



AGENDA – REGULAR MEETING
6:00 p.m., January 14, 2019

Economic Development Authority

- 1. ROLL CALL**
- 2. APPROVAL OF AGENDA**
- 3. APPROVAL OF MINUTES**
 - A. December 10, 2018
- 4. MATTERS FROM THE FLOOR**
- 5. PUBLIC HEARING**
- 6. ACCOUNTS PAYABLE**
- 7. OLD BUSINESS**
- 8. NEW BUSINESS**
 - A. Approve Investment Depositories for 2019-2020 (Resolution)
 - B. Approve Municipal Advisor Client Disclosure with Ehlers & Associates for 2019
 - C. Discuss Strategic Planning Session
- 9. REPORTS OR COMMENTS: Executive Director, President, Members**
- 10. ADJOURNMENT**

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
December 10, 2018**

1. ROLL CALL

President Juliana Hultstrom called the regular meeting of the Osseo Economic Development Authority to order at 6:00 p.m., Monday, December 10, 2018.

Members present: Charles Flynn, Juliana Hultstrom, Harold E. Johnson, Sherry Murdock, Duane Poppe, Mark Schulz, and Larry Stelmach.

Members absent: None.

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

Others present: Marc Swerdlow and Bruce Kimmel.

2. APPROVAL OF AGENDA

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

3. APPROVAL OF MINUTES – NOVEMBER 13, 2018

A motion was made by Murdock, seconded by Flynn, to approve the minutes of November 13, 2018, 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.

Stelmach expressed concern with monies that were requested for a recent EDA event (\$133) and stated he feared a precedent would be set because the event had not been approved by the whole body prior to the cost being incurred. He explained he would not be supporting the EDA covering this expense.

Hultstrom stated developers came to her and Johnson requesting a tour of Osseo. She explained she called a special meeting and all members of the EDA were invited to attend. She reported the EDA had parties interested in several different sites. She believed that the EDA was focused on development and that this was a justified development tour. She noted Mayor Poppe was present at the tour. She indicated the meeting date was set to meet the needs of the developers and a bus to tour these sites together cost Johnson \$133.

Stelmach expressed concern with the fact the meeting was set by the President without any input from the EDA. He stated he was also concerned with the fact that an invoice for the event was generated after the fact, and without receiving input from a quorum of the EDA.

Johnson indicated he was willing to remove this invoice seeking reimbursement from the Accounts Payable listing and would personally pay it and consider the expense a donation to the City.

Stelmach thanked Johnson for taking this action.

A motion was made by Schulz, seconded by Stelmach, to approve the Accounts Payable, except for the \$133 reimbursement to Harold Johnson. The motion carried 7-0.

7. OLD BUSINESS

A. APPROVE AMENDMENT TO 5 CENTRAL TIF DEVELOPMENT AGREEMENT

Bruce Kimmel, Ehlers & Associates, discussed the proposed amendment to the Development Agreement for the 5 Central TIF District. The amendment has been drafted by the EDA's tax increment attorney and was reviewed by representatives from Magellan Investments, the new owner of 5 Central. The terms of the proposed amendment have not significantly changed since the review and discussion of terms at the November EDA meeting. Staff provided further comment on the proposed changes and recommended approval.

Grams thanked Rebecca Kurtz for all of her work on this document.

Johnson stated he was pleased with the amendments that were made to the 5 Central TIF Development Agreement.

Marc Swerdlow, Magellan Investment Partners LLC, stated he was looking forward to becoming a partner with the City of Osseo. He explained he would be willing to work to promote Osseo and its local businesses. He thanked Grams and Ms. Kurtz for all of their efforts on the TIF Development Agreement.

Johnson asked if 5 Central Apts would be managed by Magellan Investments or by a subcontractor. Mr. Swerdlow reported a subcontractor named Pinnacle would manage 5 Central.

A motion was made by Schulz, seconded by Stelmach, to approve the amendment to the 5 Central TIF Development Agreement. The motion carried 7-0.

B. APPROVE UPDATED EDA BYLAWS

Grams stated the EDA recently reviewed its bylaws and recommended several changes. Staff took those proposed changes and incorporated them into a draft version. Staff conferred with City Attorney Mary Tietjen on a number of the proposed changes for legal clarification and legal opinion. The proposed changes were reviewed in detail with the EDA and staff recommended approval.

