

ECONOMIC DEVELOPMENT AUTHORITY

2:00 P.M.

Wednesday, September 7, 2022

Present: Nelson French
Richard DeRosier
Shane Hoff – left 3:00 p.m.
Beth Smuk

Excused: Floyd Baker

Lana Fralich, City Administrator
Tim Costley, City Attorney via ZOOM – left 3:08 p.m.
David Drown, Economic Development Director

French called the meeting to order at 2:05 p.m.

Agenda – Motion by DeRosier, second Smuk to approve the agenda with addition of possible change of meeting time. **MOTION CARRIED.**

Minutes – Motion by DeRosier, second French to approve the minutes of the June 8, 2022 regular meeting, June 22, 2022 and July 20, 2022 Joint Planning Workshop meetings. **MOTION CARRIED.**

COMMUNICATIONS- A developer has contact Drown regarding building senior housing in Silver Bay.

ECONOMIC DEVELOPMENT DIRECTOR – Drown is continuing to work on existing projects.

OLD BUSINESS –

Conceptual Downtown Design-Damon Farber Landscape Architects- A proposal from Damon Farber Landscape Architects relating to the development of downtown was presented for review. There was discussion on the same consultant who developed the business park plan, the costs would not exceed \$15,000, and would be part of the EDA funds. Motion by DeRosier, second Smuk to make recommendation to Council to move forward with the \$15,000 proposal from Damon Farber Landscape Architects, for redesigning and creating a plan for the downtown/city center area of Silver Bay. **MOTION CARRIED.**

Proposal for EDA to manage Penn Blvd Housing Development – Board reviewed a draft agreement to be presented to the Lake County HRA to help with developing housing along Penn Avenue. There was discussion on sale of land, ways to achieve affordable housing, liability, and timeline to complete. Further discussion followed on city developer versus private developer, the One Roof Program, and city owning properties via EDA. There was a consensus of support and that Drown will finish the draft agreement and present to HRA board for approval. Once both parties agree to the concept the City Attorney will review before Council approves.

Tax Forfeited Home-24 Evans- A letter has been sent to the County requesting to obtain the tax forfeited property located at 24 Evans for the purpose of making improvements and selling the home for affordable housing. There was discussion on if the sale could restrict the property to being homesteaded, the City and the EDA's role to developing housing, and focusing on first-time

home buyers and work force housing. Motion by Smuk, second Hoff to recommend to Council to support the EDA taking an active role in developing workforce housing. MOTION CARRIED.

Contract for New Home 10/15% Subsidy Program- Drown reports there are 5 serious inquires for the New Home Subsidy Program. Board reviewed the Home Subsidy contract terms updated by the City Attorney. Homeowners will have one year to complete project to receive a one-time cash grant of 10% of home's assessed value or 15% of home's assessed value if the owner agrees to occupy the home as their primary residence and obtain Lake County property tax homestead status continuously for ten years. Motion by DeRosier, second Smuk to recommend approval of the contract to the City Council. MOTION CARRIED.

Bids for Water & Sewer Improvement in Bayview Park- Bids have been taken and have come in approximately \$700,000 over the original \$2.5 million, and are being reviewed by the Developer. There was discussion on possible measures to lower the costs of gravel and other cost cutting measures. Council could be awarding bids as early as September 19th, but the tax increment information still needs to be completed.

NEW BUSINESS-

City-wide Street Improvement Plan- Discussion regarding the information received from Bolton & Menk for street improvements throughout the city, funding, the lack of grants, and impacts to residents. There was further discussion on repairing roads as a priority based upon the feedback received during both the Comprehensive Plan and the current MN Design Team visit from the residents, special assessments, impact of Northshore Mining closure, and need for public input. Consensus of Commission is to hold a public meeting to determine moving forward with project in 2024.

Dog Park- Drown has spent some time with a group of people regarding location of dog park with two feasible sites determined; 1. Woods behind Mary Mac or 2. Wooded area behind current ice arena adjacent to new Multi-Modal Trailhead Center. There was further discussion for the need of dog park and funding.

Hoff and Smuk left meeting for prior commitments; the addition of meeting time change will be added to October agenda.

Motion by Smuk, second DeRosier to adjourn at 3:15 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson