**ECONOMIC DEVELOPMENT AUTHORITY**

2:00 P.M. Wednesday, June 9, 2021

Present: Nelson French Absent: Beth Smuk Floyd Baker

 Shane Hoff

 Richard DeRosier

 Lana Fralich, City Administrator via ZOOM

Tim Costley, City Attorney

David Drown, Economic Development Director

French called the meeting to order at 2:03 p.m.

**Agenda** – Motion by Hoff, second Baker to approve the agenda with addition of Lodging Tax. Aye-Baker, DeRosier, Hoff, French, Absent-Smuk MOTION CARRIED.

**Minutes** – Motion by Hoff, second Baker to approve the minutes of the May 5th regular meeting. Aye-Baker, DeRosier, Hoff, French. Absent- Smuk MOTION CARRIED.

COMMUNICATIONS

ECONOMIC DEVELOPMENT DIRECTOR

**School District & City Evaluating Feasibility of Consolidation of Service at Wm. Kelly School –** Drown was contacted by school district regarding referendum and possible joint use of school with the city. School officials conducted a walk thru of city offices and are in planning stages with an update on findings in a few months.

**Grand Marais Business Visit-** Drown and French met with Abbie Tofte, owner of The Big Lake and Fisherman’s Daughter in Grand Marais regarding land in the Business Park. Drown will continue to work with her.

**Eli Yachts at Marina-** Drown reported Eli Yachts would like to expand and offer more services; boat repair etc. and he will be working with them to develop a business plan and submit to DNR for approval. There was further discussion regarding City managing the Eli Yachts contract.

**Food Processing Company-** Drown updated on possible expansion of local food processing company and toured a few properties that would work for expansion. Drown will provide an update at a future meeting.

**Vet Center- Employee Housing -** Drown met with Veteran’s Home administrator Danelle Donner to discuss the problems with lack of employee housing. There is a possible area to build housing next to the Veteran’s Home. Donner will be bringing information to management regarding building housing.

**Brew Pub Leads –** Drown reported there is interest in putting a brewery in the Business Park and currently working with interested party on the business operations.

OLD BUSINESS

**Mini Golf Course Under Construction-** Under construction with projected open date of August 2021.

**Zoning Code Updates –** French will be submitting a report to Planning and Zoning later today, June 9th. There was discussion on what he will be presenting.

**Business Park Visioning Status Report –** Planning began last week but not ready for viewing and will update the Board at the next meeting.

**Golf Course Area Housing –** Drown reported the preliminary feasibility plan should be done by end of summer with estimate of costs to see if project should continue to move forward.

**Park Bank Real Estate Purchase- Parcel 22-7470-10330 –** There was discussion on a proposal received from Park State Bank, formerly Lake Bank, regarding purchasing the building and land next to City Hall. City Attorney recommended clarifying terms of the sale. More information will be available by next meeting for further discussion.

**Apartments on Penn Avenue –** Drown met with a current Silver Bay apartment building owner regarding housing for property currently owned by Lake County. There was further discussion on affordable housing requirements.

**Design Team Spring Visit –** Drown would like to submit an application to invite Minnesota Design Team to Silver Bay and will be reaching out to the community for letters of recommendation. There was a consensus by the Board to continue.

NEW BUSINESS

**Adventure Park – Approval of IRRR Loan/Grant –** Adventure Park has submitted an application for the IRRR Taconite Community Relief Program. Credit review completed by Northshore Federal Credit Union. Drown reviewed application and recommends approval. Motion by DeRosier, second Baker to send recommendation to the City Council to approve a loan in the amount of $62,500, to the North Shore Adventure Park for parking improvements and business expansion, provided they have a Note of Mortgage to secure loan. Aye-Baker, DeRosier, Hoff, French. Absent-Smuk. MOTION CARRIED.

**Establishing Working Group for Senior Housing –** Drown discussed senior housing, senior population, market study being conducted by Lake County, and possible expansion of Silver Point apartments. Drown will work with HRA to determine if a working group is needed and if so create one.

**Lodging Tax –** Update was given on status of lodging tax. Baker reported Best of The North Shore is waiting to hear on clarification on how the 3% lodging tax can be used. Baker will compose a list of proposed events for City Attorney and he will contact the State for further clarification. There was further discussion on the Lovin’ Lake Co Board who is administering the Lake County Lodging Tax and the lack of representation from the Silver Bay area on that Board.

Motion by Hoff, second DeRosier to adjourn at 3:45 p.m. Aye-Baker, DeRosier, Hoff, French. Absent-Smuk MOTION CARRIED.

Minutes taken by Lisa Christenson