Schulz thanked staff for incorporating of the EDA's comments into the bylaws. He asked if any edits were made to the treasurer position. Grams explained some clarifying language could be included. He reported this language could read as follows: Staff shall prepare checks and financial reports at the request of the Treasurer who reviews this information and brings it forward to the full EDA.

Johnson reported he had brought this issue to staff as well. He noted when the bylaws were drafted a staff person did not assist with the EDA.

Schulz requested a summary of Section 5 and how it would read with the proposed language change. City Attorney Tietjen read the language that was being proposed for Section 5.

Hultstrom asked if the City Ordinance would also be amended to reflect the proposed changes that were being made to the EDA bylaws. Grams suggested the Council take this action in 2019.

A motion was made by Schulz, seconded by Murdock, to approve the EDA bylaws as amended. The motion carried 7-0.

C. UPDATE ON OSSEO URBAN TOWNHOMES

City Attorney Tietjen stated in July she provided information to the EDA regarding the terms of the 2003 loan agreement with the Hennepin County Housing & Redevelopment Authority. Since that meeting, she has had further discussion with the Hennepin County HRA regarding the terms and conditions of the loan agreements.

City Attorney Tietjen noted the EDA is not required to repay the loan before the 30-year period as long as the conditions in the agreement and mortgage documents are met. This includes the condition that the premises continue to be occupied by eligible homeowners and that certain units remain affordable to very low-income households as determined by HUD. She also confirmed with the HRA that the Amended and Restated Promissory Note provides for full forgiveness of the loan amount after the 30-year period assuming that the conditions are met.

City Attorney Tietjen clarified with the County the terms in the agreement relating to the use of repaid funds to the EDA. The agreement states that loan documents must include certain conditions related to a resale of any of the units. In the event of a sale or transfer of title of a unit, the homeowner must repay the loan funds to the EDA. If the loan funds are repaid before the maturity date of the loan, the EDA is required to allocate those funds, within one year from the date of the sale of the premises, to an “affordable housing activity” within the City benefitting low-income households. The County emphasized that it would interpret this requirement in the “broadest sense” possible.

City Attorney Tietjen reported the County requested that it be notified of any future repayments at the time that the EDA or City has been notified of a sale or transfer by the homeowner and how the EDA intends to use the proceeds of the repayment.

City Attorney Tietjen stated another question was whether the homeowners’ loans are forgiven if they stay in their units for the full 30 years. The loan and mortgage documents do not explicitly address this issue. The Second Mortgage Promissory Note states that principal and interest payments do not need to be made prior to the Maturity Date unless the property is sold or there is an event of default. If the property is sold or transferred or there is a default, then the principal balance of the Note and interest become due and payable. In addition, the Note states that prepayment of principal is permitted and “partial prepayment” does not affect the Debtor’s obligation to pay succeeding installments. These provisions do not seem consistent with the idea that the loan is forgivable after the 30-year period. If the intent was to forgive the loans in cases in which residents stay in the units for at least 30 years (which seems reasonable given that the EDA’s loan from the HRA is forgivable after that time period), then staff would recommend amending the Second Mortgage Promissory Notes to reflect this intent.

Hultstrom stated because no repayment plan terms were in place, she was inclined to not hold the homeowners liable.

Murdock indicated she was the first signature on a loan with Hennepin County. She reported her understanding of the caveat at the end was that if she stayed in the house for 30 years, then the loan was forgiven. She was pleased that the City was off the hook for repaying these loans.

Stelmach commented if the EDA was not liable and the intent was to have the purchasing resident not be liable after 30 years, he was comfortable documenting this.

Johnson indicated none of the current Council or EDA members were serving at the time this agreement was entered into with Hennepin County. He stated he had read the documents and thought there have been two or three defaults on these properties, along with a property sale.

Hultstrom asked what month and date Murdock purchased her home.

Murdock mentioned she has been in her home for approximately 17 years and would have 13 years left on her loan. She estimated she purchased her home in 2000. She reported there were only five original owners left in the nine townhome units.

Johnson commented he would like to see this item brought up to date properly. Grams indicated he would work with City Attorney Tietjen to further address this matter.

8. NEW BUSINESS

A. APPROVE 2019 EDA BUDGET

Grams stated each year the EDA must approve its annual operating budget at the last meeting of the year. The EDA discussed the 2019 budget in previous meetings this year. Those recommendations have been incorporated into this budget. Staff reviewed the proposed budget in detail with the Authority and recommended approval.

