



Cook County & Grand Marais Economic Development Authority

Tuesday, March 19, 2024 – 4:00 PM

Cook County Courthouse - Commissioner's Room

411 W 2nd Street

Grand Marais, MN 55604

AGENDA

1. Call to Order

2. Public to Address the Commission

3. Approval of Agenda

4. Public Hearings

5. Approval of Meeting Minutes

- a. February 20, 2024 Regular Meeting ([pages 1-5](#))

6. Review of Financials

- a. EDA February Financials (accept and forward to audit) ([6-9](#))
- b. EDA February Payments (motion to approve) ([page 10](#))
- c. Superior National at Lutsen Golf Course February (accept and forward to audit) ([pages 11-14](#))
- d. Superior National at Lutsen Golf Course 2024 Budget ([pages 15-16](#))

7. New Business

- a. SBDC Monthly Report and Discussion, Request for SBDC MN Conference ([pages 17-18](#))
- b. Resolutions for Approval

2024-11 RESOLUTION AUTHORIZING AN AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR CEDAR GROVE BUSINESS PARK ([pages 19-54](#))

2024-12 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT FOR PROFESSIONAL SERVICES WITH THE NORTHSPAN GROUP, INC TO FACILITATE AND DRAFT A THREE YEAR STRATEGIC FRAMEWORK IN AN AMOUNT NOT TO EXCEED \$15,000 ([pages 55-74](#))

2024-13 RESOLUTION AUTHORIZING A GRANT AGREEMENT WITH BYSTROM CONSTRUCTION LLC TO SUPPORT EQUIPMENT PURCHASE FOR A TOTAL AMOUNT NOT TO EXCEED \$9,729 ([pages 75-84](#))

2024-14 RESOLUTION AUTHORIZING A GRANT AGREEMENT WITH ECO DWELLING LLC TO SUPPORT EQUIPMENT PURCHASE FOR A TOTAL AMOUNT NOT TO EXCEED \$9,977 ([pages 85-98](#))

2024-15 RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A DEFERRED LOAN FROM MINNESOTA HOUSING FINANCE AGENCY IN AN AMOUNT NOT TO EXCEED \$1,400,000 TO SUPPORT WORKFORCE HOUSING PROJECT IN GRAND MARAIS ([pages 99-101](#))

2024-16 RESOLUTION AUTHORIZING THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY TO FORGIVE TACONITE AREA BUSINESS RELIEF LOAN PROGRAM DEBT OWED BY LUTSEN RECREATION INC. (pages 102-103)

2024-17 RESOLUTION APPROVING A DEVELOPMENT AGREEMENT WITH LUTSEN MOUNTAINS CORPORATION AND CORRESPONDING GRANT FINANCING FOR THE PAPA CHARLIES COMMERCIAL PROJECT IN LUTSEN MINNESOTA (pages 104-115)

8. Other/Old Business

a. Executive Director Updates

- i. First review of revised Business Development Fund Grant Program Guidelines (pages 116-119)
- ii. Website Redesign Proposal Selection
- iii. Empowering Small Minnesota Cities Opportunity Update
- iv. March 14, 2024 SNG Board of Governors Meeting Recap
- v. Revised EDA meeting date Monday, June 17th – for consideration

9. Committee Reports

10. Commissioner Items

11. Adjourn

Next Meeting: April 16, 2024 at 4:00 p.m. Cook County Courthouse – Commissioner’s Room.



Cook County & Grand Marais Economic Development Authority

Tuesday, February 20, 2024 – 4:00 PM

Cook County Courthouse - Commissioner's Room

411 W 2nd Street

Grand Marais, MN 55604

MINUTES

Present: Steve Surbaugh, Mary Somnis, Mark Shackleton, Howard Hedstrom, Tracy Benson

Absent: Dave Mills, Myron Bursheim

Others Present: Theresa Bajda, Pat Campanaro, Maggie Barnard, Tabitha Blanchard, Clair Nalezny, Linda Jurek, Kalli Hawkins

1. Call to Order

The February 20, 2024 regular meeting of the EDA was called to order by President Surbaugh at 4:02 p.m.

2. Public to Address the Commission

Surbaugh called three times for public comments. No comments.

3. Approval of Agenda

Surbaugh called for agenda additions. Bajda requested that Resolution 2024-06 follow Resolution 2024-02 under item 7 of the agenda. **Motion to approve the February 20, 2024 Agenda as amended.** (Hedstrom/Shackleton) Vote: Passed (5-0).

4. Public Hearings

2024-02 RESOLUTION AUTHORIZING THE CONVEYANCE OF REAL PROPERTY OWNED BY THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY TO CASCADE VACATION RENTALS (pages 15-57)

President Surbaugh recused himself from discussion here and noted his abstention from voting on the resolution later under item 7 of the agenda, deferred to Vice President Hedstrom to chair this portion.

Vice President Hedstrom opened the public hearing and made three calls for public comments. No comments. Hedstrom closed the public hearing.

5. Approval of Meeting Minutes

a. January 16, 2024 Regular Meeting (pages 1-5)

Surbaugh resumed chair. **Motion to approve the January 16, 2024 regular meeting minutes** (Somnis/Hedstrom) Vote: Passed (5-0)

6. Review of Financials

a. EDA January Financials (accept and forward to audit) (pages 6-9)

Shackleton said there was not much activity, but noted on the budget versus actuals report the revised 2024 budget categories have yet to be updated by bookkeeper. **Board members and President accept and forward January EDA financials to audit.**

- b. EDA January Payments (motion to approve) ([page 10](#))

Motion to approve EDA January payments. (Somnis/Benson) Vote: Passed (5-0)

- c. Superior National at Lutsen Golf Course January (accept and forward to audit) ([pages 11-14](#))

Shackleton noted that the Pro Shop is now open year around and those revenues are up 20%; however, with the lack of skiers and visitor traffic it's hard to know if revenues will continue in this direction. Shackleton indicated he continues to explore CD investment options but wants to be mindful of cash flow necessary until June 1st when the course starts seeing regular revenues. **Board members and President accept and forward January Superior National financials to audit.**

7. New Business

- a. Resolutions for Approval

Bajda addressed a question on the number of resolutions put forward and explained that while they are not always required by state statute or open meeting practices, it remains her preference and will serve the EDA in terms of organization and tracking board decisions and/or actions taken.

Board members agreed and expressed appreciation for this organization.

2024-02 RESOLUTION AUTHORIZING THE CONVEYANCE OF REAL PROPERTY OWNED BY THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY TO CASCADE VACATION RENTALS ([pages 15-57](#))

Bajda provided background on project and terms of land sale agreement. Reminded Board of their September 2023 approval of the sale price.

Clair Nalezny confirmed these will be storage units for public rental versus storage for Cascade Vacation Rentals operations.

Motion to approve Resolution 2024-02 (Shackleton/Benson) Vote: Passed (4-0) (1) Surbaugh abstained.

2024-06 RESOLUTION AUTHORIZING A GRANT AGREEMENT WITH TABITHA BLANCHARD TO SUPPORT BAKE LAB PROJECT FOR A TOTAL AMOUNT NOT TO EXCEED \$2,295 ([pages 79-92](#))

Bajda provided background on grantees proposed project and noted Grant Review Committee's meeting in February and their funding recommendation to the Board.

Motion to approve Resolution 2024-06 (Shackleton/Benson) Vote: Passed (5-0)

2024-03 RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE FUNDING AGREEMENT WITH HUNTER MACLAURIN FOR NORTHWOODS CHILDCARE STARTUP COSTS ([pages 58-61](#))

Bajda noted that this grant agreement was approved by the Board at the January meeting, but requires an amendment to allow rent as an eligible grant expense. Bajda explained that Cook County Public Health and Human Services provided some grant funding for this project and purchased much of the items the EDA was going to support, thus the rent line item remained as startup cost to grantee.

Motion to approve Resolution 2024-03 (Somnis/Hedstrom) Vote: Passed (5-0)

2024-04 RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A GRANT FROM THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION FOR AN AMOUNT NOT TO EXCEED \$250,000 TO SUPPORT CONSTRUCTION OF THE TEMPERENCE TRAILS RESIDENTIAL PROJECT ([pages 62-63](#))

Bajda noted that HRA Executive Director, Jason Hale, will serve as project management lead. Bajda described project location north and west of Birch Grove School property and Developer's intent to construct no less than 20 for-sale single-family homes. Bajda noted that this application will be under IRRR's new housing program.

Motion to approve Resolution 2024-04 (Hedstrom/Shackleton) Vote: Passed (5-0)

2024-05 RESOLUTION APPROVING 2024 MEDIA PLAN FOR SUPERIOR NATIONAL AT LUTSEN GOLF COURSE AND AUTHORIZING A PROFESSIONAL SERVICE AGREEMENT WITH W.A. FISHER CO FOR MARKETING AGENCY SERVICES IN AN AMOUNT NOT TO EXCEED \$75,050 (pages 64-78)

Bajda provided background on 2024 media plan and overall budget increase in 2024 of \$5,000 which is in line with requirements of loan agreement and supported by recommendations in the five year marketing analysis. Bajda noted the revised budget will incorporate recommendations of the marketing analysis such as website improvements and more targeted advertisements.

Somnis made additional notation to the Resolution that that the agency services expense of \$75,050 is included in the overall marketing budget of \$85,000. **Motion to approve Resolution 2024-05** (Somnis/Shackleton) Vote: Passed (5-0)

2024-07 RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A GRANT FROM THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION FOR AN AMOUNT NOT TO EXCEED \$400,000 TO SUPPORT CONSTRUCTION OF THE MAYHEW COMMERCIAL DEVELOPMENT PROJECT IN DOWNTOWN GRAND MARAIS (pages 93-94)

Bajda provided background on this mixed use commercial project in downtown Grand Marias and intent to apply for a development infrastructure program grant so support construction costs associated with utility connection, sidewalk installation, and site grading. Bajda noted she will submit the application to IRRR by February 27th so the project will be considered for funding at the March IRRR meeting. Bajda noted a Conditional Use Permit has been approved by the City of Grand Marais and the Developer hopes to break ground in August 2024.

Motion to approve Resolution 2024-07 (Hedstrom/Shackleton) Vote: Passed (5-0)

2024-08 RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A GRANT FROM THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION FOR AN AMOUNT NOT TO EXCEED \$600,000 TO SUPPORT REDEVELOPMENT OF PAPA CHARLIES AT LUTSEN MOUNTAINS (pages 95-96)

Bajda noted there will be two applications to IRRR for this project, one for commercial redevelopment funding in an amount not to exceed \$100,000 to support remaining demolition costs and the second a development infrastructure grant in an amount not to exceed \$500,000 to support a new water line at top of Ski Hill Road for the fire suppression system. Bajda noted desire to submit application by February 27th for consideration by IRRR at their March meeting.

Benson questioned what the lodging units would be used for and if they were new to the project.

Somnis indicated she believed they will be sued to host entertainers and staff. **Motion to approve Resolution 2024-08** (Somnis/Shackleton) Vote: Passed (5-0)

2024-09 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT FOR PROFESSIONAL SERVICES WITH REDPATH AND COMPANY, LLC TO CONDUCT 2023 AUDIT SERVICES IN AN AMOUNT NOT TO EXCEED \$22,500 (pages 97-107)

Bajda noted Redpath completed the EDA's audit in 2022 and is well versed and familiar with EDA and Superior National chart of accounts and operations. Bajda confirmed Redpath will continue to complete audits for Cook County.

Commissioner Shackleton confirmed this was a one year contract. **Motion to approve Resolution 2024-09** (Somnis/Shackleton) Vote: Passed (5-0)

2024-10 RESOLUTION AUTHORIZING A CONSULTING AGREEMENT WITH NORTHLAND FOUNDATION TO PROVIDE OFFICE HOURS AND TECHNICAL ASSISTANCE TO COOK COUNTY BUSINESSES IN SUPPORT OF THE PROMISE ACT GRANT PROGRAM (pages 108-112)

Bajda provided background on agreement and noted that this consulting agreement will be very similar to the current one that provides partnership with Northland and SBDC consultant Pat Campanaro. Bajda noted that MN DEED received \$86 million in funding to support businesses in eligible communities and noted their current definition of eligible community as: adversely impacted by structural racism, civil unrest, loss of population or aging population, lack of regional economic diversification. Bajda noted she will partner with Pat Campanaro to provide three hours of technical assistance free of charge for a series of eight weeks to support businesses interested in applying. Bajdan noted that businesses must have earned \$750,000 or less in gross revenues in 2021 to be eligible. **Motion to approve Resolution 2024-10** (Hedstrom/Somnis) Vote: Passed (5-0)

8. Other/Old Business

d. Executive Director Updates

i. Website Redesign Update

Bajda said she will likely have three proposals to consider for the March meeting, which will streamline the website and improve back end functionality.

ii. EDA/HRA Letter of Support 2024 Bonding Requests (page 113)

Bajda noted letter of support that was submitted for North Shore Waste and County Capital Improvement and justice center project. Bajda noted she will join the March 15th meeting with legislators in Grand Portage.

iii. Business Development Fund Update

Bajda noted that she continues to work on revised guidelines and application materials and had a productive meeting with the Grant Review Committee.

iv. Empowering Small Minnesota Cities Opportunity

Bajda noted this is a technical assistance opportunity offered by U of M Extension team. Bajda indicated she submitted a proposal to study Taconite Harbor and economic recovery/diversification in Cook County, including how the property EDA owns above existing business park could be utilized to support these efforts.

v. EDA Strategic Plan Facilitation Update

Bajda noted she received a proposal from Northspan but has requested some adjustments from their team to slim down the scope and cost. Will share with Board once refined.

Somnis said for reference there is a Prosperity agenda created by the Go Team, revised in 2021 but stalled because of COVID and not doing community gatherings for public review.

The Board said they are very pleased with the work and funding opportunities Bajda has accomplished.

e. SBDC Monthly Report (pages 114-115)

Campanaro said she has been very busy with nearly 80 hours meeting with 79 clients.

9. Committee Reports

No report updates.

10. Commissioner Items

Bajda gave an update on Cedar Grove lot sale to Jeremy Larson and that he wishes to proceed with purchase. Bajda indicated she will work on development agreement and required paperwork to hold a public hearing and vote at the March EDA board meeting. Bajda indicated she is close on required signatures for the amendment to the declaration of covenants for Cedar Grove and will include on March EDA agenda. After EDA and City Council approve the amendment, it can be recorded and EDA can proceed with conveyance to HRA and City for animal shelter.

11. Adjourn

No further business to discuss, Surbaugh asked for a motion to adjourn. **Motion to adjourn at 5:07 p.m.**
(Shackleton/Hedstrom) Vote: Passed (5-0)

Next Meeting: March 19, 2024 at 4:00 p.m. Cook County Courthouse – Commissioner’s Room.

