

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING MINUTES  
January 5, 2009**

1. ROLL CALL

President Kevin Rebman called the regular meeting of the Osseo Economic Development Authority to order at 7:00 p.m., Monday, January 5, 2009.

Members present: Brian Kleven, Will Lienemann, Steve Parks, Kevin Rebman, Dan Sadler, Dan Spanier, and Bruce Wiley.

Staff present: City Administrator Greg Withers, City Attorney Loren Magsam, City Planner Jeffrey Dahl, and Deputy Clerk LeAnn Larson.

Others present: Ron Barger, Jeff Tatur, and John Cochran.

2. APPROVAL OF AGENDA

Withers noted the addition of item 7.C. Approve purchase of access point for WiFi network

**A motion was made by Lienemann, seconded by Sadler, to approve the Agenda as amended. The motion carried 7-0.**

3. APPROVAL OF MINUTES – December 1, 2008, regular meeting

**A motion was made by Sadler, seconded by Parks, to approve the minutes of the December 1, 2008, meeting as presented. The motion carried 7-0.**

4. MATTERS FROM THE FLOOR – None.

5. ACCOUNTS PAYABLE

Withers noted the Accounts Payable presented both 2008 and 2009 payments.

A motion was made by Parks, seconded by Lienemann, to approve the Accounts Payable (Listing 123108EDA, run 1/8/09 9:09 a.m., in the amount of \$13,954.17 & Listing 010509EDA, run 1/8/09 9:13 a.m., in the amount of \$377,992.50). The motion carried 7-0.

6. OLD BUSINESS – None.

A. WI-FI BUSINESS REPORT

Withers stated he was waiting for the final quarter statement from Unplugged Cities for this report. He said the report will be ready for the next EDA meeting.

7. NEW BUSINESS

A. ADVANCE HOME IMPROVEMENTS ARCHITECTURAL DESIGN GRANT REIMBURSEMENT REQUEST

City Planner Jeffrey Dahl outlined a brief history of this request. At its January 18th, 2007, meeting, the EDA approved an Architectural Design Guidelines Grant Request from Jeff and April Tatur for an amount not to exceed \$5,000 in order to assist in the remodeling of 240 Central Avenue's exterior. The Planning Commission had also reviewed the proposal at its January 16th, 2007, meeting and recommended approval of the project.

The EDA has allotted \$30,000 over the past eight years in order to provide grants to businesses along Central Avenue equaling one dollar for every three dollars spent, up to \$5,000, to help improve their facades as long as the improvements follow the main points as stated in the Architectural Design Guidelines booklet. It is estimated that over \$25,000 of this allocation has been utilized to date.

Despite taking almost two years, the façade improvement project at 240 Central Avenue is complete. The Tatars have submitted a reimbursement request for the maximum of \$5,000 based on the work completed. Total cost of project was \$16,332.42. The grant parameters are:  $\text{Total Cost}/3=\text{Award}$  (Award maximum is \$5,000). Therefore, the Tatur's reimbursement is  $\$16,332.42/3=\$5,444.14$  or \$5,000.

Based on the invoices received and the proposal that was approved, staff recommends approval of the reimbursement request to Jeff and April Tatur for \$5,000.

Parks asked if this has been inspected by Jeff and the building inspector. Dahl said yes, he and the building inspector have both done a final inspection of the property.

**A motion was made by Lienemann, seconded by Sadler, to approve the reimbursement request of Jeff and April Tatur in the amount of \$5,000 for façade improvements at 240 Central Avenue, per the Architectural Design Guidelines Grant Program. The motion carried 7-0.**

#### B. CONSIDER NEW GRANT PROGRAM GUIDELINES

City Planner Jeffrey Dahl stated the Architectural Design Guidelines (ADG) document was created and approved in 1999 and 2000 by all City boards as a tool to help guide future redevelopment and facelifts in Osseo's downtown commercial district.

In order to promote these new guidelines, the EDA allotted \$15,000 in grant funding to assist the renovation of commercial building facades along Central Avenue. While no specific policy was ever adopted, there is some language in the back of the ADG document that states "the EDA will provide a grant of \$1 for every \$3 the applicant values the project." At that time, the EDA placed the maximum grant amount at \$5,000.

In the summer of 2003, an additional \$15,000 was allotted to assist in the same purpose. Of the \$30,000 allotted since 2000, approximately \$25,000 has been spent on five projects---317 Central Avenue (City County Insurance), 9 Central Avenue (Advanced Home Improvements), 529 Central Avenue (Michal's Shoe Repair), 247 Central Avenue (D's Grille), and 240 Central Avenue (Advanced Home Improvements).

When the last project was approved in early 2007, there was significant discussion about the parameters of the program and how the money should be used. As a result, staff amended the application to include more detail about the intent of the program. Dahl noted the EDA has allotted additional funds for this program in 2009 through an EDA tax levy of \$45,600. While staff believes that this program provides a much needed incentive for property owners to invest in their properties and enhance Central Avenue's charm and the overall business

environment and tax base, staff believes now is the time to adopt an official policy so the funds are used exactly how we want them to be used.