Schulz stated he would like to see staff keeping track of their time more closely for EDA tasks. Grams indicated staff had discussed this and would be taking this on for 2019.

Johnson commented on the administrative expense that was charged for TIF Districts. He noted 10% is accumulated over the years for administrative purposes and reported the City had to account for these expenses.

Stelmach explained the City had good accounting practices in place to account for TIF administrative expenses.

Schulz recommended the 2019 EDA budget be approved as amended to include full EDA meeting pay (per diem) for all EDA members.

A motion was made by Stelmach, seconded by Murdock, to approve the amended 2019 Economic Development Budget. The motion carried 7-0.

B. REVIEW 2019 EDA MEETING SCHEDULE

Grams reviewed the scheduled meetings for the Osseo Economic Development Authority in 2019. All EDA meetings will begin at 6:00 p.m. and be held in the Council Chambers at City Hall, unless otherwise noted:

Monday, January 14, 2019
Monday, February 11, 2019
Monday, March 11, 2019

Monday, April 8, 2019
Monday, May 13, 2019
Monday, June 10, 2019
Monday, July 8, 2019
Monday, August 12, 2019
Monday, September 9, 2019
Monday, October 14, 2019
*Tuesday, November 12, 2019
Monday, December 9, 2019

Grams commented three EDA members' terms will be up at the end of 2018. Commissioners Poppe, Stelmach, and Murdock all have terms expiring at the end of 2018. Assuming the two current Councilmembers (Poppe and Stelmach) wish to remain on the EDA for another term, they will take the Oath of Office at the January EDA meeting. Commissioner Murdock's seat will be open, and if she wishes to re-apply for another term, she will need to submit a letter of interest to Mayor Poppe for Council review. The Commission will elect EDA officers as well at the January meeting: President, Vice-President, Secretary, Treasurer, Assistant Treasurer, and Executive Director.

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

City Planner Nancy Abts commented on a webinar that would be held on Tuesday, December 18, regarding DEED's Redevelopment Program.

Hultstrom updated the EDA on the Special EDA meeting that was held on Tuesday, November 20, from 9:00-11:30 a.m. She noted a tour was held of the City of Osseo with several developers and the group reconvened at City Hall for a debriefing session. It was noted Hennepin County was interested in helping with site cleanup for one of the potential redevelopment sites.

Hultstrom commented on a potential housing redevelopment opportunity that could occur for the 6 Central property. SEH was proposing to work with developers on this project. She discussed several grant opportunities that may be available for this potential project.

Hultstrom reported she and Councilmember Johnson would be attending the Metro Cities Development Conference on Tuesday, December 11, at 9 a.m.

10. ADJOURNMENT

A motion was made by Schulz, seconded by Stelmach, to adjourn at 6:59 p.m. The motion carried 7-0.

Respectfully submitted,

Heidi Guenther
TimeSaver Off Site Secretarial, Inc.



City of Osseo Economic Development Authority Meeting Item

Accounts Payable Listing

1/14/19EDA

2019

1

Check Name	Comments	Amount
BOND TRUST SERVICES CORP	2014B GO TIF	\$40,000.00
BOND TRUST SERVICES CORP	2014A GO	\$50,000.00
BOND TRUST SERVICES CORP	2014B GO TIF	\$7,600.00
BOND TRUST SERVICES CORP	2014A GO	\$100.00
BOND TRUST SERVICES CORP	2014A GO	\$4,187.50
BRIGGS AND MORGAN	TIF 2-9 LEGAL SERVICE	\$5,500.00
CITY OF OSSEO	CITY BEAUTIFICATION FUND CONTRIBUTION	\$4,018.83
COTTENS' INC.	2018-2ND HALF TIF DISTRIBUTION	\$6,576.39
EHLERS & ASSOCIATES, INC	NOV 2018 TIF 2-9 DEVELOPMENT AGREEMENT	\$1,140.00
FIRST MINNESOTA BANK	2018-2ND HALF TIF DISTRIBUTION	\$30,561.17
HENN CO PROPERTY TAX	TIF 2-5 COUNTY ADM SERVICES	\$910.88
HENN CO PROPERTY TAX	TIF 2-4 COUNTY ADM SERVICES	\$836.87
HENN CO PROPERTY TAX	TIF 2-8 COUNTY ADM SERVICES	\$1,270.71
HENN CO PROPERTY TAX	TIF 2-9 COUNTY ADM SERVICES	\$1,044.64
KENNEDY & GRAVEN, CHARTERED	NOV 2018 EDA LEGAL SERVICE	\$267.63
LYNDE ENTERPRISES INC	2018-2ND HALF TIF DISTRIBUTION	\$7,244.55
MAGELLAN INVESTMENT PARTNERS	2018-2ND HALF TIF DISTRIBUTION	\$82,581.90
MEER LLC	2018-2ND HALF TIF DISTRIBUTION	\$12,342.04
TIMESAVER OFF SITE	12/10/18 EDA MTG	\$142.00
		\$256,325.11