Cook County/Grand Marais Economic Development Authority

Balance Sheet

As of February 29, 2024

	TOTAL		
	AS OF FEB 29, 2024	AS OF FEB 28, 2023 (PY)	% CHANGE
ASSETS			
Current Assets			
Bank Accounts			
GMSB Checking Account	21,033.02		
GMSB Money Market	470,396.92	182,939.77	157.13 %
NSFCU 5162030 Checking	6,406.75	326,151.28	-98.04 %
NSFCU Money Market (87)	0.00	134,692.04	-100.00 %
NSFCU Patronage	32.20	1,112.88	-97.11 %
NSFCU Savings	10.19	10,026.55	-99.90 %
Total Bank Accounts	\$497,879.08	\$654,922.52	-23.98 %
Accounts Receivable			
Accounts Receivable	0.00	25,000.00	-100.00 %
Total Accounts Receivable	\$0.00	\$25,000.00	-100.00 %
Other Current Assets			
Due from Lutsen Recreation	13,392.11	23,420.61	-42.82 %
Due from Lutzen Mountainside	10,125.00		
Due from SNL (deleted)	0.00	150,000.00	-100.00 %
Prepaid Rent	915.00	915.00	0.00 %
Taxes Receivable - current	19,926.46	19,926.46	0.00 %
Taxes Receivable - delinquent	8,396.00	8,396.00	0.00 %
Undeposited Funds	0.00	0.00	
Total Other Current Assets	\$52,754.57	\$202,658.07	-73.97 %
Total Current Assets	\$550,633.65	\$882,580.59	-37.61 %
Fixed Assets			
Land Held for Resale	303,000.00	303,000.00	0.00 %
Total Fixed Assets	\$303,000.00	\$303,000.00	0.00 %
Other Assets			
Tac Area Bus Relief Note Rec	0.00	165,476.42	-100.00 %
Total Other Assets	\$0.00	\$165,476.42	-100.00 %
TOTAL ASSETS	\$853,633.65	\$1,351,057.01	-36.82 %

Cook County/Grand Marais Economic Development Authority

Balance Sheet

As of February 29, 2024

	TOTAL		
	AS OF FEB 29, 2024	AS OF FEB 28, 2023 (PY)	% CHANGE
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	5,210.99	145.15	3,490.07 %
Total Accounts Payable	\$5,210.99	\$145.15	3,490.07 %
Credit Cards			
Visa Credit Card	489.75	19.00	2,477.63 %
Total Credit Cards	\$489.75	\$19.00	2,477.63 %
Other Current Liabilities			
Contingent Liability	0.00	216,000.00	-100.00 %
Deferred Revenue	0.00	0.00	
Due to City of Grand Marais	303,695.21	362,762.02	-16.28 %
Due to Cook County	0.00	100,000.00	-100.00 %
Due to Workforce Recruitment	0.00	0.00	
Salaries/Benefits	0.00	-108.76	100.00 %
Total Other Current Liabilities	\$303,695.21	\$678,653.26	-55.25 %
Total Current Liabilities	\$309,395.95	\$678,817.41	-54.42 %
Long-Term Liabilities			
Unavailable Rev - Deferred Tax	8,396.00	8,396.00	0.00 %
Total Long-Term Liabilities	\$8,396.00	\$8,396.00	0.00 %
Total Liabilities	\$317,791.95	\$687,213.41	-53.76 %
Equity			
Opening Bal Equity	-11,933.68	131,395.58	-109.08 %
Retained Earnings	598,045.21	559,062.67	6.97 %
Net Income	-50,269.83	-26,614.65	-88.88 %
Total Equity	\$535,841.70	\$663,843.60	-19.28 %
TOTAL LIABILITIES AND EQUITY	\$853,633.65	\$1,351,057.01	-36.82 %

Cook County/Grand Marais Economic Development Authority

Budget vs. Actuals: Budget_FY24_P&L - FY24 P&L

January - December 2024

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Income				
EDA Levy				
Levy County - Operations	12,817.19	430,720.00	-417,902.81	2.98 %
Levy County Cedar Grove Pass Thru	3,236.99	60,000.00	-56,763.01	5.39 %
Total EDA Levy	16,054.18	490,720.00	-474,665.82	3.27 %
Interest Income	1,651.20		1,651.20	
Northland SBDC Income	8,415.00	49,980.00	-41,565.00	16.84 %
Rent HRA	450.00	1,800.00	-1,350.00	25.00 %
Total Income	\$26,570.38	\$542,500.00	\$ -515,929.62	4.90 %
GROSS PROFIT	\$26,570.38	\$542,500.00	\$ -515,929.62	4.90 %
Expenses				
Contingency				
		13,928.03	-13,928.03	
Dues/Memberships	321.66	7,000.00	-6,678.34	4.60 %
Operating Expenses				
Advertising/Marketing/Website	2,500.00	4,000.00	-1,500.00	62.50 %
Bank Charges				
Melio Service Fees	22.50	150.00	-127.50	15.00 %
Total Bank Charges	22.50	150.00	-127.50	15.00 %
Insurance				
		3,200.00	-3,200.00	
Meeting Expenses & Per Diem	237.50	4,000.00	-3,762.50	5.94 %
Office Expenses				
Equipment/Computers/Virtual	962.77	5,000.00	-4,037.23	19.26 %
Supplies	583.76	3,200.00	-2,616.24	18.24 %
Total Office Expenses	2,248.77	8,200.00	-5,951.23	27.42 %
Rent Expense	3,407.87	14,400.00	-10,992.13	23.67 %
Telephone	87.75	360.00	-272.25	24.38 %
Total Operating Expenses	8,504.39	34,310.00	-25,805.61	24.79 %
Professional Services				
Accounting Support	1,037.50	4,000.00	-2,962.50	25.94 %
Legal	2,755.50	7,500.00	-4,744.50	36.74 %
SBDC Consultant Expense	12,555.00		12,555.00	
State Audit	21,200.00	22,000.00	-800.00	96.36 %
Total Professional Services	37,548.00	33,500.00	4,048.00	112.08 %
PROJECTS				
Business Development Program	2,295.00	200,000.00	-197,705.00	1.15 %
Cedar Grove Business Park Pass Thru	3,236.99	11,216.97	-7,979.98	28.86 %
Payments to City for lots sold		60,000.00	-60,000.00	
Total Cedar Grove Business Park Pass Thru	3,236.99	71,216.97	-67,979.98	4.55 %
Total PROJECTS	5,531.99	271,216.97	-265,684.98	2.04 %
Public Financing Consulting		7,500.00	-7,500.00	
Staff Expenses				
Director Salary (w/ benefits)	28,103.89	117,300.00	-89,196.11	23.96 %

Cook County/Grand Marais Economic Development Authority

Budget vs. Actuals: Budget_FY24_P&L - FY24 P&L

January - December 2024

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Training/Travel/Mileage	260.00	5,000.00	-4,740.00	5.20 %
Total Staff Expenses	28,363.89	122,300.00	-93,936.11	23.19 %
Tax				
Payroll		0.00	0.00	
Total Tax		0.00	0.00	
Total Expenses	\$80,269.93	\$489,755.00	\$ -409,485.07	16.39 %
NET OPERATING INCOME	\$ -53,699.55	\$52,745.00	\$ -106,444.55	-101.81 %
NET INCOME	\$ -53,699.55	\$52,745.00	\$ -106,444.55	-101.81 %

Cook County/Grand Marais Economic Development Authority

Bill Approval Status

February 22-March 11, 2024

BILL NUMBER	VENDOR	BILL DATE	AMOUNT	PAID STATUS	APPROVAL STATUS	DUE DATE
--	Campanaro, Pat	02/22/2024	\$4,140.00	Paid	--	03/03/2024
2401	Maggie Barnard	02/22/2024	\$68.75	Paid	--	03/03/2024
232	Sarena Crowley	02/22/2024	\$300.00	Paid	--	03/03/2024
162604	Shred-n-Go	02/29/2024	\$702.24	Paid	--	03/10/2024
--	Drosera Holdings	03/01/2024	\$1,097.97	Paid	--	03/11/2024
--	Twin City VoIP Inc	03/01/2024	\$29.25	Paid	--	03/11/2024
--	Tabitha Blanchard	03/04/2024	\$2,295.00	Paid	--	03/14/2024
4024190	Melio	03/06/2024	\$1.50	Paid	--	03/06/2024

Superior National

Balance Sheet

As of February 29, 2024

	TOTAL	
	AS OF FEB 29, 2024	AS OF FEB 28, 2023 (PY)
ASSETS		
Current Assets		
Bank Accounts		
Cash on Hand	1,100.00	1,100.00
NSFCU Checking	0.00	15,256.99
NSFCU Checking 5162029	6,628.95	66,549.38
NSFCU Money Market	331,291.93	259,008.24
NSFCU Patronage Rebate	1,322.93	950.39
NSFCU Savings	10.00	10.00
Total Bank Accounts	\$340,353.81	\$342,875.00
Accounts Receivable		
Accounts Receivable	0.00	1,060.00
Total Accounts Receivable	\$0.00	\$1,060.00
Other Current Assets		
	\$40,158.19	\$32,082.75
Total Current Assets	\$380,512.00	\$376,017.75
Fixed Assets		
Accumulated Depreciation	-6,632,218.98	-6,632,218.98
Building - Club House	426,088.97	426,088.97
Building - Maintenance	69,357.03	69,357.03
Capital Items	26,350.00	0.00
Club House Equipment	133,018.81	133,018.81
Golf Course Equipment	1,405,662.23	1,349,950.41
Golf Course Land	213,685.00	213,685.00
Land Improvements - 1st 18 Hole	2,705,805.25	2,705,805.25
Land Improvements - New Nine	1,966,820.63	1,966,820.63
Land Improvements 2013 - 2017	5,973,887.00	5,973,887.00
Total Fixed Assets	\$6,288,455.94	\$6,206,394.12
Other Assets		
Deferred Outflow - Pension	63,452.00	63,452.00
Right to use leased assets	347,232.00	347,232.00
Total Other Assets	\$410,684.00	\$410,684.00
TOTAL ASSETS	\$7,079,651.94	\$6,993,095.87

Superior National

Balance Sheet

As of February 29, 2024

	TOTAL	
	AS OF FEB 29, 2024	AS OF FEB 28, 2023 (PY)
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
*Accounts Payable	13,841.45	14,286.72
Total Accounts Payable	\$13,841.45	\$14,286.72
Credit Cards	\$0.00	\$0.00
Other Current Liabilities		
Capital Reserves	250,000.00	
Direct Deposit Payable	0.00	0.00
Due to EDA	0.00	100,000.00
Gift Certificates	33,970.21	27,783.38
Minnesota Department of Revenue Payable	0.00	
Payroll Liabilities		
Child Support	0.00	0.00
Co. HSA (deleted)	0.00	60.00
Federal Taxes (941/944)	0.00	0.00
MN Income Tax	0.00	0.00
MN Unemployment Taxes	17,716.93	787.72
PERA Employee	0.00	907.38
PERA Life	0.00	
Rent	0.00	0.00
Total Payroll Liabilities	17,716.93	1,755.10
Sales Tax Payable	-70,891.02	2,483.52
Tips Payable	1,064.29	944.56
Total Other Current Liabilities	\$231,860.41	\$132,966.56
Total Current Liabilities	\$245,701.86	\$147,253.28
Long-Term Liabilities		
Deferred Inflow - Pension	50,663.00	50,663.00
Lease Liability	264,656.00	264,656.00
Loan Payable - Cook County	2,169,972.00	2,169,972.00
Net Pension Liability	198,001.00	198,001.00
Total Long-Term Liabilities	\$2,683,292.00	\$2,683,292.00
Total Liabilities	\$2,928,993.86	\$2,830,545.28
Equity	\$4,150,658.08	\$4,162,550.59
TOTAL LIABILITIES AND EQUITY	\$7,079,651.94	\$6,993,095.87

Superior National

Profit and Loss

February 2024

	TOTAL	
	FEB 2024	JAN - FEB, 2024 (YTD)
Revenue		
Golfing Related Sales		
Greens Fees	438.34	867.35
Total Golfing Related Sales	438.34	867.35
Merchandise, Beverage & Food		
Beverage Sales	3,638.26	11,006.28
Food Sales	3,796.15	3,796.15
Merchandise Sales		232.73
Total Merchandise, Beverage & Food	7,434.41	15,035.16
Sales - Unallocated	566.52	3,622.41
Total Revenue	\$8,439.27	\$19,524.92
Cost of Goods Sold		
Beverage CoGS	616.43	576.61
Food CoGS	2,340.11	3,856.69
Total Cost of Goods Sold	\$2,956.54	\$4,433.30
GROSS PROFIT	\$5,482.73	\$15,091.62
Expenditures		
Administrative & General		
Credit Card Fees	187.67	431.34
Employee Recruitment	202.00	202.00
Insurance		411.00
Licenses/Permits/Dues		1,349.22
Office Expense	124.34	213.38
Rent Expense		-945.50
Travel Expense	1,037.84	1,037.84
Total Administrative & General	1,551.85	2,699.28
Capital Expenditures	7,110.00	21,105.00
Club House		
Cash Over/Short	-5.55	-31.60
Repairs and Maintenance	2,904.65	2,904.65
Supplies		259.16
Uniforms	830.67	1,301.73
Utilities		
Electric - Club House	1,027.49	1,027.49
Internet - Club House	473.33	877.33
Propane - Club House	490.43	490.43
Telephone - Club House	441.17	1,292.00
Television - Club House	404.00	404.00
Total Utilities	2,836.42	4,091.25
Total Club House	6,566.19	8,525.19

Superior National

Profit and Loss

February 2024

	TOTAL	
	FEB 2024	JAN - FEB, 2024 (YTD)
Grounds Maintenance		
Gas/Lube	2,038.82	3,395.28
Small Tools/Parts	14,049.49	15,877.69
Supplies	1,408.98	2,036.94
Utilities		
Electric	752.00	752.00
Garbage	241.02	241.02
Propane	170.46	1,924.62
Total Utilities	1,163.48	2,917.64
Vehicle Maintenance/Gas	508.50	1,063.25
Total Grounds Maintenance	19,169.27	25,290.80
Melio Service Fees	28.50	63.50
Misc Expense	743.30	743.30
Payroll Expenses		
Payroll Burden		
Payroll Taxes	2,232.63	4,372.63
Retirement/PERA	1,032.28	2,086.61
Total Payroll Burden	3,264.91	6,459.24
Salaries/Wages		
Grounds	4,122.00	7,970.00
Proshop	4,055.58	7,932.79
Salaried Employees	11,307.70	22,615.40
Total Salaries/Wages	19,485.28	38,518.19
Total Payroll Expenses	22,750.19	44,977.43
Professional Services		
Accounting/Audit	500.00	1,806.00
Consulting	2,500.00	5,000.00
Marketing and Promotion	1,973.45	3,062.45
Total Professional Services	4,973.45	9,868.45
Total Expenditures	\$62,892.75	\$113,272.95
NET OPERATING REVENUE	\$ -57,410.02	\$ -98,181.33
Other Revenue		
Interest Income	565.04	1,509.79
Misc Income	508.62	508.62
Total Other Revenue	\$1,073.66	\$2,018.41
NET OTHER REVENUE	\$1,073.66	\$2,018.41
NET REVENUE	\$ -56,336.36	\$ -96,162.92

Superior National at Lutsen Golf Course
 Summary Profit and Loss 2020-2023
 With proposed 2024 summary budget

	2020	2021	2022	2023	Proposed 2024
Rounds Played	12,799	14,369	13,608	14,526	14,000
Operating Revenue					
Golf Related Revenues	\$868,475	\$1,086,261	\$1,018,006	\$1,198,457	\$1,249,000
Lutsen 99er				40,570	25,000
Food/Bev and Merchandise	200,336	309,332	333,753	409,933	450,926
Cost of Goods Sold	(112,684)	(171,847)	(201,793)	(212,187)	(225,000)
Gross Profit	\$ 956,127	\$ 1,223,746	\$ 1,149,966	\$ 1,436,773	\$ 1,499,926
Operating Expenses					
Payroll	\$446,837	\$422,713	\$425,310	\$587,607	\$830,000
Admin and General	60,976	70,759	76,291	73,688	80,000
Club House	101,358	134,919	130,807	144,649	165,000
Grounds Maintenance	188,645	174,209	205,130	214,836	225,000
Professional Services	69,362	77,086	76,219	90,768	90,000
Total Operating Expenses	\$867,178	\$879,686	\$913,757	\$1,111,548	\$1,390,000
Net Cash Flow	\$88,949	\$344,060	\$236,209	\$325,225	\$109,926
Take Rate					
Golf	\$67.85	\$75.60	\$74.81	\$85.30	\$91.00
Food and Bev/Merch	6.85	9.57	9.70	13.61	16.14
Total Take Rate	\$74.70	\$85.17	\$84.51	\$98.91	\$107.14
Operating Expense per hole	\$32,118	\$32,581	\$33,843	\$41,168	\$51,481

VII. 2024 Proposed Operating Budget and Marketing Plan

The proposed 2024 budget is shown below in summary form while showing 2020-2023 budget results for comparison purposes. Here are some additional notes:

1. The prime time 18 hole rate in 2023 was \$109 plus taxes and fees (the 3% fee). The suggested 2024 prime time rate is \$114 (plus taxes and fees) – a 4.5% increase from 2023. All other rates will be adjusted accordingly.
2. Rounds are projected to decrease by 3.75% or 525 rounds. Why? 2023 did not experience one weather or rain out day during traditional peak period times (weekends, holidays, etc) and that was clearly an anomaly. The above reduction accounts for approximately 3 weather/rain out days.
3. Food and Beverage and Merchandise sales are projected to increase by nearly 10%. This increase is based on basic CPI increases and recognizing the loss of two area restaurants.
4. Cost of Goods Sold is shown to capture an additional 2% to account for pricing changes
5. Payroll shows the largest increase. This 41% increase or nearly \$243,000 in additional labor costs is addressed to account for the historical and chronic shortage of key club house and maintenance staff while also addressing the recent local, regional and national rapid increase in base wages. Additional detail is provided in Attachment A – the five year replacement, improvement and upgrade plan provided by EDA's hired consultant.
6. Lutsen 99er. The 99er fee is based on an average of lost revenues for a Saturday in June with an approximate \$5,000-\$15,000 additional bump to address a facility fee premium totaling \$25,000. The 2023 fee was the result of the Lutsen Mountains request for an additional \$12,500 from the VCC event budget to address their operating losses to host the event. Lutsen Mountains subsequently removed their facility as the event host and it was agreed to transfer the \$12,500 to the golf course on a one time basis since the funds were already allocated. The additional \$5,570 was paid by the 99er to the golf course to address additional labor that was required to gain access to the driving range for vehicle parking and set-up.
7. The 14% increase in clubhouse spending is largely driven by adding 16 rental carts for the 2024 season to address lost rounds due to cart shortages during peak period times. The rental cost per cart is \$900 or \$14,400.
8. The 2024 Marketing Budget was approved by the Board of Governors on January 25, 2024. The approval was required in order to begin scheduling and placing ads and other mediums for the 2024 golf season. Please find that on following pages of this section.



March 1, 2024

Friends,

In February I logged 69.5 hours with 37 clients in 77 meetings. Meeting topics included:

- Assisting 6 clients with grant applications
- Consulting and arranging financial sources with 4 clients buying or selling businesses
- Setting up legal consultations for 2 clients via LegalCorps
- Working with 3 clients to successfully navigate the Cook County Revolving loan process
- HR/Marketing and more...

I am also continuing to work with Theresa on designing our countywide grant tour for the Promise Act,

EDA Assistance Requested:

The MN Statewide SBDC Knowledge Exchange Program annual conference takes place in Fergus Falls on May 15th and 16th. This is the only training event conducted during the year and I plan to attend, for a preliminary agenda you can visit this [site](#). It is also an opportunity to network with peers, sometimes more important than some of the sessions!

Northland will cover: "SBDC Consultant contractors will be able to receive reimbursement for mileage, your hotel stay including a hotel on the night of the 16th if it is too far to travel back home that evening, and per diem for meals not provided at the conference. We are not able to pay for travel time or time spent attending the conference based on current funding limitations."

I am requesting the EDA pay for my 12 hours of travel time, \$720, and I will absorb the 16+ hours of time spent at the conference.

SBDC Annual Convention

"America's SBDC is excited to announce that it will host its annual Conference at the Marriott Marquis Hotel in downtown Atlanta, Georgia, on September 9-13th, 2024.

For 45 years, America's SBDC has hosted its annual professional development conference for its business advisors and SBDC network professionals. This national event brings together nearly 1,200 SBDC professionals and around fifty sponsors and exhibitors for learning, networking, and engagement.

Each year, America's SBDC has an annual conference where attendees gather from SBDCs worldwide to obtain professional development to help them grow as advisers and help grow the small businesses that they work with. Conference attendees may be starting their careers with the SBDC or may have been assisting entrepreneurs for many years. "

I have asked Northland if there is funding for this event suggesting “ I would coordinate a workshop to present on Success! Resources and Practices for Emerging Entrepreneurs!” A selfish reason for doing this is to have an onboarding package ready for my successor, however I could also highlight why we are the most successful SBDC area in the state etc. “ and received this answer from Vicki Hagberg : “I do not anticipate that we will have funding available to support more than 1-2 people attending the conference this year. I’m required to attend by our state administrators, and we’ll be evaluating who a second person attending might be in the coming couple of months. “ I clarified and the second person will not be a contractor.

Attendance cost is likely to run in the \$3,000 neighborhood. (1,125 registration, flights and hotel another \$2,000)

This conference cost is NOT in the 2024 EDA budget however I strongly suggest you add it to the 2025 budget so the person who assumes this role can attend. You can check out the tentative agenda by clicking on the title.

Thanks you for your continued support!

Questions let me know.

Pat

pcampanaro@gmail.com

651-336-2964

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2023-11

**RESOLUTION AUTHORIZING AN AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS AND RESTRICTIONS FOR CEDAR GROVE BUSINESS PARK**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) entered into a Declaration of Covenants, Conditions, Easements and Restrictions, dated June 5, 2006 (the “Original Declaration”) for the purpose of establishing provisions for improvements on Cedar Grove Business Park property; and

WHEREAS, this Original Declaration was amended by a First Amendment dated March 23, 2010 further defining storm water control and wetland requirements; and

WHEREAS, due to the residential rezone of two Cedar Grove Business Park lots and in order to simplify terms and conditions to align with City of Grand Marais zoning ordinance, the EDA desires to amend and restate the Original Declaration in its entirety, together with the First Amendment; and

WHEREAS, consistent with the Original Declaration and First Amendment, the EDA has obtained written consent of at least seventy-five percent (75%) of current lot owners based upon one vote per lot.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the EDA hereby authorize an amended and restated declaration of covenants, conditions, easements and restrictions for Cedar Grove Business Park, substantially in the form of the attached Exhibit A.

_____ Ex. Dir.

March 19, 2024

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) to approve an amended and restated declaration of covenants, conditions, easements and restrictions for Cedar Grove Business Park. This will allow removal of Lots 1 and 2, Block 3 which have been rezoned to residential as approved by the Grand Marais City Council on October 25, 2023 via Ordinance 2023-05. This amended and restated declaration also modifies language to simplify terms and conditions and better align with existing City of Grand Marais Zoning Ordinance. Per the existing Declaration, any amendments require written consent of the voting power of seventy five percent (75%) of lots based upon one vote per lot within the Cedar Grove Business Park, and by resolution duly adopted by the EDA and Grand Marais City Council. The EDA has obtained notarized signature on the proposed amended and restated declaration in excess of the 75% requirement as evidenced by the attached Exhibit A. A resolution of approval by Grand Marais City Council will be sought at their March 27, 2024 meeting.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 19th day of March 2024.

ATTEST:

Steve Surbaugh – Board President

Parcel ID	Lot	Block	Owner	Page # Signature Block	Signature on amended declaration date	Consent Count - 1 per lot
80-800-0101	Lot 1	Block 1				1
80-800-0102	Lot 2	Block 1	Sweetwater Design Studios LLC	13	2/12/2024	2
80-800-0201	Lot 1	Block 2	Cook County EDA	14	12/7/2023	3
80-800-0301	Lot 1	Block 3	Cook County EDA/Hold for HRA	14	12/7/2023	4
80-800-0302	Lot 2	Block 3	Cook County EDA/Hold for HRA	14	12/7/2023	5
80-800-0401	Lot 1	Block 4	TGAS Real Estate Holdings, LLC	15	No Response	No response
80-800-0402	Lot 2	Block 4	Cook County EDA	14	12/7/2023	6
80-800-0403	Lot 3	Block 4	Cook County EDA	14	12/7/2023	7
80-800-0404	Lot 4	Block 4	Cook County EDA	14	12/7/2023	8
80-800-0405	Lot 5	Block 4	Cook County EDA	14	12/7/2023	9
80-800-0406	Lot 6	Block 4	Boat Pal Services LLC	16	No Response	No response
80-800-0407	Lot 7	Block 4	A Superior Storage LLC/Hungry Jack, LLC	17	12/7/2023	10
80-800-0408	Lot 8	Block 4	A Superior Storage LLC/Hungry Jack, LLC	17	12/7/2023	11
80-800-0501	Lot 1	Block 5	First Baptist Church	18	No Response	No response
80-800-0502	Lot 2	Block 5	First Baptist Church	18	No Response	No response
80-800-0503	Lot 3	Block 5	N&L Samari Properties LLC	19	1/26/2024	12
80-800-0504	Lot 4	Block 5	N&L Samari Properties LLC	19	1/26/2024	13
80-800-0505	Lot 5	Block 5	Jeremy Larson	20	12/7/2023	14
80-800-0506	Lot 6	Block 5	Cook County EDA	14	12/7/2023	15
80-800-0507	Lot 7	Block 5	Cook County EDA; should be animal shelter City	14	12/7/2023	16
80-800-0508	Lot 8	Block 5	Grand Marais Barbell LLC dba Vesta Unchained LLC	21	1/25/2024	17
80-800-0509	Lot 9	Block 5	Porch Swing Holdings, LLC Laurie Senty - Mark Till; dba RP Sterling, LLC	22	No Response	No response
80-800-0510	Lot 10	Block 5	Nesgoda Services LLP	23	No Response	No response
80-800-0511	Lot 11	Block 5	Michelle Harju; dba Dirt Candy Designs, LLC	24	12/7/2023	18
80-800-0512	Lot 12	Block 5	Adam Michelle Harju	24	12/7/2023	19
80-800-0601	Lot 1	Block 6	North Shore Laundry	25	12/14/2023	20
80-800-0602	Lot 2	Block 6	North Shore Laundry	25	12/14/2023	21
80-800-0603	Lot 3	Block 6	Cascade Vacation Rentals	26	12/7/2023	22
80-800-0604	Lot 4	Block 6	Saethre Properties LLC	27	No Response	No response
80-800-0701	Lot 1	Block 7	Three Families Brewing LLC	28	2/14/2024	23
80-800-0702	Lot 2	Block 7	Max J Wahlers	29	No Response	No response
80-800-0703	Lot 3	Block 7	G&G Septic Service LLC	30	12/19/2023	24
80-800-0704	Lot 4	Block 7	G&G Septic Service LLC	30	12/19/2023	25
80-800-0705	Lot 5	Block 7	Cook County Historical Society	31	2/1/2024	26
80-800-0706	Lot 6	Block 7	Pat Lindy Enterprises LLC	32	2/27/2024	27
80-800-0801	Lot 1	Block 8	Cook County Towing LLC	33	No Response	No response
80-800-0802	Lot 2	Block 8	Cook County EDA	14	12/7/2023	28

37 Total Lots at Cedar Grove Business Park - at least 75% of current lot owner consent required. 75% of 37 =27.75. 28 lot signatures were obtained.

**AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS AND RESTRICTIONS FOR
CEDAR GROVE BUSINESS PARK
GRAND MARAIS, MN**

This Amended and Restated Declaration (this "Amended & Restated Declaration") is made this _____ day of _____, 20____, by the Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under laws of the State of Minnesota (the "Declarant").

WHEREAS, Declarant is that certain Declarant under that Declaration of Covenants, Conditions, Easements and Restrictions, dated June 5, 2006 and recorded in the Office of the Cook County Recorder on June 7, 2006 as Document No. 104734, (the "Original Declaration") for the purpose of establishing provisions for improvements on Cedar Grove Business Park property; and

WHEREAS, said Original Declaration was amended by a First Amendment dated March 23, 2010 and recorded in the Office of the Cook County Recorder on March 23, 2010 as Document No. 112719, (the "First Amendment") further defining storm water control and wetland requirements; and

WHEREAS, at the time of the original Declaration, Declarant was the owner of real property in Cook County, Minnesota, legally described as Blocks 1 through 8, inclusive, and Outlots A, B, C, D, and E, Cedar Grove Business Park, according to the plat thereof on record with the Cook County Recorder at the time of Declaration (collectively, the "Property"), except Lot 1, Block 4 of the Property, which was owned by Interstate Energy, LLC, a Minnesota limited liability company, , who joined in the Original Declaration as a declarant, thereby subjecting all of the Property to the Original Declaration; and

WHEREAS, Declarant desires to amend and restate the Original Declaration, as amended by the First Amendment, in its entirety, by this Amended and Restated Declaration.

WHEREAS, Declarant is presently the owner of 10 of 37 (27%) of the lots in the Property, to-wit: Lot 1, Block 2; Lots 1 & 2, Block 3; Lots 2, 3, 4, & 5, Block 4; Lot 6 & 7, Block 5; and Lot 2, Block 8, CEDAR GROVE BUSINESS PARK.

WHEREAS Outlots A, B, C, D and E, CEDAR GROVE BUSINESS PARK, have been dedicated to the Public.

WHEREAS, this Amended and Restated Declaration was approved by the Declarant by resolution duly adopted by Declarant's Board of Directors at a public hearing held for such purpose, by resolution duly adopted by the Grand Marais City Council, and consented to by at least seventy-five per cent (75%) of the property owners subject to the Original Declaration, as amended by the First Amendment.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the Declarant hereto agrees as follows:

1. GENERAL DECLARATION

- A. The covenants set forth herein are in furtherance of a plan to encourage consistent and compatible development of the subject Property. Covenants shall run with the land for all purposes and shall be binding upon and inure to the benefit of the City of Grand Marais and all Property owners, occupants, and their successors in interest.
- B. All lots within the Property, except for Lots 1 and 2, Block 3, shall be subject to these Covenants and to the easements, buffers, common areas, green areas, streets, areas dedicated to the public and other items shown on the plat for the Property, and all conveyances of lots shall be subject to same.
- C. Lots 1 and 2, Block 3, CEDAR GROVE BUSINESS PARK, are hereby removed from the Original Declaration, as amended by the First Amendment, and shall not be subject to the provisions of this Amended and Restated Declaration, as they have been removed from the Business Development Area Zoning by the City Council of Grand Marais effective October 25, 2023, via Ordinance 2023-05, and deemed suitable for residential development. For the avoidance of any doubt, the term "Property" as used herein shall not include Lots 1, and 2, Block 3, CEDAR GROVE BUSINESS PARK.

2. GOVERNANCE

The Declarant is primarily responsible for planning and development, marketing, development agreements and conditions associated with vacant lot sales. All development agreements must be approved by the Cook County/Grand Marais Joint Economic Development Authority Board of Commissioners.

3. REGULATION OF USES

Permitted uses shall conform to those allowed in the Zoning Ordinance of the City of Grand Marais as it now exists, and may be hereafter amended.

4. MINIMUM STANDARDS

The minimum standards for the construction, alteration, and maintenance of improvements on the property shall be those set forth herein, as well as those set forth by the City of Grand Marais any other governmental agency which may have jurisdiction over the property. All improvements on the property shall conform to the then existing building codes and zoning ordinances in effect for the City of Grand Marais and shall be in compliance with all laws, rules and regulations of any governmental body that may be applicable including without limitation environmental laws and regulations. Where the restrictive covenants contained herein are more stringent than the zoning ordinances, codes, or other laws and regulations of the City of Grand Marais or any other applicable government agency, the restrictive covenants contained in this Amended and Restated Declaration shall govern and become the minimum standards by which the improvements and maintenance of them shall be controlled. All uses shall respect the unique nature of the entire setting.

5. CONDITION OF PROPERTY AND SCREENING

- A. All properties shall be kept in safe, clean, and wholesome condition. Owners and tenants must comply at all times and at their own expense with all applicable governmental, health, fire and safety ordinances, regulations, requirements, and directives. Regular and frequent removal of and disposal of any waste, by-products, or rubbish accumulating on each lot is required. Landscaped areas shall be maintained in neat condition.

- B. Outdoor storage of out-of-use or abandoned vehicles, out-of-use materials, out-of-use parts or out-of-use equipment is prohibited. This does not apply to vehicles, or equipment which is awaiting repair and shall be allowed only if incidental to a permitted use and consistent with provisions established in City of Grand Marais Zoning Ordinance.

- C. All improvements shall be constructed, kept and maintained by the Owner or occupant in good condition, repair, and appearance. All repairs, alternations, replacements, or additions to improvements shall be at least equal to the original work in class and quality.
- D. Every effort will be made to save trees in order to preserve natural areas and natural vegetation buffer between property owners.

6. UTILITIES

- A. Utility service lines such as electrical, telephone, communication, and television cable shall be installed below grade and subject to City of Grand Marais Zoning Ordinance and building permits.
- B. Antennas necessary for the conduct of business may be erected only if they adhere to permitted uses and height restrictions of the City of Grand Marais Zoning Ordinance and receive approval from the City of Grand Marais.

7. EXCAVATION

Not permitted, except in connection with construction of improvements as permitted by the City of Grand Marais. A grading and drainage plan must be submitted to the Design Review Committee, as defined herein, for approval prior to issuance of a construction permit.

8. SIGNAGE

All signage shall comply with the City of Grand Marais sign ordinance and/or City of Grand Marais Zoning Ordinance, further provided that there shall be: no rooftop or pylon signs, fluorescent colors, flashing lights, or moving signs. Application for a sign permit shall be made to the Zoning Administrator of the City of Grand Marais.

9. LIGHTING

Lighting shall be subject to City of Grand Marais Zoning Ordinance.

10. PARKING AND DRIVES

- A. On-street parking is prohibited, except by permit issued by a designated official of the City of Grand Marais on good cause. Adequate on-site parking must be provided for all employees,

visitors, company-owned vehicles, and customers. The City of Grand Marais Zoning Ordinance shall apply to minimum parking space and unloading requirements.

