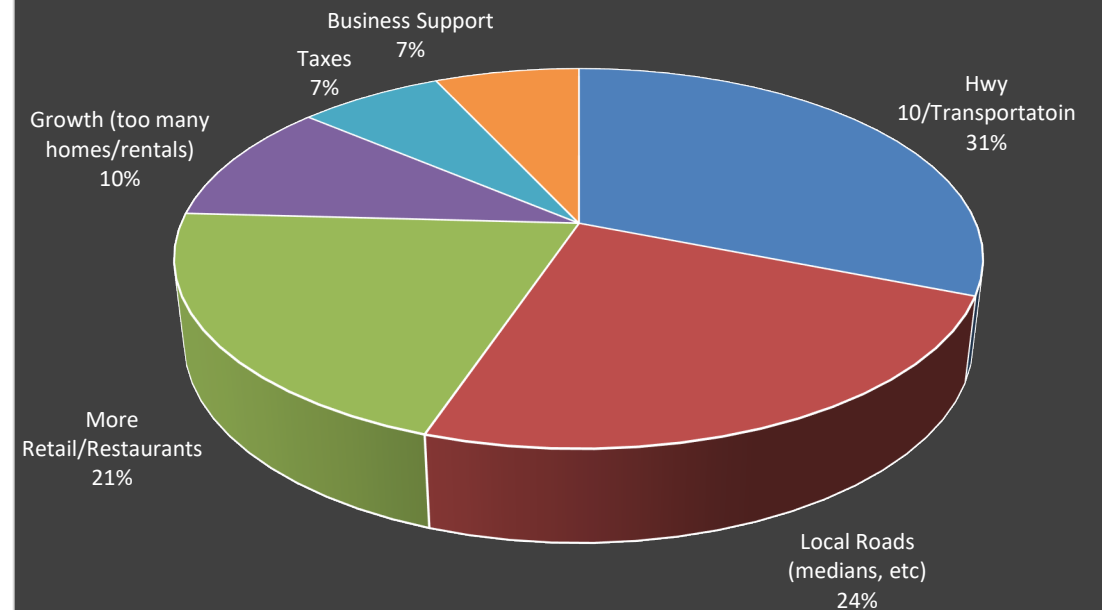


COMMUNITY STRENGTHS & WEAKNESSES

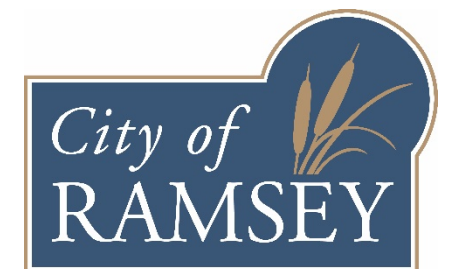
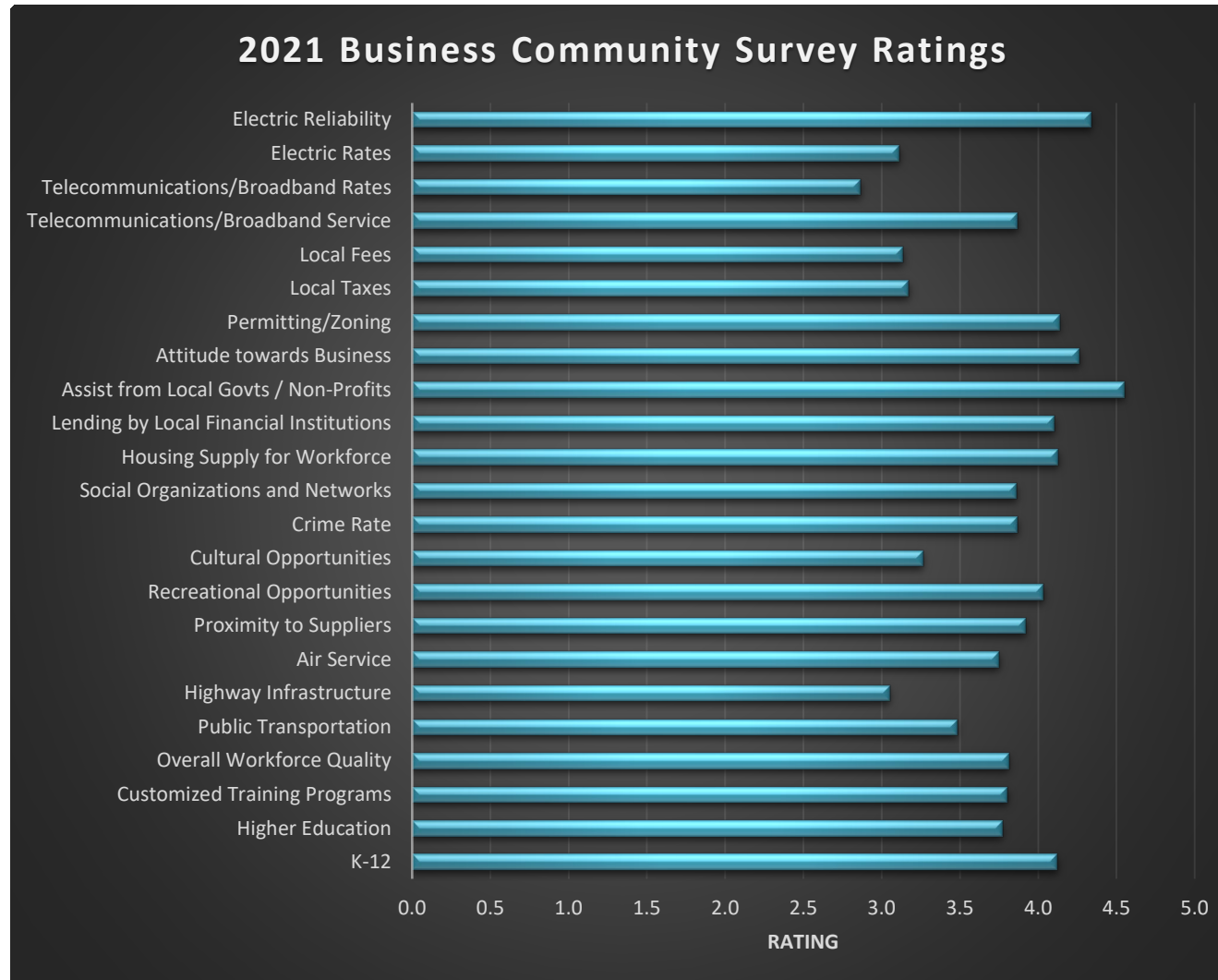
Strengths



Weaknesses

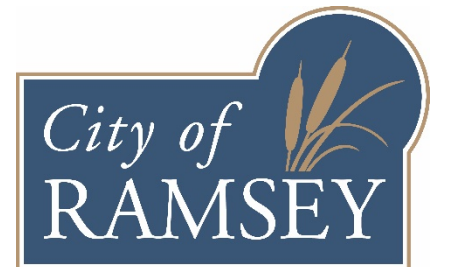


COMMUNITY RATINGS



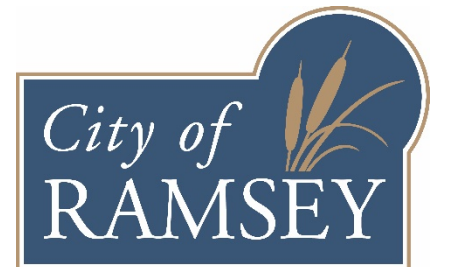
PRIORITIES FOR CITY

- 39% Growth - more businesses & homes
- 25% Transportation
- 14% Other (*repeal franchise fee, get rid of spray tar system, RC car track, keep doing what you're doing*)
- 7% Cleanup Hwy 10 corridor
- 7% Local road congestion
- 4% Limiting similar business types
- 4% Safety



GOALS FOR 2022

- Conduct Over 30 Business Visits
- Visit Remainder of City Covid Grant Recipients
- Visit Newer Businesses to Ramsey
- Blend of Commercial / Industrial and Retail



QUESTIONS



Economic Development Authority (EDA)

4.3.

