

**Economic Development Authority (EDA)**

**4. 3.**

**Meeting Date:** 04/08/2021

**By:** Sean Sullivan, Community  
Development

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**Title:**

Review West Armstrong Redevelopment Plans and Discuss Opportunities for Strategic Acquisition to Preserve Redevelopment Vision (portions of meeting may be closed to the public under Minnesota Statutes Section 13.D.05 Subdivision 3(c)(3) to consider purchase of real property)

**Purpose/Background:**

Purpose:

To discuss a potential project west of Armstrong Blvd and to consider purchase of:

1. 8100 146th Avenue NW. Anoka County PID is 29-32-25-14-0012. Legal Description is Lot 1, Block 1, Hauser Addition
2. 8049 146th Avenue NW. Anoka County PID is 29-32-25-14-0011. Legal Description is Lot 4, Block 2, Hy-10 Ramsey
3. 8050 147th Avenue NW. Anoka County PID is 29-32-25-14-0008. Legal Description is Lot 1, Block 2, Hy-10 Ramsey
4. 14700 Armstrong Blvd NW. Anoka County PID is 29-32-25-11-0008. Legal Description is Lot 3, Block 1, Hy-10 Ramsey 3rd Add.
5. XXXX Ferret St NW, Anoka County PID is 29-32-25-11-0009. Legal Description is Lot 1, Block 1, Hy-10 Ramsey

(Number Identified on attached Map)

\*Portions of meeting may be closed to the public under Minnesota Statutes Section 13.D.05 Subdivision 3(c)(3) to consider purchase of real property.

Background:

The Industrial market remains strong in the City of Ramsey. Industrial land over 1 acre, that is ready for development is becoming harder to find in Ramsey. Staff has received inquiries from existing Ramsey business looking to expand or build new buildings (15-50,000 SF Range) in the near future. Currently, the 43 acres east of Delta Mod Tech and the 14 acres south of Connexus are under contract. That leaves approximately 20 acres west of Armstrong Blvd off Bunker Lake Boulevard as the only larger piece of land shovel ready for industrial development.

Purpose

The purpose of this case is to seek high-level policy direction as a recommendation to the City Council to discuss how aggressive the City should be to preserve the vision for cleanup and redevelopment of the industrial park generally west of Armstrong Boulevard and north of Highway 10.

There are 3 major components of planning in this area.

1. Future Land Use Planning/Zoning/Non-Conforming Uses
2. Economic Development Tools to Facilitate Cleanup/Blight Removal and Redevelopment
3. Infrastructure and Roads/Pavement Management Program

Background

*Future Land Use Planning/Zoning/Non-Conforming Uses*

From approximately 2015 through 2018, the City convened a series of public engagement meetings that led to the visioning and small area plan for this area. The planning area also included areas now known as the Bunker Lake Industrial Park and Riverstone Neighborhood. This redevelopment area is the final piece of this small area plan.

This area pre-dates current zoning regulations and zoning district, providing protections under lawful, non-conforming statutes. This area is generally characterized by aging, underutilized buildings and significant outside storage. As the surrounding areas of The COR, Bunker Lake Industrial Park and Riverstone Neighborhoods continue to develop, this aging industrial park appears to be in conflict with these surrounding areas. Public Nuisance Complaints continue to increase. A former gas station and former liquor store were previously purchased and removed to make way for the Armstrong Interchange.

The future land use vision contemplates this entire area redeveloping. Most of the Property Owners share this redevelopment vision, but timing, financing and market conditions appear to be a barrier. The areas east of Ferret Street are visioned as redeveloping as a primary retail corridor for the community. This area includes the new West Armstrong Retail Center. The areas west of Ferret Street are visioned as redeveloping as another business park similar to the Bunker Lake Industrial Park.

The City continues to respond to numerous zoning inquiries for uses that are not allowed by code and not protected by lawful, non-conforming statutes. The City has shown some flexibility through the issuance of Interim Use Permits that allow a temporary use until such time redevelopment occurs. Staff seeks policy direction as to whether this continued allowance for interim uses is appropriate, or a more aggressive approach is desired.

#### *Economic Development Tools*

Redevelopment projects are naturally more complicated and more expensive than 'greenfield' development of raw land. It is unlikely that the City will achieve the broader blight removal and redevelopment vision without financial assistance of some degree, including but not limited to potential acquisition of key parcels to preserve said vision. The site is located within TIF District #14 that also includes The COR.

