



MEETING AGENDA

Date: December 2, 2022, 4:00 PM – 6:00 PM
Location: Cook County Courthouse, Commissioner's Room
411 W Second St, Grand Marais, Minnesota

The mission of the Cook County/Grand Marais Economic Development Authority is to diversify the economy, create employment through retention and expansion of existing businesses and development of new businesses, support the development of housing and increase the tax base

1. CALL TO ORDER
2. PUBLIC HEARING FOR SALE OF PROPERTY AT CEDAR GROVE BUSINESS PARK
 - 2.1 Lot 8 Block 4 to A Superior Storage, LLC
 - 2.2 Lot 7 Block 5 to City of Grand Marais
3. PUBLIC COMMENT
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES
6. NEW BUSINESS
 - 6.1 Business Development Funding Request
7. FINANCIALS
 - 7.1 EDA Payments (motion to approve)
8. UNFINISHED AND ONGOING BUSINESS
 - 8.1 Cedar Grove Business Park
 - 8.1.1 Resolution to close on sale to A Superior Storage LLC
 - 8.1.2 Resolution to Relinquish Lot 7 Block 5 to City of Grand Marais
 - 8.1.3 Consider Offer for Lot 2 Block 4 from Jared Smith Construction
 - 8.1.4 Consider Offer for Lot 2 Block 8 from Boat PAL Services LLC
9. OTHER BUSINESS
Next meeting, Tuesday, December 20, 2022 at 4:00 p.m.
10. Adjourn

Cook County-Grand Marais Economic Development Authority
November 15, 2022 - 4:00 p.m.
Cook County Courthouse, Commissioners' Room

Present: Board Members Myron Bursheim, Howard Hedstrom (President), Anton Moody (Vice President), Mark Shackleton, Ann Sullivan (Secretary), and Steve Surbaugh

Zoom: Scott Harrison (Treasurer) and John Kohlhase (W.A. Fisher Co)

Others present: Heath Eckstrom (Superior National), Pat Campanaro (SBDC), Executive Director Beth Drost, Jason Hale (HRA), Dustin Hanson (NS Waste), Kalli Hawkins (WTIP), Stacey Hawkins (County Board alternate), Linda Jurek (VCC/Chamber), Barry Pederson (NS Waste), Rena Rogers (NS Waste), and Mary Somnis (Somnis Consulting)

Ann agreed to take minutes, since Rhonda Silence (our note-taker) was unable to attend again. Our President, Howard Hedstrom, called the meeting to order at 4:03 p.m.

Public Hearing

The date of the hearing which appeared in the CCNH was incorrect, so a notice must be published giving ten days prior; Beth Drost will secure a location for the public hearing and get a notice to the CCNH tomorrow. December 2 at 4 p.m. was discussed as a possibility, as there is desire to get the Cedar Grove Business Park transaction completed as soon as possible.

Public Comment

There was no public comment.

Approval of the Agenda and Minutes

There were two additions to the agenda, one under New Business (DEED) and the second was a discussion of officers for 2023 under Other Business. Minutes were reviewed, with two corrections (listing Beth Drost, Executive Director of the EDA, as a member of the Board Of Governors) and correcting the number of available lots at the Business Park. *There was a motion by Mark Shackleton to approve the minutes and the agenda as amended. Myron Bursheim seconded that motion. All ayes.* Ann Sullivan mentioned, after the approval, that she had recently spoken to the independent auditors from Red Path; the importance of a roll call vote and/or listing the full name of those abstaining or recusing themselves from a vote, due to a potential or perceived conflict of interest. Auditors check meeting minutes for this, particularly in small communities, where members of boards may have personal or family connections with individuals, businesses, or other organizations seeking support, services, or funding.

NEW BUSINESS

Superior National Golf Course

John Kohlhase provided the End of the Season Marketing Report by sharing slides and paper copies of his presentation. It was noted that his firm took over the marketing in late July, which is the reason for the budget adjustment. The 2023 Marketing Plan was shared with the recommendations to clean up Google ads to eliminate low converting markets, remove print, increase buys with the most successful media, change geo targeting of all digital advertising to focus on the Twin Cities and Minnesota, and eliminate all non-essential or unproductive purchases. The plan will be paid for out of golf course revenue. *Mark Shackleton moved to approve the plan,*

and Steve Surbaugh seconded his motion. All ayes. Keith Backstrom spoke about the year at Superior National from the Golf Course and Pro Shop perspective. He highlighted the impact of staffing shortages and the need to make wages for their employees more competitive with those throughout the county. Keith also discussed some of the capital expenditures that are necessary to prepare for the 2023 season.