- B. Minimal surfacing for parking and drives shall be properly graded Class 5 surface which is considered to be an impermeable surface.
- C. Parking areas shall be permitted within the required setback areas if consistent with City of Grand Marais Zoning Ordinance.

11. LANDSCAPING

Landscaping must comply with City of Grand Marais Zoning Ordinance and permitting requirements. Design and construction standards will be required in order to preserve the natural landscape and lessen physical and visual damage to the natural terrain streams, vegetation, and other natural characteristics and features of the landscape that may be caused by development and improvements to the Property.

12. DESIGN AND CONSTRUCTION

- A. It has been determined by the Declarant, that the purpose of these Covenants is to make every attempt to respect, complement, and maintain the natural amenities of the Property without imposing unrealistic costs. The intent is to make every attempt to respect, compliment, and maintain the natural amenities of the sites.
- B. The Design Review Committee, as defined herein, will require that building projects be designed and certified by licensed professionals in accordance with the laws of the State of Minnesota and applicable building codes. The Design Review Committee encourages innovative design which takes advantage of the existing topography and minimizes earth work.
- C. It is the intention that the Design Review Committee be presented with conceptual or schematic drawings, by an owner or prospective owner of property, for preliminary review and approval, with the consent of the Design Review Committee to final designs and plans consistent with such preliminary review and approval not be unreasonably withheld.

13. SUBDIVISION

No lot may be subdivided, and no portion of lot may be sold or otherwise conveyed, without written consent of the Cook County/Grand Marais Joint Economic Development Authority and

the Grand Marais City Council. Such consent may be withheld in the absolute discretion of the Cook County/Grand Marais Joint Economic Development Authority and the Grand Marais City Council.

14. PERFORMANCE STANDARDS

- A. The Performance Standards for Business Development Area as defined in the City of Grand Marais Zoning Ordinance shall apply to properties within Business Park Property except as modified herein.
- B. If multiple lots are owned by a single owner and developed for a single use consolidating the lots, setbacks and screening requirements between said lots shall not apply. Provided that, should said consolidated lots be placed in separate ownership at a later time, all setback and screening requirements shall apply from that time forward any removed or absent screening shall be restored.
- C. Future performance standards and regulations as described in paragraphs 14(A) and 14(B), provided through amendment, revision, or replacement of the City of Grand Marais Zoning Ordinance, shall be incorporated herein and shall modify the reference standards in paragraphs 14(A) and 14(B).

15. DESIGN REVIEW COMMITTEE

- A. The Design Review Committee will review all plans for development in the Property relative to compliance with these Covenants, and provide their recommendation to the Cook County/Grand Marais Joint Economic Development Authority and the City of Grand Marais. The Committee shall consist of a minimum of three members of the Cook County/Grand Marais Joint Economic Development Authority. A quorum shall be required for any approval. A quorum will consist of two persons and shall be necessary to take any action. Approval by the Committee does not imply compliance with other applicable building codes, permitting process, or other requirements. Members of the Design Review Committee shall be appointed by the Cook County/Grand Marais Joint Economic Development Authority for a term of one-year and may be reappointed. The Design Review Committee shall document their findings, recommendations and decision to the Applicant, Cook County/Grand Marais Joint Economic Development Authority Board, and to the City of Grand Marais to record their findings. Any decision of the Design Review Committee may be appealed to the EDA

Board within ten (10) days of written notice of the findings. The EDA Board shall hear and make decisions on such appeal within sixty (60) days of same being filed.

- B. The Design Review Committee shall review plans for development prior to any land disturbance, improvements, or construction is made to Property. In addition to development plan review relative to compliance with these Covenants, applicant must also submit a construction stormwater management system and design completed by a licensed engineer, as required by Section 16 herein.

16. STORM WATER CONTROL AND WETLANDS

- A. Storm water control shall be subject to all state and federal regulations, and will follow best management practices.
- B. No wetlands, as defined under state, local or federal laws or regulations shall be impacted unless in compliance with Cedar Grove Business Park Stormwater Permitting Guidance, Stormwater Pollution Prevention Plan, and requirements of Cook County/Grand Marais Joint Economic Development Authority Construction Stormwater General Permit and as approved by the Cook County/Grand Marais Joint Economic Development Authority and City of Grand Marais.
- C. Prior to commencement of any construction or excavation activities upon any lot, the lot owner shall submit to the Design Review Committee a proposed design for the permanent stormwater treatment system proposed to be installed upon the lot. The design shall be prepared by an engineer licensed in the State of Minnesota to design permanent storm water treatment systems. The engineer shall certify in writing upon the design sketch to the Design Review Committee: (i) that the design meets or exceeds all requirements for permanent storm water treatment for the lot as it relates to the proposed improvement upon the lot; and (ii) that the design meets or exceeds all requirements for permanent storm water treatment as it relates to the permanent storm water system in place for the entire Property. The Design Review Committee may also require that the design of the proposed permanent storm water treatment for the lot be reviewed and approved by the Minnesota Pollution Control Agency (MPCA) prior to commencement of construction. In the alternative, the lot owner may obtain approval of the design directly from the MPCA as part of a separate storm water permitting process and furnish the Declarant with a copy of the permit and design as approved by the MPCA.

- D. No one shall be allowed to occupy the Property until such time as the permanent storm water system for the lot, as designed and approved, has been constructed upon the Property, and an engineer licensed in the State of Minnesota to design permanent storm water treatment plans has certified to the Design Review Committee in writing that the permanent storm water treatment system as built conforms in all material respects to the permanent storm water system for the lot as designed and approved.
- E. In the event of a violation of this Section by the lot owner the Declarant shall be entitled to enforce the provisions of this Section and the covenants using all remedies available to the Declarant at law or in equity, including, but not limited to the following:
 - 1. Injunction. The Declarant may enjoin the lot owner from using or occupying the property until such time as the lot owner has fully complied with this Section;
 - 2. Corrective Action. The Declarant may employ engineers and contractors and construct or modify the permanent stormwater treatment system to conform to the design of the system as approved. All costs of constructing or modifying the system shall be paid by the property owner and shall be assessed as a lien against the property which may be foreclosed in accordance with Minnesota Law as an assessment lien.
 - 3. Reversion of the Title to the Property. The Declarant may declare a breach of the covenant incorporated within the deed to the property as required by Minnesota Statue 469.105 sub. 6 and seek a judicial decree from the district court declaring a forfeiture of cancellation of the deed.
- F. All costs incurred by the Declarant in enforcing the provisions of this Section, including court costs and reasonable witness' and attorneys' fees shall be paid by the property owner to the Declarant.

17. ENFORCEMENT

- A. Each owner shall comply with and shall assume ownership of lots within the Property subject to all laws, rules and regulations of governmental authorities having jurisdiction over the property, the provision of these Covenants and all amendments or supplements to the foregoing. Failure to comply with any of the foregoing shall be grounds for commencement of an action for recovery of damages, or injunctive relief, or both, by the Cook County/Grand Marais Joint Economic Development Authority in district court. Reasonable attorneys' fees

shall be awarded in favor of the Cook County/Grand Marais Joint Economic Development Authority in the event that they prevail in such enforcement action.

- B. Any waiver or failure to enforce any provision of these Covenants in a particulate situation shall not be deemed a waiver or abandonment of such provision as it may apply in any other situation or to the same or a similar situation at any other location in the Property or any other provision of these Covenants. The failure of the Cook County/Grand Marais Joint Economic Development Authority to enforce any Covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter or of the right to enforce any other Covenant.

18. TERMINATION OF RIGHTS & RESPONSIBILITIES OF DECLARANT

Upon the sale of all the lots in the Property and completion of required construction and permanent stormwater management systems, the rights and responsibilities of the Cook County/Grand Marais Joint Economic Development Authority and/or the Design Review Committee shall terminate.

19. WAIVER

Neither the Cook County/Grand Marais Economic Development Authority, the Design Review Committee, nor their successors or assigns shall be liable to any Owner or Occupant of the subject property by reason of any mistake in judgment, negligence, nonfeasance, action, or inaction of for the enforcement or failure to enforce any provision of these Covenants. Every Owner or Occupant of any said property by acquiring its interest therein agrees that it will not bring any action or suit against the Cook County/Grand Marais Joint Economic Development Authority, or the Design Review Committee to recover any such damages or seek equitable relief because of same.

20. RUNS WITH LAND

This Amended and Restated Declaration of Covenants shall run with and bind the property, and shall inure to the benefit of and be enforceable by the Cook County/Grand Marais Joint Economic Development Authority, and the owners of lots in the Property, and their respective successors, assigns, heirs, executors, administrators, and personal representatives, beginning on the date the Original Declaration was adopted, as automatically extended under the terms of the

Original Declaration for successive periods of ten years on December 31, 2010 and December 31, 2020, and continuing through and including December 31, 2030, after which time they shall continue to be automatically extended for successive periods of ten years, unless a change is approved by the owners pursuant to paragraph 23 herein.

21. RIGHTS OF MORTGAGEES

No breach or violation of these covenants, conditions, and restrictions shall defeat or render invalid the lien of any mortgage, deed of trust, or similar instrument securing a loan made in good faith and for value with respect to the development or permanent financing of any lot or portion thereof, provided that all these restrictions shall be binding upon and effective against any subsequent Owner of the property or any portion thereof whose title is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise pursuant to such lien rights. The lien of an assessment is hereby subordinate to the lien of any mortgage on the lot in the Property, provided that the mortgage secures only funds actually advanced to the low owner (or its predecessors) for purposes relating to the lot, or improvements, fixtures or equipment located thereon.

22. SEVERABILITY

The invalidity or unenforceability of any term, condition, or provision of this Declaration for any reason, whether by court order or otherwise, shall in no manner affect the validity or enforceability of any other term, condition, or provision hereof, all of which shall remain in force and effect for the term of this Declaration and any extension hereof.

23. AMENDMENTS

Amendments hereto may occur only with the written consent of the voting power of seventy five percent (75%) of lots based upon one vote per lot within the Property and by resolution duly adopted by the Cook County/Grand Marais Joint Economic Development Authority and the Grand Marais City Council. Such modification or amendment shall become effective upon execution and recording of same with the Register of Deeds, Cook County, Minnesota.

24. ENTIRE AGREEMENT

This Amended and Restated Declaration embodies the entire agreement and understanding of the Declarants hereto with respect to the covenants, conditions, easements and restrictions to the Property contemplated by this Amended and Restated Declaration and supersedes all prior agreements, representations, warranties, promises, covenants, arrangements, communications, and understandings, oral or written, express or implied, between or among the Declarants with respect to the subject matter hereof, including, without limitation, the Original Declaration and First Amendment, which Original Declaration and First Amendment shall be deemed null and void, and of no further force or effect whatsoever following the date the recording of this Amended and Restated Declaration with the Register of Deeds, Cook County, Minnesota.

(Signature Pages to Follow)

IN WITNESS WHEREOF, the Declarant has caused this Amended and Restated Declaration to be executed to be effective as of the day and year recited on the first page hereof.

Cook County/Grand Marais Joint Economic Development Authority

By: _____

Steve Surbaugh, Its President

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by Steve Surbaugh, the President of the Cook County/Grand Marais Joint Economic Development Authority, an economic development authority existing under Minnesota Statutes, on behalf of the Authority.

Notary Public

This instrument was drafted by:


Cook County/Grand Marais Joint Economic Development Authority
425 W. Highway 61, Suite B
Grand Marais, MN 55604
218-387-3112

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 1, Block 1, Parcel ID 80-800-0101

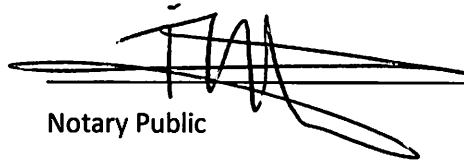
Lot 2, Block 1, Parcel ID 80-800-0102

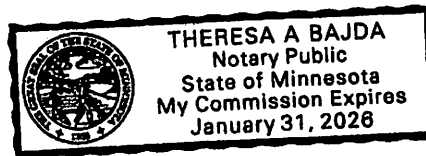
Sweetwater Design Studios LLC

By: 
Name: MOLLY LARSON
Its: Owner

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 12th day of February, 2024, by Molly Larson, the Owner of Sweetwater Design Studios, LLC, a Minnesota limited liability company, on behalf of the company.


Notary Public



IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 1, Block 2, Parcel ID 80-800-0201

Lot 1, Block 3, Parcel ID 80-800-0301

Lot 2, Block 3, Parcel ID 80-800-0302

Lot 2, Block 4, Parcel ID 80-800-0402

Lot 3, Block 4, Parcel ID 80-800-0403

Lot 4, Block 4, Parcel ID 80-800-0404

Lot 5, Block 4, Parcel ID 80-800-0405

Lot 6, Block 5, Parcel ID 80-800-0506

Lot 7, Block 5, Parcel ID 80-800-0507

Lot 2, Block 8, Parcel ID 80-800-0802

Cook County/Grand Marais Joint Economic Development Authority

By: _____

Steve Surbaugh, Its President

STATE OF MINNESOTA)

) SS

COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 7th day of December, 2023, by Steve Surbaugh, the President of the Cook County/Grand Marais Joint Economic Development Authority, an economic development authority existing under Minnesota Statutes, on behalf of the Authority.



Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 1, Block 4, Parcel ID 80-800-0401

TGAS Real Estate Holdings, LLC

By:_____

Its:_____

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, the _____ of TGAS Real Estate Holdings, LLC, a Minnesota revised uniform limited liability company, the owner of Lot 1, Block 4, on behalf of the company.

Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 6, Block 4, Parcel ID: 80-800-0406

Boat Pal Services LLC

By: _____

Its: _____

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of Boat Pal Services, LLC, a Minnesota limited liability company, the owner of Lot 6, Block 4, on behalf of the company.

Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 7, Block 4, Parcel ID: 80-800-0407

Lot 8, Block 4, Parcel ID: 80-800-0408

A Superior Storage LLC




By: Forrest Parson

Its: owner

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 7th day of December 20 23, by Forrest Parson, the owner of A Superior Storage, LLC, a Minnesota limited liability company, the owner of Lots 7 and 8, Block 4, on behalf of the company.



Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 1, Block 5, Parcel ID: 80-800-0501

Lot 2, Block 5, Parcel ID: 80-800-0502

First Baptist Church

By: _____

Its: _____

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of First Baptist Church, a Minnesota nonprofit corporation, the owner of Lot 1 and 2, Block 5, on behalf of the company.

Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 3, Block 5, Parcel ID: 80-800-0503

Lot 4, Block 5, Parcel ID: 80-800-0504

N&L Samari Properties, LLC



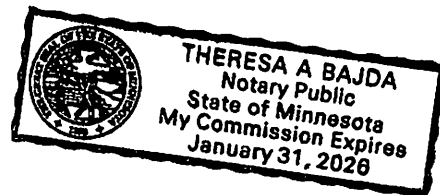
By: Naddeh Samari

Its: Owner

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

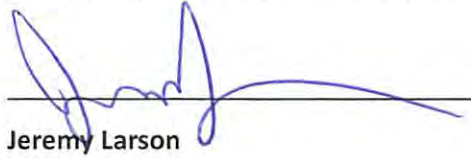
The foregoing instrument was acknowledged before me this 26th day of January, 2024, by Naddeh Samari, the owner of N&L Samari Properties, LLC, a Minnesota limited liability company, the owner of Lots 3 and 4, Block 5, on behalf of the company.

Notary Public



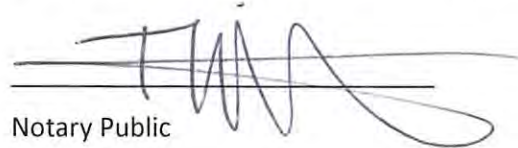
IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 5, Block 5, Parcel ID: 80-800-0505


Jeremy Larson

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 7th day of December, 2023, by Jeremy Larson, the property owner of Lot 5, Block 5, Cedar Grove Business Park, Grand Marais, Cook County, Minnesota.


Notary Public



IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 8, Block 5, Parcel ID: 80-800-0508

Grand Marais Barbell, LLC




By: Chris Skildum

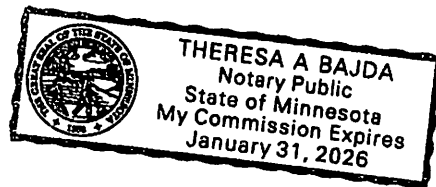
Its: OWNER

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 25th day of January 2024, by Chris Skildum the OWNER of Grand Marais Barbell, LLC, a Minnesota limited liability company, the owner of Lot 8, Block 5, on behalf of the company.