Dahl outlined the proposed new policy and asked for comments. He suggested the EDA increase the grant amount to reimburse 25% of front façade improvement related expenses up to \$10,000, which is about double the current policy.

Sadler stated completing a project within six months may not allow sufficient time. Dahl said the EDA could allow a six-month extension, if desired. Sadler said he thought all businesses along County Road 81 and Jefferson Highway should be allowed to apply for this financial assistance, not just Central Business District businesses. He also stated he thought labor expenses should be included if work is done by an employee of the applicant.

Wiley said \$5,000 is not a good enough incentive if “professionally drafted” plans are required. He said a sample materials board should be required with any application.

After discussion, Dahl said he would use the words “professional quality” instead.

EDA consensus was in agreement to require a materials board with the application.

Rebman said the proposed change to reimburse 25% of front façade improvement related expenses up to \$10,000 could be more incentive due to the higher maximum reimbursement.

Rebman asked if new buildings should be included in the grant program. Withers said no, the intent of this program is to upgrade existing facades of businesses.

Kleven said he agreed that labor expenses by the applicant or applicant’s business should not be included. He stated this grant program should only apply to the Downtown Business District. Kleven suggested this grant program could include Co Rd 81 businesses for façade upgrades with the future Bottineau Boulevard reconstruction project.

Withers stated other programs are currently in place to assist Co Rd 81 and Jefferson Highway businesses, such as the use of tax increment financing and tax abatement. This grant program should focus only on the Central Business District. He also said the quaint appeal of downtown does not match that of the Co Rd 81 corridor or Jefferson Highway.

Sadler said there should be more marketing efforts toward all businesses in Osseo in promoting what the City could do for them. He said the City Planner should put together some information for businesses about upgrades and knock on doors to let them know. Sadler stressed the need for promotion of Osseo and what the City can do for businesses. He also said the City could bond for money to assist businesses in making building improvements, since the City can get a lower interest rate that could then be passed on to the business owner.

Wiley said he would like more “teeth” in the City ordinances to “encourage” absentee owners to maintain and improve their buildings.

Parks said the word can be spread easily via monthly meetings of the Osseo Business Association. He spoke in favor of the timing of this incentive program for the downtown businesses given the possibility of the Central Avenue Improvement Project in 2009.

Kleven stated if Central Business District businesses don’t care to take advantage of this program to upgrade facades, then the money could go to Co Rd 81 or Jefferson Hwy businesses in the future.

John Cochran, Planning Commission member, said he remembers the intent of the program to be geared to the pedestrian-friendly downtown area, not that of Co Rd 81.

Rebman asked about the sweat equity issue. Withers said the applicant himself/herself should not be paid for doing work.

Spanier said he preferred to keep the proposed policy as presented in its original form. He also stated he thought the EDA could approve the recommendation of the Planning Commission with future requests, and not need review it.

Dahl said he would make the changes as discussed and bring the new policy back to the EDA at the next meeting.

**A motion was made by Parks, seconded by Wiley, to approve changes as discussed and bring the new policy back to the EDA for final approval in February. The motion carried 7-0.**

#### C. APPROVE PURCHASE OF ACCESS POINT FOR WIFI NETWORK

Rebman stated the City should have an extra Wi-Fi base station in the event of an emergency, to avoid any down time or lack of service should lightening or vandalism be involved with one of the Wi-Fi antennas. This base station would be a spare. The GO Networks WLP base station costs \$1,555 including shipping and handling.

**A motion was made Lienemann, seconded by Spanier, to approve the purchase of a spare access point for the Wi-Fi network as outlined. The motion carried 7-0.**

#### 8. OTHER REPORTS: Executive Director, President, Members

Withers noted a recent article about the Obama stimulus plan. He noted Dahl has been attending area meetings on foreclosures, and is keeping an eye on these properties in Osseo.

Dahl stated there were seven foreclosures in 2007, with those now sold and occupied. In 2008, there have been 18 properties in foreclosure, with about one-half still unoccupied.

City Attorney Loren Magsam stated closing on the Bennett land sale has been delayed due to an issue with the title. The title companies are working on the matter, which should be resolved soon.

Wiley asked about the building at 9 Central Avenue. Dahl said Tatur's have started some roof work on the structure. Dahl also said Tatur's did commence work before the building permit expired, and reportedly need a structural engineer to address roof issues.

Sadler said he had asked a few months ago to see a report on the Wi-Fi network. Rebman stated there is a difference between the operational and capital costs of the project.

Parks, Lienemann, and Spanier had no report.

Wiley stated he hoped the Central Avenue Improvement Project happens in 2009.

Rebman wished everyone a Happy New Year. He noted there is one vacancy on the EDA Commission, the seat of Dan Sadler. Interested people have until January 21 to submit a letter of interest at City Hall.

9. ADJOURNMENT

**A motion was made by Kleven, seconded by Parks, to adjourn at 8:16 p.m. The motion carried 7-0.**

Respectfully submitted,

LeAnn Larson  
Deputy Clerk