EDA MONTH END CASH BALANCE

		12/10/2018	HENN CO	ADJUSTMENTS	1/14/2019	PROPOSED	1/14/2019
FUND	DESCRIPTION	BALANCE	TIF	(+/-)	BALANCE	EXPENSE	BALANCE
801	GENERAL	513,674.19		8,865.02	522,539.21	-11,068.46	511,470.75
806	TIF 2-5 REALIFE	8,426.29	33,955.90		42,382.19	-31,472.05	10,910.14
817	TIF 2-4 BELL TOWER	238,780.26	83,454.57		322,234.83	-7,413.26	314,821.57
819	TIF 2-6 CELTIC CROSSING	58,913.08	13,713.36		72,626.44	-12,342.04	60,284.40
825	TIF 2-8 LANCOR/LYNDES	7,897.77	13,414.80		21,312.57	-8,515.26	12,797.31
836	TIF 2-9 5 CENTRAL	126,806.59	201,768.49		328,575.08	-185,514.04	143,061.04
		954,498.18	346,307.12	8,865.02	1,309,670.32	-256,325.11	1,053,345.21
1	INTEREST OCT-DEC			8865.02			



City of Osseo Economic Development Authority Meeting Item

Agenda Item: EDA Depositories

Meeting Date: January 14, 2019

Prepared by: LeAnn Larson, City Clerk

Attachments: Resolution

Background:

For an Economic Development Authority, Minnesota Statutes Section 469.099 DEPOSITORIES; DEFAULT; COLLATERAL, Subd. 1 Named: bond, states the following:

Every two years an authority shall name national or state banks within the state as depositories. Before acting as a depository, a named bank shall give the authority a bond approved as to form and surety by the authority. The bond must be conditioned for the safekeeping and prompt repayment of deposits. The amount of bond must be at least equal to the maximum sums expected to be deposited at any one time.

This is a housekeeping measure to adopt a resolution approving EDA investment depositories for 2019-2020.

Previous Action or Discussion:

The last time this resolution was adopted was in January 2017.

City Goals Met By This Action:

Ensure City's continued financial stability.
Foster and promote economic development in the City.

Options:

The Economic Development Authority may choose to:

1. Adopt a resolution approving investment depositories for 2019-2020;
2. Adopt a resolution approving investment depositories for 2019-2020 with noted changes/as amended;
3. Table action on this item for more information.

Recommendation/Action Requested:

Staff recommends the Economic Development Authority choose option 1, Adopt a resolution approving investment depositories for 2019-2020.

EDA Resolution No. 2019-x

**RESOLUTION APPROVING INVESTMENT
DEPOSITORIES FOR 2019-2020**

WHEREAS, City Code section 33.54(C) states the Economic Development Authority of the City of Osseo has the authority to expend all sums so appropriated and other sums made available for its use from grants, gifts, property tax levies, and other sources for the purposes and activities authorized in the City Code; and

WHEREAS, it is the duty of Economic Development Authority to approve the depositories for investment positions representing the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of Osseo, Hennepin County, Minnesota, that the following designation of depositories is hereby approved for calendar years 2019-2020 as noted:

Depositories – Premier Bank Osseo, Edward Jones, Institutional CD's Inc./ICD Securities, Inc., and Multi-bank Securities, Inc.(MBS)



City of Osseo Economic Development Authority Meeting Item

Agenda Item: Ehlers Municipal Advisor Client Disclosure Agreement for 2019

Meeting Date: January 14, 2019

Prepared by: LeAnn Larson, City Clerk

Attachments: Municipal Advisor Client Disclosure Agreement

Policy Consideration:

Consider approving the Municipal Advisor Client Disclosure Agreement with Ehlers & Associates for 2019.