Notary Public



IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

**Lot 9, Block 5, Parcel ID: 80-800-0509
Porch Swing Holdings, LLC**

By: _____
Its: _____

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of Porch Swing Holdings, LLC, a Minnesota limited liability company, the owner of Lot 9, Block 5, on behalf of the company.

Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 10, Block 5, Parcel ID: 80-800-0510
Nesgoda Services LLP

 By: _____
 Its: _____

STATE OF MINNESOTA)
) SS
 COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, the _____ of Nesgoda Services LLP, a Minnesota limited liability partnership, the owner of Lot 10, Block 5, on behalf of the limited liability partnership.

 Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 11, Block 5, Parcel ID: 80-800-0511

Lot 12, Block 5, Parcel ID: 80-800-0512


By: Adam Harjia Michele Harjia
Its: Property Owner

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 7th day of December, 2023, by Adam + Michelle Harjia, the property owner, of Lots 11 & 12, Block 5, Cedar Grove Business Park, Grand Marais, Cook County, Minnesota.


Notary Public



IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 1, Block 6, Parcel ID: 80-800-0601

Lot 2, Block 6, Parcel ID: 80-800-0602

North Shore Laundry Services, LLC



By: Thom McAleer

Its: Owner

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 14th day of December, 2023, by Thom McAleer, the Owner of North Shore Laundry Services, LLC, a Minnesota limited liability company, the owner of Lots 1 and 2, Block 6, on behalf of the company.


Notary Public

IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 3, Block 7, Parcel ID: 80-800-0703

Lot 4, Block 7, Parcel ID: 80-800-0704

G&G Septic Service LLC

Carl Gresczyk

By: Carl Gresczyk

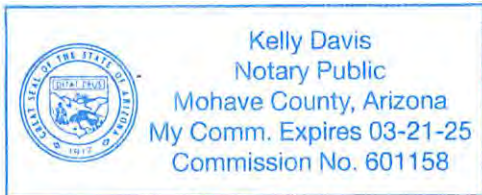
Its: Owner

STATE OF Arizona)
COUNTY OF Mohave)^{SS}

The foregoing instrument was acknowledged before me this 8th day of December, 2023, by Carl Gresczyk, the owner of G&G Septic Service, LLC a Minnesota limited liability company, the owner of Lots 3 & 4, Block 7 on behalf of the company.

Kelly Davis

Notary Public



IN WITNESS WHEREOF, the undersigned Property Owner of a Lot or Lots located in Cedar Grove Business Park has reviewed the Amended and Restated Declaration and hereby consents to this Amended and Restated Declaration.

Lot 6, Block 7, Parcel ID: 80-800-0706

Pat Lindy Enterprises, LLC




By: Josh Lindstrom

Its: Owner

STATE OF MINNESOTA)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 27th day of February 2024, by Josh Lindstrom the Owner of Pat Lindy Enterprises, LLC a Minnesota limited liability company, the owner of Lot 6, Block 7, on behalf of the company.

Notary Public 



**COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2024-12

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT FOR PROFESSIONAL SERVICES WITH THE NORTHSPAN GROUP, INC TO FACILITATE AND DRAFT A THREE YEAR STRATEGIC FRAMEWORK IN AN AMOUNT NOT TO EXCEED \$15,000

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) desires to complete a strategic planning process to assist in carrying out its mission; and

WHEREAS, the Executive Director has secured a quote for services from The Northspan Group, Inc. (“Northspan”) who has previously provided economic and demographic analysis reports for the EDA and Cook County and has extensive experience in facilitation of strategic and organizational plans.

NOW, THEREFORE, BE IT RESOLVED, the EDA Board of Commissioners hereby authorizes the Executive Director to enter into an Agreement for Professional Services with Northspan to research, facilitate, and draft a three-year strategic framework for the EDA at a cost not to exceed \$15,000, payable from Professional Services.

_____ Ex. Dir.

March 19, 2024

STATEMENT OF PURPOSE: The purpose of this resolution is the authorize the Executive Director to enter into an Agreement with The Northspan Group, Inc. (“Northspan”). The EDA received a quote for services to research, facilitate and draft a three-year strategic framework for the EDA at a cost not-to-exceed \$15,000 payable from Professional Services. Northspan proposes to complete the strategic framework through a four-step planning process: preparation & design, conduct environmental assessments, facilitate a full-day EDA Board retreat to inform strategic direction, and strategy documentation.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 19th day of March 2024.

ATTEST:

Steve Surbaugh – Board President

NORTHSPAN

COMMUNITY BUSINESS ORGANIZATIONAL DEVELOPMENT

COOK COUNTY AND GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

Strategic Planning Facilitation Services

February 19, 2024

PREPARED FOR:

Theresa Bajda, Executive Director

Email: theresa@cookcountymneda.org

O: 218-387-3112

PREPARED BY:

Karl Schuettler, Vice President

202 W. Superior Street, Suite 600 | Duluth, MN 55802

kschuettler@northspan.org

O: 218-481-7737



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NORTHSPAN

202 West Superior Street, Suite 600, Duluth, MN 55802
218.481.7737 | kschuettler@northspan.org

February 19, 2024

Re: Cook County and Grand Marais Economic Development Authority Strategic Planning Proposal

Dear Theresa,

Northspan is pleased to present this updated proposal for strategic planning following our recent discussions about the Cook County EDA and its needs. As you know, we have a long history of collaboration with the EDA and in supporting economic development in the county. Facilitating the creation of strategic plans for public and nonprofit entities has long been a core Northspan service, including recent examples with the Chisago County HRA-EDA, City of Hermantown EDA, and City of Biwabik.

We believe our experience and expertise in strategic planning coupled with our northern Minnesota roots position us well to complete this work. Vice President Karl Schuettler will lead this project with assistance from Consultant Ali Bilden Camps and Associate Consultant Stefanie Sjin. Other team members may participate as necessary.

Let us know if you'd like to have additional conversations or if we can be of any further assistance as you make your decision. We look forward to potentially working with your team!

Best wishes,

Karl Schuettler
Vice President



ENGAGE & ELEVATE

OUR MISSION

To be expert navigators, transforming ideas into accomplishments.

OUR EXPERTISE

Northspan delivers high quality development consulting services to clients in the Upper Midwest. We are a critical resource for businesses, organizations, and communities that need solid and dependable research services, professional technical support, and financial assistance to advance their projects.

BUSINESS

- Structure and facilitate financing for projects
- Provide expertise in packaging loan and grant applications
- Partner with communities and financial institutions to provide loan program support services
- Partner with community banks to provide Small Business Administration (SBA) 7a Loan Guaranty program services
- Provide accredited business valuation and succession planning

COMMUNITY

- Coordinate and facilitate critical conversations
- Provide strategic support and gap capacity for communities and regional partnerships
- Devise strategies for diversification, change, and sustainable growth
- Critically examine, research, and analyze opportunities and challenges
- Provide policy recommendations and process for change

ORGANIZATIONAL

- Coordinate and facilitate strategic planning processes
- Provide technical assistance for change, growth management, and development
- Provide meeting management and planning services
- Facilitate economic adjustment, crisis response, and readiness planning initiatives
- Conduct project feasibility studies and economic impact analyses



ABOUT US

The Northspan Group, Inc. is a private, nonprofit development consulting firm located in Duluth, Minnesota. Northspan specializes in creative thinking, enterprising strategies, and systematic approaches to help businesses, communities, regions, and organizations prosper in a global economy. Our professional staff work cooperatively with economic and community development partners to leverage resources for measurable, sustainable results. As a private, nonprofit consulting firm, we work quietly and confidentially to move projects forward on time and on budget by providing critical, gap capacity support that exceeds client expectations.

CORE VALUES

We foster respect through intentional engagement of stakeholders and seek common solutions to community, business, and organizational challenges.

INCLUSIVE: We facilitate intentional engagement of stakeholders and seek common solutions to community, business, and organizational challenges.

TRUSTWORTHY: We earn the loyalty of our clients by operating ethically, reliably, confidentially, and with integrity.

STEWARDS: We carefully manage the resources entrusted to us and focus on the long-term well-being of our clients and programmatic service areas.

ADAPTABLE: We offer a broad range of expertise which enables us to seize new opportunities and tailor our offerings to meet our clients' needs.

DILIGENT: We provide satisfaction to our clients by delivering excellent customer service and clear results.

HISTORY

Northspan has been a behind-the-scenes force for economic development for more than 37 years. It was born in 1985 as a private, nonprofit organization to offer professional business and community development services. At the time, northeast Minnesota was reeling from a recession, record high unemployment, and a shrinking tax base.

Northspan's founders chose its name to reflect its broad mission across the Upper Midwest and formed it as a private, nonprofit fee-for-service consulting group to nimbly address issues while remaining committed to its mission.

Northspan then built a team of professionals with broad capabilities that worked without limits imposed by geography or any professional field. Since its inception, Northspan has spearheaded regional partnerships, lent a fresh perspective, and built deep relationships in the communities it serves.

NORTHSPAN BY THE NUMBERS

75+ YEARS
COMBINED
EXPERIENCE

75+ CLIENTS
SERVED
IN 2022

9 TALENTED
TEAM
MEMBERS

GOAL

Develop a three-year strategic framework including a practical vision, underlying contradictions, strategic directions, and action planning to guide its implementation.

RECOMMENDED APPROACH

Northspan's preferred strategic planning method includes the following for your strategic planning process:

- Preparation & Design
- Conduct Environmental Assessments
- Full-Day Board Retreat to include Practical Vision, Underlying Contradictions, & Strategic Direction results derived from survey, Mission, Vision & Core Values, and Focused Implementation workshops
- Strategy Documentation

PREPARATION & DESIGN (MARCH/APRIL 2024)

Northspan works with the group to design the engagement, clarify who needs to be involved, and examine the group's environment, which provides focus for the workshops. Preparation and design of our strategic planning method could incorporate all of the following components:

- Clarify strategic planning goals
- Identify those to be engaged in the workshops
- Organize & schedule workshops and check-in meetings when necessary

CONDUCT ENVIRONMENTAL ASSESSMENTS

1. Internal & External Analysis
2. Demographic Analysis
3. Economic Trend Analysis
4. Key Stakeholder Survey

(1) Internal & External Analysis

Document organizational & community resources and assets through organizational review, community analysis, and supplement with relevant data.

- Obtain background information & related materials
- Existing strategic, planning, or related documents

Use data tools and research to determine trends and best practices relevant to the group, including case study comparisons when relevant. Data will seek to provide context to inform strategic planning.

- US Census and American Community Survey
- Minnesota economic and labor data sources
- Bureau of Economic Analysis
- Bureau of Labor Statistics
- Other relevant federal, state, and local sources

(2) Demographic Analysis

The demographic analysis will assess changes in the county since past Northspan analyses, including shifts in population, age, racial and ethnic categories, and other relevant trends that may affect its economy. The findings aim to provide context on the social and economic environment in which the EDA operates and how the data has changed over time.

(3) Economic Trend Analysis

The economic trends analysis will assess the state of the economy in the county. It will build on Northspan's past analyses to identify leading industries, areas of growth and stagnation, and build a story on the trajectory of the region. Its findings aim to provide context on the social and economic environment in which the organization operates and how the data has changed over time.

(4) Key Stakeholder Survey

Targeted to EDA board and staff; county, city, and township officials; and partner organizations such as the Chamber of Commerce and Visit Cook County

- Assess progress on existing initiatives, Vision, Mission, and Core Values
- Conduct a Strengths, Weaknesses, Opportunities, Threats (SWOT) assessment
- Build the group's draft Practical Vision, Underlying Contradictions, and Strategic Directions
- Additional questions on topics of community concern, as determined in coordination with EDA staff (e.g., the future of the golf course)

FULL-DAY STRATEGIC PLANNING RETREAT (MAY OR JUNE 2024)

STRATEGIC PLANNING WORKSHOP

Workshop Time: 8 hours

CONTEXT CONVERSATION

Review information from the environmental assessments and facilitate a focused conversation regarding the survey results to refine the practical vision, underlying contradictions, and strategic directions.

PRACTICAL VISION: These will be derived from the survey results and presented for edit enhancements.

Practical Vision | The group creates practical images of their desired future.

- What do you want to see in place in three years as a result of our actions?
- Reveals the latent vision within the group; identifies the group's hopes and dreams.
- Creates group ownership of a common vision of the future.

UNDERLYING CONTRADICTIONS: These will be derived from the survey results and presented for edit enhancements.

Underlying Contradictions | The group identifies and analyzes obstacles and root causes that prevent realization of its vision.

What is blocking us from moving toward our vision?

- Identifies obstacles to the vision.
- Ensures the group feels they've identified underlying issues.

STRATEGIC DIRECTIONS WORKSHOP: These will be derived from the survey results and presented for edit enhancements.

Strategic Directions | The group creates strategies that will deal with the contradictions and move the group toward its vision.

What innovative, substantial actions will deal with the underlying contradictions and move us toward our vision?

- Enables the group to create clearly focused, yet innovative and empowering strategies that set the course for the group.
- Generates excitement about collaboration within the group and new commitment to practical possibilities.

REFINING VISION, MISSION, & CORE VALUES

Mission: What do we do? It's factual.

Vision: Where are we going? It's aspirational.

Core Values: Define your culture.

They exist today whether you have captured them or not. When they are clear, they will attract like-minded people to your organization. When they are applied to your existing organization, they will weed people out that don't fit. Once captured, they must be used for hiring, firing, review, rewards, and recognition. This is how you keep them alive.

FOCUSED IMPLEMENTATION WORKSHOP

The group decides the substantial actions required to carry out its new directions with measure and implementation plans.

- Discerns the strategic actions that will begin to build momentum behind each strategic direction.
- Instills ownership, commitment, and accountability for action.
 1. Accomplishments
 - *What will be our specific, measurable accomplishments?*
 2. Timeline & assignments
 - *What is our timeline for completion of accomplishments?*
 - *What are the identifiable costs for actions on the timeline?*
 3. Priorities
 - *What are our priority actions for the first quarter?*

STRATEGY DOCUMENTATION (MAY-JUNE 2024)

Once these planning sessions are completed, we draft a feasible Strategic Plan & Findings detailing Strategic Directions, Actions, and Outcomes that includes all elements outlined above, plus:

- Create and electronically communicate the draft strategic plan with the group to acquire feedback
- Edit and present a final strategic plan including a process summary for EDA approval



INVESTMENT

Northspan bills for services on a cost reimbursement basis based upon the hourly rates of professional staff involved and any direct charges and travel associated with the work performed.

We propose a contract of **\$15,000** to provide these services. This figure includes the complete scope outlined above.

\$740.00	Preparation & Design
\$5,695.00	Determine & Conduct Environmental Scan/Assessments, including but not limited to:
\$885	1. Internal & External Analysis
\$1,190	2. Demographic Analysis
\$1,230	3. Economic Trend Analysis
\$2,390	4. Key Stakeholder Survey
\$3,960.00	Board Retreat
\$2,270.00	Strategy Documentation
\$12,665.00	SUBTOTAL
\$750.00	Design, Printing & Meeting Supplies
\$265.00	Mileage
\$1,320.00	Travel Time, based on 1 trip
\$2,335.00	SUBTOTAL Design, printing, mileage, & travel
\$15,000.00	TOTAL

EMBEDDED METHODS

Focused Conversations create a setting for meaningful communication.

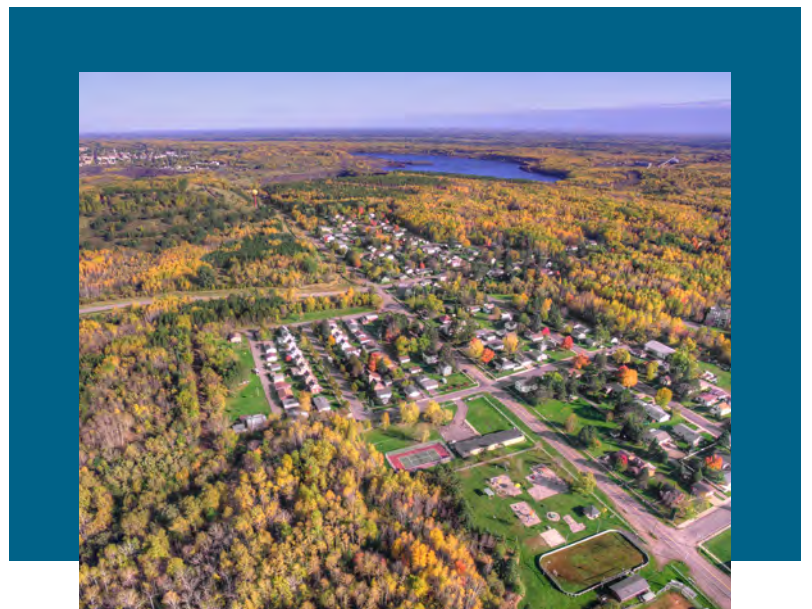
- Provide a structure for clear dialogue and reflection
- Probe beneath the surface to the depth of a topic
- Encourage a diversity of perspectives
- Create shared awareness

Consensus Workshops lead to consensus-based group decisions that respect diverse perspectives, create joint resolve, and inspire individual and group action.

