

# Meeting of the Koochiching Economic Development Authority

Wednesday, April 17<sup>th</sup>, 2019  
City Council Chambers

- Board Members Present:** Allen Rasmussen, Wade Pavleck, Mike Hanson, Bob Anderson, Jason Sjoblom (Alternate)
- Members Absent:** Brian McBride, Harley Droba and Representative Rob Ecklund
- Staff Present:** Paul Nevanen, Kyra Hasbargen
- Others Attending:** JoAnn Smith, Darci Sullivan (KCC-TV), Emily Gedde (The Journal)  
Ricky Roche, Crystal Clance

Meeting called to order at 10:00 a.m. by Chairman Rasmussen.

- 01 Approve agenda – **Motion by Anderson, a second by Hanson to accept the agenda. Motion carried unanimously.**
- 02 Approve minutes from 3/28/19 – **Motion by Anderson, a second by Sjoblom to approve the 3/28/2019 meeting minutes. Motion carried unanimously.**
- 03 Public Comment – None
- 04 Treasurer’s Report – Chairman Rasmussen presented the CWT financial reports in Treasurer McBride’s absence for March and monthly bills for April in the amount of \$9,407.77, JLR bills in the amount of \$1,293.40, a transfer from JLR to CWT in the amount of \$11,000, while explaining the details. Hanson questioned cash flow difficulty. Nevanen explained further, noting the timing of customers net terms and carrying throughout the entire year. **Motion by Anderson, a second by Hanson to approve the March CWT financial reports and bills for April with a total of \$9,407.77, JLR bills in the amount of \$1,293.40, and a transfer from JLR to CWT in the amount of \$11,000. Motion carried unanimously.** Rasmussen presented the KEDA financials for March and bills for April in the amount of \$27,775.87 and a transfer of \$25,000. Short discussion on a couple of the bills. **Motion by Anderson, a second by Sjoblom to approve the March KEDA financial reports and bills for April in the amount of \$27,775.87 and a \$25,000 transfer. Motion carried unanimously.**
- 05 Business Park Update – Roche gave a brief update of waiting on the weather so they can begin completing the roof. Nevanen questioned a site plan for the additional property and working with Kelly Meyers. Roche responded, that is correct and explained the details. Nevanen state they will begin working with Attorney Steve Shermoen to draft an agreement once the platting is completed. Nevanen referenced the need for paving the road into the Business Park and getting estimates for doing so, adding he would like to apply for a grant through DEED to help with 50% of the project infrastructure. Discussion on the road, sub grade and timeline. Nevanen stated he had a conversation with Nate Heibel on the tax forfeit property, noting there is still no determination and will hopefully know more this summer.
- 06 Director’s Report – *Data Center/Involta Tour* – Nevanen stated he and Joe Mershon of Granite Digital toured the Involta data center in Duluth, noting it is a co-location facility and was commissioned in 2012. Nevanen mentioned they had a good discussion with the Director of Operations about his experience in opening several facilities around the country and industry trends, giving a brief explanation of the building construction. Nevanen noted it is the largest data center

north of the metro. *Opportunity Zones* – Nevanen stated after the Involta tour, he and Mershon met with Karl Schuettler of Northspan and the Northland Connection to discuss Opportunity Zones, noting Northspan is taking the lead in the region and is creating a website to highlight Opportunity Zones in the region as well as projects looking to site in those Opportunity Zones. Discussion on Opportunity Zones and incentives available. *Cold Weather Testing* – Nevanen stated this past test season the facility hosted 8 distinct test groups over 9 weeks, along with a number of suppliers that co-tested with JLR, adding in addition, JLR ran a durability fleet that will go through the end of the month. Nevanen state other groups were testing with Roche and Einarson’s hosted an aviation test group, noting the estimated economic impact from this activity is over \$1 million, adding the test groups also helped the airport enplanements. *Riverfront Property* – Nevanen stated he has been working with the owners of the East Riverfront Property to develop an informational presentation on the site for potential developers and investors, adding they’ve gone through several iterations before finalizing a presentation and the owners plan on coming to the area this Spring to visit the site and strategize around potential uses. Short discussion on broadband.

07 Other (City/County/Out-County Updated) – Anderson gave an update on transportation and upcoming projects on Highway 53 and mentioned the airport received an award from MCOA and explained the detail of the award. Anderson noted the City will conduct a final design hearing on May 21<sup>st</sup> for the Highway 53 Project and noted the District Court awarded the City to take down 5 homes within the City. Sjoblom noted the County is working to get the resorts hooked up to the sewer project and gave a brief update on the project timeline and progress. Hanson gave a brief update on out-County areas and noted the America’s Parade to celebrate the Armed Forces, adding they are trying to co-locate at the Community Building for broadband to provide a shared working space. Discussion on Spring fishing on the river.

08 Public Comment Period – Smith gave an update on the childcare grant and referenced the grant she is working on for a request for over \$1 million over the next three years for a summer and before/after school program. Smith gave an update on the Community Baby Shower and noted she has been seen lots of client activity along with a good turnout at the Google event that was recently held. Rasmussen suggested putting a notice on the radio and in the paper regarding the office move.

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10 The next board meeting was scheduled for Wednesday, May 23<sup>rd</sup> at 9:30am in the Airport Conference Room. **Meeting adjourned at 10:57a.m.**