Meeting Date: 01/13/2022

Submitted For: Sean Sullivan, Community Development

By: Sean Sullivan, Community Development

Title:

Authorize 2022 Ramsey EDA Business Expo Budget and Date

Purpose/Background:

The purpose of this case is to provide an update and to get authorization for an EDA allocation for the 2022 Ramsey EDA Business Expo.

Annually, the Ramsey EDA sponsors a Business Expo. The purpose of this annual event is to promote Ramsey's businesses (typically retail and service industries) to the community. Pre-2019, this event typically drew 200-300 people and had 45-50 business exhibitors. In 2019, the event was moved to Adrenaline Sports Center and attendance increased to 500-600 people with 61 exhibitors. The logistical set-up was also different as the EDA contracted with an event planning organization to prepare the booths, pipe and drape. The City re-booted the event in October 2021 and it was a successful event. Attendance was down from 2019 levels but staff attributed that to the time of year and some hesitation by some exhibitors due to Covid 19. Staff is excited bring back this event during its normal time slot and to give Ramsey businesses another opportunity to connect with residents and attendees.

The proposed EDA allocation for the 2022 Business Expo is \$5000. Historical allocations for this event have been \$4000 (2016), \$5000 (2017), \$6000 (2018), \$7,000 (2019), and \$4,000 (2021). Last fall the event is was slightly over budget (\$101.24) so staff is asking for additional funds (\$1,000) for 2022 to provide for more flexibility.

Planning has commenced for the 2022 Expo proposed to be held on April 30, 2022 at Adrenaline Sports Center and staff is always working on ways to get the best return on investment from EDA expenditures while maintaining a quality event. The April 30, date is a hard date based on staff availability and other events scheduled at the venue. To maximize event configuration, Staff is proposing 59 booths for 2022. The EDA previously directed staff to keep the event at Adrenaline, based on the success of the venue in 2019 and 2021. Staff recommends maintaining the registration fee for Ramsey Businesses from at \$50 and charging non-Ramsey businesses \$75. Priority for signing up for the event is always given to Ramsey Businesses.

Notification:

Notification is not required.

Observations/Alternatives:

The 2022 Business Expo is being slotted back into its regular April timeline. Staff is also hopeful that Covid-19 has a lesser impact on participation. As such, Staff anticipates better participation this year by both vendors and residents. Even if participation is down from the historically high level in 2019, this event is very important to Ramsey businesses and their ability to market themselves to Ramsey Residents and other visitors. The proposed budget for the 2022 event is attached to this case for review and comment.

The EDA allocated \$4,000 for last year's event. Staff is proposing a \$5,000 allocation for the 2022 Expo, an increase of \$1000 from 2021.

Proposed Event Details include:

Venue: Adrenaline Sports Center - 8310 147th Lane NW Ramsey, MN 55303

Date: April 30, 2022

Time: 10AM-2PM

Cost: \$50 for Ramsey Businesses. \$75 for Non Ramsey Businesses. Electricity is \$15 extra per booth.

Alternatives:

- 1) EDA authorize allocation of \$5,000 for 2022 Business Expo, select Adrenaline Sports Center as venue and select April 30, 2022 as Event date (Staff Recommendation)
- 2) EDA authorize allocation of _____ for 2022 Business Expo, select _____ as venue and select April 30, 2022 as Event Date
- 2) Something else

Funding Source:

The Ramsey EDA Business Expo is funded as part of the 2022 EDA Budget (9320-6249) and revenue generated from the event. See attached budget.