- Engage all group members
- Organize the group's ideas and decisions
- Reveal the consensus in large groups
- Build effective team partnerships
- Create shared agreement

Action Planning (when appropriate) is an approach to short-term planning for events or projects that already have group agreement.

- Visualizes the completed task
- Analyzes the current situation
- Focuses the group's commitment
- Sets up clear forms of accountability
- Develops a coordinated action timeline
- Creates commitment to action



DEVELOPMENT PHILOSOPHY: ENGAGING & ELEVATING SINCE 1985

Northspan's mission is to be expert navigators, transforming ideas into accomplishments. Over 37 years of community and economic development work, Northspan has built a reputation as a reliable partner that will create a careful strategy specific to the context of each engagement process. While the faces of staff members may change, the organization maintains a commitment to inclusive participation and profound respect in its work. We build long-term partnerships with communities and organizations. We often operate behind the scenes to add value for and increase the capacity of organizations that provide essential goods and services to people from all walks of life.

Trust is fundamental to our work, and we maintain a high standard of professionalism to continue the legacy we have built. We are well-connected and able to contribute to engagement processes with bodies of state and local government, private companies, philanthropic organizations, nonprofits, and community leaders. Only with buy-in from a dense network of people and groups can community engagement processes be successful, and we aspire to this comprehensive level of connection in every engagement process.

With an eight-person staff, Northspan has the capacity to provide additional research work and administrative support, streamlining our internal processes and allowing us to conduct certain supporting tasks at a lower hourly rate than that of the facilitator. Our track record of professionalism, responsiveness, and fresh energy allows us to move quickly and leave clients satisfied with the support they receive.

OUR ADAPTABLE ENGAGEMENT PROCESS

Above all, Northspan's approach emphasizes inclusive participation and profound respect on behalf of the facilitator, and we adapt and evolve our processes to these guiding principles. We believe it is the facilitator's role to carefully listen to all perspectives, and to encourage and proactively seek participation from everyone in the room. Our flexible approach to facilitation adapts to client needs, meeting attendees, and new developments over the course of an engagement process. When possible, we seek to include non-traditional engagement methods that include the arts and active engagement, which we believe can reach communities in new ways and bring them on board with a renewed vision of their communities' future. These processes provide an essential foundation for enhanced public life, create strong places that people can call home, and foster economic growth.

OUR ADAPTABLE ENGAGEMENT PROCESS CONTINUED

Northspan's facilitation work is based on the Institute of Cultural Affairs-USA Technology of Participation (Top) methods, which aims to transform the way groups think, talk and work together. We learn from the people we are working with by immersing ourselves in their communities or organizations to understand their challenges and opportunities. We make sense of what we learn, identify opportunities for change or movement, and consider how to model or pilot these ideas. Then, together with the community, we bring these ideas to life. How people behave, engage, act, move, think, and work within their communities are fundamental to our understanding of their dynamics. As we observe and analyze communities, gather new data, and use existing data, we begin to understand the reality on the ground.

We work with communities and organizations through the process and build partnerships and collaborations to allow for trust. This has the power to change perspectives and perceptions, inviting broader, long-range thinking. We create opportunities to test new ideas and gather more input, all while engaging all types of people in the community. When we take the time to listen, observe, and engage, we can make the best possible recommendations to elevate growth, recovery, and change.

ELEVATION OF DIVERSE PARTICIPANTS AND VIEWPOINTS

Northspan has a holistic vision of community and economic development and understands how partners can work together to best serve their communities. We know how to navigate a broader community and economic development ecosystem and help organizations find their niches among their partners to ensure they do not replicate services and provide a distinctive value proposition.

We research and learn to negotiate internal politics within the communities we serve, at times doing extensive background reading on communities' histories and tapping everyone in our networks to learn what we can about the places we work. Our diligence and knowledge of history allows us to research and break down historical divides, building connections where none had existed before. Our public and private sector experience leaves us very familiar in negotiating tough crowds and tougher conversations around organizational and community change.

We also believe it is essential to not only recognize people who show up to community meetings, but also explore methods to encourage participation from groups who are conspicuous in their absence. We believe in doing direct outreach in communities instead of waiting for community members to come to us. We identify where community members are and go directly to them, building bridges founded on common interests and goals. We believe in an expansive idea of diversity that works across age groups, race, faith, gender, and sexual orientation. We are also well-connected with the communities in which we operate, with ties to bodies of state and local government, private companies, philanthropic organizations, nonprofits, and community leaders. Only with buy-in from a dense network of people and groups can community engagement processes be successful, and we aspire to this comprehensive level of connection in every engagement process.



KARL SCHUETTLER: LEAD VICE PRESIDENT

218.481.7737 | kschuettler@northspan.org
www.linkedin.com/in/karl-schuettler-30336368/

Karl Schuettler manages regional economic development partnerships, provides support services to local communities, and researches and analyzes economic trends for Northspan's clients. He joined Northspan in 2016 and has previous experience in local economic development, organizational planning and analysis, public relations, and freelance journalism. A Duluth native, he holds a bachelor's degree from Georgetown University and a master's degree in urban and regional planning from the University of Minnesota.

RELEVANT CREDENTIALS, EXPERIENCE, AND EXPERTISE:

- Manage the Northland Connection program; regular activity maintaining the program's database of commercial sites and buildings in the Northland region, provision of data and property information to regional economic development staff, and incubation of regional initiatives around priorities such as Shovel Ready sites and opportunity zones.
- A wide range of research projects including a population study for the Fond du Lac Band of Lake Superior Chippewa, a cluster analysis and rail feasibility study for the City of Sandstone, financial feasibility studies for the Northeast Higher Education District and City of Cohasset, and market research projects for the Duluth Greater Downtown Council and several private developers. Frequent research work to support Northspan-facilitated strategic planning processes.
- Completed a study on drivers of housing costs and policy solutions completed in 2018, Housing for the Next Generation of Duluth's Workforce: A Comparative Study of Single-Family Housing Construction Costs in Duluth. The study included a list of recommendations to enhance housing affordability in Duluth, including multiple policies and programs, several of which the city has adopted, and led to the creation of an affordable housing task force co-facilitated by Northspan.
- Involved in work surrounding the opportunity zones federal tax incentive since its inception, including assistance with designation of zones, panel participation in discussions of the program in Minnesota and Vermont, and management of the Minnesota Opportunity Collaborative program and its webinar series.
- Comprehensive community development services for clients with long-term relationships, including the East Range Joint Powers Board, City of Sandstone, and GPS 45:93. Work includes meeting management, business retention and expansion visits, community engagement and research projects, support for marketing and communications activity, and policy recommendations.
- Support for community engagement processes, strategic planning, and feasibility studies led by other Northspan staff, including work in Hermantown, Itasca County, East Range communities Mille Lacs Corporate Ventures, nonprofits, and with regional partnerships including the Laurentian Vision Partnership, Arrowhead Growth Alliance, and NORTHFORCE.
- Active role in several regional economic development efforts that include dozens of member communities and organizations and require stakeholder input, including directing the Northland Connection program, membership on the boards of the Iron Range Economic Alliance and Duluth Community Schools Collaborative, and a member of the Duluth-Superior Metropolitan Interstate Council's Transportation Advisory Committee.
- Undergraduate degree in Regional and Comparative Studies from Georgetown University's School of Foreign Service, with coursework in diplomacy, economics, conflict negotiation, and research methods. Master's degree in Urban and Regional Planning from the University of Minnesota's Humphrey School of Public Affairs, with coursework in public participation process planning, economic development, housing policy, and community research methods.
- Economic Development Association of Minnesota Emerging Professional of the Year, 2021; Leadership Duluth graduate, Class of 2020; 2020-2021 Minnesota Young American Leaders Program participant.



ALI BILDEN CAMPS: SUPPORT CONSULTANT

218.481.7737 | acamps@northspan.org

<https://www.linkedin.com/in/alibildencamps/>

Ali joined Northspan in 2022 as a Consultant and provides community and organizational development services. Ali manages the NORTHFORCE program by connecting career-minded individuals with professional advancement opportunities and supporting our regional employers' current and future workforce needs.

Ali brings over 15 years of nonprofit management and community development experience including working with organizations and individuals across all sectors. She has roots in northern Wisconsin and has called northeast Minnesota home for almost 20 years. .

RELEVANT CREDENTIALS, EXPERIENCE, AND EXPERTISE:

- Manage the Northland Connection program; regular activity maintaining the program's database of commercial sites and buildings in the NManages the NORTHFORCE program; regular activity maintaining the program's database of employers, job posts, and candidate profiles.
- Works one-on-one with employers to optimize job posts, provide candidate data, and create job ads for social media.
- Provides individual support for job seekers, including resume reviews, industry data, and referrals for additional training, education, or support.
- Works with area partners on high-priority projects including improving access to talent in the fields of child care, health care, construction, and manufacturing.
- Facilitated community-action groups including the Carlton County Housing Coalition and the Carlton County Food & Nutrition Network.
- Coordinated community events to improve access to social services, health care, educational institutions, and employment opportunities.
- Bachelor of Science Degree in English with a minor in Gender Studies from the University of Wisconsin-Superior in 2006.
- Superior/Douglas County Leadership Graduate Class of 2014.
- MBA in Leadership and Change from the College of St. Scholastica in 2018, with coursework in Organization Development, Diversity and Inclusion, and Consulting.
- Completed the Certified Career Services Provider (CCSP) credential through the National Career Development Association in November 2022.



STEFANIE SJELIN
ASSOCIATE CONSULTANT

218.481.7737 | ssjelin@northspan.org

<https://www.linkedin.com/in/stefaniesjelin/>

Stefanie joined Northspan in 2023 as an Associate Consultant in a generalist role, utilizing a varied skillset and strategic mindset to capably assist with community, organizational, and business development and support the NORTHFORCE, Welcoming Community, and Northland Connection programs.

Stefanie graduated summa cum laude from The College of St. Scholastica with a bachelor's degree in organizational leadership and has lived in Duluth for over ten years. She is passionate about maximizing

potential, furthering equity, and delivering quality results to stakeholders in communities throughout the region.

RELEVANT CREDENTIALS, EXPERIENCE, AND EXPERTISE:

- Collaborates closely with staff to provide general assistance with various community, organizational, and business development projects to meet client and stakeholder needs.
- Actively supports the Northland Connection, NORTHFORCE, and Welcoming Community programs by conducting research, making strategic recommendations, and engaging in community and workforce outreach.
- Utilizes strong attention to detail in formatting, preparing, coordinating, proofreading, and editing contracts, proposals, reports, applications, and other documents while maintaining strict confidentiality standards.
- Currently pursuing certification in Technology of Participation (ToP) facilitation methods through the Institute of Cultural Affairs, emphasizing focused conversations, consensus workshops, and action planning in alignment with Northspan's preferred strategic planning method.
- Certified as a Social-Behavioral-Educational Researcher through the Collaborative Institutional Training Initiative (CITI), with a demonstrated ability to collect, interpret, and present data.
- Graduated with highest honors from Lake Superior College with an Associate of Arts and a distinction in Diversity, Equity, and Inclusion in December 2020.
- Graduated summa cum laude from The College of St. Scholastica (CSS) with a Bachelor of Arts in Organizational Leadership and minors in Psychology and Human Resources Management in May 2023, with focused coursework in organizational development, industrial-organizational psychology, business ethics, research, data analysis, and evidence-based decision-making.
- Worked as a Career Assistant with CSS Career Services, including helping to draft and edit professional documents, co-presenting workshops, and representing the department at workforce development events; recognized as a 2023 Student Employee of the Year finalist for outstanding performance and dedication to promoting equity and inclusion.

RELEVANT EXPERIENCE & REFERENCES

CHISAGO COUNTY HRA-EDA STRATEGIC PLANNING | 2020

Challenge: Chisago County HRA-EDA realizing many short-term successes but lacked a longer-term strategy to guide its work.

Role: Facilitated a strategic planning process that included a survey and a virtual practical visioning session for the HRA-EDA board, staff, and stakeholders from communities across the county. Using this groundwork, facilitated two meetings of the HRA-EDA board to identify underlying contradictions that prevented the HRA-EDA from achieving its vision, develop strategic directions, and create a new mission. Solicited feedback from the board on a draft plan and presented the final version for approval.

Results: HRA-EDA board approved the plan and will use it to guide its work from 2020-2025.

Reference: Nancy Hoffman, Chisago County HRA-EDA, nancy@chisagocounty.org, 651.674.5664

GO COOK COUNTY STRATEGIC PLANNING AND HOUSING INITIATIVE | 2012-2020

Challenge: Large, countywide strategic planning initiative facilitated by Northspan identified lack of workforce housing as one of several a major economic development priorities.

Role: Convened a large group of stakeholders and conducted economic analysis in 2012-2013, which identified housing as one of five economic development priorities. Northspan then assisted the Cook County/Grand Marais Economic Development Authority as it took responsibility for the organization and facilitation of focus groups, informational sessions, and the creation of a thorough workforce housing survey and needs assessment in 2015. In conjunction with community partners, the EDA set targets for affordable housing creation, identified development sites, and selected a community land trust model as the most effective method for delivering and sustaining affordable workforce housing. Later, Northspan provided an updated economic analysis and assessment of progress to date in 2020.

Results: Stakeholders engaged One Roof Community Housing to develop housing projects in Cook County, including a 16-unit apartment in Lutsen and 10 single-family homes in a community land trust in Grand Marais. Northspan remains a long-term partner of the county and has helped maintain accountability by assessing progress to date.

Reference: Jim Boyd, Cook County Chamber of Commerce, cchamber@boreal.org, 218-387-2079

RELEVANT EXPERIENCE & REFERENCES

CITY OF BIWABIK STRATEGIC PLAN | 2021

Challenge: The City of Biwabik on Minnesota’s Iron Range did not have an operational strategic plan and sought to develop one to guide its efforts. Biwabik recognized that a fully developed plan would separate it from other communities its size and allow it to capitalize on its unique assets, including the Giants Ridge recreation area, housing opportunities, a newly redeveloped Main Street lined with its signature Bavarian architecture, and a variety of additional amenities.

Role: Led a strategic planning process that began with a community engagement session and proceeded through a series of workshops with a strategy committee comprised of city elected officials, boards, and staff. The stakeholders developed a practical vision for the planning process, identified underlying contradictions that were preventing the community from reaching its vision, and developed four strategic directions to guide future work.

Results: The Biwabik City Council approved the strategic plan in November 2021. Its strategic directions include:

1. Enhancing and promoting amenities
2. Encouraging and facilitating economic development
3. Creating a sense of community through engagement
4. Reconnecting with community

The strategy committee established timelines for completing actions associated with each strategic direction and is working with Northspan on follow-up sessions to ensure the plan comes to fruition. You can view the City’s full strategic plan plus background information and details on the strategic planning process here: [City of Biwabik Strategic Plan 2021-2025](#).

Reference: *Jim Weikum, Mayor of Biwabik, jimweikum@gmail.com; Jeff Jacobson, Biwabik City Administrator, administrator@cityofbiwabik.com*

HERMANTOWN ECONOMIC DEVELOPMENT AUTHORITY, STRATEGIC PLANNING | 2021

Challenge: The Hermantown Economic Development Authority sought to update its strategic plan, which was last completed in 2017. As a growing community, Hermantown is working to prepare for new development while maintaining its unique identity.

Role: Facilitated a strategic planning process with the EDA board and staff across two sessions, which were conducted virtually due to the Covid-19 pandemic. The process revisited the organization’s mission, value statements, and strategic directions.