Mary Somnis explained that the Loan Agreement between the County and the EDA needed dates to be revised to match the reality that the completion of construction had been significantly delayed. She has discussed these changes with County Attorney Hicken and Auditor Powers. Last month she requested the County Board approve these revisions, but the board felt the EDA needed to agree to the date changes first. Once approved by the EDA Board of Directors, this will go back to the Cook County Commissioners for review. *Mark Shackleton made a motion to approve the date changes; Myron Bursheim gave a second to Mark's motion. All ayes.*

Finally, there was discussion of the 2022 snowmelt and spring rainfall, which damaged hole 17, adjacent to the Poplar River. It would be beneficial to get a grant from FEMA for \$100,000; the Feds would pay for 75% of the project, while the State of Minnesota would cover the remaining 25%. The work would rebuild the streambank damaged by 2022 flooding. *Steve Surbaugh moved to authorize the grant application and run the funds through the EDA. Anton Moody gave a second to that motion. All ayes.* If funding is received in 2023, the work will be managed internally; SWCD can help with the project if it occurs in 2024.

North Shore Waste

Rena Rogers and Dustin Hanson talked about the opportunity to seek \$500,000 in infrastructure development through the IRRR. This would cover ground work, septic, well, mitigation of wetlands, and electric services brought on site. *Ann Sullivan moved to adopt a resolution authorizing the EDA to make an application and accept funds from IRRR for the Community Infrastructure Grant Program; Anton Moody seconded that motion. All ayes.*

HRA

Jason Hale spoke briefly about the 51 unit apartment complex being considered for development in the area just north of the dog park on the curve going up the Gunflint Trail as it leaves the City of Grand Marais. Similarly, \$500,000 would support the development of infrastructure for what is tentatively called Sawtooth Flats. *Myron Bursheim moved to adopt a resolution authorizing our EDA to make an application and accept funds from IRRR for the Creechville-Area Housing Development. Ann Sullivan gave a second to his motion. All ayes.*

2023 Northland SBDC Contract

Once received, we will update everything for the contract for business consultant services being provided by Pat Campanaro. This will likely be received in the near future and could be voted on at our December meeting.

Chamber of Commerce Request for Support

Allowable contributions to the Cook County Chamber were discussed and reviewed with Linda Jurek. *Steve Surbaugh moved to renew the annual \$6,000, and Mark Shackleton gave a second to that motion. All ayes.*

DEED

Forty applications were scored with Northspan and the Northland Foundation. Up to \$800,000 will be distributed in the first round, with \$200-300,000 in the second round. For those making the first cut, there will be a great deal of scrutiny. It is hoped some funds will be released around the end of the year.

FINANCIALS

Via Zoom, Scott Harrison reviewed both the EDA and Golf Course financials, along with the check detail, and he talked about the grant payment for Sawbill Village. *Steve Surbaugh moved to forward financials to audit and approve all the payments; Myron Bursheim gave a second to that motion. All ayes.*

UNFINISHED AND ONGOING BUSINESS

Public Engagement and Strategic Planning

Howard discussed the need for this to occur in February or March of 2023.

CEDAR GROVE BUSINESS PARK

It was suggested we have the public hearing for A Superior Storage LLC on December 2 at 4:00 p.m. when we have our other hearing. Beth will include that in the CCNH ad.

SBDC Report and the Director's Report

These were both submitted in writing.

OTHER BUSINESS

Officers for 2023 will be discussed at our next meeting. Mark Shackelton agreed to serve as treasurer and is working to get up to speed with things to begin the transition to his new role.

Closed Session: Personnel

The Board moved into closed session for a meeting with the Personnel Committee.

The board returned into open session, and Anton Moody moved to adjourn. Myron Bursheim seconded that motion. All ayes.