#### *Infrastructure and Roads/Pavement Management Program*

In 2017-2018, the City began planning for the reconstruction of 146th Avenue, 147th Avenue and Ferret Street. In January of 2019, the City cancelled/delayed the project until future land use planning and visioning were complete. With the completion of the 2040 Comprehensive Plan Update, that visioning and land use planning is now complete and the City should be able to move forward with this needed pavement management plan without interfering with the redevelopment vision. In fact, investment in basic infrastructure in this area may leverage interest in private redevelopment. Based on current economic conditions and demand for industrial land, Staff thought this would be a good time to revisit this position. This project expands sewer and water in the area and also connect Ferret Street to Bunker Lake Boulevard (new infrastructure in addition to reconstruction of existing infrastructure).

#### **Notification:**

Notification is not required.

#### **Observations/Alternatives:**

Observations:

The current uses (outside storage/industrial) by many of the businesses in the area (generally east of Ferret Street) are not consistent with current zoning (COR Retail). The industrial uses are considered lawful, non-conforming and can continue to operate as long as the use does not change and they are in compliance with city code. A few of these properties have required code enforcement actions to bring them into compliance due to excess outside storage and site use issues and the frequency of this has increased. Staff has been contacted by some landowners in the area west of Armstrong Blvd asking if the City would be interested in acquiring their properties. If the City is committed to a redevelopment City infrastructure project in the area, a strategy should be developed around the prioritization

of land acquisition.

**Alternatives:**

At this time, this is simply a discussion item to determine the EDA level of interest in the proposed redevelopment project and to potentially identify parcels for acquisition. Nothing in this case should be interpreted as the City is actually considering additional land acquisition. Staff has not formulated a formal recommendation, and is seeking broad EDA recommendation. Here are some questions to contemplate:

- Is the EDA OK with using TIF/EDA/HRA dollars to prepare plans and specs for roads and utilities?
- Is the EDA OK with using TIF/EDA/HRA dollars to extend utilities, rebuild roads and extend Ferret St?
- Is the EDA interested in purchasing properties with blight and zoning issues (tied to recent zoning requests)?
- Is the EDA interested in purchasing strategically located properties to help facilitate this redevelopment project?

**Funding Source:**

If as a matter of policy and priority, the City felt this was an appropriate acquisition(s), there likely would be adequate economic development funds. Possible funding sources include:

1. EDA Fund
2. Anoka County HRA (Housing and Redevelopment Authority) Fund
3. TIF (Tax Increment Financing)

**Recommendation:**

Based on discussion.

**Action:**

Based on discussion.

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**Attachments**

Site and Parcel Location Map

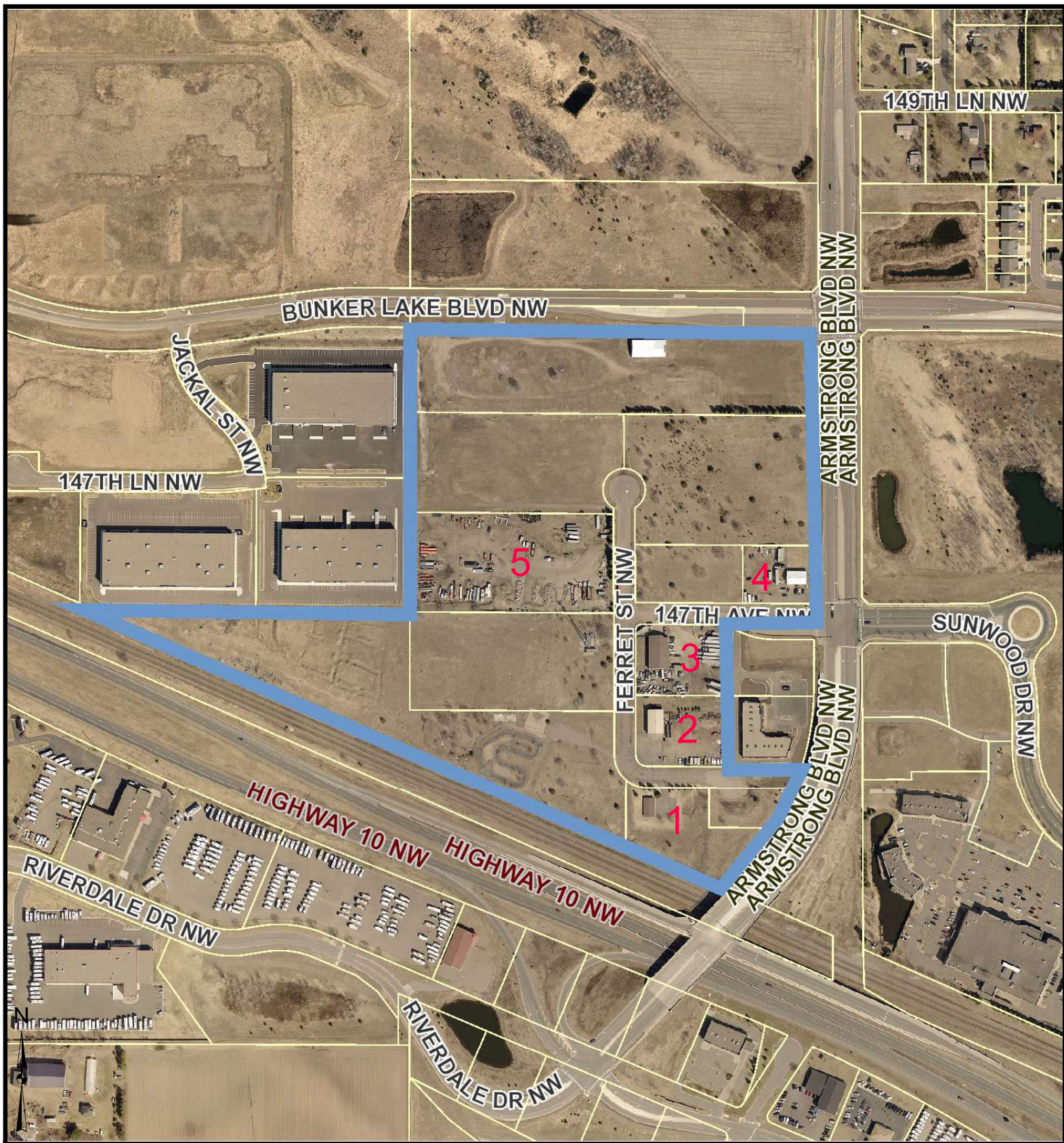
January 2019 Project Termination Letter

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**Form Review**

<b>Inbox</b>	<b>Reviewed By</b>	<b>Date</b>
Sean Sullivan (Originator)	Sean Sullivan	03/29/2021 04:54 PM
Tim Gladhill	Tim Gladhill	03/30/2021 08:11 PM
Tim Gladhill	Tim Gladhill	04/01/2021 08:50 AM
Sean Sullivan (Originator)	Sean Sullivan	04/01/2021 11:03 AM
Tim Gladhill	Tim Gladhill	04/01/2021 11:54 AM
Form Started By: Sean Sullivan		Started On: 03/24/2021 04:23 PM
Final Approval Date: 04/01/2021		

# West Armstrong Redevelopment Area



**Parcel Information:**      Approx. Acres: 45  
    Commissioner: MATT LOOK

**Owner Information:**



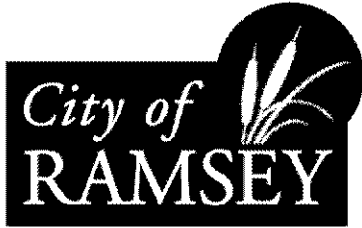
Plat:

Sean Sullivan

1:4,800

Date: 3/29/2021

Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey, or for zoning verification.



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[www.cityoframsey.com](http://www.cityoframsey.com)

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January 22, 2019

Re: Termination of City Improvement Project #18-02, HY-10 Street Reconstructions

On Tuesday, October 23, 2018, the Ramsey City Council adopted Resolution #18-218 accepting the Feasibility Report for Improvement Project #18-02, HY-10 Ramsey Street Reconstructions, including Staff's recommendation to shelve the project until it is no longer needed, or until abutting property owners request that the streets be repaired, such as in the form of a petition.

The City strives to allocate resources as cost-effectively as possible by completing the proper improvements at the proper time. Considering the significant potential for re-development of the HY-10 Ramsey development, the City felt it would make the most sense to shelve Improvement Project #18-02 at this time. This effectively means the City will not propose to improve the streets in this development while waiting to determine if re-development will occur.

Even though Improvement Project #18-02 was shelved, the City's Public Works Department plans to repair and/or replace the bituminous pavement in and around the intersection of 147<sup>th</sup> Avenue and Ferret Street this summer.

This will be the last communication you will receive regarding this terminated improvement project. If you have any questions, please contact me at 763-433-9825 or [bwestby@cityoframsey.com](mailto:bwestby@cityoframsey.com).

Sincerely,

Bruce Westby  
City Engineer