

ECONOMIC DEVELOPMENT AUTHORITY

2:00 P.M.

Wednesday, May 7, 2025

Present: Nelson French
Shane Hoff
Richard DeRosier
Steve VanHouse
Beth Smuk

Excused: Katelyn Goutermont
One Vacancy

Tim Costley, City Attorney
David Drown, Economic Development Director
Julie Jensen
Donny Thompson
Carolyn Hudyma

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

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

Minutes – Motion by DeRosier, second VanHouse to approve the minutes of the April 9, 2025 regular meeting. **MOTION CARRIED.**

COMMUNICATIONS/Public Comments- None at this time.

Economic Development Director- Nothing at this time.

OLD BUSINESS –

Golf Course Subdivision- Drown provided a review of the preliminary plat, explained the goals of the project which included: attracting new families, increasing use and revenue of the golf course, allowing current residents to build and sell their existing homes to create affordable housing in the city, and increasing property tax revenues. Discussion regarding EDA acting as the developer for the project, which will allow more profit for the city and more control over project. Discussion continued regarding preservation of certain trees, first option for local homeowner purchasing lots, setting price of lots, promoting shared well/septic facilities, costs of development estimated at \$2 million, revenue from lot sales of approximately \$4 million, phasing development based on lot sales, and preselling to help lower the need for debt. Further discussion regarding real estate values, construction costs, ditching, curb/gutter areas, public roadway system, utility service estimates. The Golf Course Board has sent a letter of support regarding the development. Discussion followed on the schedule after the preliminary plat is approved completing the final plat, developing construction drawings, meet with a realtor to determine lot pricing, obtain utility costs, and drill a test well to assure water quality. DeRosier stated there could be money available from the ARDC for housing and submitting an application should be considered. Further discussion regarding short term rentals including residents not wanting to build if short term rentals are their neighbors, concern that if lots do not sell then may need to allow for more short-term rentals, and allowing buyers to back out of purchasing a lot if short-term rentals are allowed. Smuk stated she didn't want to turn people from out of town away, if they are interested in purchasing the lots right away, and suggested there be a 4-6 month timeframe for locals to enter into a

purchase agreement. Motion by DeRosier, second Smuk to recommend to Council that if the project moves forward, the project will be developed and managed by EDA/City of Silver Bay. MOTION CARRIED. Discussion followed regarding level of micromanagement by council, if EDA will have full authority to make decisions, who is responsible to make the decisions on the EDA board, and accountability. Hoff stated the council delegates EDA to make decisions, the EDA delegates Economic Development Director, Drown, to move forward with decisions.

NEW BUSINESS-

Alex Truax Resignation- Motion by DeRosier, second VanHouse to accept Alex Truax's resignation. MOTION CARRIED.

Donny Thompson Board Application- Motion by DeRosier, second VanHouse to recommend to Council, Donny Thompson's appointment to serve on the EDA. MOTION CARRIED.

Motion by DeRosier, second Hoff to adjourn at 3:09 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson