

Osakis Economic Development Authority
Meeting Minutes – December 27th, 2021 4:00 PM

Roll Call:

Present: John Peterka, Ryan Peterson, Bonnie Schultz, Dave Zerr, Dan Wessel, Bruce Pederson

Absent: Justin Dahlheimer, Randy Anderson

Others Present: Angela Jacobson

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

Motion by Peterson, seconded by Pederson, to approve the agenda as presented with the addition Ryan Smith, Industrial Park Sign, MCPP Housing, Slum & Blight discussion and Hotel. Motion Carries

Motion by Zerr, seconded by Peterka, to approve the general consent items, bills, treasurer's report for December and remove OEDC report for 2022 year. Motion Carries

Balance of the 400 fund is \$1,631.95. This is from the final amount received from OEDC. The EDA can use these funds for a purpose they choose.

Housing Grant: Housing Grant application extension by Adam and Michelle Trisco for the property at 600 Nestor Street East.

Motion by Peterson, seconded by Wessel, to approve the extension of the project deadline to February 28th, 2022 to finalize the project for the grant amount of \$8,825.00. Motion Carries

West Central Community Fund: Jacobson stated the city was setting up a community fund that would be the parent account to be over the loan fund. The council will be the board to oversee the account and have ultimate approval.

MCPP: Minnesota Community Participation Program

Motion by Zerr, seconded by Pederson, to approve the City of Osakis to participate in the MCPP to get a buy down of the first time mortgage.

Slum & Blight: The EDA discussed the Rud's property. Zerr made an offer to Randy Fischer Realty but the offer was too low.

The Wither's property is also listed. Received a bid from Braun for phase I assessment in the amount of \$2,700 and for phase 2 in the amount of \$8,000 to \$15,000. Want the realtor to know we can get funding for this.

Development Program: Jacobson attended a redevelopment webinar. When old vacant property can be improved. The eligible properties include previous developed property – no vacant land.

The program must be for increasing taxes, reducing blight and crime, make affordable housing or/and create jobs with a new business building.

The eligible cost – building demo, public infrastructure, asbestos/lead, public acquisition. 50% match to be eligible source. Other grants can also be used.

The applications most favorable include TIF analysis, contamination cleanup, readiness, creates jobs and taxes.

The city/EDA can do the application for private people.

For the Demolition Loan – the city must own the property. 100% loan and can issue bonds for repayment. The loan is 100% of the costs at 2% interest for 15 years. After, the city can then find a buyer for the property to use for redevelopment. Can apply for Development Funds as stated above, funds/grants are received after the site is done and jobs are created. Proceeds pay back the loan to do the project cleanup.

Ryan Smith: Industrial Park job creation is needed. Submit proposal to review. The EDA's primary purpose is job creation as part of economic development.

EDA suggested Smith ask for a formal offer on the lot.

Industrial Park Sign: Jacobson explained the costs of the sign.

Motion by Zerr, seconded by Schultz, to pay up to \$1,000 for the sign and if not sold to an interested buyer to spend on the sign of the 5.9 acres. The sign will be 4 ft x 8 ft with incentive options and cost savings by building in Osakis.

EDA Board Members: Discussion was held regarding new EDA members. Tonya Danielson and Jeanne Wolbeck are interested.

Motion by Zerr, seconded by Peterson, to recommend to the mayor and council to replace Pederson with Tony Danielson. Motion Carries

Hotel: Greg Hanis gave different reports to get an idea of a study for a hotel. Want to attract a developer to the community and a full report then could be done at a different time.

Motion by Peterson, seconded by Zerr, to table this discussion until the January meeting. Motion Carries

VFW: VFW donation of \$300 to the Osakis Fire Department.

Motion by Schultz, seconded by Zerr, to approve the \$300 donation from the VFW to the Osakis Fire Department. Motion Carries

Motion by Zerr, seconded by Pederson, to adjourn the meeting at 5:15 p.m. Motion Carries

Next meeting – January 24th, 2022.