

**COOK COUNTY/GRAND MARAIS EDA AGENDA**  
**TUESDAY, JULY 13, 2021, 4:00 PM**  
**COOK COUNTY COURTHOUSE, COMMISSIONER'S ROOM**

*The mission of the Cook County/Grand Marais EDA 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.*

- 4:00 PM      **CALL TO ORDER**  
Public Comments  
Adjustments to and approval of the Agenda (motion)  
Approval of June 8, 2021 Minutes (motion)
- 4:10 PM      **NEW BUSINESS – ALL POSSIBLE MOTIONS TO APPROVE**  
Consider offer from North Shore Laundry to purchase three lots  
Consider amendments to EDA Bylaws  
Consider HRA Budget and Work Plan  
Consider EDA Budget 2022  
Consider request from VCC for Letter of Support for 1% tax renewal  
Discuss possible zoning changes for Cedar Grove  
Personnel Committee Report
- 5:40 PM      **FINANCIALS**  
Superior National and EDA Financials (forward to audit)  
EDA payments (motion)
- 5:55 PM      **OLD AND ONGOING BUSINESS – UPDATES AS NEEDED**  
HRA/TIF/Tax Abatement/Housing Work Group  
GM Fire Redevelopment  
Cook County Workforce Solutions  
Cedar Grove Business Park  
Creative Economy Collaborative  
SBDC Director's Report  
Executive Director's Report
- 6:00 PM      Other as needed, next meeting August 10, 2021, WTIP interview

**Cook County-Grand Marais Economic Development Authority**  
**June 8, 2021 – meeting conducted via Zoom**

**Present:** Board members Howard Hedstrom, Scott Harrison, Bev Green, Carol Mork, Ann Sullivan, Virginia Palmer, Anton Moody

**Others present:** Executive Director Mary Somnis; Small Business Development Center Representative Pat Campanaro; County Administrator James Joerke; Thom McAleer; and minute taker Rhonda Silence

Meeting called to order by EDA President Howard Hedstrom at 4:00 p.m.

**Public Comment** – The EDA acknowledged a letter from Harvey Perusse about electric right-of-way clearing.

**Agenda & Minutes**

Agenda and minutes of the May 11, 2021 meeting reviewed.

*Motion by Carol Mork, second by Scott Harrison to approve the agenda and the May 11, 2021 minutes. Motion carried, all ayes.*

**NEW BUSINESS**

**Consider offer on Cedar Grove Business Park lots – Hamilton Housing**

The EDA received a letter from Hamilton Housing expressing interest in purchasing Lots 1 and 2 of Block 3 of the Cedar Grove Business Park on which to build affordable owner occupied housing (not rental). Hamilton Housing offered \$10,000 per lot plus assuming Special Assessments due on the lots.

EDA Executive Director Mary Somnis said these lots are the ones that were proposed as a site for an assisted living facility. Carol Mork asked if the EDA has given up on the idea of an assisted living project. Somnis said there has been no further interest from that developer. EDA Board Member/County Commissioner Ann Sullivan asked if this proposal would have to be on hold until the legislation that will allow owner-occupied use of the business park is approved. Somnis said no because these lots fall outside the area impacted by the grant that funded infrastructure for the business park.

Board Members Howard Hedstrom and Anton Moody said they would like more details on what Hamilton Housing plans for the site. Moody said he would likely be more supportive if the plans were for as many houses as possible. Scott Harrison concurred and the board asked Director Somnis to ask Hamilton Housing for more information.

**Consider request for Cedar Grove lot for animal shelter**

The EDA packet included a proposal to transfer ownership of Lot 7, Block 5 to the City of Grand Marais and Cook County for development of an animal shelter. The lot seems to be well-suited for this use as the west half includes significant wetlands so only a small building would be appropriate there. The packet included a site plan and preliminary design by Mark Pedersen at the sheriff's request.

City Administrator Mike Roth said the request is to acquire the lot at no or nominal cost. He also said the city and county would be responsible for the special assessment due. County Administrator James Joerke was at the meeting and he said the costs of building and maintaining

would be shared by the city and county. He said the Arrowhead Animal Rescue has some funds to contribute to the project. Joerke said he understands that ongoing maintenance costs are minimal. EDA Board Member Bev Green, who also serves on the Arrowhead Animal Rescue board confirmed that is the case. She said AAR will continue to fundraise to support for operations of the animal shelter.

Sullivan suggested that the project include a dog wash station. She said the cost to install one ranges from \$6,000-\$8,000 and through fees would pay for itself and eventually become a moneymaker for the animal rescue group. There was also discussion of the structure itself and the need to make it well-insulated to reduce noise from dogs barking.

Bev Green asked if she should abstain from voting because of her affiliation with AAR. Somnis said no, because she has no financial gain from the organization.

*Motion by Scott Harrison, second by Carol Mork to transfer ownership of Lot 7, Block 5 to the city of Grand Marais and Cook County to be used as an animal shelter. Motion carried, all ayes.*

### **Consider request for Business Development Funds**

Thom McAleer of Cascade Lodge was at the meeting to answer questions about a request for \$30,000 from the EDA Business Development Fund to be used toward the establishment of a commercial laundry called the North Shore Laundry Service. This is a partnership between Cascade Lodge and Cascade Vacation Rentals. McAleer and Steve Surbaugh of CVR reached out to other lodging businesses and found that there is a need for this service on the North Shore. The plan is to convert a large storage building at a cost of \$760,000.

The EDA previously supported this proposal by assisting with the application to the Iron Range Resources for an infrastructure grant to help with the project.

The EDA board asked about the budget for the project and about job creation. McAleer said the laundry would create new jobs for about 12 people, with pay ranging from \$10 to \$20 per hour. The developers hope to have the laundry open before January 2022.

EDA Board Members said they liked that this is a project that will bring new jobs to the community and will fill a community need. However, the balance of the EDA Business Development Fund is \$23,062.47. There are some funds that have been committed for businesses that have not requested reimbursement. Director Somnis will confirm the amount available.

*Motion by Ann Sullivan, second by Carol Mork to grant the remainder of the EDA's Business Development Fund to North Shore Laundry Service. Motion carried, all ayes.*

### **Request for Fire Redevelopment Funds**

As discussed at last month's meeting, Sara Hingos of Crooked Spoon requested use of funds from the Northland Foundation Fire Redevelopment Fund. As requested last month, the Crooked Spoon provided more information on the intended use of the funds, which will go toward the equipment needed for a food truck and for some amenities on the lot where it is parked (on the site where the former restaurant was). Hingos requested \$5,424.95.

Board Member Bev Green noted that a food truck seems temporary. She asked what would happen a few years down the road if another developer wants to construct something on the now vacant lot. Would the food truck have to move or shut down? Somnis said the Fire Redevelopment Fund established by the Northland Foundation can be used for rebuilding the businesses, not necessarily structures.

Board Member Sullivan said it is good to have the food truck, as it brings people to town, which helps other businesses. And there is a definite need for food places right now.

*Motion by Carol Mork, second by Ann Sullivan to reimburse Sara Hinges of The Crooked Spoon \$5,425.00 for costs for the food truck from the Northland Redevelopment Fund. Motion carried, all ayes.*

Bev Green asked if the EDA had heard any more on a previous request from Joel Saint John, owner of The Mayhew Inn and North Coast LLC, for use of funds in the Northland Foundation Fire Redevelopment Fund for development of the lots he is attempting to purchase (the Joynes Department Store parking lot and the lot where Picnic and Pine was).