Results: The Hermantown EDA now has an operational strategic plan that affirms the organization’s mission and value statements and includes new strategic directions, which set the stage for a deliberate process to plan for the community’s growth. [HEDA Strategic Plan](#)

Reference: *John Mulder, Hermantown City Administrator, jmulder@hermantownmn.com, 218-729-3600*

N O R T H S P A N

202 W. SUPERIOR ST., SUITE 600 DULUTH, MN 55802 218.481.7737
INFO@NORTHSPAN.ORG

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2024-13

**RESOLUTION AUTHORIZING A GRANT AGREEMENT WITH BYSTROM CONSTRUCTION LLC TO SUPPORT
EQUIPMENT PURCHASE FOR A TOTAL AMOUNT NOT TO EXCEED \$9,729**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) operates its Business Development Grant Program to support small businesses and entrepreneurs and encourage public/private investment and partnership; and

WHEREAS, the EDA Grant Review Committee reviewed the grantees application and finds it meets current guidelines and supports expansion of grantees business.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the EDA hereby authorize a grant agreement with Bystrom Construction LLC, substantially in the form attached hereto as Exhibit A, and project support in an amount not to exceed \$9,729, payable from the Business Development Fund.

_____ Ex. Dir.

March 19, 2024

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) to approve a grant agreement with Bystrom Construction, LLC in an amount not to exceed \$9,729 to support purchase of specialty tools, ladders, and a pull behind trailer to allow for safe and effective operations that will also support expansion of current operations and hiring of an additional staff person. Bystrom Construction LLC was formed in June 2023 by Juston Bystrom and performs both interior and exterior construction services including framing, roofing, siding, and drywall installation. Since launching his own business, Juston has completed 26 unique jobs with revenues just shy of \$100,000. Grant funding will be provided to grantee on reimbursable basis per the grant agreement.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 19th day of March 2024.

ATTEST: _____

Steve Surbaugh – Board President

**BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
BYSTROM CONSTRUCTION LLC
EQUIPMENT AND BUSINESS EXPANSION PROJECT SUPPORT**

THIS FUNDING AGREEMENT (“Agreement”) entered into this _____ day of _____, 2024 (the “Effective Date”), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, (“EDA”) and BYSTROM CONSTRUCTION LLC, a Minnesota Limited Liability Company (“grantee”).

WHEREAS, Grantee has requested assistance from the EDA through the Business Development Fund for purchase of specialized construction equipment and pull behind trailer to support business growth and hiring of an additional staff person (the “Project”); and

WHEREAS, the EDA has determined that this Project aligns with the Business Development Grant Program and supports entrepreneurship and business growth in Cook County.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meany clearly appears from the context:

- A. City: means the City of Grand Marais, Minnesota.
- B. County: means Cook County, Minnesota.
- C. EDA: means the Cook County/Grand Marais Joint Economic Development Authority.
- D. Director: means the Executive Director of the EDA or such persons designated in writing by said Director to act on behalf with regard to this Agreement or any portion thereof.
- E. Eligible Project Costs: means those project costs as set forth in Exhibit A which may be funded with EDA funding proceeds.
- F. Funding Amount: means \$9,729 issued to the Grantee from the EDA’s Business Development Fund for Eligible Project Costs if all necessary supporting documentation is provided.

- G. Grantee: means Bystrom Construction LLC, a Minnesota Limited Liability Company owned and operated by Juston Bystrom.
- H. Project: means purchase of specialized construction tools, ladders and pull-behind trailer to support increased operations and hiring of an additional staff person.

ARTICLE II

Term of Agreement

- A. Effective date: The Grantee must not incur eligible project costs until this Agreement is fully executed and the Director has notified the Grantee that work may commence. No payments will be made to the Grantee until this Agreement is executed and necessary proof of purchased goods is provided to Executive Director in form of receipts.
- B. Expiration date: December 31, 2024 or until all obligations have been satisfactorily fulfilled whichever occurs first.
- C. Survival of Terms: The following clauses survive the expiration or cancellation of this Agreement: 9. Liability; 10. Audits. 11. Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

ARTICLE III

Grantee's Duties

The Grantee, who is not an EDA employee, will comply with required grant management policies and procedures set forth below:

- A. Submit to Director of the EDA receipts for all Eligible Project Costs for reimbursement prior to expiration date.
- B. Submit to Director of the EDA a final report on or before December 31, 2024 documenting how grant funding supported outcomes defined in the grantees application and proof of hiring at least one additional employee.
- C. Submit to Director of the EDA an executed W-9 for tax purposes.

ARTICLE IV

Time

The Grantee must comply with all the time requirements described in this Agreement.

ARTICLE V

Consideration of Payment

- A. The EDA will reimburse grantee for eligible project costs upon receipt of necessary documentation to support eligible purchases.

- B. The total obligation of the EDA to the Grantee under this Agreement will not exceed nine thousand seven hundred twenty nine dollars (\$9,729).

ARTICLE VI

Eligible Project Cost Invoices

- A. Grantee will submit an itemized reimbursement request for Eligible Project Costs, including all receipts and proof of payment for said costs to the Director in order to receive reimbursement for eligible project costs.
- B. Modifications to Eligible Project Costs require written approval from the EDA.

ARTICLE VII

Authorized Representative

- A. The EDA's Authorized Representative is Theresa Bajda, Executive Director, 218-387-3112, theresa@cookcountymneda.org, 425 W Hwy 61, Suite B., Grand Marais, MN 55604.
- B. The Grantee's Authorized Representative is Juston Bystrom, 218-576-9983, justonbystrom111@gmail.com, PO Box 1201, Grand Marais, MN, 55604.

ARTICLE VIII

Assignment, Amendments, and Waiver

- A. The Grantee shall neither assign nor transfer any rights or obligations under this Agreement without prior written consent of the EDA, as approved by the Board of Commissioners who approved and authorized execution of this Agreement.
- B. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who approved the original Agreement, or their successors in office. Upon written request by the Grantee, Director is authorized to extend the Expiration Date sixty (60) days without formal approval from the EDA Board of Commissioners.
- C. If the EDA fails to enforce any provision of this Agreement, that failure does not waive the provision or the EDA's right to enforce it.
- D. This Agreement contains all provisions between EDA and Grantee. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

ARTICLE IX

Liability

The Grantee must indemnify, save, and hold the EDA, its agents, and employees harmless from any claims or causes of action, including district attorney's fees, arising from the performance of this Agreement by the Grantee or the Grantees agents or employees.

ARTICLE X

Audits

The Grantee’s books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this Agreement or transaction are subject to the examination by the EDA, State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

ARTICLE XI

Data Practices and Intellectual Property Rights

The Grantee and EDA must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the EDA under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the Grantee under this Agreement.

ARTICLE XII

Publicity and Endorsement

- A. Any publicity regarding the subject matter of this Agreement must identify the EDA as a sponsoring agency and must not be released without prior written approval from the EDA’s Authorized Representative.
- B. The Grantee must not claim that the EDA endorses its products or services.

ARTICLE XIII

Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state court with competent jurisdiction in Cook County, Minnesota.

ARTICLE XIV

Termination

- A. The EDA may immediately terminate this Agreement if the EDA finds that there has been a failure to comply with the provisions of this Agreement, that reasonable progress has not been made, or that the purposes for which the funds were granted have not been or will not be fulfilled. The EDA may take action to protect the interests of the EDA, including refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

ARTICLE XV

Data Disclosure

Grantee consents to disclosure of its social security number, business tax identification number and/or Minnesota tax identification number if requested by EDA for disbursement of funds associated with this Agreement. These identification numbers may be used for tax purposes.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

**Cook County/Grand Marais Joint Economic
Development Authority**

Grantee – Bystrom Construction LLC

By:

By:

Steve Surbaugh
Its: Board President

Juston Bystrom, Its Owner

By:

Theresa Bajda
Its: Executive Director

EXHIBIT A - Eligible Project Costs

Item Description	Cost
Pull-behind Trailer	\$6,299.00
pneumatic lathing stapler	\$269.00
cordless planer	\$398.00
portable air compressor	\$249.00
2 lithium ion battery packs	\$298.00
15 amp corded bevel siding miter saw	\$499.00
2 aluminum multi-position ladders	\$478.00
20V brushless framing Nailer	\$439.00
Tax, Title, License for Trailer	\$800.00
Total Grant Request	\$9,729.00

**Individual line items are subject to increase/decrease in price based on vendor pricing at time of purchase. The EDA will approve reimbursements that include changes to individual item amounts, but not to exceed the total approved grant award of \$9,729.00.*

January 28, 2024

Addendum Bystrom Construction

Cook County Grand Marais EDA Business subsidy application;

1. Bystrom Construction LLC was formed on June 28, 2023 by Juston Bystrom. After nearly 20 years in the construction industry working for variety of local contractors including Skildum & Co and SDW Construction Juston was confident in his skills to form his own business. He is able to perform both inside and outside construction services, including but not limited to home construction, framing, roofing, decks, siding, flooring and drywall to name a few. Since launching his own business six months ago Juston has completed 26 different jobs, both inside and outside work which amounted to just shy of \$100,000 in revenue, a list of projects is attached. His revenue goal for 2024 is \$500,000 in projects.
4. Construction projects not only require a number of specialty tools, these tools must also be moved from job to job. Juston has already invested over \$25,000 in tools for his business.

Juston is requesting funding to expand the tools necessary for him to complete jobs in both a professional, efficient and safe manner. In start-up mode Juston invested in a variety of used tools. His request for tools include a router, battery powered nail gun, a laser level and ladders. The ladders especially will replace ones that are not adequate for the work he does. These tools will also be available for employee use. He intends to hire one or two employees in 2024. A complete list of tools is attached.

His request also includes a pull behind trailer which will serve two purposes, safe and effective equipment storage and a much more efficient way to insure he always has the right tools available at the job site. Acquiring the tools and trailer will insure that Juston can bid on a larger variety of projects and protect the investment he is making in equipment.

Business Subsidy Application

Business Name: _____

Name of applicant: _____

Address: _____

Phone: _____

Email: _____

1) Describe your business, including such information as products and services provided, general market area served, experience or qualifications you have for operating this business, and any other information you feel may be appropriate:

2) Please check which criteria best describes your request:

Redevelopment

Projects that remove, prevent or reduce blight or other adverse conditions of property thereby protecting the City's and County's property values and the general public health, safety and welfare.

Attraction of New Business

Projects that attract or retain competitive and financially strong commercial and industrial companies, which offer the potential for significant growth in employment and tax base.

Highest and Best Use of Land

The use of the Business and Housing Funding will encourage quality construction and promote the highest and best use of the land, consistent with the comprehensive plans of the City and the County.

Needed Services

Projects that provide a needed service in the community, including health care, convenience and social services.

Unmet Housing Needs

Projects that provide housing needs not currently available in the community.

Economic Feasibility

The applicant must demonstrate that they have the experience and financing necessary for the project and that the project can be completed in a timely manner.

Job Creation

Projects that create and/or retain jobs which pay at least the higher of the current Federal or State of Minnesota minimum wage, plus appropriate benefits.

3) Amount Requested: _____

4) Describe the proposed project: **see addendum**

5) Please attach the project budget, including sources and uses of funds.

6) Anticipated Completion Date: __ASAP _____

7) How many jobs do you anticipate will be created or retained by this project?

Created: 1 Retained: 1 Total: 2

8) What is the proposed wage/salary of the jobs?

Hourly: \$25 - \$35 experience dependant Salary: _____

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2024-14

**RESOLUTION AUTHORIZING A GRANT AGREEMENT WITH ECO DWELLING LLC TO SUPPORT EQUIPMENT
PURCHASE FOR A TOTAL AMOUNT NOT TO EXCEED \$9,977**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) operates its Business Development Grant Program to support small businesses and entrepreneurs and encourage public/private investment and partnership; and

WHEREAS, the EDA Grant Review Committee reviewed the grantees application and finds it meets current guidelines and supports expansion of grantees business.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the EDA hereby authorize a grant agreement with Eco Dwelling LLC, substantially in the form attached hereto as Exhibit A, and project support in an amount not to exceed \$9,977, payable from the Business Development Fund.

_____ Ex. Dir.

March 19, 2024

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) to approve a grant agreement with Eco Dwelling, LLC in an amount not to exceed \$9,977 to support purchase of specialty tools and scaffolding to allow for safe and effective operations that will also support expansion of current operations and hiring of an additional staff person. Eco Dwelling LLC was formed in 2010 by Douglas Hurth and began serving Cook Counting since 2020, performing all aspects of building from framing to finishing work. Eco Dwelling LLC has recently been involved with conversion of spaces into apartments to assist with the housing shortage in Cook County. Grant funding will be provided to grantee on reimbursable basis per the grant agreement.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 19th day of March 2024.

ATTEST: _____

Steve Surbaugh – Board President

**BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
ECO DWELLING LLC
EQUIPMENT AND BUSINESS EXPANSION PROJECT SUPPORT**

THIS FUNDING AGREEMENT (“Agreement”) entered into this _____ day of _____, 2024 (the “Effective Date”), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, (“EDA”) and ECO DWELLING LLC, a Minnesota Limited Liability Company (“grantee”).

WHEREAS, Grantee has requested assistance from the EDA through the Business Development Fund for purchase of specialized construction equipment and tools to support business growth and hiring of an additional staff person (the “Project”); and

WHEREAS, the EDA has determined that this Project aligns with the Business Development Grant Program and supports entrepreneurship and business growth in Cook County.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meany clearly appears from the context:

- A. City: means the City of Grand Marais, Minnesota.
- B. County: means Cook County, Minnesota.
- C. EDA: means the Cook County/Grand Marais Joint Economic Development Authority.
- D. Director: means the Executive Director of the EDA or such persons designated in writing by said Director to act on behalf with regard to this Agreement or any portion thereof.
- E. Eligible Project Costs: means those project costs as set forth in Exhibit A which may be funded with EDA funding proceeds.
- F. Funding Amount: means \$9,977 issued to the Grantee from the EDA’s Business Development Fund for Eligible Project Costs if all necessary supporting documentation is provided.

- G. Grantee: means Eco Dwelling, LLC, a Minnesota Limited Liability Company owned and operated by Douglas Hurth.
- H. Project: means purchase of specialized construction tools and scaffolding to support increased operations and hiring of an additional staff person.

ARTICLE II

Term of Agreement

- A. Effective date: The Grantee must not incur eligible project costs until this Agreement is fully executed and the Director has notified the Grantee that work may commence. No payments will be made to the Grantee until this Agreement is executed and necessary proof of purchased goods is provided to Executive Director in form of receipts.
- B. Expiration date: December 31, 2024 or until all obligations have been satisfactorily fulfilled whichever occurs first.
- C. Survival of Terms: The following clauses survive the expiration or cancellation of this Agreement: 9. Liability; 10. Audits. 11. Data Practices and Intellectual Property; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15. Data Disclosure.

ARTICLE III

Grantee's Duties

The Grantee, who is not an EDA employee, will comply with required grant management policies and procedures set forth below:

- A. Submit to Director of the EDA receipts for all Eligible Project Costs for reimbursement prior to expiration date.
- B. Submit to Director of the EDA a final report on or before December 31, 2024 documenting how grant funding supported outcomes defined in the grantees application, including proof of hire for at least one additional staff person.
- C. Submit to Director of the EDA an executed W-9 for tax purposes.

ARTICLE IV

Time

The Grantee must comply with all the time requirements described in this Agreement.

ARTICLE V

Consideration of Payment

- A. The EDA will reimburse grantee for eligible project costs upon receipt of necessary documentation to support eligible purchases.

- B. The total obligation of the EDA to the Grantee under this Agreement will not exceed nine thousand nine hundred seventy seven dollars (\$9,977).

ARTICLE VI

Eligible Project Cost Invoices

- A. Grantee will submit an itemized reimbursement request for Eligible Project Costs, including all receipts and proof of payment for said costs to the Director in order to receive reimbursement for eligible project costs.
- B. Modifications to Eligible Project Costs require written approval from the EDA.

ARTICLE VII

Authorized Representative

- A. The EDA's Authorized Representative is Theresa Bajda, Executive Director, 218-387-3112, theresa@cookcountymneda.org, 425 W Hwy 61, Suite B., Grand Marais, MN 55604.
- B. The Grantee's Authorized Representative is Douglas Hurth, 218-264-9610, douglashurth@protonmail.com, 295 Birch Drive, Grand Marais, MN, 55604.

