

ECONOMIC DEVELOPMENT AUTHORITY

2:00 P.M.

Wednesday, December 6, 2023

Present: Nelson French
Beth Smuk
Richard DeRosier-arrived at 2:10 p.m.
Shane Hoff
Steve VanHouse
Katelyn Goutermont
Alex Truax

David Drown, Economic Development Director
Jason Hale, Cook County HRA
Chuckie Knudson
Carolyn Hudyma
Faron Meeks
Brian Zupancich
Cole Ernest, Chief of Police

French called the meeting to order at 2:00 p.m.

Agenda – Motion by VanHouse, second Truax to approve the agenda as presented. **MOTION CARRIED.**

Minutes – Motion by Smuk, second Hoff to approve the minutes of the October 4, 2023 regular meeting. **MOTION CARRIED.**

COMMUNICATIONS- None at this time.

ECONOMIC DEVELOPMENT DIRECTOR – See updates below.

OLD BUSINESS –

Boathouse Bay – Drown reports that the Boathouse Bay Development has received full approval from City Council and the developer will begin proceeding with utility construction.

Smuk advised board that she received a call from the developers' bank regarding potential conflict of interest, her daughter is employed at the bank and involved in the loan process. Smuk wanted to advise the board that there is no potential conflict of interest.

Drown provided information regarding Gardner property, adjacent to project is now for sale and could be a prime location for another development.

Golf Course Subdivision- Drown reports that the Golf Course Project has been idle due to the Boathouse Bay Project but plans will start moving forward with Planning and Zoning in early 2024. Discussion regarding curb and gutter to reduce grading impact. County is encouraging shared sewers versus individual mounds.

Carolyn Hudyma commented on the direction of the projects, it seems mostly directed to outside interests. She also questioned the gifting of land for a big project and requiring small businesses to pay for the land, she feels it shows lack of interest in the citizens of Silver Bay. Carolyn has concerns regarding the lack of nay votes at meetings and questioned how candidates are chosen for the boards, which she feels a bias there, only choosing those who have same view as current board members. She feels there should be different points of view within the members. Discussion followed regarding how candidates are chosen, new business owners prospective and what they can bring to the table.

Carolyn also expressed that money shouldn't be a factor in decisions regarding the business park and would like the citizens to feel that they are as important by opening property at Bayview to all people.

Chief Ernest commented on community importance, such as storage unit projects requested in the past and feels if those projects had been given the ok storage units would already be built within the City.

Smuk advised the previous request regarding building storage units did not go thru due to the developers deciding not to move forward because of the high tax.

Chuckie Knudson expressed the need for designated storage for Silver Bay and concern over properties within the city with multiple items in yards. Discussion followed regarding certain property within city limits that shouldn't be allowed to accumulate used engine parts. VanHouse clarified the differences of commercial and home use permits.

Drown stated that if anyone has any interest in developing projects to contact himself or the EDA board and he will give them full support and help in any way he can.

New Street Behind Shopping Center- Drown provided an update regarding the status of new road behind the shopping center. Current plan is to shift road away from shopping center and convert memorial park into parking lot for the post office and close the access from the rear parking. Drown stated the planning meetings have been positive and continues to work with property owners. Discussion followed on the proposed new apartment building and providing roadway access for it.

Faron Meeks expressed his frustration regarding the process of working with land owners, not getting the information regarding potential assessments until recently, does not want to give away his land for free, and lack of trust.

VanHouse who is a member of multiple City boards and a land owner has reviewed the project and had not heard about potential assessments on land owners until recently and feels he would rather sell his property than pay assessment. Discussion followed regarding the assessments potentially stopping the new road project and if there would be any impact on the housing if the road is not built. VanHouse asked if the project could move forward without assessments, Drown feels it is unique and could possibly move forward.

Discussion regarding the role of the EDA, Drown is providing this as information only. Currently only evaluating the value of the project, vision versus reality, financing has not been discussed by Council and is being evaluated to see if project could or could not work.

Jason Hale, Cook County HRA commented that there may be funding available from IRRR for roadway to the new apartment building.