Howard Hedstrom said the details of the purchase of those lots is still being worked out.

### **Request for Workforce Development Funds**

Director Somnis said Sarah Hamilton of Trail Center has continued to work with the Pine Ridge Reservation to recruit people there who need jobs. There are a few people from Pine Ridge working in the community now. Hamilton asked if she could be reimbursed for some of her expenses, totaling \$8,233.22. Somnis said the funding that the EDA received from the Lloyd K. Johnson Foundation in 2019 can be used for this effort.

*Motion by Bev Green, second by Carol Mork to reimburse Sarah Hamilton \$8,233.22 for workforce recruitment costs. Motion carried, all ayes.*

### **Personnel Committee Report**

Carol Mork said at the last EDA meeting in May, there were six applicants. She said when the application deadline closed, there were 13 candidates. The personnel committee reviewed all the applications and decided to interview five people. Mork said the committee is at the point of negotiating with one candidate. She said the EDA has learned from Director Somnis that the job is easily a full-time position, so that is what is being discussed. Depending on how things go, the EDA will perhaps have a decision soon. EDA board members said they would be willing to have a special meeting to confirm the hiring, instead of waiting until the July EDA meeting.

### **Consider offer on Cedar Grove Business Park**

The board considered an offer for Lot 12, Block 5 of the Cedar Grove Business Park from Adam and Mica Harju, owners of Dirt Candy Designs. The Harjus offered \$22,500 for the lot. The offer is lower than what has been paid for some lots similar in size, however they said the offer takes into account the fact that there is a snowmobile trail along the north boundary, as well as a creek between the road and the building site, which will mean more complex and expensive construction.

The Harjus also said that if the legislation passes to someday make owner-occupied use of the lot, they may do that. But the current offer is not contingent on that happening.

Howard Hedstrom asked the board if they wanted to make a counter-offer for a higher price. EDA Board Member Anton Moody said he had walked the lot and agreed that the creek running through the lot will create some challenges. He said he thought the offer was reasonable.

*Motion by Scott Harrison, second by Carol Mork, to accept the offer of \$22,500 for Lot 12, Block 5 of the Cedar Grove Business Park. Motion carried, all ayes.*

As with all business park lots sales, a public hearing will be held before the sale is finalized.



## **FINANCIALS**

The EDA board reviewed the Superior National at Lutsen financials for May 2021. Treasurer Scott Harrison went over the balance sheet and profit and loss statement. Payroll and capital expenditures were discussed. Harrison said the golf course did well in 2020 despite opening late due to winter damage. He said this year should be much better as the course is already completely open except for Mountain, which is expected to be open on June 10.

The EDA also reviewed the Cook County/Grand Marais Economic Development Authority financials (the balance sheet and profit and loss statement) for May 2021.

The Superior National at Lutsen golf course and EDA financial reports will be filed for the annual EDA audit.

The board reviewed the checks to be written for the invoices for the month.

*Motion by Bev Green, second by Scott Harrison to approve checks for the May 2021 invoices as presented. Motion carried, all ayes.*

## **Old and Ongoing Business**

### **Housing and Redevelopment Authority/Tax abatement work group**

Somnis said the Housing Work Group had a community conversation with some developers, government officials and representatives of the Minnesota Housing Partnership. The housing group shared its draft budget and work plan with the attendees and got some good feedback. Somnis will continue to work with County Administrator Joerke and City Administrator Mike Roth on a draft budget.

County Administrator James Joerke said the county is in its budget process now. He said if an HRA budget is to go ahead, the county would need to see a proposed budget in August.

Howard Hedstrom said he attended the work group public meeting and said it was very informative. He thanked Director Somnis, Administrator Joerke and City Administrator Mike Roth for setting up the meeting.

Somnis said the work group hopes to have a firm budget and plan to bring before the respective boards in July.

Somnis said the meeting also included discussion of whether or not oversight of a Cook County HRA should be part of the EDA director's job. Somnis said the consensus of those in attendance was that these should be two separate positions.

There were questions about the funding for an HRA. Howard Hedstrom noted that an HRA would have levy authority. He said the EDA needs to look at its levy and the amount it receives for housing. That amount would likely go to fund the HRA. He said the EDA finance committee should meet to consider that. The EDA Finance Committee members are Hedstrom, Scott Harrison and Ann Sullivan.

### **TIF/Tax abatement policy**

The housing work group continues to work on a policy for the use of tax abatement or TIF. Somnis said County Administrator Joerke found a Tax Abatement Policy used by the city of Rochester that could work for Cook County. Joerke said it is very focused on workforce housing. He will be presenting the policy to the county board for consideration at the Committee of the Whole meeting.

**Assisted Living**

Nothing to report this month.

**Cedar Grove Business Park**

Director Somnis continues to follow the legislation regarding changes to Business Development Public Infrastructure grant requirements that would allow entities like the EDA to allow uses other than warehouse/manufacturing/industrial in a business park.

**Creative Economy Collaborative**

Nothing to report this month.

**Small Business Development Center Report**

Small Business Development Center Consultant Pat Campanaro shared a written report for activities in May.

She reported that she had 30.75 regular hours and 18.25 COVID-related hours for a total of 39.00 hours. Some of her time was spent conducting a workshop for the Cook County Higher Education board of directors on how to cold call a business for a donation. She also assisted the EDA personnel committee in seeking applicants for the executive director position.

She was pleased to report that some local restaurants had received grants from the Restaurant Revitalization Fund program.

**EDA Executive Director Report**

In addition to the matters already discussed, Somnis said she attended the usual necessary board and committee meetings. She continues to work with WA Fisher, with a new account representative.

Somnis said County Auditor Braidy Powers is researching options for the county's audit, to see if he can find a less expensive company to conduct the next audit. Powers will let the EDA know what he discovers.

Somnis said she also continues to work on the lease for new EDA office space in the log building at Highway 61 and 5<sup>th</sup> Avenue West.

**OTHER BUSINESS****Minnesota movie industry**

Somnis worked with the film company that was recently doing a shoot on the North Shore. She helped coordinate some locations, lodging, introductions, etc. She said the producer was pleased with the experience and is considering another project to bring here.

Somnis also said the Upper Midwest Film Office, which works to bring movie projects to the Midwest, including on the North Shore, is seeking legislation to create a tax credit incentive for companies who want to do movies in Minnesota. Riki McManus of the Upper Midwest Film Office asked if the EDA would lend its support for the legislation. Somnis shared a draft letter of support to consider.

*Motion by Carol Mork, second by Bev Green to send a letter of support. Motion carries, all ayes.*

**Meeting in person?**

There was discussion of whether or not to meet in person for the July 13 meeting. The consensus was yes, with the location to be determined.

The next EDA meeting will be at 4:00 p.m. on July 13.

Howard Hedstrom will be available for an interview with WTIP on Wednesday, June 9.

*Meeting adjourned at 5:26 p.m.*

Respectfully submitted by  
*Rhonda Silence – Minutes & More*

The next three pages are for the offer from North Shore Laundry to purchase three lots at Cedar Grove.

The first page is the offer.

The second page is additional information from Thom and Steve.

The third page is my handmade map to show you which lots we are discussing. Inside the circular road, I have marked three lots with "O" for offer. They are to the south and west of Nordic Electric.



Mary Somnis &lt;somnismary@gmail.com&gt;

**Cedar Grove Business Park Purchase Offer for three lots**

1 message

**Thomas McAleer** <thomas@cascadelodgemn.com>

Fri, Jun 25, 2021 at 12:42 PM

To: Mary Somnis &lt;somnismary@gmail.com&gt;

Cc: steve@staycvt.com

Hi Mary,

The North Shore Laundry Holding Company, LLC would like to submit an offer to purchase three lots in the Cedar Grove Business Park.

Lots 1 and 2 of Block 6 will be utilized for a commercial laundry servicing North Shore area resorts and restaurants. Lot 3 of Block 6 would be utilized by Cascade Vacation Rentals for some additional office space, storage and likely firewood processing.

We would like to offer \$45k for Lots 1 and 2 of Block 6 and \$28,000 for Lot 3 of Block 6.

Please let me know what additional information you would require for our offer to be presented to the EDA Board.

Best,

Thom

Thom McAleer

Owner, Cascade Lodge &amp; Restaurant

P 218.387.1112

F 218.370.2128

E THOMAS@CASCADELODGEMN.COM

CASCADE LODGE & RESTAURANT  
3719 WEST HIGHWAY 61  
LUTSEN, MINNESOTA 55012

WWW.CASCADELODGE.COM



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Mary Somnis &lt;somnismary@gmail.com&gt;

**North Shore Laundry info to share with EDA Board**

1 message

**Thomas McAleer** <thomas@cascadelodgemn.com>

To: Mary Somnis &lt;somnismary@gmail.com&gt;

Cc: steve@staycvr.com

Fri, Jul 2, 2021 at 9:48 AM

Hi Mary,

As we approach the July EDA meeting where our offer to purchase lots will be considered, Steve and I discussed providing some additional context behind our desire to both develop this laundry service and the location in the Cedar Grove Business Park.

The new business is by no means an opportunity for any of the five managing members of the newly formed LLC to "get rich". As demonstrated in the pro-forma that was shared with you and the EDA planning committee we need significant commitments from local businesses to even achieve break-even financially.

This business has been born out of necessity for our local lodging businesses to thrive in this community without having to depend on out of area services that consider our businesses as second tier to the larger communities they serve.

We have put together a plan that would centralize service in an almost CO-OP type environment where we all depend on each other to make sure that the laundry can thrive. We intend to compensate each of the team members at above market pay and offer the best possible and competitive pricing to each of our customers, our businesses included.

With that being said we have offered \$45,000 for two lots totaling 1.72 acres, or \$26,163 per acre. The last two parcel purchase agreement made by the EDA was \$50,000 for 2.63 acres or \$19,011 per acre. The average on a per acre basis of previously sold lots in Cedar Grove is between roughly \$21,000 and \$22,000.

We feel that given that our business will support many local entities that are struggling to find a partner to satisfy this exact need, and that we are five local business people with significant other investments in this community (both financial and philanthropic), our offer is a fair offer to all of us.

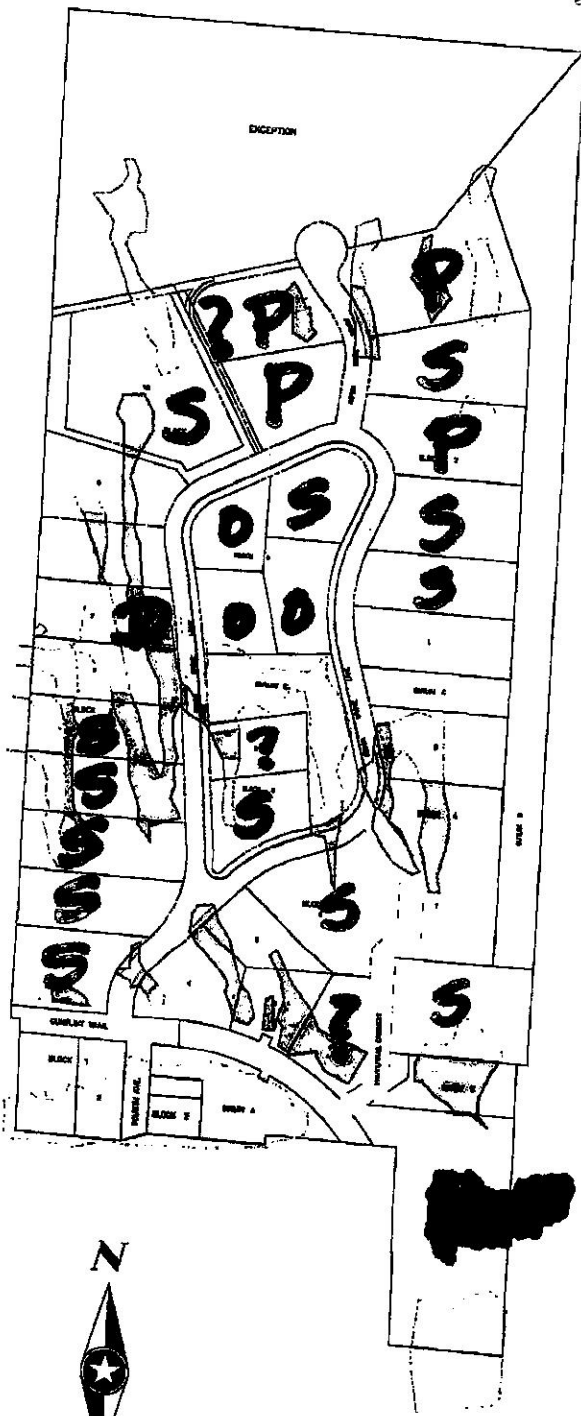
We sincerely appreciate your consideration and look forward to being a contributing member to the continued development of this important area of our town.

Sincerely,

10



S - Sold  
 P - Pending  
 D - Dog Pound  
 ? - I will give them a call  
 O - Offer made



LEGEND  
 [Symbol] WETLANDS MITIGATED  
 [Symbol] WETLANDS TO REMAIN

300 150 0 300  
 SCALE IN FEET



DESIGNED BY: [Name]  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 DATE: [Date]



SEI  
 CEDAR GROVE  
 BUSINESS PARK  
 WETLANDS

The next four pages are the Bylaws of the EDA.

I am offering suggestions for amendments to the EDA Bylaws.

**Consider Section 1.2: Office**

This states the office is at the Courthouse. Would you like to change this to:  
425 W Hwy 61, East Upper Level, Suite 2  
Grand Marais MN 55604

**Consider Section 3.3: Special Meetings**

This states the Special Meetings may be called with 24 hours prior notice.

Open Meeting Law (Minnesota Statutes, Chapter 13D) states:

(b) The notice shall also be mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the public body. This notice shall be posted and mailed or delivered at least three days before the date of the meeting.

Would you like the Bylaws to comply with the State of MN Statute?

**Consider Section 4.12 Compensation and Reimbursement**

This states the Board will receive \$25.00 for attending a regular meeting. As long as I have been in this position, per diem of \$30.00 has been paid for regular meetings.

Would you like to update this amount in the Bylaws?

**Refer to Section 4.13. Amendment of Bylaws**

This states that these bylaws may be amended with five days' notice.

April, 1998

**BY-LAWS OF THE  
COOK COUNTY/GRAND MARAIS  
JOINT ECONOMIC DEVELOPMENT AUTHORITY**

**1. The Authority**

Section 1.1: Name of the Authority. The name of the Authority shall be the Cook County/Grand Marais Joint Economic Development Authority (hereinafter, the "Authority"), and its governing body shall be called the Board of Commissioners (hereinafter, the "Board").

Section 1.2: Office. The principal office of the Authority shall be at the Cook County Courthouse, 411 West Second Street, Grand Marais, Minnesota 55604.

**2. Organization**

Section 2.1: Officers. The officers of the Authority shall consist of a President, a Vice President, a Secretary, a Treasurer, an Assistant Treasurer, and an Executive Director/Coordinator. The President, the Vice President, and the Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may serve as President and Vice President at the same time. The offices of Secretary, Assistant Treasurer, and Executive Director/Coordinator need not be held by a Commissioner.

Section 2.2: President. The President shall preside at all meetings of the Board.

Section 2.3: Vice President. The Vice President shall preside at any meeting of the Board in the absence of the President and may exercise all powers and perform all responsibilities of the President if the President cannot exercise or perform the same due to absence or to other inability.

Section 2.4: President Pro Tem. In the event of the absence or inability of the President and the Vice President to preside at any meeting, the Board may appoint any remaining Commissioner as President Pro Tem to preside at such meeting.

Section 2.5: Treasurer. The Treasurer shall receive and be responsible for Authority money, shall disburse Authority money by check only, shall keep an account of all Authority receipts and disbursements and the nature and purpose relating thereto, shall file the Authority's financial statement with its Secretary at least once a year as set by the Authority, and shall be responsible for the acts of the Assistant Treasurer.

Section 2.6: Assistant Treasurer. The Assistant Treasurer shall have all the powers and duties of the Treasurer if the Treasurer is absent or disabled.

Section 2.7: Secretary. The Secretary shall keep minutes of all meetings of the Board and shall maintain all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

Section 2.8: Executive Director. The Executive Director shall be appointed by resolution and shall serve at the pleasure of the Board, shall be the chief appointed executive officer of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe.

Section 2.9: Terms of Board of Commissioners. The Authority was formed in September, 1988. At that time the Commissioners were appointed for initial terms of one, two, three, four, five or six years; expiring in the month of September in the appropriate year. Given that currently Cook County appoints members to commissions on the first Tuesday in January, that the Authority's annual meeting is in February and that Officers for the Authority, as detailed above, are elected in February, it is the wish of this Board of Commissioners to change the term appointment/expiration date from September of the respective year to January of the following year. The outgoing Board Member's last meeting will be December and the new Board Member's first meeting will be in January.

### **3. Procedures of Board of Commissioners**

Section 3.1: Annual Meeting. The annual meeting of the Board shall be held on the second Tuesday of the month of February in each year.

Section 3.2: Regular Meetings. The Board shall hold regular meetings on the second Tuesday of each month, commencing at 4:00 o'clock p.m., C.T., or at such other time as the Board may determine.

Section 3.3: Special Meetings. Special meetings of the Board may be called by the President or, in the event of the President's absence or inability, by the Vice President at any time, upon twenty-four hours prior notice to all Commissioners, officers and Executive Director/Coordinator. Upon the same notice, special meetings of the Board may also be called by any two Commissioners. The Secretary shall post notice of any special meeting in the principal office of the Authority no less than twenty-four hours prior to such special meeting.

Section 3.4: Quorum. A quorum of the seven member Board shall consist of four Commissioners. In the absence of a quorum, no official action may be taken by, on behalf of, or in the name of the Board or the Authority.

Section 3.5: Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners

present. Resolutions may but need not be read aloud prior to vote taken thereon and may but need not be executed after passage.

Section 3.6: Resignation of Commissioners. If a Commissioner is absent for three consecutive meetings of the Board without prior notification to an officer of the Board of such absence, the third absence shall constitute the resignation of such Commissioner and a new Commissioner shall be appointed by the same body who appointed such Commissioner to complete the term of office of such Commissioner.

Section 3.7: Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

#### 4. Miscellaneous

Section 4.1: Fiscal Year. The fiscal year of the Authority shall be the calendar year.

Section 4.2: Treasurer's and Executive Director's Bond. The Treasurer and the Executive Director shall give bond to the State conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the Authority and filed with the Secretary and must be for twice the amount of money likely to be on hand at any one time as determined at least annually by the Authority, provided, however, that said bond must not exceed \$300,000.

Section 4.3: Checks. An Authority check must be signed by the Treasurer and one other official named by the Authority in a resolution. The check must state the name of the payee and the nature for which the check was issued.

Section 4.4: Financial Statement. The Authority's detailed financial statement must show all receipts, disbursements, their nature, the amount on hand, the purposes to which the money on hand is to be applied, the Authority's credits and assets, and its outstanding liabilities in a form required for the Cook County's and the City of Grand Marais' financial statements. The Authority shall examine the statement, together with the Treasurer's vouchers. If the Authority finds that the statement and vouchers are correct, it shall approve them by resolution and enter the resolution in its records.

Section 4.5: Report to County/City. The Authority shall annually make a report to the Cook County Board of Commissioner (the "County Board") and the Grand Marais City Council (the "City Council") giving a detailed account of its activities and of its receipts and expenditures of the preceding calendar year.

Section 4.6: Budget to County/City. The Authority shall annually send its budget to the County Board and the City Council which budget includes a written estimate of the amount of money needed by the Authority from the County and the City

in order for the Authority to conduct business during the upcoming fiscal year. The Authority shall follow the budget process for County and City departments as provided by the County and City and as implemented by the County Board, Chair of the County Board, City Council and Mayor.

Section 4.7: Transfer of Personnel. Notwithstanding any other law or charter provision to the contrary, the County Board or City Council may, by resolution, place any employees of the City and/or County under the direction, supervision or control of the Authority. This transfer of personnel does not affect the rights of any employees of the City and/or county. The employees shall become employees of the Authority.

Section 4.8: Employees. The Authority may employ a chief engineer, technical experts and agents and other employees as it may require and determine their duties, qualifications and compensation.

Section 4.9: Services. The Authority may contract for the services of consultants, agents, public accountants and others as needed to perform its duties and to exercise its powers. The Authority may also use the services of the County and/or City Attorney or hire a general counsel, as determined by the Authority.

Section 4.10: Supplies, Purchasing, Facilities and Services. The Authority may purchase the supplies and materials it needs. The Authority may use the facilities of the County's and/or City's purchasing department. The County and/or City may furnish offices, structures and space, stenographic, clerical, engineering and other assistance to the Authority.

Section 4.11: Execution of Contracts. All contracts, notes, and other written agreements or instruments to which the Authority is a party or signatory or by which the Authority may be bound shall be executed by the President and/or the Executive Director or any such other Commissioners or Officers of the Authority as the Board may by resolution prescribe.

Section 4.12: Compensation and Reimbursement. The Board will receive \$25.00 for attending a regular meeting of the Authority. Upon request, the Board may receive reimbursement for mileage at the rate determined in the Authority's Travel Policy.

