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REVISED March 18, 2026

Mr. Sean Sullivan
Economic Development Manager
City of Ramsey
7550 Sunwood Dr. NW
Ramsey, MN 55303

VIA E-MAIL SSullivan@cityoframsey.com

**RE: REQUEST FOR FINANCIAL ASSISTANCE – TAX INCREMENT FINANCING
PROPOSED SENIOR LIVING COMMUNITY
ANOKA COUNTY PARCELS 28-32-25-42-0022 and 28-32-25-42-0023
RAMSEY, MINNESOTA**

Dear Mr. Sullivan,

Trident Development, LLC (Trident) is pleased to present this request for Tax Increment Financing (TIF) for a proposed 102-unit senior assisted living facility to be located near the Southwest corner of Rhinestone Street NW and Sunwood Drive, east of the Northwest Metro VA clinic in Ramsey, Minnesota.

REQUEST FOR TAX INCREMENT FINANCING (TIF):

Trident requests consideration for tax increment financing creating an 18-year, 95% Pay-Go housing tax increment district. Based on estimates from the Anoka County Assessor, the total gross increment payments over the life of the district would be approximately \$4,182,439, which equates to \$2,481,545 in today's dollars. Several factors are causing the need for financial assistance for this development.

- High Cost of Construction – inflation has greatly impacted the cost of new construction, both in materials and labor.
- COR Exterior Design Standards – the location of the subject property demands attractive, high quality exterior elements to compliment the high standards of the COR district. This creates additional costs to the development.
- City Development Fees – The City of Ramsey has adopted various development-related fees (ie park dedication, trail development, utility connection fees, etc) which increases the cost of new development.
- Loss of Rental Revenue – Ri, which diminishes the potential revenue and reduces the return on investment.

NOTE: The TIF plan anticipates 20% of the dwelling units to households whose income is 50% or less of the area median income (AMI).

Attracting Investment Capital:

In today's investment climate, senior housing is an attractive option, but only if projected returns compensate for the risk. Unlike general occupancy apartments, assisted living properties have inherent financial risks and require a higher expected reward. Among these financial risks is: a) Occupancy – unexpected deaths or a health epidemic can devastate occupancy; b) Regulatory Risk – State and Federal government agencies may impose greater reporting, staffing or other requirements. They may also halt or reduce the critical Medicaid reimbursements; c) New Competition – with a defined market segment (elderly seniors w/ health needs), new competition in the market would greatly impact occupancy and/or prevent the growth of rental revenue. Finally, traditional lending sources typically include the requirement for the individual investors to personally guarantee the mortgage debt, adding more financial risk if the property does not perform.

Given the numerous risks associated with assisted living properties, today's investor expects a projected annual average rate of return between 8% and 10% to be attractive. Many investors also evaluate their expected return by considering the profit or proceeds in the event of a future sale. This return metric (referred to as internal rate of return "IRR") is expected to exceed 18% in order to attract risk capital.

Statement of Public Purposes:

The public benefit of the proposed development is the creation of affordable rental housing for low-income seniors in Ramsey and the Greater Anoka County Area. The proposed, 102-unit senior living community will offer affordable, high-quality housing options for low-income seniors by providing a range of cost-effective housing options. The development will ensure that 20% of the rental housing units will be reserved exclusively for seniors whose household income is 50% or less of the AMI.

In addition to meeting critical affordable housing needs, this development will offer a variety of employment opportunities ranging from housekeeping, resident care, food service, property maintenance and health care administration. It is estimated that this new development, when complete, will create 40 new local jobs, or 30+/- full-time equivalent positions paying somewhere between \$40,000-\$80,000/year depending on the position.

By providing seniors with an affordable and supportive place to live locally, this community will allow long-time residents to remain close to family, friends, and familiar surroundings, ultimately enhancing quality of life and community stability.

Description of the Project:

The proposed improvements consist of 78 assisted living (AL) units and 24 memory care (MC), for a total of 102 apartment units contained in two connected wood-framed buildings. Structures include a two-story AL apartment building with 89,792 +/- square feet connected to a one-story MC facility with 20,246 +/- square feet. (The mix of studio, one-bedroom and two-bedroom unit plans will be determined as we complete the building design phase.) Other areas of the AL building will consist of administrative offices, community dining room, commercial kitchen, storage, spacious lobby with concierge desk, multipurpose lounge area for activities and gatherings, fully equipped fitness room with programming, a beauty salon, a grand bath spa, restrooms and elevators. The MC building, which is connected to the AL and located on one level, consists of 24 studio units, grand bath spa, laundry, restrooms, serving kitchen, activity space, and resident dining area. Exterior features include covered/screened patio, walking trails, secured patio with pergola and porte-cochere, along with parking for 95 cars (6 AL tuck under stalls, 74 AL surface stalls plus 15 MC surface stalls), all situated on 4.14 +/- acres.

