

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING MINUTES  
February 8, 2016**

1. ROLL CALL

President Todd Woods called the regular meeting of the Osseo Economic Development Authority to order at 6:00 p.m., Monday, February 8, 2016.

Members present: Harold E. Johnson, Duane Poppe, Mark Schulz, Daniel Spanier, Larry Stelmach, Todd Woods, and Anne Zelenak.

Members absent: None.

Staff present: Executive Director Riley Grams, City Planner Nancy Abts, and City Attorney Mary Tietjen.

Others present: Paul Heinen.

2. APPROVAL OF AGENDA

**A motion was made by Schulz, seconded by Stelmach, to approve the Agenda as presented. The motion carried 7-0.**

3. APPROVAL OF MINUTES – January 11, 2016

**A motion was made by Johnson, seconded by Schulz, to approve the minutes of January 11, 2016, as presented. The motion carried 7-0.**

4. MATTERS FROM THE FLOOR – None.

5. PUBLIC HEARINGS – None.

6. ACCOUNTS PAYABLE

Executive Director Riley Grams presented the EDA Accounts Payable listing.

**A motion was made by Johnson, seconded by Stelmach, to approve the Accounts Payable. The motion carried 7-0.**

7. OLD BUSINESS

A. DISCUSS SALE OF EDA OWNED MUNICIPAL PARKING LOT (108 1<sup>ST</sup> AVENUE NW)

Grams reported Paul Heinen, owner of Heinen’s Motorsports, has contacted staff about the possibility of purchasing the adjacent city-owned parking lot in order to expand his building to allow for more showroom space. While there has been some discussion in the past by the EDA on this possibility, Mr. Heinen would like to move quickly to ensure his addition is built ASAP for the upcoming summer sale season. As of the printing of this packet agenda item, staff has not received any plans/concepts from Mr. Heinen to show what the addition may look like.

Grams explained staff has prepared a memo to give some background on how the EDA came into ownership of the parking lot at 108 1st Avenue NW. The EDA purchased a parcel back in 2002 and created the existing parking lot. An existing building was demolished and improvements were made at that time to blacktop the parking lot. The total investment into creating the parking lot is \$321,723.

Grams stated in order to keep a centralized municipal parking lot in the Central Business District, a proposal was developed by staff that includes purchasing one (or both) of the Premier Bank parking lots, located two blocks to the north (300 & 308 1st Avenue NW). Staff has contacted Bank President Tom Kern about this possibility and briefly discussed the proposal. Without discussing any purchase price, Mr. Kern mentioned that his superiors would make this decision and he would contact the appropriate person. Staff has not heard back from Mr. Kern regarding this proposal.

Grams commented everything is simply a concept plan, at this point. The idea could be to sell the current EDA parking lot to Mr. Heinen to allow him to expand his building. This would give an Osseo-based business the opportunity to expand here in the City and improve the City's tax base. The EDA would then attempt to acquire one of the bank parking lots. This would allow for more off-street parking spots (the EDA parking lot has a total of 22 parking stalls, and each of the bank parking lots has a total of 32 parking stalls) and be in a more centralized location. He reviewed a basic drawing from Mr. Heinen regarding his proposed plans for the parking lot. He explained if the City were to sell this lot, the EDA could look into purchasing one of the two Premier Bank parking lots. He noted either of these lots would offer the City more parking than the current municipal lot. Staff requested the EDA consider Mr. Heinen's proposal, discuss this opportunity, and direct staff accordingly.

Paul Heinen, owner of Heinen's Motorsports, discussed his plans to expand his property by using the municipal parking lot area. He explained that his business was growing and he was in need of additional showroom space.

Woods questioned how long it would take Mr. Heinen to complete the building renovations and expansion. Mr. Heinen estimated construction of the expansion would take approximately six to eight months.

Spanier discussed the potential use of the Rauch lot. Grams stated this has been discussed, but he understood Rauch was not interested in selling to the City at this time.

Johnson believed there were problems with the way the Rauch property was held. He asked if the small parcel between Heinen's and the street to the south could be used for expansion. Mr. Heinen indicated the property owner was against selling this parcel. He anticipated that only 30 feet of space would be available from this parcel.

Johnson did support the street space being freed up for parking.

Further discussion ensued regarding Heinen Motorsports parking needs.

Grams asked for comments or concerns from the EDA regarding the sale of the municipal parking lot.

Woods supported having a more centrally-located municipal parking lot and, for this reason, he supported the EDA purchasing one of the bank parking lots. He recommended staff speak with Premier Bank further and report back to the City regarding the potential purchase of a lot.

Woods asked if there was a parking problem in downtown Osseo. Grams believed there was more of a perceived problem than an actual problem. He reported that the cars parking in the municipal lot were Post Office and Heinen employees and not individuals visiting the downtown area.

Stelmach saw some of the parking issues in the downtown area and discussed the parking situation at the Osseo Gun Club. He believed it would be in the City's best interest to purchase another parking lot to address this issue and meet the growing needs of the Central Business District. He supported the purchase of the Premier Bank lot, as this was more centrally located. He questioned how many additional parking spaces the City would gain if the bank parking lot were purchased. Grams indicated this lot would provide the City with 10 additional parking spaces.

Stelmach suggested the money gained from the municipal lot be used to purchase the new bank parking lot.

Poppe stated because Premier Bank was completing the financing for Heinen Motorsports, the City should investigate a land swap for the municipal lot and the bank parking lot. Grams explained he would look into this further and report to the EDA.

Spanier requested staff also have a conversation with Mr. Rauch regarding his property.

Stelmach commented on the boats parked in the street. He asked if the boats in the street were there for daily storage, or if they were waiting for maintenance. Mr. Heinen commented the boats were in the street awaiting maintenance or ready for pickup.

Grams questioned how much the proposed expansion would cost. Mr. Heinen estimated the expansion would cost \$500,000 to \$600,000.

8. NEW BUSINESS – None.
9. REPORTS OR COMMENTS: Executive Director, President, Members

Grams reported he would be on vacation February 10 through 19.

Poppe indicated the Fireman's Dance would be held on Friday, February 12.

10. ADJOURNMENT

**A motion was made by Schulz, seconded by Zelenak, to adjourn at 6:35 p.m. The motion carried 7-0.**

Respectfully submitted,

Heidi Guenther  
*TimeSaver Off Site Secretarial, Inc.*