

**OSSEO ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING MINUTES
June 14, 2021**

1. ROLL CALL

Vice President Larry Stelmach called the regular meeting of the Osseo Economic Development Authority to order at 6:00 p.m., Monday, June 14, 2021. Due to the COVID-19 pandemic this meeting was held virtually.

Members present: Teresa Aho, Deanna Burke, Harold E. Johnson, Sherry Murdock, Larry Stelmach, and Alicia Vickerman.

Members absent: Duane Poppe.

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

Others present: None.

2. APPROVAL OF AGENDA

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

3. APPROVAL OF MINUTES – MAY 10, 2021

A motion was made by Johnson, seconded by Aho, to approve the minutes of May 10, 2021, 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 Vickerman, to approve the Accounts Payable. A roll call vote was taken. The motion carried 6-0.

7. OLD BUSINESS – None.

8. NEW BUSINESS

A. American Rescue Plan Update

Grams stated the American Rescue Plan (ARP) will deliver \$350 billion for eligible state, local, territorial, and Tribal governments to respond to the COVID-19 emergency and bring back jobs. The Coronavirus State and Local Fiscal Recovery Fund provides a substantial infusion of resources to help turn the tide on the pandemic, address its economic fallout, and lay the foundation for a strong and equitable recovery. The funding objectives are as follows:

- Support public health expenditures by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
- Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
- Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
- Provide premium pay for essential workers, and offering additional support to those who have and will bear the greatest health risks because of their service in critical infrastructure sectors;
- Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Grams commented within these overall categories, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. The ARP funding builds on previous COVID-19 funding including the 2020 CARES Act / Coronavirus Relief Funding (CRF) distributed to local governments last year. Unlike the CRF, ARP funding is more flexible, provides a longer period for recipients to use funds and can be used for revenue losses incurred during the pandemic. ARP funding is intended for continued responses to COVID-19 and for addressing longer term effects of the pandemic. Additional ARP funding will be distributed to other entities for childcare, Head Start, family caregivers, mental health, transit, education, small businesses, and other uses.

Grams explained Minnesota counties will receive \$1.1 billion and 21 cities considered as eligible or entitlement cities will receive \$644.1 million. All other cities and towns will receive \$376.9 million. Entitlement cities and all counties will receive funds directly from the US Department of the Treasury (UST); other cities will receive their funding from the state. The state has 30 days to distribute funds once they are received, and funding will be distributed in two payments, with half in 2021 and the second half in 2022. Minnesota Management and Budget (MMB) stated that they expect to receive the first half of funding within the next couple weeks. States may request a 30-day extension to distribute funds and MMB noted they will likely request this extension.

Grams explained he recently attended an update webinar regarding the ARP. During the webinar, MMB staff discussed eligible uses that include, but are not limited to, vaccinations, PPE, testing, mental health treatment, essential worker premium pay, unemployment and training, food, housing, small business loans and grants, assistance to impacted industries such as hospitality and tourism, re-hiring public sector employees, lost revenue replacement,

addressing health disparities, violence intervention, access to infrastructure (broadband, drinking water, modern technologies), urgent response efforts to continue decreasing virus spread, and immediate economic stabilization for households and businesses. MMB noted that funding used to address health disparities and assistance in qualified census tracts (low income and tribal areas) are presumed to be eligible uses. Any diminishment in revenues since the pandemic began is presumed to be the result of COVID-19 and recipients will not be required to provide proof of revenue losses. All local units of government, whether receiving funds directly from the UST or the state, will report spending directly to the UST through an online portal. Funds will be allowed for expenses incurred between March 3, 2021, and December 31, 2024. Once funds are obligated, cities will have until 2026 to expend funds.

Grams reported the most recent updated figures shows that the City of Osseo should receive \$287,490 in ARP funds. The Council will have a future discussion about how best to use these funds on behalf of the City. One potential use is another round of small business grants, like the round of grants during the CARES Act funding.

Vickerman stated she supported replacing lost public sector revenue along with the two water projects.

Johnson commented he understood the City would be receiving two payments. He asked if these would be equal payments. Grams commented he was uncertain but could look into this further.

Johnson questioned if there was a payout deadline. Grams reported the funds must be expended by December 31, 2024.

Stelmach stated he appreciated that these funds could be used to assist the business community in Osseo.

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

Grams sent his condolences on behalf of the City to Harold Johnson for the loss of his wife Gayle over the weekend.

Vickerman sent her condolences to Commissioner Johnson as well.

Burke extended her sincerest condolences to Commissioner Johnson on the loss of his wife, Gayle.

City Attorney Tietjen stated she was sorry to hear of the passing of Gayle Johnson. She encouraged Commissioner Johnson to hang onto the lifetime of memories that he had with his wife to comfort him during this sad time.

Murdock sent her condolences to Commissioner Johnson.

Commissioner Aho stated she was sorry to learn about the passing of Commissioner Johnson's wife and sent her condolences.

Stelmach commented he was sad to hear about the passing of Commissioner Johnson's wife.

Johnson thanked the Commissioners for all of their kind words and stated he greatly appreciated the staff at North Memorial Hospice. He noted the funeral for his wife would be held on Friday with a reviewal on Thursday at Evans Norby.

10. ADJOURNMENT

A motion was made by Vickerman, seconded by Aho, to adjourn at 6:23 p.m. A roll call vote was taken. The motion carried 6-0.

Respectfully submitted,

Heidi Guenther
Minute Maker Secretarial