Section 4.13: Amendment of By-Laws. These by-laws may be amended by the Board by majority vote of all the Commissioners, provided that any such proposed amendment shall first have been delivered to each Commissioner at least five days prior to the meeting at which such amendment is considered.

AS AMENDED, APRIL 14, 1998.



The next 12 pages are for discussion of the HRA DRAFT budget and workplan.

**History of work that has been done for consideration of the HRA is six pages.**

I have marked with an asterisk (\*) the places where the EDA board has been informed, specifically, of the timeline and recommendation for additional staff.

The EDA received a presentation from MHP on January 12, 2021. As you will see on the sixth page of the history, the timeline included "Recommend actions to County Board" in Spring 2021.

The EDA had a thoughtful discussion about the proposed HRA on February 9, 2021. My notes from that meeting and the minutes from the meeting are included here.

The Director's Report of May 11, 2021 stated that the HRA work group was planning to present the DRAFT budget and work plan to the County Board in July. NOTE: We now expect that in August.

**The DRAFT start-up budget and work plan is six pages, following the history.**

**History of work that has been done for consideration of  
Cook County/Grand Marais HRA**

- 10-8-20 HRA work group meeting: Elizabeth, Ella, Mike Roth, Rena, Mary  
(Rena would transition out and James Joerke would then attend)
- 10-19-20 HRA work group meeting
- 11-5-20 HRA work group meeting
- 11-19-20 HRA work group meeting
  
- 12-5-20 MHP presents HRA at County Board Committee of the Whole
  
- 12-17-20 Panel of peers presents to HRA work group  
Itasca County/Grand Rapids HRA  
Virginia/Eveleth HRA  
Chisago County HRA/EDA  
MN Chapter of National Association of Housing and Rehab Officials
  
- \* 1-12-21 MHP presents HRA at EDA board meeting
  
- 1-13-21 MHP presents HRA at Grand Marais City Council meeting
  
- 1-21-21 HRA work group meeting
  
- 2-11-21 MHP presents at Joint Powers/Community Leaders meeting
  
- 2-18-21 HRA work group meeting
- 2/25/21 HRA work group meeting
- 3/3/21 HRA work group meeting
- 4/15/21 HRA work group meeting
- 4/22/21 HRA work group meeting
- 5/20/21 HRA work group meeting
- 6/1/21 HRA work group meeting
  
- 6/4/21 MHP site visits and community conversation
  
- 6/18/21 HRA work group meeting

## HRA Engagement and Communication with EDA board

### 1/12/21 Director's Report

- MN Housing Partnership presentation at Cook County Board meeting, presentation with panel who shared best practices, etc.

### 2/9/21 Agenda, Board Meeting Packet and Minutes

#### AGENDA

4:05 PM

NEW BUSINESS

SBDC Annual Report by Pat Campanaro (information)

Consider vision and priorities for proposed HRA (discussion)

*-Please read attachment and come prepared to provide input*

#### ATTACHMENT FROM BOARD MEETING PACKET

(with notes added from the discussion at the board meeting in highlights)

COOK COUNTY/GRAND MARAIS EDA  
HOUSING AND REDEVELOPMENT AUTHORITY  
NOTES FROM DISCUSSION FEBRUARY 9, 2021  
VISION AND PRIORITIES

The EDA considered its vision and priorities for the HRA. We now share these notes with the Cook County Board, Grand Marais City Council and Grand Portage Tribal Council for feedback and input. NOTE: Nothing has been decided. This is the next step in the beginning of a community process, which will also include opportunities for Public Meetings and Public Comment. The summary of EDA board discussion is highlighted below.

#### Options for Geographic Area

1. Geographic area is all of Cook County, including Grand Portage Reservation
2. Other?

## Options for Structure

1. County and City each create separate HRAs
2. County and City create one joint HRA
3. County and City add HRA to current EDA with the same board - consider adding an advisory committee made up of those with interest in housing
4. County and City add HRA to current EDA with a separate board

~~X~~ Options for Staffing – to be determined, additional staff will be necessary to focus on this work and be successful in reaching goals

1. Add HRA duties to EDA executive director position and add an administrative assistant
2. Add another professional-level position and both positions perform their own administrative support
3. Include bookkeeper/accountant duties in administrative support position in 2022 for EDA, HRA and Superior National

Options for Funding – to be determined, continue to consider all options

1. Levy, with consent of authorizing city/county (up to .0185% of prior EMV)
2. Special assessments, bonds, tax increment financing (TIF), interest reduction
3. Apply for state and federal funds: DEED Small Cities, HOME

Scope of Authority – to be determined, continue to consider all options

1. Plan, implement, and administer housing and redevelopment programs
2. Sell, buy, own, and lease property
3. Construct, rehabilitate, improve, or repair properties
4. Designate blighted or unsafe areas for redevelopment

HRA Common Program Areas – to be determined, continue to consider all options

1. Manage redevelopment/economic development programs
2. Administer homeownership & rehab programs
3. Own and manage housing

4. Administer rental assistance programs

Community Partners – All, and others to be added to this list

1. Banks
2. Developers
3. Employers
4. Schools, Health Care, Local Governments (county, city, tribal, townships)

Timeline for this Process with MN Housing Partnership

1. The Memorandum of Understanding ends in November 2021

## **MINUTES FROM THE MEETING**

### **Consider vision and priorities for HRA**

Director Somnis distributed a handout with questions to gather feedback from the EDA to help with deciding how to proceed with a possible Housing and Redevelopment Authority. She said this is the beginning of the process, no decisions are to be made at this point, but Somnis said answers will give direction as she continues to work with the Minnesota Housing Partnership. There were numerous vision/priority items such as:

*Options for geographic area* – It was agreed that an HRA would be for all of Cook County, including the Grand Portage Reservation.

Somnis noted that in the past the EDA had shared efforts on housing programs with Lake County, with consultant Nancy Grabko. The EDA board agreed that the EDA should just focus on Cook County.

*Options for structure* – The board agreed that the EDA should be a joint city/county entity if both are agreeable. It was also agreed that the HRA should be added to the EDA, with the same board, but possibly with a subcommittee as advisory committee for the HRA, instead of forming an entirely new board.

Howard Hedstrom said it is sometimes hard to find people to serve on a board, so it would be better to have the HRA as part of the EDA. Virginia Palmer also noted that taxpayers may be more supportive if it was part of the EDA, instead of forming a new board. Bev Green said she agreed it should be part of the EDA, but added concern about the workload for Director Somnis. It was ultimately agreed that an HRA should be part of the EDA.

*Options for staffing* – Director Somnis asked the board to consider how an HRA could be staffed. She reminded the board that there has been discussion of her eventually retiring and succession planning which will also effect staffing. Options such as adding HRA duties to the EDA director, but adding an administrative assistant or adding a staffer for the HRA, with both the EDA director and HRA representative performing their own administrative duties were discussed. Somnis also told the board that EDA bookkeeper Paul Goettl was probably stepping down in 2022, so another option would be to hire a bookkeeper/accountant and administrative support position for the EDA, Superior National at Lutsen and the HRA.

There was considerable discussion and the EDA board agreed another staff person would be needed, but just how it would work needs more thought. It will be discussed at a future meeting.

