

Meeting of the Koochiching Economic Development Authority

Wednesday, March 21st, 2018
City Council Chambers

- Board Members Present:** Ron Norby, Brian Briggs (Alt for Bob Anderson), Allen Rasmussen, Jerry Struss (Alt for Mike Hanson), Harley Droba
- Members Absent:** Brian McBride, Mike Hanson, Wade Pavleck, Bob Anderson
- Staff Present:** Paul Nevanen
- Others Attending:** JoAnn Smith, Laurel Beager (The Journal), Darci Sullivan (KCC-TV), Chrystal Clance, Dan McCarthy, Toni Korpi (ISD 361 School Board Member)

Meeting called to order at 1:01 p.m. by Chairman Rasmussen.

- 01 Approve agenda – **Motion by Droba, a second by Struss to accept the agenda. Motion carried unanimously.**
- 02 Approve minutes from 2/21/18 – **Motion by Droba, a second by Struss to approve the 2/21/2018 meeting minutes. Motion carried unanimously.**
- 03 Public Comment – Clance asked where someone wanting to start a business would go and that they were looking for options in funding. Nevanen replied that they could call the KEDA office and work with JoAnn Smith from the Small Business Development Center.
- 04 Treasurer’s Report – Rasmussen presented the CWT financial reports in Treasurer McBride’s absence for February and monthly bills for March in the amount of \$25,564.61, and JLR bills of \$10,013.40, while explaining the details. There were no transfers this month. **Motion by Droba, a second by Briggs to approve the February CWT financial reports, including the updated reports and bills for March with a total of \$25,564.61, and JLR bills of \$10,013.40. Motion carried unanimously.** Rasmussen presented the KEDA financials for February and bills for March in the amount of \$22,894.63. Rasmussen explained that there were two bills that came in late, so they are added on separate sheets for the unpaid bills amounts. Nevanen explained that the financials for KEDA included the Housing Study since KEDA is the fiscal agent. The housing study showed an amount of \$5800.00. **Motion by Briggs, a second by Droba to approve the February KEDA financial reports and bills for March in the amount of \$22,894.63. Motion carried unanimously.**
- 05 Director’s Report – *Cantilever Bridge Distillery & Hotel* – There was a public information session in Ranier to provide updates on three projects currently being planned in Ranier. Nevanen said they are looking at expanding the dock in Ranier, which will compliment the distillery and hotel. There were concerns raised at the meeting, which is part of the process and these projects and others are happening due to the outgrowth of the project. The City of Ranier adopted its own Business Subsidy Policy on Cantilever’s request for tax abatement. This will allow the city and Koochiching County to finalize the process and schedule a public hearing for final approval. Norby asked if there was a debate on the location of the dock. Nevanen responded that the dock would stay in the same spot, but the location of the boat ramp is being looked at. Norby asked what the length of the tax abatement was. Nevanen explained that the City and County agreed on 15 years. *Koochiching Housing Study* – We continue to get donations in support of the Koochiching County-wide Housing

Study. Currently we have commitments totaling \$35,400 toward an estimated cost of \$35,000. The Housing Collaborative will be meeting on Monday the 26th to finalize an RFP to engage interested firms to conduct the study. *FTZ Site* –In order to develop this site, rock must be removed and there are also wetlands to consider, both of which are costly. They are continuing to explore putting the land up for sale. They have a meeting with the Ranier Planning and Zoning Committee to clarify whether the Conditional Use Permit for a quarry that was filed in the past with the County will be allowed to continue now that the FTZ site is in the Ranier city limits. A meeting on Thursday, March 29th is scheduled. *International Falls Business Park Planning/Rickie Roche Project* – The committee had another planning meeting on the expanded area of the business park to discuss lot configuration, access, utilities, drainage, etc. In addition, Rickie Roche and his contractor met with the City as they finalize their building plans for construction later this year on the back lot. (Lot1, Block 2) *Cold Weather Testing* – The test season comes to an end this week. JLR will continue to run a durability fleet into the summer. There has been good feedback from JLR on the new coldbox. *Miscellaneous – Opportunity Zones* – Opportunity Zones are a tax incentive to stimulate development in low-income urban and rural communities. Nevanen applied for designation of three census tracts on behalf of the County. IT is targeted around housing, but there is some for commercial. It would be for capital gains and encouraging long term investments in the area. A letter of support was also drafted to Nett Lake since their application included part of Koochiching County.

- 06 Growing Entrepreneurship in Koochiching County – Droba invited Toni Korpi, a member of the ISD 361 school board to the meeting. Smith gave the background of Junior Achievement and an update of who is doing the program this year. The Falls, St. Thomas, and Littlefork-Big Falls schools are all participating. Indus will be included in the program next year as they expand the program. Droba gave background on the CEO's in the classroom and how they would like to get the program started back up again to connect the students with the local business community.
- 07 Other (City/County Updates) – Droba – The City will be having a spray park meeting with Ranier April 2nd to determine the roles and responsibilities of each party for the spray park. Norby stated that the road repair season will be starting soon. The Island view sewer project has been started. There will be a lot of traffic in and around Ranier this summer. Nevanen stated that there will be a public meeting on April 3rd regarding the overpass in Ranier.
- 08 Public Comment Period – McCarthy stated that there was a report years ago with recommendations to consolidate economic development under one umbrella. There are many different economic groups such as the KEDA, KCDA, Chamber Economic Development Committee, and the City advisory Committee to Economic Development. He felt that there was a concern with where people should go to first if they wanted to start a business. He asked what the per diem was for travel for KEDA. Rasmussen responded that it was \$50 for travel. Nevanen explained that they have worked toward consolidation, which is why the SBDC (Small Business Development Center) is under KEDA. The KEDA office should be the first stop. This is where the needs of the business are determined and plan to help them is created. The KEDA office is the point of contact to eliminate confusion and streamline the process. Smith added that her role is to help businesses in a variety of ways from start-up to expansion. Her services are free to businesses due to the partnership between KEDA and the University of Minnesota Duluth's Center for Economic Development. She is working on marketing the ways that they can help local businesses, so that more people will use this great resource.
- 09 The next board meeting was scheduled for Wednesday, April 18th at 1:00 p.m. in the County Board Room. **Meeting adjourned at 1:55 p.m.**