East Lakeview Drive- Drown provided an update on construction, there has been work on the new road to Black Beach, grading has been completed.

Apartments- Silver Pointe II- Drown updated that the new housing is moving forward. He has also been working with one or two other developers regarding housing developments in Silver Bay. Discussion regarding offering one- or two-bedroom apartments for families instead of just only one-bedroom apartments. Jason Hale gave information as to why more one bedroom are built due to construction costs and higher rent per square foot.

J&H Area Changes- Drown updated on proposed J&H area changes including relocating storage containers, replacing private easements with access thru to liquor store, selling back lot to J&H for expansion, upgrading parking lots, and verbal agreements from parties involved.

NEW BUSINESS-

Green New Deal Partnership- Drown met with Greg Gilbert to discuss Green New Deal, which builds ultra energy homes that are self-sufficient. Although Green New Deal doesn't work with EDA's, Drown presented this housing idea as a basis for renovating current housing stock as most homes in the city are similar so many projects could be repeated to keep affordable. Discussion regarding the possibility of purchasing homes owned by individuals who are looking to sell.

DeRosier stated that HRA was approached by Green New Deal also and there is not a lot of money or grants for these types of projects.

Jason Hale suggested contacting AEOA to do an energy audit on one house as an example to show ways of improving the housing stock while saving money.

Consensus of board is for Drown to continue working with Gilbert and Green New Deal for a potential partnership, without use of solar panels but new insulation, windows, etc. to make energy efficient homes.

Chief Ernest, Chuckie Knudsen, and Carolyn Hudyma left meeting at 3:50 p.m.

Event Center- When the city-wide survey was completed, 56% would like to see the Reunion Hall renovated, 31% felt it was part of the community history and should be preserved. Drown has been working with a designer from AAD Hermantown and presented samples of what a renovation could look like at the reunion hall. Discussion regarding upgrades needed including air & ac, electric, av & internet improvements, acoustic improvement, design & appearance, putting in a commercial kitchen with possibility of renting out to local food trucks for prep, and that some new tables and chairs have been donated. Further discussion on hiring an independent event planner with an incentive package, fees & costs, renovation of liquor store basement for smaller events. Consensus of board is for Drown to continue meeting with interested parties, bring ideas to Liquor commission, contact Best of the North Shore for funding, and reach out to AAD Hermantown who is willing to help lead person in decorating.

Smuk expressed concerns regarding the Lounge/Liquor store complaints of credit card processor down for months, no heat, atm machine not working, and beer tap broken which she feels should be a priority in getting everything fixed. Noted was the Liquor Commission has had two more applicants and is now a full board.

Nelson French Renewal Application- Motion by DeRosier, second VanHouse to approve Nelson French's renewal application. MOTION CARRIED with French abstaining.

Set 2024 Meeting Dates- - Motion by VanHouse, second Truax to set EDA regular meeting dates as January 3, February 7, March 6, April 3, May 8, June 5, July 3, August 7, September 4, October 9, November 6, and December 4. MOTION CARRIED.

Smuk was approached by concerned citizens that feel it is hypocritical that a member of City Council owns a VRBO but not allowing VRBOs within the City limits. DeRosier explained that VRBOs are allowed in FR districts only, protecting most of the city, the VRBO in question is not in city limits and owner has never lobbied for or against VRBOs.

Motion by Smuk, second VanHouse to adjourn at 4:20 p.m. MOTION CARRIED.

Motion by DeRosier, second French to call meeting back to order at 4:21 p.m.

DeRosier wanted to provide information regarding how the new shopping center road idea was created. There was discussion of the Silver Pointe Apartments being built, the County CSAH road, replacement of Davis Drive for the new road, asking City Engineer to do a Feasibility Study, and providing clarification to business owners.

Faron Meeks expressed he had a discussion with the director of the HRA previously and Meeks is not against new road but is unhappy about the process and will not give his land away.

Motion by VanHouse, second Truax to adjourn at 4:30 p.m.

Minutes taken by Lisa Christenson