Background:

Ehlers is registered as a Municipal Advisor and therefore required by the Municipal Securities Rulemaking Board (MSRB) to provide various disclosures including potential conflicts of interest, scope of services, compensation, and other disclosures detailing our obligations and responsibilities to municipal or obligated person clients. These disclosures must be provided to the EDA prior to or upon Ehlers engaging in any municipal advisory activity.

This Annual Advice Disclosure allows Ehlers to provide uninterrupted municipal advisor advice through December 31, 2019. Under this disclosure and at no charge, Ehlers can answer our municipal advisory questions, analyze refunding opportunities, and provide preliminary debt issuance planning advice. If any preliminary debt issuance planning advice we request results in a debt issuance, Ehlers will then provide a separate scope of service and fee disclosure for that specific project.

Options:

The Economic Development Authority may choose to:

1. Approve the 2019 Municipal Advisor Client Disclosure Agreement with Ehlers & Associates;
2. Deny the 2019 Municipal Advisor Client Disclosure Agreement with Ehlers & Associates;
3. Table action on this item for more information.

Recommendation/Action Requested:

Staff recommends the Economic Development Authority choose option 1, Approve the 2019 Municipal Advisor Client Disclosure Agreement with Ehlers & Associates.

December 17, 2018



EHLERS
LEADERS IN PUBLIC FINANCE

Riley Grams, City Administrator
Economic Development Authority of the City of Osseo, Minnesota
415 Central Ave
Osseo, MN 55369-1131

Re: Written Municipal Advisor Client Disclosure with the Economic Development Authority of the City of Osseo ("Client") Pursuant to MSRB Rule G-42

Dear Riley:

The Municipal Securities Rulemaking Board (MSRB) has deemed a client relationship to exist under its regulatory framework whenever a municipal advisor provides covered advice to a municipal entity, with or without compensation to the municipal advisor. In order for Ehlers to provide such advice, we are required by MSRB Rules¹ to provide certain information and disclosures in written form. This letter sets forth such required information and disclosures as is necessary to allow Ehlers to provide municipal advisor advice to Client not related to a specific project from the date of this letter through December 31, 2019:

1. When providing advice, we are required to act in a fiduciary capacity, which includes a duty of loyalty and a duty of care. This means we are required to act solely in your best interest.
2. We have an obligation to fully and fairly disclose to you in writing all material actual or potential conflicts of interest that might impair our ability to render unbiased and competent advice to you. We are providing these and other required disclosures in **Appendix A** attached hereto.
3. Ehlers shall provide this advice and service at such fees, if agreed upon by Client, as described within **Appendix B** attached hereto.

This documentation and all appendices hereto shall be effective during the period indicated unless otherwise terminated by either party upon 30 days written notice to the other party.

During the term of our municipal advisory relationship, this writing may be amended or supplemented to reflect any material change or additions.

Sincerely,

Ehlers

Rebecca Kurtz, CIPMA
Senior Municipal Advisor/Vice President

¹ This document is intended to satisfy the requirements of MSRB Rule G-42(b) and Rule G-42(c).



Appendix A

Disclosure of Conflicts of Interest/Other Required Information

Actual/Potential Material Conflicts of Interest

Ehlers has no known actual or potential material conflicts of interest that might impair its ability to render unbiased and competent advice or to fulfill its fiduciary duty to Client.

Other Engagements or Relationships Impairing Ability to Provide Advice

Ehlers is not aware of any other engagement or relationship that might impair Ehlers' ability to either render unbiased and competent advice to or to fulfill its fiduciary duty to Client.

Affiliated Entities

Ehlers offers debt transaction related services through two affiliates of Ehlers, Bond Trust Services Corporation (BTSC) and Ehlers Investment Partners (EIP). BTSC provides paying agent services and EIP provides services with respect to bond proceeds. If such services are needed in conjunction with an Ehlers municipal advisory engagement, Client will be asked if they wish to retain either affiliate to provide service. If Client wishes to retain BTSC and/or EIP to provide such service, a separate agreement with such affiliate will be provided for Client's consideration and approval. Ehlers and these affiliates do not share fees.

Solicitors/Payments Made to Obtain/Retain Client Business

Ehlers does not use solicitors to secure municipal engagements, nor make direct or indirect payments to obtain or retain Client business.

Payments from Third Parties

Ehlers does not receive any direct or indirect payments from third parties to enlist Ehlers' recommendation to the Client of third party services, any municipal securities transaction or any municipal financial product.