This community will be professionally managed by Lifespark, an industry leader in senior care for over 20 years, and is headquartered in St. Louis Park, MN. Lifespark has developed an innovative "Complete Senior Health" model that transforms the lives of seniors by enabling them to "Age Magnificently". Lifespark has been recognized for its exceptional award-winning workplace culture, achieving Minneapolis-Saint Paul Business Journal's

Best Places to Work three times, and Star Tribune's Meaningful Award. They have also earned Top USA rankings three times, and in 2021 ranked as the #1 Healthcare Workplace for Top USA.

Site Plan and Preliminary Architectural Drawings:

In addition to the improvements discussed above, the current development concept contemplates two distinct senior housing communities – an independent, active senior rental building, containing 84 units, fronting on Sunwood Drive (“IL”) and an assisted living / memory care facility offering 102 units accessed off Veteran’s Drive (“AL/MC”). A preliminary site concept plan is included with this narrative. The TIF district will be established for the AL/MC building only. The IL building will not be included in the TIF district.

Due to the proximity to Sunwood Drive, the IL building is intended to meet the COR Exterior Design Standards and provide an attractive streetscape. The design is also intended to promote connectivity with Sunwood Drive with convenient access to the building by pedestrian and vehicular traffic. The active senior residents in the IL community will lend further support to the growing commercial district in Ramsey’s COR district. Real estate taxes generated by the IL building will not be subject to a TIF district.

St. Cloud-based Cole Group Architects has extensive experience in senior living design and function. Cole Group has designed over 4,000 senior housing units across multiple states. Cole Group is well versed in the current building and life safety codes specific to housing-with-services use. Cole Group has also designed multi-family apartments within the COR district of Ramsey including Skyline on Sunwood, Park View East and Sapphire Apartments.

Experience of Development Company:

Trident Development, LLC is located in St. Cloud, MN with a dedicated team of six experienced professionals. For nearly twenty years, Trident Development has successfully developed and operated multi-family housing communities - for seniors and market rate rentals. Trident has completed 21 assisted living communities and three independent senior living communities, accounting for nearly 2,000 senior housing units. Together with its development of market-rate apartments, Trident has delivered nearly \$1 billion in development volume as of 2025. Over the past 20 years, Trident has worked with numerous Minnesota cities to arrange tax increment financing as a tool to support affordable housing for low-income seniors. Trident Development, LLC is owned by Jeffrey Drown, Scott O’Brien and Roger Fink.

Description Property Ownership and Partners:

Trident intends to organize a single-purpose limited liability company (LLC) for the ownership and operation of the assisted living community. This LLC will become the “developer” entity named in the tax increment agreement. Managing members and officers of the LLC will include executives of Trident Development. The LLC is expected to include other financial partners (investors) as part of the ownership group.

Market Analysis:

Included with this narrative is a Market Assessment prepared by Viewpoint Consulting Group, Inc., dated November 5, 2025. Viewpoint Consulting has been performing market demand assessments for over 15 years and is widely recognized as the authority on senior housing and assisted living. In summary, the market assessment estimates a market-wide, unmet need of 123 senior housing units by 2025, growing to 199 units by 2030 (assisted living and memory care market rate and elderly waiver units only).

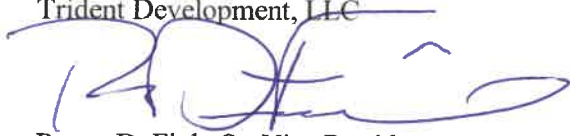
Preliminary Cost Budget:

Based on construction cost estimates from Lyon Contracting, Inc. and accounting for land and all direct and indirect development costs, the total project cost is estimated to be \$32,300,000. The present value of the TIF request represents 8% of the total costs. The remainder of the costs will be obtained through private financing sources and private investment capital. Included with this narrative are preliminary development budgets (Sources and Uses of Funds) with projected cashflows.

Conclusion:

We appreciate the consideration for this request for financial assistance. This greatly needed housing project will be a valuable asset to the Ramsey community, providing not only affordable housing for seniors, but quality job opportunities for the citizens of Ramsey.

Sincerely,
Trident Development, LLC



Roger D. Fink, Sr. Vice President

Enclosures

C: Andy Brummer, Trident Development