

## **Osakis Economic Development Authority Meeting Minutes – July 26<sup>th</sup>, 2021 4:00 PM**

### **Roll Call:**

**Present:** Dave Zerr, John Peterka, Bonnie Schultz, Randy Anderson, Ryan Peterson, Justin Dahlheimer, Dan Wessel

**Absent:** Bruce Pederson

**Others Present:** Angela Jacobson

Meeting called to order by John Peterka at 4:00 p.m.

Motion by Zerr, seconded by Dahlheimer, to approve the agenda as presented. Motion Carries Absent: Pederson

Motion by Zerr, seconded by Peterson, to approve the general consent items, bills, treasurer's report. Motion Carries Absent: Pederson

**Personnel Policy:** The EDA Board will sign if attorney reviews and council approves the policy.

**Ken Marthaler:** Zerr talked about the value of the property if there is an access and if it would add value to Marthaler's property also. We could trade acre for acre if he needs the land and can trade two acres of land. The EDA feels they should back off and let Ryan Smith discuss a deal with Marthaler instead. If he feels he wants to work a deal he can do that.

**Ryan Smith:** At the last meeting, \$40,000 with assessments was offered for the 5.9 acres.

Smith wanted 21 acres first to do something with and then would like to purchase the 5.9 acres.

Marthaler talked and would sell the 2 acres property for \$20,000 for access to the 21 acres.

Ryan Smith's offer is \$75,000 for the 21 acres and \$25,000 for the 5.9 acres for a total of \$100,000. Because we can't move on the price for the 21 acres and he felt maybe we can on the 5.9 acres.

Dahlheimer commented that we should talk to Mary Franson or Bill Engebretson – Why push back and not allow an access when we are trading an access we have for the City of Osakis.

Zerr stated it was because of how close to the next access it is. Ryan Smith wants to have both properties to do improvements on both. First would be on the 21 acres and the 5.9 acres would be for the storage area.

If Smith does not want to accept this. We can sell to the farmer abutting the property and can get what we have into it.

Property values go up daily. We are giving a deal with the same price.

Motion by Zerr, seconded by Dahlheimer, to stay with the original offer on the 21 acres and the 5.9 acres. Motion Carries Absent: Pederson

Dahlheimer stated concerns about business expansion in Osakis. Can't purchase property, values are too high to purchase. These absent land lords are wanting too much for the property. Businesses that want to expand or move in, can't find anything reasonable.

EDA discussed the Downtown Improvement District. Tax to take care of the downtown costs. Those that are not using proper would be fined for not using the property in the district. The city would have to put this in place.

Discussed the old Napa building. Cleanup the property for city use. Dahlheimer sent a letter to see of the owner was interested in selling the property but has not heard from him.

Withers building – remediation some cleanup methods. This may need to be done to clean up the property of putting up for sale.

**Motel/Hotel:** EDA discussed the following:

- Talked with Greg Hanis.
- Visit with past parties and hotels that were interested.
- Dahlheimer and Peterson will look into the hotel market groups and make contact with the past groups.

Greg Hanis is redoing studies from 2018 and 2019 that were done pre-covid for other cities. Hanis stated the hotel numbers are at pre-covid levels. The average is behind the trend. Convention Center Hotels are behind because there have not been as many conferences up and running.

Hanis said he is seeing interest in hotels. If the report is redone, a developer can be found and could start building end of 2022. Would open in 2023 and levels should be back to normal. Hanis has spoken to 4 people in the last 3-4 weeks that are developers looking to do something in the second ring suburbs in the Dakotas, Iowa and Minnesota.

The EDA will visit this at the August meeting.

### **Housing Grant Program:**

The housing grant change included requirements and stipulations that need to be followed for the grant per the EDA's discussion and decision.

The EDA discussed when a project is started before approval. The EDA wants to have approval on the property improvement before starting the project because we want to encourage people to do projects and not to pay for projects that were already going on and would be finished anyways.

### **Items for the Next Agenda:**

Next meeting will be August 23<sup>rd</sup>, 2021.

Motion by Zerr, seconded by Wessel, to adjourn the meeting at 5:00 p.m. Motion Carries Absent: Pederson

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Angela A. Jacobson – City Clerk/ Treasurer