Payments/Fee-splitting Arrangements

Ehlers does not share fees with any other parties that provide services to the Client. However, within a joint proposal with other professional service providers, Ehlers could be the contracting party, or be a subcontractor to the contracting party resulting in a fee splitting arrangement. In such cases, the fee due Ehlers will be identified in a Municipal Advisor writing and no other fees will be paid to Ehlers from any of the other participating professionals in the joint proposal.

Municipal Advisor Registration

Ehlers is registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB).

Material Legal or Disciplinary Events

Neither Ehlers nor any of its officers or municipal advisors have been involved in any legal or disciplinary events reported on Form MA or MA-I nor are there any other material legal or disciplinary events to be reported. Ehlers' application for permanent registration as a Municipal Advisor with the (SEC) was granted on July 28, 2014 and contained the information prescribed under Section 15B(a)(2) of the Securities and Exchange Act of 1934 and rules thereunder. It did not list any information on legal or disciplinary disclosures.

Client may access Ehlers' most recent Form MA and each most recent Form MA-I by searching the Securities and Exchange Commission's EDGAR system (currently available at <http://www.sec.gov/edgar/searchedgar/companysearch.html>) and searching under either our Company Name (Ehlers & Associates, Inc.) or by using the currently available "Fast Search" function and entering our CIK number (0001604197).

Ehlers has not made any material changes to Form MA or Form MA-I since the above date.

Conflicts Arising from Compensation Contingent on the Size or Closing of Any Transaction

Forms of compensation for municipal advisors vary according to the nature of the engagement and requirements of the client. Compensation contingent on the size of the transaction presents a conflict of interest because the advisor may have an incentive to advise the client to increase the size of the securities issue for the purpose of increasing the advisor's compensation. Compensation contingent on the closing of the transaction presents a conflict because the advisor may have an incentive to recommend unnecessary financings or recommend financings that are disadvantageous to the client. If the transaction is to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Understanding these conflicts, Client should select a form of compensation that best meets their needs for the agreed-upon scope of services within this agreement and any future addenda thereto.

Any form of compensation due a Municipal Advisor will likely present specific conflicts of interest with the Client. If Client is concerned about the conflict arising from Municipal Advisor compensation contingent on size and/or closing of a transaction, Ehlers is willing to discuss and provide another form of Municipal Advisor compensation. The Client must notify Ehlers in writing of this request within 10 days of receipt of this Municipal Advisor writing.

MSRB Contact Information

The website address of the MSRB is www.msrb.org. A municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with regulatory authorities is posted on the MSRB website.

Appendix B

General Consulting Services

As part of our Municipal Advisory relationship, Ehlers ordinarily provides Client with certain ongoing services without compensation. Examples of such services include:

- Respond to Client questions and provide general information on public finance approaches that are available under state and federal law.
- Act as a public finance resource for Client.
- Provide educational and informational materials.
- Provide current debt schedules for existing Client obligations.
- Answer questions pertaining to existing Client debt obligations.
- Provide periodic analysis of refunding opportunities.
- Participation in surveillance calls conducted by bond rating services.
- Preliminary Debt Issuance Planning:
 - Engage in discussions with Client, as needed, to develop an understanding of a possible project, the Client and Client's objectives relating thereto.
 - Identify feasible financing option(s) suitable for Client.
 - Structure possible financing option(s) and estimate the financial impact.
 - Solicit input from Client on financing options(s).
 - Revise option(s) as directed by Client.
 - Develop a customized financing plan for Client's preferred option(s).

Ehlers may charge Client for other general consulting services depending on the time needed to provide the service, the level of analysis required, or degree of complexity involved. Prior to charging Client, Ehlers will first advise Client of the anticipated charges and receive authorization to proceed. Unless another basis for compensation is agreed to by Client and Ehlers as a modification to this Appendix, Ehlers will bill Client at an hourly rate that is dependent upon the task/staff required to meet Client request at no less than \$125.00/hour and not to exceed \$350.00/hour. If the service requested by Client constitutes a new project, such as a debt issuance, Ehlers will provide a separate scope of service and fees for that project.