**Our next regular monthly EDA meeting is Tuesday, December 20,
at 4:00 p.m. at the Courthouse.**

Respectfully submitted,
Ann Sullivan
Secretary

Business and Housing Subsidy Application:

Business Name: Ox-Cart Broom and Woodworks LLC

Name of applicant: Marybeth Garmoe

Address: 210 Bloomquist Mtn. Rd., Grand Marais, MN 55604

Phone: 218-387-9179

1) Describe your business, including such information as products and services provided, general market area served, experience or qualifications you have for operating this business, and any other information you feel may be appropriate:

I craft handmade brooms, dustpans and woodenware that are sold throughout Northern Minnesota at Art Festivals, small galleries and art retail shops and online. I also teach broom-making, woodturning and brush making at North House Folk School in Grand Marais. I have been running my business as an individual maker since 2014 and as my sole source of income since 2018. I had the opportunity to participate in the Artisan Development Program through North House Folk School, which gave me two years to focus on skills and business development and take workshops and classes on how to run an art-focused business. These business development opportunities helped me understand that having access to easy payment systems and social media platforms will help expand my business. My current technology limitations have cost me sales on numerous occasions and I am currently unable to access social media such as Pinterest and TikTok with what is available to me. I anticipate that upgrading this phone and payment technology will allow me to access more diverse audiences, increasing the number of venues where I can sell what I make and teach these skills to others and will thereby increase my income by at least 15% over the next year.

2) Please check which criteria best describes your request:

Redevelopment

Projects that remove, prevent or reduce blight or other adverse conditions of property thereby protecting the City's and County's property values and the general public health, safety and welfare.

Attraction of New Business

Projects that attract or retain competitive and financially strong commercial and industrial companies, which offer the potential for significant growth in employment and tax base.

Highest and Best Use of Land

The use of the Business and Housing Funding will encourage quality construction and promote the highest and best use of the land, consistent with the comprehensive plans of the City and the County.

X Needed Services

Projects that provide a needed service in the community, including health care, convenience and social services.

Unmet Housing Needs

Projects that provide housing needs not currently available in the community.

X Economic Feasibility

The applicant must demonstrate that they have the experience and financing necessary for the project and that the project can be completed in a timely manner.

X Job Creation

Projects that create and/or retain jobs which pay at least the higher of the current Federal or State of Minnesota minimum wage, plus appropriate benefits.

3) Amount Requested: \$1,036.95

4) Describe the proposed project: I will upgrade my phone to one with more storage and social media capabilities to help promote my business. My current phone has only 32 GB of storage, which has limited my use of social media and ability to accept remote payments. I will also use this funding to purchase upgraded Square technology to more easily and securely accept payments both in person and online. This funding will allow me to grow my business through the use of additional social media channels and will allow me to expand sales opportunities. Even with my current limitations, I have grown a successful small business that supports my family and this funding will allow me to continue to build this business and achieve economic stability.

5) Please attach the project budget, including sources and uses of funds.

6) Anticipated Completion Date: 12/15/2022

7) How many jobs do you anticipate will be created or retained by this project?

Created: _____ Retained: 1 Total: 1

8) What is the proposed wage/salary of the jobs?

Hourly: _____ Salary: \$24,000 annually

NOTICE OF PUBLIC HEARINGS ON PROPOSED SALE OF PUBLIC PROPERTY

Notice is hereby given that the Cook County/Grand Marais Joint Economic Development Authority will hold a public hearing for two proposed sales of vacant public property at Cedar Grove Business Park in Grand Marais, Minnesota.

DATE: Friday December 2, 2022

TIME: 4:00PM

Commissioner's Room, Cook County Courthouse
411 W 2nd Street, Grand Marais, Minnesota

PROPERTY DESCRIPTION

Section: 16 **Township:** 61N **Rang:**1E

Plat: CEDAR GROVE BUSINESS PARK

Deeded Acres: 1.38

Homestead: No

Summary Legal Description: LOT 8 BLOCK 4

By: A Superior Storage LLC

Section: 16 **Township:** 61N **Rang:**1E

Plat: CEDAR GROVE BUSINESS PARK

Deeded Acres: 1.22

Homestead: No

Summary Legal Description: LOT 7 BLOCK 5

By: City of Grand Marais

All interested persons may appear at the public hearing and present their views orally or in writing. The terms and conditions of the sale are open to the public at the EDA office at 425 W Highway 61, Suite B, Grand Marais, Minnesota during regular business hours and by appointment. At the hearing, the Authority will meet to decide if the sale is advisable.

Ordered and authorized by the Cook County/Grand Marais Joint Economic Development Authority pursuant to Minnesota Statutes Section 469.105.

Submitted by: Beth Drost, Executive Director

RESOLUTION NO. 2022-11

STATE OF MINNESOTA
COUNTY OF COOK
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION ADVISING SALE OF LOT AT CEDAR GROVE BUSINESS PARK

WHEREAS, the EDA is a public body politic and corporate and a political subdivision of the State duly organized and existing under the laws of the State. Under the provisions of the Act, the EDA has the power to enter into this Agreement and carry out its obligations hereunder; and

WHEREAS, the authorizing authority owns and is responsible for the sale of lots at Cedar Grove Business Park; and

WHEREAS, the authorizing authority, at a special meeting of the Board of Commissioners where a public hearing was held for the sale, December 2, 2022, approved of and advised the sale of **Lot 8 Block 4 to A Superior Storage**.

NOW BE IT RESOLVED that the authorizing authority of the Cook County/Grand Marais Joint Economic Development Authority does adopt this resolution and directs the Executive Director to Close on the sale.

Upon vote taken, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 2022-11 was declared duly passed and adopted on the 2nd day of December of the year 2022.

Beth Drost, Executive Director

Howard Hedstrom, President

DRAFTED BY:
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
425 W HIGHWAY 61, SUITE B, PO BOX 597, GRAND MARAIS MN 55604 218-387-3112

STATE OF MINNESOTA)

ss.

COUNTY OF COOK)

The foregoing was acknowledged before me this ____ day of _____ 20__ by _____ the _____ of the Cook County/Grand Marais Joint Economic Development Authority, a body corporate and politic created and existing under and pursuant to Chapter 469 of the Minnesota Statutes, on behalf of the authority.

Notary Public

RESOLUTION NO. 2022-12

STATE OF MINNESOTA
COUNTY OF COOK
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

**RESOLUTION RELINQUISHING PROPERTY AT CEDAR GROVE BUSINESS PARK TO
CITY OF GRAND MARAIS**

WHEREAS, the EDA is a public body politic and corporate and a political subdivision of the State duly organized and existing under the laws of the State. Under the provisions of the Act, the EDA has the power to enter into this Agreement and carry out its obligations hereunder; and

WHEREAS, the authorizing authority owns and is responsible for the sale of lots at Cedar Grove Business Park; and

WHEREAS, the authorizing authority wishes to convey Lot 7 Block 5 to the City of Grand Marais for the purposes of establishing an animal shelter; and

NOW BE IT RESOLVED that the authorizing authority of the Cook County/Grand Marais Joint Economic Development Authority does adopt this resolution and directs the Executive Director and the City Administrator to execute the deeds to convey the property.

Upon vote taken, the following voted:

For:

Against:

Absent:

Whereupon said Resolution No. 2022-01 was declared duly passed and adopted on the 2nd day of December of the year 2022.

Beth Drost, Executive Director

Howard Hedstrom, President

DRAFTED BY:
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
425 W HIGHWAY 61, SUITE B, PO BOX 597, GRAND MARAIS MN 55604 218-387-3112

STATE OF MINNESOTA)
 ss.
COUNTY OF COOK)

The foregoing was acknowledged before me this ____ day of _____ 20__ by _____ the _____ of the Cook County/Grand Marais Joint Economic Development Authority, a body corporate and politic created and existing under and pursuant to Chapter 469 of the Minnesota Statutes, on behalf of the authority.

Notary Public

To: EDA Board

From: Pat & Valerie Eliassen – BoatPAL Services

Re: Formal Offer Lot 2 Block 4

Greetings,

My wife and I have recently purchased Lot 6, Block 4 in the Cedar Grove Business Park along with the boat storage/wrapping/maintenance business. We have grown our customer base and would like to expand the storage business but are currently running out of room. We would like to purchase the adjacent lot, which is identified as Lot 2, Block 4. This lot is already accessible through our business and would give us the opportunity to store more boats, and eventually, we would like to construct indoor storage, as well as an office building.

We employ 2 FT staff during the peak months and future plans are to develop the business into a sustainable, year-round income for us, and our staff. Purchasing the adjacent lot will give us a better chance of expansion, which in turn will provide the space needed.

After a review of the map which outlines the mitigated wetlands, it appears that Lot 2, Block 4 has a significant amount of wetlands that would need to be crossed to gain access from the Gunflint Trail. That coupled with the minimal building space due to present wetlands in my opinion would make this lot difficult for building on but would make it ideal for an existing business to develop into additional storage.

We would respectfully like to offer \$5000.00 for Lot 2, Block 4 in the Cedar Grove Business Park. Thank you for your consideration in this matter.

Regards,

Pat Eliassen

Valerie Eliassen

BoatPAL Services