

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
June 8, 2020**

1. ROLL CALL

President Poppe called the regular meeting of the Osseo Economic Development Authority to order at 6:00 p.m., Monday, June 8, 2020. Due to the COVID-19 pandemic this meeting was held virtually.

Members present: Teresa Aho, Deanna Burke, Harold E. Johnson, Sherry Murdock (6:05 p.m.), Duane Poppe, Mark Schulz, and Larry Stelmach.

Members absent: None.

Staff present: Executive Director Riley Grams and City Attorney Mary Tietjen.

Others present: Rebecca Kurtz, Ehlers.

2. APPROVAL OF AGENDA

A motion was made by Stelmach, seconded by Schulz, to approve the Agenda as presented. A roll call vote was taken. The motion carried 6-0.

3. APPROVAL OF MINUTES – MAY 11, 2020

A motion was made by Burke, seconded by Johnson, to approve the minutes of May 11, 2020, as presented. A roll call vote was taken. The motion carried 6-0.

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 Burke, to approve the Accounts Payable. A roll call vote was taken. The motion carried 6-0.

7. OLD BUSINESS – None.

8. NEW BUSINESS

A. ANNUAL TAX INCREMENT FINANCING (TIF) REVIEW – Rebecca Kurtz, Ehlers

Rebecca Kurtz, Ehlers, provided the Commission with a presentation on the City TIF Districts. It was noted TIF was the ability to capture and use most of the increase in local property tax revenues from new development within a defined geographic area for a defined period of time without approval of the other taxing jurisdictions. She described why cities consider providing TIF assistance as part of an economic development strategy. She reported TIF assists in creating or

retaining jobs, the redevelopment of blighted properties, to remediate polluted sites, to construct affordable housing, to increase the tax base, and to change the market in the community. She reviewed what was included and excluded from TIF. She explained all TIF Districts need to have a specific project area.

Ms. Kurtz discussed the three different types of TIF Districts as being a redevelopment district, affordable housing, and economic development/job creation district. The process for public hearings was reviewed with the Council.

Johnson questioned how substandard was defined. Ms. Kurtz reported substandard was defined within State Statute and explained the company LHB was often brought in to assist with reviewing substandard buildings.

Johnson asked if a property owner could ask to be taken out of a TIF District. Ms. Kurtz stated property owners could not be taken out, as this was a decision made by the City Council and EDA. Further discussion ensued regarding the acquisition of land for future redevelopment.

Ms. Kurtz commented on how TIF increment can be spent by the City, along with discussing common financing options such as pay as you go notes, interfund loans, and general obligation TIF Bonds. She then reviewed the date the district was established, when the district would be decertified, and reviewed the debt that remains for the following TIF Districts:

- TIF District 2-4: Bell Tower
- TIF District 2-5: Realife Senior Housing
- TIF District 2-6: Celtic Crossing/Mary Patrice
- TIF District 2-8: Lynde's Project
- TIF District 2-9: 5 Central

Further discussion ensued regarding the interfund loan for the 5 Central project noting the interest rate was at four percent. Discussion was also held regarding the valuation appeal for the 5 Central property.

Ms. Kurtz anticipated the County should settle the value for the 5 Central property this year.

Johnson asked if the City was setting aside the TIF funds for this property in a special account. Groen reported the City was setting aside these funds.

9. REPORTS OR COMMENTS: Executive Director, President, Members

Stelmach stated it was great to see more businesses in Osseo open for business and restaurants open with outdoor seating.

10. ADJOURNMENT

A motion was made by Johnson, seconded by Murdock, to adjourn at 7:09 p.m. A roll call vote was taken. The motion carried 7-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial