

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY  
REGULAR MEETING MINUTES  
January 8, 2018**

1. ROLL CALL

President Todd Woods called the regular meeting of the Osseo Economic Development Authority to order at 6:00 p.m., Monday, January 8, 2018.

Members present: Juliana Hultstrom, Harold E. Johnson, Dan LaRouche (departed at 6:02 p.m.), Duane Poppe, Mark Schulz, Larry Stelmach, and Todd Woods.

Members absent: None.

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

Others present: Julie Eddington-Kennedy & Graven.

LaRouche stated he needed to resign from the EDA noting he did not have the time to devote to this group. Grams thanked LaRouche for his service to the City of Osseo and encouraged him to submit a formal letter of resignation to the Mayor for consideration at the City Council's next meeting.

2. ELECTION OF EDA OFFICERS

Executive Director Riley Grams requested the EDA elect officers for 2018.

Schulz stated he was willing to continue serving as the Vice President in 2018. He nominated Stelmach as Treasurer.

Stelmach nominated Woods as President.

Hultstrom cautioned the EDA from electing Woods as President given the fact he had four absences in 2017.

Woods explained his absences were due to travel required for his work but noted this should be changing in 2018. He stated he would make every effort to make more meetings.

Stelmach nominated Johnson as the Assistant Treasurer for 2018.

**A motion was made by Stelmach, seconded by Schulz, to elect Todd Woods as President of the EDA. The motion carried 5-1 (Hultstrom opposed).**

**A motion was made by Stelmach, seconded by Schulz, to elect Mark Schulz as Vice President of the EDA. The motion carried 5-1 (Hultstrom opposed).**

**A motion was made by Stelmach, seconded by Schulz, to elect Larry Stelmach as Treasurer of the EDA. The motion carried 5-1 (Hultstrom opposed).**

**A motion was made by Stelmach, seconded by Schulz, to elect Harold Johnson as Assistant Treasurer of the EDA. The motion carried 5-1 (Hultstrom opposed).**

**A motion was made by Stelmach, seconded by Schulz, to elect LeAnn Larson as Secretary of the EDA. The motion carried 5-1 (Hultstrom opposed).**

**A motion was made by Stelmach, seconded by Schulz, to elect Riley Grams as Executive Director of the EDA. The motion carried 5-1 (Hultstrom opposed).**

3. APPROVAL OF AGENDA

**A motion was made by Johnson, seconded by Schulz, to approve the Agenda as presented. The motion carried 6-0.**

4. APPROVAL OF MINUTES – DECEMBER 11, 2017

Hultstrom requested her final comment in the December minutes note that she also served on the Northwest Hennepin Human Services Council until May 15, 2017.

**A motion was made by Schulz, seconded by Hultstrom, to approve the minutes of December 11, 2017, as presented. The motion carried 6-0.**

5. MATTERS FROM THE FLOOR – None.

6. PUBLIC HEARINGS – None.

7. ACCOUNTS PAYABLE

Grams presented the EDA Accounts Payable listing, noting a late addition to Osseo Main Street Holdings for \$57,500.

**A motion was made by Johnson, seconded by Schulz, to approve the Accounts Payable as amended. The motion carried 6-0.**

8. OLD BUSINESS - None.

9. NEW BUSINESS

A. ROLES AND RESPONSIBILITIES PRESENTATION (Kennedy & Graven)

City Attorney Mary Tietjen reported her colleague Julie Eddington was present to address this item with the EDA.

Julie Eddington, Kennedy & Graven, provided the EDA with a presentation on its roles and responsibilities. She stated the EDA's powers include acquiring property, entering into options for property, entering contracts, and to become a limited partner. She provided further

comment on the amount of funding the EDA could invest in a limited partnership. It was noted limited partnerships were quite rare. Additional powers for an EDA included the selling or leasing of land, operation of public parking facility, supplying small business capital, and the issuance of general obligation or revenue bonds. She explained additional EDA tools were loan programs for façade improvements, land write-downs, tax increment, abatement, and collaborating with other entities such as DEED or the County to obtain additional loan dollars. She commented on considerations and rules that had to be followed by the EDA. She noted this group could have both HRA and EDA powers.

Stelmach requested a copy of the presentation from staff. Ms. Eddington noted she forwarded this presentation to staff and it could be sent on to EDA members.

Johnson asked what percentage of EDA funding could be used to assist small businesses. Ms. Eddington reported the EDA could use 10% of its income to assist small businesses.

Johnson questioned if the EDA can construct townhouses without being an HRA. Ms. Eddington encouraged the EDA to use their HRA cross powers for this type of project.

Johnson asked if it would have benefited the EDA to have completed the 5 Central Apartments project as an HRA project. Ms. Eddington was uncertain how to answer this as she was unfamiliar with this project.

Johnson inquired if SAC fees could be covered for a new entity by the EDA. Ms. Eddington reported this was a policy issue and noted SAC/WAC fees were not able to be covered by the EDA. She explained that TIF could be used when developing older properties that need assistance with utility improvements.

Johnson questioned what length of time was used for most TIF districts. Ms. Eddington stated this varied greatly. She noted more conservative cities had 10 to 15-year districts while others could go the full 26 years. Further discussion ensued regarding affordable housing and the use of TIF funding.

## B. DISCUSS SPRING OPENER EVENT FINANCES

City Attorney Tietjen commented in conjunction with the presentation related to EDA powers and legal authority, staff wished to briefly address these issues as they pertain to the proposed 2018 “Spring Opener” (food truck) Event. She noted Minnesota State Statute §469.101 sets forth the powers of the EDA. The EDA has many powers, one of which is to spend money for its public purpose of promoting economic development in the City of Osseo.

City Attorney Tietjen stated in addition, the EDA may, “[t]o further an authorized purpose, ... carry out other public relations activities to promote the city and its economic development.” Minn. Stat. §469.101, subd. 16. Because the EDA has extensively discussed this event in prior meetings, she would not go into great detail about the proposed activities. However, the EDA has previously discussed the Spring Opener Event as including new and exciting food truck vendors, entertainers, and other activities as a way to draw visitors to the City of Osseo and promote local businesses. The EDA had previously received some commitments for donations for the event, as well as a contribution from the Osseo City Council (pursuant to authority state statute 469.191, which gives cities the authority to appropriate up to \$50,000 annually to a

development organization for the purpose of promoting, advertising, improving, or developing the economic resources of the city).

City Attorney Tietjen explained it was her opinion that the EDA may sponsor and provide funding for the Spring Opener Event as a public relations activity to promote the City and its economic development. She recommended the EDA discuss additional ways to advertise the event and consider additional activities for the event that would further emphasize the promotion of economic development in the City. For example, EDA and City staff and Commissioners could be available at designated locations to distribute information and answer questions relating to economic development opportunities.

Woods and Stelmach thanked staff for reviewing this item on behalf of the EDA.

Johnson recommended the food truck event be several weeks after the car show.

10. **REPORTS OR COMMENTS:** Executive Director, President, Members

Johnson thanked staff for the informative presentations provided this evening.

Stelmach thanked Dan LaRouche for his time on the EDA.

Woods commented on a memo from Police Chief Shane Mikkelson regarding the need for volunteers for Night to Unite.

11. **ADJOURNMENT**

**A motion was made by Schulz, seconded by Stelmach, to adjourn at 6:56 p.m. The motion carried 6-0.**

Respectfully submitted,

Heidi Guenther  
*TimeSaver Off Site Secretarial, Inc.*