

**Cook County-Grand Marais Economic Development Authority**  
**January 14, 2020 – Grand Marais City Hall**

**Present:** Board members Howard Hedstrom, Scott Harrison, Heidi Doo-Kirk, Bev Green  
**Others present:** Executive Director Mary Somnis, SBDC Rep Pat Campanaro, Rhonda Silence  
**Absent:** Carol Mork, Anton Moody, Hal Greenwood

Meeting called to order by Hedstrom at 4:00 p.m. No Public Comments.

Somnis asked to add discussion of a possible Cedar Grove lot sale to the agenda.

*Motion by Harrison, second by Doo-Kirk to approve the agenda with that addition. Motion carried, all ayes. Motion by Harrison, second by Doo-Kirk to approve December 10, 2019 minutes. Motion carried, all ayes.*

**NEW BUSINESS**

**Discuss 2020 priorities and possibilities**

Somnis suggested that it was time to consider all the projects underway. She said the EDA should consider which projects have the greatest priorities. The board agreed this is important and something that NorthSpan should be able to help with, in updating the Prosperity Agenda.

Somnis told the board that she is getting close to retirement. She is not retiring immediately but it is time to think about who will succeed her. Board members noted that it is important to have the next director work alongside Somnis for a while. They expressed the hope that Somnis would continue working for the EDA, perhaps part-time or as a consultant. She said one of her goals is to go through all the files to discard what is not necessary to retain.

The board talked about board succession. Hedstrom said it is time for new leaders to come forward. It was noted that there is no job description for EDA board members and there should be. People who might be interested in serving need to know what that entails. The job description for executive director also needs to be updated. Somnis and Campanaro will work on the job descriptions.

Another position that may come open is Superior National general manager. Harrison is currently filling that role with no salary. The EDA needs to consider that job and budget details.

The City of Grand Marais is considering the replacement of City Hall. EDA will have to move, at least temporarily. Somnis said she could work at home during the construction period. The city is working with architects on a new design and have yet to decide whether they will include space for the EDA. Harrison noted that the Chamber and AEOA also use space at city hall. He asked Somnis if she knew their plans. Somnis said she didn't know but that is an example of the discussion that needs to take place. The board talked about the possible need to rent space in the future and the impact that would have on the EDA budget.

**Purchase offer on Cedar Grove Business Park lot**

Somnis presented a purchase offer from William Nichols of Cornerstone Design Build of St. Paul. Nichols would like to purchase two lots Lot 8 and 9 in Block 5 for \$40,000. One lot is in

the owner-occupied section of the business park, the other is adjacent. Somnis stated, in full disclosure that Nichols is her brother-in-law. The board thanked her for sharing that.

Hedstrom noted that the price offered is less than what lots have gone for in the past. The board discussed prices for the most recent sales. Lot #5 went for \$28,000. Lot #10 went for \$30,000.

Doo-Kirk said her first thought for the price was \$60,000 for both, but she would agree to \$53,000. The board asked Somnis to negotiate the purchase price. Somnis said she could do so.

The sale is complicated a bit by the driveway built by the adjacent lot owner, which is constructed in part on one of the lots under discussion. Nichols knows this and is willing to work with the other lot owner and EDA on resolving the situation.

*Motion by Doo-Kirk, second by Green, to direct Somnis to negotiate the sale of Lots 8 and 9, Block 5. Motion carried, all ayes.*

## **FINANCIALS**

### **Superior National at Lutsen**

Harrison presented financial reports for Superior National for December 2019.

The board also reviewed the Cook County/Grand Marais EDA financials for December 2019

The financial reports will be filed for the annual EDA audit. Harrison pointed out that the state audit was less complicated this year and for that reason, the EDA saw some savings.

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

*Motion by Green, second by Doo-Kirk to approve checks for the invoices as presented. Motion carried, all ayes.*

## **OLD AND ONGOING BUSINESS**

### **Assisted Living**

Somnis said there have been meetings with developers who work with the Good Samaritan Group and North Shore Health CEO Kimber Wraalstad. The very preliminary plan calls for a one-level building with 16 units. Different sites were discussed. The possibility of North Shore Health managing an assisted living facility was discussed. Somnis said this is very preliminary discussion and talk will continue.

### **Cook County Workforce Solutions**

Somnis said the Workforce Recruitment group had a visit from Camilla Michelli, with the organization called CLUES from the Twin Cities that helps Hispanic people find homes and jobs. The CLUES representative toured Cook County on December 16-18. Somnis said it was a good visit and the Workforce Recruitment group may partner with CLUES.

### **Cedar Grove Business Park**

Somnis said Cook County Towing has cleaned up its lot a bit, but is still not in compliance with the business park covenants. The board said nothing can be done in the winter, but asked Somnis to talk to the company in the spring about putting up some screening. It was suggested to invite Cook County Towing to a meeting to talk about what can be done to be in compliance.

## **Housing**

Somnis said One Roof Housing is not starting any projects in 2020. They are taking time to regroup and plan for Nordic Star in 2021.

Things are going well at the Four Directions Dwellings apartments in Lutsen.

She said some tenants have moved into the newly remodeled 8-unit Village North building.

Somnis shared the results of the survey that asked for feedback on what people need and to learn about expectations for housing. There was a decent response and the replies were interesting.

## **Creative Economy Collaborative**

The CEC is working on Guiding Principles for Public Art for the City of Grand Marais. A subcommittee is working on a plan for the wood from the elm trees cut down in preparation for the Highway 61 project.

## **Small Business Development Center Report**

Campanaro shared a 2019 Annual Report, which celebrates six years. The report shows that there were 46 business starts and 108 full-time jobs and 80 part-time jobs created. She shared a colorful flyer listing some of the businesses that opened their doors in 2019: Northwoods Play School, Crosby Bakery, North Shore HR Consulting, 47 Degree Quilt Shop, Sannerud Studios, and Seven Feather Boutique. The board commended Campanaro for her work.

## **EDA Executive Director Report**

Somnis reported that she had a meeting with Yusef Orest of Arrowhead Electric regarding partnership opportunities and with the Superior National management team and Visit Cook County regarding rates and packages for 2020.

Somnis attended meetings with the Chamber and Ida Rukavina; the proposed property tax changes for short term rentals; and with Anna and Sarah Hamilton on their housing projects. She had meetings with One Roof and facilitated a community meeting in Lutsen regarding potential developments along the Gitchi Gami Trail. She also had a conversation with Craig Horak of the Tofte town board regarding their potential housing site near Birch Grove.

Somnis joined Parks Manager Dave Tersteeg for a WTIP interview on the George Morrison-inspired art project at the Community Connection between the Rec Park and North House. She met with Campanaro regarding the SBDC budget for 2020.

## **OTHER BUSINESS**

The next EDA meeting is scheduled for Tuesday, February 11, 2020 at 4 p.m. at Grand Marais City Hall. Hedstrom and Harrison may not be able to make the meeting. Somnis will check to see if there will be a quorum of other board members. If not, the meeting may be rescheduled. Somnis noted this is something that should be part of the EDA's long-range planning. Should the EDA allow meeting attendance remotely, such as by Skype?

Hedstrom will be available for the WTIP interview on Wednesday, January 15.

*Meeting adjourned at 5:33 p.m.*

Respectfully submitted by

*Rhonda Silence*

*Minutes & More*