

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING MINUTES
November 24, 2009**

1. **ROLL CALL**

President Rebman called the special meeting of the Osseo Economic Development Authority to order at 7:00 a.m., Tuesday, November 24, 2009, at the Kopper Kettle Restaurant at 225 Central Avenue.

Members present: Will Lienemann, Kevin Rebman, Dan Sadler, Ken Schreiber, Dan Spanier, and Bruce Wiley.

Member absent: Steve Menth.

Staff present: Executive Director Greg Withers and City Attorney Loren Magsam.

Others present: Barb Wiley.

2. **BUSINESS**

A. **CONSIDER THE SALE OF EDA PROPERTY LOCATED AT 607 1ST AVENUE NW**

City Attorney Loren Magsam stated the EDA holds a \$36,500 second mortgage on the property located at 607 1st Avenue NW. The owners have defaulted on the first mortgage and a sheriff's sale was held on May 28, 2009. The period of redemption will expire November 30, 2009. The EDA has filed a notice of intention to redeem to protect its second mortgage. The owner has an agreement for a "short sale," the first mortgage holder has agreed to accept a reduced pay-off, and the EDA is being offered a reduced payoff of \$3,000 for its second mortgage. The advantage of accepting this offer is that the EDA will receive \$3,000 (some of this must be returned to Hennepin County as it is CDBG grant money). If the offer is not accepted, the EDA will be required to redeem (pay \$201,660 plus additional accrued costs) to "purchase" the property or it will lose its entire second mortgage interest.

A motion was made by Lienemann, seconded by Sadler, to authorize acceptance of \$3,000 for release of the second mortgage for 607 1st Avenue NW and to direct the President and Executive Director to sign the required documents. The motion carried 6-0.

3. **ADJOURNMENT**

A motion was made by Sadler, seconded by Schreiber, to adjourn at 7:15 a.m. The motion carried 6-0.

Respectfully submitted,

LeAnn Larson
Deputy Clerk