

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
March 12, 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, March 12, 2018.

Members present: Juliana Hultstrom, Harold E. Johnson, Sherry Murdock, 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: Dan Spanier.

2. OATH OF OFFICE FOR NEW COMMISSIONER

City Attorney Mary Tietjen administered the Oath of Office to newly appointed Commissioner Sherry Murdock. A round of applause was offered by all in attendance.

3. APPROVAL OF AGENDA

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

4. APPROVAL OF MINUTES – February 12, 2018

A motion was made by Johnson, seconded by Stelmach, to approve the minutes of February 12, 2018, as presented. The motion carried 7-0.

5. MATTERS FROM THE FLOOR – None.

6. PUBLIC HEARINGS – None.

7. ACCOUNTS PAYABLE

Executive Director Riley Grams presented the EDA Accounts Payable listing.

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

8. OLD BUSINESS – None.

9. NEW BUSINESS

A. DISCUSS ANNEXATION AND REDEVELOPMENT OPPORTUNITY

Grams stated Richard Welk is the current owner of a property located at 9970 County Road 81 in Maple Grove. Welk would like to sell the property for possible redevelopment. The City of Osseo has been approached as a possible buyer. However, because the property is technically in Maple Grove, the Maple Grove City Council would need to approve the annexation of the property into Osseo's boundary. Grams said he has had only preliminary discussions with Maple Grove officials about annexing this property.

Grams reported an old gas station sits on the site currently. A Phase I and Phase II environmental study has been completed on the property. A pre-demo report has also been completed on the property. An underground storage tank removal report proposal is also available, along with a site demo proposal.

Grams explained if the City does purchase the property and annexes it from Maple Grove, the property will automatically be zoned as R-1 Residential (per Osseo Code 153.003). However, the City Council could then take the necessary steps to re-zone the property into a more appropriate zone.

Dan Spanier, 208 4th Avenue NE, addressed the EDA and discussed the future use for the property being proposed for annexation. He discussed the history of this property and explained the property owner was interested in seeing a recreational use on this property, which may include a hockey rink. He indicated the property owner would like to have Osseo annex the property as Maple Grove appears to not be interested in its redevelopment. It was noted the property was currently zoned industrial, per the City of Maple Grove.

Johnson asked who owns the adjacent property. Mr. Spanier explained the property was privately owned by an individual in Champlin. He noted a Phase I and Phase II environmental study had been completed on the gas station property.

Johnson stated if this particular property were annexed, he would like to see the adjacent property annexed as well. Mr. Spanier commented the City of Maple Grove was interested in the annexation. He explained that many people believed this gas station was already in Osseo. He noted the site was in need of redevelopment. He provided further comment on the State of Minnesota's brownfield program.

Stelmach stated he has spoken with the stakeholders and the Maple Grove City Council. He believed this would be a great piece of property for the Osseo School District but understood the redevelopment of this site would be too difficult for them. He agreed this was a good redevelopment opportunity for Osseo. He supported the EDA pursuing the annexation of this property for future redevelopment. City Attorney Tietjen stated she would be happy to provide the EDA with further information on the annexation process.

Grams stated he believed it was worthwhile to pursue this matter further. He commented his only concern with the annexation was if the property would be redeveloped once cleaned or simply donated to the school district. He feared that Maple Grove may object to the annexation if the site were redeveloped.

Schulz indicated he did not believe this had to be determined by the EDA at this time. In addition, he did not support the EDA simply donating the entire parcel to the school district. He supported the City annexing, cleaning, and turning this property around.

Woods stated he would like to better understand the tax incentives for this project.

Further discussion ensued regarding the recreational opportunities that could be placed on the annexed property.

Grams asked how much more would have to be spent to clean the site. Mr. Spanier estimated this to be \$80,000 to \$90,000.

Grams explained this would mean the EDA would have to invest close to \$600,000 to purchase and clean the site in order to prep it for redevelopment. This would mean the School District would have to purchase the property for \$600,000. Mr. Spanier commented the property owner may be willing to consider donating a portion of the purchase price to the City if the property was given to a non-profit.

Poppe commented on how valuable this land would be to the school if both the gas station and small strip center were annexed. He discussed how a year-round hockey rink would benefit the community.

Hultstrom asked if the Phase I and Phase II environmentals would expire anytime soon. Mr. Spanier noted the Phase II was completed in January of 2018 and Phase I was completed in September of 2017.

Woods questioned if all three properties in this area should be annexed.

Poppe did not recommend the well house be annexed because there would be no revenue from this property. He suggested only the gas station and strip center be annexed. Mr. Spanier commented the City of Maple Grove would be expecting to hear from Osseo regarding the annexation of the gas station.

Grams questioned how the project should proceed if the School District was not interested in the property.

Stelmach suggested two paths be pursued, one that would allow for the School District to purchase the land once cleaned and another path that would allow for private redevelopment.

Schulz stated he believed this property would offer a great long-term solution for the School District in allowing them to remain in Osseo.

Grams stated the next step would be to set up a meeting with the City of Osseo, President Woods, Mr. Spanier, and the City of Maple Grove. The Commission thanked Mr. Spanier for coming to the EDA with this opportunity.

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

City Planner Nancy Abts reported Hennepin County would be holding Blue Line planning sessions in March and April. The session in March would be held on Tuesday, March 20, at the Brooklyn Park Library.

Stelmach welcomed Ms. Murdock to the EDA.

Schulz welcomed Ms. Murdock to the EDA, as well.

Woods welcomed Ms. Murdock to the EDA and thanked her for her willingness to serve the community.

11. ADJOURNMENT

A motion was made by Schulz, seconded by Johnson, to adjourn at 6:49 p.m. The motion carried 6-1 (Stelmach opposed).

Respectfully submitted,

Heidi Guenther
TimeSaver Off Site Secretarial, Inc.