

Meeting of the Koochiching Economic Development Authority

Monday, December 18th, 2017
County Boardroom

Board Members Present: Bob Anderson, Allen Rasmussen, Mike Hanson, Wade Pavleck, Brian McBride, Harley Droba, Representative Rob Ecklund

Members Absent:

Staff Present: Paul Nevanen, Kyra Hasbargen

Others Attending: JoAnn Smith, Dan McCarthy, Cynthia Jaksa (KCC-TV)

Meeting called to order at 1:02 p.m. by Chairman Rasmussen.

- 01 Approve agenda –**Motion by Pavleck, a second by Anderson to accept the agenda. Motion carried unanimously.**
- 02 Approve minutes from 11/22/17 – **Motion by Hanson, a second by Anderson to approve the 11/22/17 meeting minutes. Motion carried unanimously.**
- 03 Public Comment – None
- 04 Treasurer’s Report – Treasurer McBride presented the CWT financial reports for November and monthly bills for December in the amount of \$28,487.19, JLR bills of \$8,123.00, along with a transfer of \$17,000 to KEDA and \$30,000 to CWT while explaining the details. McBride mentioned there is one bill that hasn’t been received yet from Bremer Bank Credit Card for roughly \$4400. **Motion by McBride, a second by Pavleck to approve the November CWT financial reports and bills for December with a total of \$28,487.19, JLR bills of \$8,123.00, along with a transfer of \$17,000 to KEDA and \$30,000 to CWT. Motion carried unanimously.** McBride presented the KEDA financials for November and bills for December in the amount of \$22,291.38 and a transfer from KEDA to JLR of \$74,427. **Motion by McBride, a second by Anderson to approve the November KEDA financial reports and bills for December in the amount of \$22,291.38 and a transfer from KEDA to JLR in the amount of \$74,427. Motion carried unanimously.**
- 05 Director’s Report – Nevanen referenced the Cantilever Distillery noting he has been working with Jenny at the County to amend their Business Subsidy Policy to allow for a qualified 3rd party to provide financial review if the applicant chooses, noting in this case would be Bob Palmquist with Northspan. Nevanen stated the development team will continue to work on their application for tax abatement with the County, KEDA, and the City of Ranier, adding they are also working with DEED and their Job Creation Fund Program. Rasmussen questioned their anticipated construction start date. Nevanen responded they plan to start in the Spring of 2018 and hope to be completed with Phase I in the Fall of 2018. Short discussion on the project and building. Nevanen stated the Cold Weather Testing season is underway with two test teams here in December and a local fleet running daily since mid-November, adding JLR had a 5-year contract and just signed on for another 5-years. Nevanen stated another long term customer, GM, has committed to 5-years also, adding Ricky Roche is anticipating a busy cold test season also and hopes to further his investment in a cold box. Discussion on cold boxes and JLR’s exclusive use. Nevanen mentioned he is working with Matt Gouin at the County to begin the planning process for the expanded real estate conveyed

to the existing business park, noting he will look at a number of issues prior to developing a preliminary plat for the property. Nevanen referenced the Minnesota Housing Partnership continues to meet with the Koochiching County Housing Collaborative to explore housing issues throughout Koochiching County, adding a possible county-wide housing study is under consideration, noting it is estimated the cost of the study will be around \$30,000. Short discussion on the study, the need for affordable housing and the amount of homeless families in the area. Anderson questioned a motion for KEDA to lead the study and contact members for funding it. Short discussion on all communities in the county to be included and the cost of the study with \$10,000 grant from the Minnesota Housing Partnership, \$2,000 from Backus, and \$1-2,000 from Kootasca. Additional discussion on the concern for housing needs and it being a part of economic development with keeping people in the community. **Motion by Anderson, a second by McBride to authorize the Director of KEDA to notify Koochiching County Housing Collaborative that KEDA will be willing to lead a study and contact the Cities within the County, Koochiching County and many non-profit organizations for funding. Motion carried unanimously.** Nevanen referenced the Dialysis Group that is led by the County and continues to meet to explore options for providing dialysis services to patients here rather than having them travel out of town, adding Missy Tate has taken the lead on this, but is learning there are so many hurdles. Droba stated there is a large need in the area for more small businesses and questioned how to go about getting entrepreneurs to come forward with their ideas and put into motion. Droba wondered about having a discussion next month on entrepreneurship and how to get businesses started, and current businesses to grow. Nevanen stated that is a great topic to spend time on, noting the aging population, hurdles and bringing in mentors. Discussion on past entrepreneurs, SBDC resources, and supporting local businesses. Rasmussen noted to include the topic on the agenda for January.

- 06 Other (City/County Updates) – Anderson thanked Nevanen and KEDA for the involvement in the City of International Falls Comprehensive Plan, noting the visual quality plan was approved at the last City Council meeting and expects to see the design soon, adding the area it will impact stems from Memorial Drive to 3rd Street. Anderson stated there will be a public hearing in February or March, adding they will be looking to go out for bid in the Fall of 2019 and begin construction in 2020. Anderson referenced the Voyageurs National Park Government Affairs Committee being resurrected and working with the City of International Falls with regard to the park. McBride stated lots of credit goes to Bob DeGross with VNP for getting the committee back together. Pavleck mentioned the Ranier Overpass Bridge will be rebuilt in the Spring of 2018 with a snowmobile trail included in the design which will change the intersection into Ranier. Short discussion on CN expanding their siding near the VanLynn Road and how lack of material has become an issue. Hanson stated there is lots happening in the out-county area, noting Northome is hoping to do a water/sewer project, and referenced Northome's hope to make Bartlett Lake more recreational. Hanson noted Green Forest in Littlefork has seen lots of accomplishment and credited Nevanen and Smith for their help. Nevanen questioned what will be done with the timber that is being cleared by Northern Clearing for the Transmission Line, due to the timber not being certified. Hanson responded larger mills such as PCA are not able to take uncertified timber, so the hope is that some of the smaller mills and sawmills will take it.
- 07 Public Comment Period – Cynthia Jaksa thanked the board for selecting KEDA to lead the Housing Study. Smith stated she recently attended a consultants meeting and talked about Community Development grants that individual cities can apply for through DEED. Short discussion on the grant, how to apply for it, and uses of the funds. Nevanen stated an email will be sent to all cities in the county with details of the grant.
- 08 The next board meeting was scheduled for Wednesday, January 24th at 1:00 p.m. at the County Boardroom. **Meeting adjourned at 2:16 p.m.**