*Options for funding* – The board talked about the methods available for funding an HRA and how much it could levy. Somnis said other options are special assessments, and tax increment financing (TIF) and interest reduction for projects. The HRA would be able to apply for state and federal funds such as DEED Small Cities and HOME.

It was agreed more discussion was needed on funding sources.

*Scope of Authority* – The board considered what it wanted to focus on, such as planning and implementing housing and redevelopment programs; buying, selling, owning or leasing property; constructing or rehabbing properties, or redeveloping blighted areas. The board leaned toward working on new housing projects and not being building owners. Virginia Palmer agreed, but said she would like the EDA to not completely rule that out, as having an HRA own a property could be the only way to develop affordable housing. She said there is a great need for housing for people in the service industry. Harrison agreed that is a difficult task. He said One Roof Housing received substantial grants for the Four Directions Dwellings apartments and rents are still perceived as being high.

Somnis said the Minnesota Housing Partnership representatives will attend the next joint meeting of the city, school, county and Grand Portage on Thursday, February 18 to answer questions.



**5-11-21 Director's Report**

**HRA/TIF/Tax Abatement/Housing Work Group**

The next step in exploring the HRA is creation of a start-up budget, proposed work plan and anticipated outcomes. I will work with James Joerke, Mike Roth and MHP on these items. If all agree to move forward, a budget proposal should be presented to the County Board in July, according to their budget calendar.

\*

Copied from the MHP presentation at the EDA board meeting in January 2021.

**Timeline**

**Dec 2020**

- Presentation to Cook County Committee of the Whole

**Jan 2021**

- Presentation to Cook County/Grand Marais EDA Board
- Presentation to Grand Marais City Council

**Spring 2021**

- Evaluate feedback
- Recommend actions to County Board
- Identify program options

\*



## WORK PLAN

1. IDENTIFY FEDERAL, STATE AND OTHER RESOURCES THAT CAN BE LEVERAGED FOR HOUSING PROJECTS. APPROACH LOCAL TIF OR TAX ABATEMENT AS FINAL SOURCE OF GAP FUNDING.
2. BECOME FAMILIAR WITH CURRENT AND POTENTIAL DEVELOPMENTS. CONNECT DEVELOPERS WITH APPROPRIATE RESOURCES, GRANTS, ETC.

**One Roof Community Housing** has land available for housing development at both Nordic Star and Four Direction Dwellings. Provide assistance, as needed. They could consider working with another developer.

**Hamilton Habitat** is building affordable homes, one at a time. They could build more homes, faster, if financing were available. Connect them with resources.

**Odyssey** is interested in contributing to solutions to housing needs. Continue to meet with them upon request.

**Hedstrom Lumber** has been approved for \$50,000 from the EDA Housing Development Fund. Continue to monitor the project and approve release of the funds when the criteria have been met.

**Bluefin Bay and Sawbill Village** are in pre-development. Both projects include commercial space and workforce housing. Both projects have requested consideration to receive TIF or Tax Abatement in public support. Continue to work with James Joerke and others to move this community conversation forward.

**Assisted Living** consideration now also includes independent Senior Living. For example, two BR apartments with lockable BR/BA on either end with shared common space in the middle of the unit. Residents can take advantage of Meals on Wheels, The Hub, home health care and proximity to the clinic and hospital. One Roof has indicated they would build the project, but they do not want to own it. Eligible for grant funds from MN Dept of Health and other sources.

**Aspen Inn** may be available for sale to a developer to create workforce housing

### **3. ESTABLISH HRA PRIORITIES AND PROTOCOLS, IN A PUBLIC PROCESS.**

Create the HRA Advisory Board, made up of those with interest or experience in housing. This group will make recommendations to the EDA Board for approval. Those who currently participate in the Joint Powers/Community Leaders Housing Work Group could make up the initial committee. Ensure demographic and geographic representation, including Grand Portage Reservation. Gather county-wide data to identify homelessness and rehabilitation needs.

### **4. FOSTER RELATIONSHIPS WITH TOWNSHIPS AND GRAND PORTAGE.**

### **5. FOSTER RELATIONSHIPS WITH REGIONAL PARTNERS SUCH AS LISC DULUTH, NORTHLAND FOUNDATION, HABITAT FOR HUMANITY, ETC.**

#### **OPTIONS FOR FUNDING**

- Levy, with consent of authorizing city/county (up to .0185% of prior EMV)
- Special assessments, bonds, tax increment financing (TIF), interest reduction
- Apply for state and federal funds: DEED Small Cities, HOME, others
- See attached – HRA 25 Tools of Assistance

#### **SCOPE OF AUTHORITY**

- Plan, implement, and administer housing and redevelopment programs
- Sell, buy, own, and lease property
- Construct, rehabilitate, improve, or repair properties
- Designate blighted or unsafe areas for redevelopment

#### **HRA COMMON PROGRAM AREAS**

- Manage redevelopment/economic development programs
- Administer homeownership & rehab programs
- Own and manage housing
- Administer rental assistance programs

## COMMUNITY PARTNERS

- Banks
- Developers
- Employers
- Schools, Health Care, Local Governments (county, city, tribal, townships)

## ANTICIPATED OUTCOMES, 1 – 3 YEARS

Funding sources are identified that are appropriate and applicable for Cook County

Grant applications submitted

Local funds invested in housing project leverage additional resources

Inventories and data base are created for:

Number of existing housing units

Number of units under construction

Number of units in pre-development but not fully funded, etc.

Number of homestead and non-homestead properties

Number of parcels that could be developed for housing

Includes zoning, infrastructure, acreage and type of housing appropriate for each parcel

Number of possible rehab projects, single family and multi-unit

Make progress toward Housing Priorities as stated in the Cook County Go Team Prosperity Agenda, as stated here:

PROSPERITY PRIORITIES: HOUSING

Vision Statement: Cook County has a diverse stock of safe, livable, and affordable housing that helps sustain the economy, schools, and community by meeting the needs of workers, families, and the elderly.

## Values

The following values guide our work:

- ♣ Housing needs to be available and affordable to all permanent residents, with special consideration given to the elderly and young people just entering the housing market, as well as those working in important service capacities.
- ♣ Seasonal student workers, visiting artists, and other temporary residents that warrant special consideration need to have livable, affordable housing options. Affordable housing needs to fit the character of the community.
- ♣ Affordable, safe, and livable housing is a cornerstone of personal, family, and community stability.

## Why is this a Priority?

Cook County's popularity as a tourism, second home and retirement destination, and its limited supply of developable land combine to create a shortage of affordable housing. When the workforce and longtime residents are priced out of the housing market it becomes more difficult to build a vibrant economy, fill jobs, retain families, accommodate visitors, and satisfy the needs of the community.

Cook County's affordable housing challenges are daunting. The County's median inflation adjusted home price increased 78 percent, from \$107,000 to \$240,000, between 2000 and 2010. (Cook County's median home price is consistently amongst the five highest counties in the state and by far the highest among rural counties.) At the same time, population and economic growth stagnated.

Action by local government with stakeholders is necessary to lower barriers to affordable housing and home ownership for the following reasons:

- ♣ Lack of affordable, livable housing is a barrier to attracting and retaining young families and residents. This leads to population stagnation, declining school enrollment, increased job turnover, lower productivity, and increased business and social costs.
- ♣ Home ownership is many people's dream. Housing choices and opportunities are necessary to develop and maintain a strong, stable workforce and population.
- ♣ Communities need residents to attract and retain year-round businesses and services.

## How to Get There

- ♣ Implement a variety of programs that address the needs of young people entering the workforce, families, seasonal workers, and the elderly. This means having options for rentals, starter homes, retirement living and seasonal dwellings.
- ♣ Housing livability and safety need to be addressed along with affordable options.
- ♣ Affordability programs must address long-term ownership and operating costs.



- ♣ Creatively employ land use, infrastructure, construction, financing, redevelopment, and legal tools to bring down the cost of housing and leverage private interest and investment.
- ♣ Support economic and workforce training strategies that increase economic opportunities to improve resident's ability to afford quality housing.
- ♣ Ensure the character of the community is preserved in addressing affordable housing challenges.
- ♣ Study strategies used successfully by other rural recreation and tourism communities such as land trusts, down payment assistance and incentive zoning, to name a few.

The next two pages are the request from Visit Cook County for a Letter of Support for Renewal of the 1% Lodging Tax.

Linda mentions that a Powerpoint is attached to her email. Rather than print and scan those 22 pages, that Powerpoint is included as an attachment to this email.

I responded to Linda that the EDA could not make the deadline of July 8, as the board would not discuss this until July 13. If approved, I will send the Letter of Support by the next deadline of August 3, 2021.



Mary Somnis &lt;somnismary@gmail.com&gt;

## VCC 1% CCEVB Lodging Tax Support

1 message

Linda Jurek &lt;linda@visitcookcounty.com&gt;

Fri, Jul 2, 2021 at 12:38 PM

To: ccchamber <ccchamber@boreal.org>, Mary Somnis <director@prosperitynorth.com>, jenniferk@odysseyresorts.com,  
John Fredrikson <john@gunflint.com>, bryce@lutsenresort.com  
Cc: "Lily @ VCC" <lily@visitcookcounty.com>

Happy Holiday Weekend:

I am writing to you today as leaders of the Cook County Chamber, the EDA and the presidents of each of our tourism associations (GTA, LTTA, and GMATA). Visit Cook County is seeking a letter support for the renewal of the 1% CCEVB lodging tax. Lily Nelson-Pedersen and I presented to the Cook County Commissioner's Committee of the Whole on June 15<sup>th</sup>. At that time, we introduced the need for their endorsement before we begin the process of seeking legislative approval. At that time, it was requested that we request additional letters of renewal support. The commissioner's received a comprehensive summary which I have also attached for additional background. The following is a historical timeline and narrative to help in creating a letter.

- VCC Board of Directors: In January 2021, the VCC Board of Directors unanimously approved seeking renewal of the 1% CCEVB lodging tax.
- 1% Lodging Tax: Adopted in November 2008 by Ordinance (Resolution No. 2008-54) with expiration set at 15 years - November 2023.
- 1% Lodging Tax Definition: Adoption of the ordinance solidified the 1% collection of lodging tax to support CCEVB (events and marketing). The 1% CCEVB, coupled with website sales and partner contributions, allows for more flexible budget expenditures outside the allowed use of the 3% lodging tax. VCC works with each tourism association annually in the allocation of the funds from the 1%. This allows Visit Cook County to develop (produce), sponsor, and promote events and tourism initiatives in the area that align with the VCC mission and vision. Over \$3million in event expenditures has occurred since 2013.
- Shoulder season growth been demonstrated and recorded as having a direct correlation to events produced. As a halo effect, events introduce our area assets to visitors.
- Event expenditures have a more flexible allowable use of lodging tax.
- Marquee events bring an estimated 37,500 visitors to Cook County annually.

As we have provided education to the commissioners, a letter of support does not need to be lengthy but should mention the economic value the 1% supports in relation to events and programming. Also, many of our local event producers and non-profits have now recognized the importance of supporting this additional and unique lodging tax.

Address letters to the Cook County Board of Commissioners

Send letters to: April Zimmer @ april.zimmer@co.cook.mn.us

If received by Thursday, July 8<sup>th</sup>, letters will be included in the commissioner meeting packet for the July 13<sup>th</sup> meeting.

Letters would be appreciated no later than August 3, 2021.

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I hope you are able to help. Please reach out to Lily or myself with additional questions. Thanks so much.



Linda Jurek - Executive Director

116 West Highway 61 | PO Box 1330 | Grand Marais, Minn. 55604  
P# (218) 387-2788 ext. 101

LUTSEN • TOFTE • SCHROEDER    GRAND MARAIS    GUNFLINT TRAIL    GRAND PORTAGE



 Presentation - Committee of the Whole - June 15, 2021.pptx  
4068K

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The next five pages are for discussion about possible zoning changes at Cedar Grove. I expect this conversation will not result in a decision but is only the beginning of the process. Any changes in zoning will need to be added to the Declaration of Covenants as well.

Some of the sales that are pending at Cedar Grove are contingent upon approval of owner-occupied use being allowed throughout the business park.

One developer has a vision for multiple units on a lot with artist studios on the ground floor with lofts for living on the second floor. They have been in meetings with the Grand Marais Art Colony and understand that this is a desired opportunity. This would not be owner-occupied unless they condo the development and sell the units. Not sure if selling the units is the plan.

The EDA should have a thoughtful discussion about how Cedar Grove can be best used to fulfill the need for business development and housing needs.

The first page is the language for the BDPI amendment that was approved in this Legislative Session.

The next two pages are the language of current zoning for Cedar Grove.

The last two pages are your approval of new language for the Purpose Statement for Cedar Grove, and Resolution 2020-04 of the Grand Marais City Council with the new language from November 10, 2020.



Mary Somnis &lt;somnismary@gmail.com&gt;

**BDPI language amendment**

1 message

Mary Somnis &lt;somnismary@gmail.com&gt;

Thu, Jul 1, 2021 at 2:49 PM

To: mike roth &lt;cityhall@boreal.org&gt;

Cc: Howard &amp; Bonnie Gay Hedstrom &lt;hjh@boreal.org&gt;, Scott Harrison &lt;sharrison@arrowhead.coop&gt;, Anton Moody &lt;anton.moody@gmail.com&gt;, Carol Mork &lt;cjm9004@gmail.com&gt;, Bev Green &lt;seniors@boreal.org&gt;, Ann Sullivan &lt;ann.sullivan@co.cook.mn.us&gt;, Virginia Palmer &lt;virginia@cbnorthshore.com&gt;

Mike,

As requested, here is the language for the BDPI amendment:

Sec. 4. Minnesota Statutes 2020, section 116J.431, is amended by adding a subdivision to read:

**Subd. 3a. Development restrictions expiration.** After ten years from the date of the grant award under this section, if an eligible project for which the public infrastructure was intended has not been developed, any other lawful project may be developed and supported by the public infrastructure. The city or county must notify the commissioner of the project.

Mary Somnis  
Executive Director  
Cook County/Grand Marais EDA  
PO Box 597  
Grand Marais MN 55604  
[director@prosperitynorth.com](mailto:director@prosperitynorth.com)  
218-410-0412  
[www.prosperitynorth.com](http://www.prosperitynorth.com)

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## 19.12 BDA BUSINESS DEVELOPMENT AREA

### Subdivision 1. Purpose

It is the purpose of the Business Development Area District to create areas suitable for development of manufacturing, warehousing, and other similar industrial uses which are either: a) uses whose operations are relatively free from objectionable influences; or b) uses whose objectionable features will be minimized or eliminated by design and/or appropriate devices. These uses should be compatible with each other and surrounding land uses.

### Subdivision 2. Permitted Principal Uses

Within a BDA District, unless otherwise provided by this chapter, no uses are permitted except for the following:

1. Light manufacturing including, but not limited to wood products, electric and electronic devices, clothing, hardware, metal stamping, printing, tools, instruments and controls.
2. Repair, service or storage of heavy vehicles or equipment.
3. Sawmills, debarking, chipping, wood products storage and other timber processing operations.
4. Warehousing and wholesale business.
5. Offices.
6. Retail sales.
7. Public utilities.
8. Research or Testing facilities.
9. Accessory uses.

### Subdivision 3. Uses by Conditional Use Permit

Buildings or land may be used for the following if granted a Conditional Use Permit as provided in Section 19.17:

1. Bulk oil or chemical storage tanks.

### Subdivision 4. Requirements

1. Minimum lot area: No minimum if on public sewer/water. One acre if on individual sewage treatment system.

2. Minimum lot width: None.

3. Lot line setbacks: Business Development Area perimeter boundaries.

Rear Yard                      20 feet if bordering a non-residential district.  
   50 feet if bordering a residential district.

Side Yard                      20 feet if bordering a non-residential district.  
   50 feet if bordering a residential district.

Rear and side yard setbacks are to be maintained in a natural vegetative state or approved landscaping.

4. Road setbacks (from centerline) All public and private roads                      65 feet

5. Maximum building height                      35 feet

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**Subdivision 5. Performance Standards**

1. All required setback areas shall be left in natural vegetation to provide for visual screening from adjacent properties and roadways. Additional planting may be required at the discretion of the Planning Commission to achieve visual screening. No parking areas, service yards, storage areas, lighting or structures are permitted within the required setback areas.
2. Lighting shall not be placed in the required setback areas. Any lighting must be directed inward and not toward any property line. No upward directed lighting shall be permitted.
3. Noise, measured at the property line, shall not be objectionable in frequency or intensity. The general noise level of the surrounding properties shall serve as a guide in judging this standard.
4. Odor from any industrial process must not be discernible at its property line. Processes that are prone to produce objectionable odors must present specific plans for odor control at the time of permit application.
5. Vibration shall not be discernible to human sense of feeling at its property line.
6. Smoke shall be measured at the point of emission and not exceed 20 percent visual opacity.
7. Fumes or gases shall not be emitted at any point in concentrations that are noxious, toxic or corrosive.
8. Every operation shall be carried on with reasonable precautions against fire and explosive hazards.

**Subdivision 6. Accessory Residential Use**

For Lots 3-8, Block 5, owner occupied residences are permitted as accessory uses subject to the following standards:

1. An owner occupied residence can be located on a second story or attached to the side of building containing a permitted principal commercial or light industrial use.
2. Separate ingress/egress shall be provided for the residence and other emergency entrances shall be provided as required by applicable codes.
3. One parking space shall be provided for the residence in addition to any other spaces as required in this chapter.
4. Land use permit applications including residences shall explicitly state the proposed light industrial and commercial uses in the building. Land use permit approval shall be limited to the disclosed and approved uses, unless and until the City approves a change of use.





Mary Somnis &lt;somnismary@gmail.com&gt;

## Amending the Purpose Statement for Cedar Grove

1 message

Mary Somnis <somnismary@gmail.com>

Tue, Nov 10, 2020 at 11:21 AM

To: mike roth <cityhall@boreal.org>, Patrick Knight <communications@grandmarais.city>  
 Cc: Howard & Bonnie Gay Hedstrom <hjh@boreal.org>, Scott Harrison <sharrison@arrowhead.coop>, Anton Moody <anton.moody@gmail.com>, Heidi Doo-Kirk <Heidi.Doo-Kirk@co.cook.mn.us>, Carol Mork <cjm9004@gmail.com>, Bev Green <seniors@boreal.org>, Hal Greenwood <hal.greenwood@gmail.com>, Patricia Campanaro <pcampanaro@gmail.com>

Mike and Patrick,

Please include the memo below in Public Comments for the Grand Marais Planning Commission meeting today at 4 PM and the Grand Marais City Council meeting today at 6:30 PM. Thank you.

\*\*\*\*\*

DATE: November 10, 2020  
 TO: Grand Marais Planning Commission  
 Grand Marais City Council  
 FROM: Mary Somnis, Executive Director  
 Cook County/Grand Marais Economic Development Authority (EDA)  
 RE: Amending the Purpose Statement for the Business Development Area

The Grand Marais City Council recently requested that the EDA board provide input on updating the Purpose Statement for the Business Development Area (Cedar Grove Business Park). This was discussed at the October 13, 2020 EDA board meeting. Each board member shared their thoughts on the purpose and the vision for Cedar Grove Business Park.

EDA board member comments were shared with Mike Roth, in a meeting where the two of us collaborated on drafting the amended language for the Purpose Statement.

Subsequently, the EDA board members reviewed the amended language for the Purpose Statement as written in Ordinance No. 2020-04, which is on your meeting agendas today. The EDA board approves this amended language and recommends that it should be adopted.

Please let me know if you have any questions or if we can be of assistance in any way. Thank you for your consideration.

Mary Somnis  
 Executive Director  
 Cook County/Grand Marais EDA  
 PO Box 597  
 Grand Marais MN 55604

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ORDINANCE NO. 2020-04

AN ORDINANCE OF THE CITY OF GRAND MARAIS, MINNESOTA, AMENDING GRAND MARAIS ZONING BUSINESS DEVELOPMENT AREA ZONE PURPOSE STATEMENT

THE CITY COUNCIL OF THE CITY OF GRAND MARAIS DOES ORDAIN (deleted material is lined out; new material is underlined; subsections which are not being amended are omitted):

Section 1. That Chapter 19 of the City Code of Grand Marais, Minnesota, which chapter is entitled "Zoning Ordinance (Revised 2008)", be amended as follows:

**19.12 BDA BUSINESS DEVELOPMENT AREA**

**Subdivision 1. Purpose**

~~It is the purpose of the Business Development Area District to create areas suitable for development of manufacturing, warehousing, and other similar industrial uses which are either: a) uses whose operations are relatively free from objectionable influences; or b) uses whose objectionable features will be minimized or eliminated by design and/or appropriate devices. These uses should be compatible with each other and surrounding land uses.~~

The purpose of the Business Development Area District (BDA) is to enable the creation or expansion of a variety of businesses that enhance the community through job creation and retention, economic activity, property tax and utility support, and the provision of services valued by the community. The BDA is characterized by a variety of types of small businesses, including live-work space where appropriate, that benefit from the setting separated from established residential and commercial areas.

Passed by the City Council of the City of Grand Marais this \_\_\_<sup>th</sup> day of November, 2020.

\_\_\_\_\_  
Jay Arrowsmith DeCoux, Mayor

Attest: \_\_\_\_\_

Michael Roth  
City Administrator