Examples of services for which Client may be charged include:

- Providing advice on a project or a work product as requested by Client.
- Reviewing plans, proposals, studies and other materials submitted by bankers, underwriters, engineers, accountants or other third parties where Ehlers has been designated by Client as its Independent Registered Municipal Advisor (IRMA) for purposes of allowing such third parties to operate under the IRMA exemption.
- Resolving payment related concerns with the Depository Trust Company (DTC) where Client is acting as its own paying agent.
- Assisting with the redemption of outstanding obligations where the Client has determined to pay those obligations from cash on hand or other sources.
- Providing advice to Client with respect to the terms, conditions, features or other aspects of loans or other forms of indebtedness Client seeks to obtain through private placement with a financial institution or through federal or state loan programs, and where Ehlers is not directly assisting Client with obtaining the financing.



City of Osseo Economic Development Authority Meeting Item

Agenda Item: Discuss Strategic Planning Session

Meeting Date: January 14, 2019

Prepared by: Riley Grams, City Administrator

Attachments: None

Policy Consideration:

Consider providing input on topics or areas of discussion for the Economic Development Authority during the upcoming strategic planning session.

Background:

The Osseo City Council has budgeted for a strategic planning session to occur sometime in the first quarter of the year. Typically these types of sessions would be held in February or March and include City Staff, the City Council, the Planning Commission and the Economic Development Authority. The purpose of the session is to gather input from all noted stakeholders on what the main goals and/or projects the City should focus on in the coming years. This usually happens on a weekend day (such as a Saturday) and would last upwards of seven or so hours. The session is led by a highly skilled and qualified individual (or individuals) who do this type of work for a living.

Because we have a new Councilmember on board here in 2019, and because the City hasn't undertaken a strategic planning session in a number of years, the Council opted to include funds for a session in early 2019. The Economic Development Authority will be invited to attend and to help guide the City in identifying specific targets, goals or projects. The end product will be a report that the City, and its development wing (the EDA), can point to when trying to focus on projects. As a quick reminder, the purpose of the EDA is to take direction from the City Council and attempt to facilitate development projects.

A sample of the strategic planning process is as follows:

Strategy preparation session with Chief Administrator and senior leadership team

The first step in the process is a meeting with the Chief Administrator and senior management team to prepare for strategic planning and complete initial stages. The session will cover: the process of strategic planning and expected outcomes; review of mission, vision and values—including preparation of draft updates (if needed); how to conduct environmental scanning; and identification of operating challenges and strategic issues.

- a. Prepare for meeting—send materials
- b. Meeting with Chief Administrator and senior leadership team
Summary of meeting—outline of process, draft Mission, Vision, Values

Strategic Planning Session #1- Examine Operating Environment, Identify Challenges

This is the first of two “working sessions” of the Council/Board and leadership team. It will focus on reviewing or confirming organizational purpose, examining the operating environment, and identifying strategic challenges. The

group will review the Organization's mission, vision and organizational values, and will update them from preliminary work of the staff, if necessary. A facilitated process will yield a list of organizational challenges and a preliminary decision on strategic priorities. The group's effort will be informed by the results of the community outreach (if any), environmental scan and SWOT questionnaire administered to all participants prior to the session.

- a. Develop meeting materials
- b. Integrate focus group, environmental scan, SWOT information
- c. Facilitate session and group exercises
- d. Summarize results

Strategic Planning Session #2 – Identify Priorities, Establish Desired Outcomes, Key Indicators, Performance Targets

This session is dedicated to defining a set of Outcomes, Key Indicators, and Performance Targets used to establish accountability for achieving results in priority areas. Using a facilitated process, the Council/Board and leadership team will determine a set of strategic priorities, then develop and align outcomes and targets with the priorities.

- a. Prepare background materials
- b. Review previous session discussion/results
- c. Facilitate session
- d. Summarize results

Summary Report

A summary report, detailing the process, including the draft action plan developed, will be prepared and submitted to the client.

- a. Prepare summary report
- b. Send report to Chief Administrator
- c. *Optional*--present report to Council/Board.

What would be helpful for City Staff is to get some idea of what the EDA would like to discuss or gain understanding of during the strategic planning session. I would encourage the EDA members to think critically about what they would like to gain from the strategic planning session and discuss that at the January EDA meeting so that City Staff can take those points and communicate them to the selected Facilitator ahead of time. That way a lot of the focus during the session can be spent on getting those desired outcomes.

Recommendation/Action Requested:

Staff recommends the Economic Development Authority discuss their desired goals and outcomes from the upcoming strategic planning session and direct Staff accordingly.