

Cook County-Grand Marais Economic Development Authority
March 12, 2019 – Grand Marais City Hall

Present: Scott Harrison, Heidi Doo-Kirk, Howard Hedstrom, Hal Greenwood, Bev Green
Others present: Mary Somnis; SBDC Rep Pat Campanaro; Chamber Director Jim Boyd;
Superior National golf pro Heath Ekstrom and groundskeeper Mike Davies; Rhonda Silence
Absent: Carol Mork, Anton Moody

Meeting called to order by Hedstrom at 4:00 p.m. The Pledge of Allegiance was recited. No public comment.

Agenda reviewed and items added: discussion of property management, housing summit and update from Superior National staff. *Motion to adopt agenda by Green, second by Doo-Kirk. Motion carried, all ayes.*

Minutes of February 12, 2019 meeting reviewed. *Motion by Greenwood, second by Green to approve the February 12, 2019 minutes. Motion carried, all ayes.*

SUPERIOR NATIONAL AT LUTSEN

Grounds Supervisor Mike Davies and Golf Pro Heath Ekstrom gave an update on course conditions and reinvestment options for the golf course.

Davies said there are no issues with the re-built River and Canyon holes, but Mountain needs work. There are problems with pond overflows at two holes. This is the top priority. Options include improvements to the forward tees and bunkers on Mountain. Davies said they might remove some of the original sand traps, which are not lined and get rocky. Removing them will speed up mowing and play. Staff will work on this as time allows.

The options also include new tables and chairs and a range hood for the clubhouse.

The staff also gave information on its capital budget equipment needs and golf cart leases.

Davies said winter maintenance is right on schedule. Although former maintenance supervisor Jim Zunker is missed, the new maintenance person is doing very well.

Scott Harrison shared the proposed 2019 budget with an increased number of rounds. Harrison said the golf course is confident that it can meet that goal as Canyon will be open all year.

FINANCIALS

Treasurer Scott Harrison distributed financial reports for Superior National for February 2019. He pointed out that cash flow is up and there is an extra \$71,000 for working capital at the start of the season. *Motion by Greenwood, second by Green, to accept Superior National financial reports for February 2019. Motion carried, all ayes.*

The EDA reviewed the financial reports for the EDA for February 2019. Harrison said the EDA has good liquidity but needs to keep in mind that the current funds must last until the levy funding is distributed in July.

Harrison pointed out the pass-through grants that the EDA has handled. Projects in Cook County have obtained \$3.3 million in IRRRB grants in the last five years. Somnis distributed a fact sheet detailing the 2018 EDA projects. The EDA reviewed bills to be paid for the month.

Motion by Green, second by Greenwood to accept the EDA financial statements February 2019 and approve payment of invoices. Motion carried, all ayes.

NEW BUSINESS

Property Management

One Roof Housing had difficulty finding a property management company in Cook County. The board discussed the various rental housing properties and how they are managed to see if the EDA can help in some way.

Housing Summit

Somnis said she would like to host a local housing summit, likely in May. She said there are several initiatives, for example the City of Grand Marais is looking at housing density and possible ordinance changes to enable development. Project leaders may benefit from information sharing and networking. Pat Campanaro suggested inviting lenders as well. The board agreed to host the Summit and directed Somnis to proceed with planning.

Personnel Committee Recommendation

Green reported for the Personnel Committee (Green, Harrison and Hedstrom). The committee reviewed Somnis' job. Green said the committee is grateful for all the work that Somnis has done and that Somnis' networking around the region and state has been of great benefit. The committee suggested that Somnis set housing (assisted living, property management and HRA research) and golf course marketing as priorities. Green said the committee recommends a 4 percent increase in salary, with one caveat, that Somnis remembers to take time for herself. *Motion by Harrison, second by Green to increase Somnis' wages by 4 percent. Motion carried, all ayes.*

Marketing for Superior National at Lutsen

Following up on discussion at previous meetings, Somnis spoke with local marketing firms, Do North Marketing, LLC and Urban Wild Design, LLC. Information from the companies was shared with the Management Team and the Board of Governors and both approved this marketing team was a good fit. The marketing plan, which will focus on social media and digital advertising. *Motion by Greenwood, second by Harrison, to approve contracts with both companies. Motion carried, all ayes.*

OLD AND ONGOING BUSINESS

Cook County Workforce Solutions

A job description has been completed for an individual to oversee workforce recruitment.

Cedar Grove Business Park

The EDA will be closing on the sale to Nadder and Lee Samari this week.

Nordic Star

Five homes have been sold and one has interest. There are two more homes for sale.

Four Directions Dwellings

People are living in the first fourplex. The other buildings are proceeding on schedule. The last building will arrive as soon as possible.

Village North Update

Somnis continues to work with property owner Bruce Block and architect Richard Olson on the next phase for Village North, the upper level housing area.

Creative Economy Collaborative

Somnis continues to be the EDA representative and staff support for this group.

IRRRB grant for North House

Somnis attended the last IRRRB meeting and learned that the \$100,000 grant for North House Folk School has been approved. This will be used to pay off the Toftey property. North House originally requested \$300,000 from IRRRB and received \$200,000.

Small Business Development Center Report

Pat Campanaro just returned from extended her leave of absence because of family matters. She distributed a report with the 2018 statewide SBDC highlights.

EDA Executive Director Report

Somnis distributed plaques and signs for display at projects that have received IRRRB funds.

Somnis reported that she had attended a North Shore Scenic Drive meeting regarding Highway 61 construction projects. She also met or had communication with Kraus Anderson and a potential developer, Wild North Golf, EDA bookkeeper Paul Goettl, the Lutsen Design Kick Off, Hill Haven and the joint city/county/school meeting.

Somnis took part in the Duluth/St. Louis County Days at the Capitol. Lake and Cook counties have been participating the past few years. The group had individual meetings with 18 legislators. The primary message was around funding for Cook County Higher Ed. She said this is a fabulous networking opportunity. Howard Hedstrom agreed. He also participated and said he got to meet the new Commissioner of the MN Department of Employment and Economic Development, who came from Google. He said he was very engaged and interesting.

Somnis said she is going to the township town meetings tonight.

OTHER BUSINESS

The next EDA meeting will be Tuesday, April 9 at 4 p.m. at Grand Marais City Hall.

Hedstrom will be available for the WTIP interview on EDA activities on Wednesday, March 13.

Motion to adjourn by Greenwood. Motion carried, all ayes.

Respectfully submitted by

Rhonda Silence

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