Recommendation:

Staff recommends the EDA to authorize allocation of \$5,000 for 2022 Business Expo, select Adrenaline Sports Center as venue and select April 30, 2022 as Event date

Action:

Motion to authorize allocation of \$5,000 for 2022 Business Expo, select Adrenaline Sports Center as venue and select April 30, 2022 as Event date

Attachments

[ACTION - Proposed 2022 Business Expo Budget](#)

[ACTION - DRAFT 2022 Biz Expo Flyer](#)

Form Review

Inbox

Sean Sullivan (Originator)
Brian Hagen
Kurt Ulrich
Form Started By: Sean Sullivan
Final Approval Date: 01/05/2022

Reviewed By

Sean Sullivan
Brian Hagen
Kurt Ulrich

Date

01/05/2022 01:34 PM
01/05/2022 04:08 PM
01/05/2022 04:19 PM
Started On: 01/04/2022 09:04 AM

2022 EDA Business Expo Budget

EXPENSES	Details	2021 Actual	2022 Projected	2022 Actual
Adrenaline Sports Ctr		\$ (800.00)	\$ (1,000.00)	
Electrical booth	\$75/booth (max \$500)	\$ (500.00)	\$ (500.00)	
*Cenaiko: Booths Pipe/Draping, tables/chairs, set up, take down	Includes 2 pin boards (29"x 66" on wheels \$25/ea)	\$ (2,117.00)	\$ (2,117.00)	
Cenaiko: Pin boards (2)	29"x 66" on wheels (\$25/show)	\$ (50.00)	\$ (50.00)	-
Ace Sales: Giveaway at door		\$ (924.50)	\$ (1,000.00)	
Express Signs	5 large black/bright signs	\$ (725.00)	\$ (725.00)	
Inky Elf: Sandwich board signs	(8) 2x3 signs, reusable 2021; need 2 Loading Zone signs 2022	\$ (192.00)	\$ (48.00)	
ECM: Shopper Ad space	Front page "A" section	\$ (183.00)	\$ (200.00)	
*A Touch of Magic: Balloon Artist	Balloon Art/Airbrush tattoo	\$ (1,235.00)	\$ (1,164.00)	
Advertising	Social media, AAC, Explore MN online advertising, flyer in utility bill?	\$ -	\$ -	\$ -
Do All Printing	12 - 26"x26" event parking covers, reusable	\$ (288.00)	\$ -	
Misc. Supplies	Candy, Water, sign strips	\$ (58.74)	\$ (100.00)	
Total Expenses		\$ (7,073.24)	\$ (6,904.00)	\$ -
REVENUES				
Applications	2021: 52 received, 50 attended	\$ 2,760.00	\$ 2,700.00	
Electrical hookup	2021: 10 vendors @\$15 ea	\$ 150.00	\$ 150.00	
EDA allocation		\$ 4,000.00	\$ 5,000.00	
Total Revenues		\$ 6,910.00	\$ 7,850.00	\$ -
*BALANCE:		\$ (163.24)	\$ 946.00	\$ -
	<i>Fees Charged</i>			
	<i>Ramsey</i>	\$50	\$50	
	<i>Non-Ramsey</i>	\$75	\$75	
Inputs/estimated	<i># Booths</i>	50	59	
Public/Non Profit	<i>No Fee Booths</i>	5	5	

2021 Booth fees waived for: City of Ramsey, Anoka Co Water Task Force, Rum River Art Center, Touch of Magic, Bob FM (free ad)

*Credits were applied to 2021 fees from 2020 payments made but event cancelled

Apply charges to account 9230-6246 (marketing), all others 9230-6249

Business Expo 2022



Spring Expo is Back!

Explore the variety of businesses that Ramsey has to offer. Bring the whole family for a day of samples, giveaways and fun activities. Discover local retailers, restaurants, professional services and more! Visit the city booth to meet staff and learn about what's happening in Ramsey.

Highlights

- **FREE** Admission
- Each guest will receive a City of Ramsey bag at the door!
- 50+ Exhibitor Booths
- Samples, giveaways & drawings
- Activities for children and adults
- Local business coupons, deals & information
- Children's entertainment

Event: Ramsey Business Expo

Date: Saturday, April 30, 2022

Time: 10:00 am – 2:00 pm

Location:

Adrenaline Sports Center
8310 147th Lane NW
Ramsey, MN 55303

For more information:

cityoframsey.com

econdev@cityoframsey.com

763-433-9828 or

763-433-9868