ARTICLE VIII

Assignment, Amendments, and Waiver

- A. The Grantee shall neither assign nor transfer any rights or obligations under this Agreement without prior written consent of the EDA, as approved by the Board of Commissioners who approved and authorized execution of this Agreement.
- B. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who approved the original Agreement, or their successors in office. Upon written request by the Grantee, Director is authorized to extend the Expiration Date sixty (60) days without formal approval from the EDA Board of Commissioners.
- C. If the EDA fails to enforce any provision of this Agreement, that failure does not waive the provision or the EDA's right to enforce it.
- D. This Agreement contains all provisions between EDA and Grantee. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

ARTICLE IX

Liability

The Grantee must indemnify, save, and hold the EDA, its agents, and employees harmless from any claims or causes of action, including district attorney's fees, arising from the performance of this Agreement by the Grantee or the Grantees agents or employees.

ARTICLE X

Audits

The Grantee’s books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this Agreement or transaction are subject to the examination by the EDA, State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

ARTICLE XI

Data Practices and Intellectual Property Rights

The Grantee and EDA must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the EDA under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the Grantee under this Agreement.

ARTICLE XII

Publicity and Endorsement

- A. Any publicity regarding the subject matter of this Agreement must identify the EDA as a sponsoring agency and must not be released without prior written approval from the EDA’s Authorized Representative.
- B. The Grantee must not claim that the EDA endorses its products or services.

ARTICLE XIII

Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state court with competent jurisdiction in Cook County, Minnesota.

ARTICLE XIV

Termination

- A. The EDA may immediately terminate this Agreement if the EDA finds that there has been a failure to comply with the provisions of this Agreement, that reasonable progress has not been made, or that the purposes for which the funds were granted have not been or will not be fulfilled. The EDA may take action to protect the interests of the EDA, including refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

ARTICLE XV

Data Disclosure

Grantee consents to disclosure of its social security number, business tax identification number and/or Minnesota tax identification number if requested by EDA for disbursement of funds associated with this Agreement. These identification numbers may be used for tax purposes.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

**Cook County/Grand Marais Joint Economic
Development Authority**

Grantee – Eco Dwelling, LLC

By:

By:

Steve Surbaugh
Its: Board President
Date: _____

Douglas Hurth, Its Owner
Date: _____

By:

Theresa Bajda
Its: Executive Director
Date: _____

EXHIBIT A - Eligible Project Costs

**Individual line items are subject to increase/decrease in price based on vendor pricing at time of purchase. The EDA will approve reimbursements that include changes to individual item amounts, but not to exceed the total approved grant award of \$9,977.00.*



QUOTATION

Acme Tools Duluth
 4332 GRAND AVE
 DULUTH, MN 55807-2738
 USA
 Phone: (218) 628-3523
 Fax: (218) 624-0261

Quote Number
 20765643

Date
 2/29/24

Page
 1

Customer: #673193
 DOUGLAS HURTH
 295 BIRCH DR
 CROFTVILLE, MN 55604
 USA

Ship To: Acme Tools Duluth
 4332 GRAND AVE
 DULUTH, MN 55807-2738
 USA

Entered: 2/29/24 **Bid/Promo:** :
Expiration: 3/15/24 **Entered by:** Troy Kirsch
Phone/Email: 218-628-5624 / tkirsch@acmetools.com

Item	Description	Quantity	UOM	Quote Price	Extend. Price
LF5RK	5X5 SCAFFOLDING SECTION KIT	4	EA	242.00	968.00
ALBP	TITAN Scaffold Leveling Jack w ith Welded Base Plate 160001	8	EA	23.56	188.48
LF3R	TITAN 3 Ft. Scaffold End Frame 110453w	4	EA	59.29	237.16
B72B	TITAN 7 Ft. Aile Iron Cross Br ace for 3 Ft. Scaffolding	4	EA	27.26	109.04
5507-19	WERNER 7 Ft. Aluminum Decked A LUMA-PLANK	6	EA	197.66	1,185.96
15426-001	LITTLE GIANT SAFETY Velocity M odel 26 300 lb Rated Type-1A M	1	EA	419.28	419.28
3632-21	MILWAUKEE M12 Green 360d 3-Pla ne Laser Kit	1	EA	523.56	523.56
78296	Type 196 Class 6 Level Set & CASE	1	EA	511.74	511.74
2866-22	MILWAUKEE M18 FUEL Drywall Scr ew Gun- XC Kit	1	EA	295.35	295.35
2836-20F	PROMO M18 OSCILLATING MULTI-TO OL	1	EA	.00	.00
2745-21	MILWAUKEE M18 FUEL 30 DEGREE F RAMING NAILER KIT	1	EA	470.73	470.73

Continued . . .



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Entered: 2/29/24 **Bid/Promo:** :
Expiration: 3/15/24 **Entered by:** Troy Kirsch
Phone/Email: 218-628-5624 / tkirsch@acmetools.com

Item	Description	Quantity	UOM	Quote Price	Extend. Price
2839-20	MILWAUKEE M18 FUEL 15 Gauge Finish Nailer	1	EA	321.19	321.19
2746-20	MILWAUKEE M18 FUEL 18 Gauge Brad Nailer	1	EA	280.44	280.44
PM-3360	Bora Workhorse XT sawhorse	4	EA	45.73	182.92
PM-5090	PORT A MATE Pedestal Roller Stand	4	EA	47.08	188.32
VT25BIG	ROLAIR 2.5 HP (115V) 6.5 CFM@90PSI, 5.3 Gall Cart Compressor	1	EA	481.25	481.25
PFE40504TY	FLEXEEL Flexeel Polyurethane Air Hose 50 Ft. x 1/4 In.	2	EA	44.92	89.84
64827001	Yellow Jacket 50ft 12/3 SJTW Premium Outdoor Heavy-Duty	2	EA	39.20	78.40
64824801	Yellow Jacket 25ft SJTW Outdoor Heavy-Duty Extension Cord	1	EA	21.98	21.98
64827301	Yellow Jacket 100ft 12/3 Gauge SJTW Premium Outdoor Heavy-Duty	1	EA	79.65	79.65
MLSQ070	MILWAUKEE 7" Rafter Square	2	EA	14.29	28.58
DWHT10046	DEWALT Standard Retractable Utility Knife	2	EA	9.43	18.86
VR-102B	TAJIMA Blue Retractable Blade One-Piece Premium Utility Knife	1	EA	23.16	23.16

Continued . . .



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Expiration: 3/15/24 **Entered by:** Troy Kirsch
Phone/Email: 218-628-5624 / tkirsch@acmetools.com

Item	Description	Quantity	UOM	Quote Price	Extend. Price
33-725-THR	2PK TAPE MEASURE	2	EA	29.99	59.98
33-735	STANLEY 35 Ft. Tape Measure	2	EA	33.87	67.74
34-130S	STANLEY Stanley FatMax Closed Case Long Tape 3/8 In. x 100	1	EA	19.99	19.99
2730-20	MILWAUKEE M18 FUEL 6-1/2 In. Circular Saw Tool Only	1	EA	213.37	213.37
TI16MC	STILETTO 16 oz Titanium Milled Face/ Curved 18 In. Framer	2	EA	98.05	196.10
CR202B-P	TAJIMA Blue CHALK-RITE II - Contractor Grade Ultra Thin Snap	1	EA	40.91	40.91
CR201R-PR	TAJIMA Red CHALK-RITE II Extra Bold 1 mm Snap Line with 5 Ge	1	EA	40.98	40.98
2224P1	TRUE TEMPER 24 In. Premium Red-End Indoor Unassembled Push B	1	EA	34.40	34.40
182B	FULTON Heavy Duty Steel Dust Pan SS 12-3/4" W x 7-1/2" D	1	EA	7.38	7.38
FG263100GRAY	RUBBERMAID BRUTE Trash Can Lid (32 gal)	2	EA	18.45	36.90
48-73-2052	MILWAUKEE 3PK Safety Glasses - Clear Anti-Scratch Lenses	1	EA	20.22	20.22
H05-8821L	SUNDSTROM SAFETY PRO PACK 900 LARGE	2	EA	49.20	98.40

Continued . . .



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Item	Description	Quantity	UOM	Quote Price	Extend. Price
58-230	STANLEY 3 piece Square Head Nail Punch Set	2	EA	4.84	9.68
DWHT16862	3PC WOOD CHISEL SET	2	EA	23.33	46.66
SPEC-D9TRIM-2PK	(2PK)SPEC OPS TLS 9.5" TRM BAR HI-CRBN SPRNG STL W/RULR BEVL	1	EA	17.83	17.83
48-22-2859	MILWAUKEE Demolition Driver	2	EA	17.43	34.86
48-22-2880	MILWAUKEE 13-in-1 Cushion Grip Screwdriver	2	EA	17.04	34.08
35712	STABILA Type 106T 7 Ft. to 12 Ft. Plate Level 2 (with stand-	1	EA	370.19	370.19
8089 SM	OCCIDENTAL LEATHER OxyLights 7 Bag Framer Set	1	EA	303.62	303.62
90562A	25 Person First Aid Kit, ANSI A, Plastic Case	2	EA	23.99	47.98
HT-550P	PASLODE 1013290 Hammer Tacker	1	EA	58.62	58.62
751410-1001	FISKARS Fiskars Pro IsoCore Wrecking Bar 30 Inch	1	EA	69.00	69.00
E255	EMPIRE LEVEL 6 in. True Blue Combination Square	2	EA	9.83	19.66
46962	VIKING 29PC BULLY DRILL BIT SET W/ORG ULTRA-DEX(1/16-1/2")	1	EA	90.65	90.65

Continued . . .



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Phone/Email: 218-628-5624 / tkirsch@acmetools.com

Item	Description	Quantity	UOM	Quote Price	Extend. Price
MB8	CRESCENT Pry Bar, Molding Removal with Nail Puller, 8 In.	1	EA	10.67	10.67
33-740L	FM TAPE CC 40'	1	EA	34.99	34.99
GBH2-28L	BOSCH SDS-plus Bulldog Xtreme Max 1-1/8 In. Rotary Hammer	1	EA	249.00	249.00
49-22-4171	MILWAUKEE Milwaukee HOLE DOZER General-Purpose Hole Saw Kit	1	EA	187.65	187.65
2962-20	MILWAUKEE M18 FUEL 1/2 Mid-Torque Impact Wrench w/ Friction	1	EA	240.13	240.13
2690S5	1/2" Dr. T50 Internal Star IMPACT SKT	1	EA	3.99	3.99
	(* M910 BMSM P1 2022 - \$80 OFF				100.00-
	(* SPEND 600+ GET 75 OFF				75.00-
	(* \$30 OFF SELECT BOSCH TOOLS				30.00-
	Promo ends by: 2/29/24				
				Material Total:	9,164.52
				Tax:	813.35
				Total Quote:	9,977.87

Business Subsidy Application

Business Name: Eco Dwelling, LLC

Name of applicant: Douglas G. Hurth

Address: 295 Birch Dr. Grand Marais, MN 55604

Phone: 218-264-9610

Email: douglashurth@protonmail.com

1) Describe your business, including such information as products and services provided, general market area served, experience or qualifications you have for operating this business, and any other information you feel may be appropriate:

Eco Dwelling is a design, supply, build carpentry business established in 2010. I have been living in and serving Cook County since November of 2020. I am experienced in all aspects of building from framing to finish work. Most recently I have been involved with converting spaces into apartments to help the housing shortage we have. Other recent project have included remodels, window replacement, new floor installs, decks, saunas, and more. I have also recently added fireplaces/chimneys and garage door installation to my services available.

2) Please check which criteria best describes your request:

Redevelopment

Projects that remove, prevent or reduce blight or other adverse conditions of property thereby protecting the City's and County's property values and the general public health, safety and welfare.

Attraction of New Business

Projects that attract or retain competitive and financially strong commercial and industrial companies, which offer the potential for significant growth in employment and tax base.

Highest and Best Use of Land

The use of the Business and Housing Funding will encourage quality construction and promote the highest and best use of the land, consistent with the comprehensive plans of the City and the County.

Needed Services

Projects that provide a needed service in the community, including health care, convenience and social services.

Unmet Housing Needs

Projects that provide housing needs not currently available in the community.

Economic Feasibility

The applicant must demonstrate that they have the experience and financing necessary for the project and that the project can be completed in a timely manner.

Job Creation

Projects that create and/or retain jobs which pay at least the higher of the current Federal or State of Minnesota minimum wage, plus appropriate benefits.

3) Amount Requested: 9,978.00

4) Describe the proposed project: _____
Eco Dwelling is a great asset to help combat the housing crisis that exists in Cook County. In efforts to fulfill this demand Eco Dwelling needs to grow and support 1 -2 employees. This growth requires the addition of equipment and tools to work efficiently and safely. Please find the attached list of tools needed to operate and handle this projected growth.

5) Please attach the project budget, including sources and uses of funds.

6) Anticipated Completion Date: _____

7) How many jobs do you anticipate will be created or retained by this project?

Created: 1 - 2 Retained: _____ Total: _____

8) What is the proposed wage/salary of the jobs?

Hourly: \$20 - \$25 Salary: _____

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2024-15

**RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A DEFERRED
LOAN FROM MINNESOTA HOUSING FINANCE AGENCY IN AN AMOUNT NOT TO EXCEED \$1,400,000 TO
SUPPORT WORKFORCE HOUSING PROJECT IN GRAND MARAIS.**

I HEREBY CERTIFY, that I am the duly elected Secretary and keeper of the records of the Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota (the “Recipient”), that the following is a true and correct copy of Resolutions duly and unanimously adopted by all of the members of the Recipient on March 19, 2024, a quorum being present for the transaction of business; further, that such meeting was called in compliance with all applicable laws and any other requirements of the Recipient; that such Resolutions do no conflict with any laws of the Recipient nor have such Resolutions been in any way altered, amended or repealed and are in full force and effect, unrevoked and unrescinded as of this day, and have been entered upon the regular Minutes of the Recipient, as of the aforementioned date, and that the members of the Recipient have, and at the time of adoption of such Resolutions, had full power and lawful authority to adopt such Resolutions and to confer the powers thereby granted to the officer(s) therein named who has (have) full power and lawful authority to exercise the same:

WHEREAS, Recipient has submitted an application (the “Application”) for a project (the “Project”) pursuant to the Workforce Housing Development Program (“Program”) in order to obtain funding from the Minnesota Housing Finance Agency (“Minnesota Housing”); and

WHEREAS, on this 19th day of March, 2024 there has been presented to the meeting of the Cook County/Grand Marais Joint Economic Development Authority a proposal for Recipient, upon selection by Minnesota Housing, to enter in to a Deferred Loan Agreement pursuant to the Program in order to obtain funding from Minnesota Housing.

NOW, THEREFORE, BE IT RESOLVED, that the Recipient is authorized to enter into a Deferred Loan Agreement, substantially in the form attached to these Resolutions as Exhibit A, pursuant to the Program in order to obtain funding from Minnesota Housing in an amount not to exceed \$1,400,000 (the “Loan”).

BE IT FURTHER RESOLVED, that Recipient is an Eligible Project Area, as defined in Minnesota Statue Section 462A.39, subdivision 2, has the legal authority to apply for financial assistance, and has the institutional, managerial and financial capability to ensure adequate construction, operation, maintenance and replacement of the Project for its design life.

BE IT FURTHER RESOLVED, that Recipient certifies that it will use the Loan for qualified expenditures for the Project to serve employees of business located in Grand Marais (Eligible Project Area) or surrounding area.

BE IT FURTHER RESOLVED, that the Loan will be matched by the City of Grant Marais, the Cook County HRA and local businesses with at least \$1 for every \$1 provided.

BE IT FURTHER RESOLVED, that Recipient certifies that the average vacancy rate for rental housing located in Grand Marais (Eligible Project Area), and in any other city located within 15 miles or less of the boundaries of the area, has been five percent or less for at least the prior two-year period.

BE IT FURTHER RESOLVED, that the Loan will not exceed 50 percent of the Project costs.

BE IT FURTHER RESOLVED, that President Surbaugh and Vice President Hedstrom, or their successors in office, are hereby authorized to execute the Deferred Loan Agreement and such other agreements, and amendments thereto, as are necessary to implement the Project on behalf of Recipient.

BE IT FURTHER RESOLVED, that Minnesota Housing is authorized to rely on the continuing force and effect of these Resolutions until receipt by the Commissioner of Minnesota Housing at its principal office of notice in writing from Recipient of any amendment or alteration of such Resolutions.

Whereupon said resolution was declared adopted by the Cook County/ Grand Marais Joint Economic Development Authority this 19th day of March, 2024.

Mary Somnis
Board Secretary

STATE OF MINNESOTA)

) SS

COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 19th day of March, 2024, by Mary Somnis, the Secretary of the Cook County/Grand Marais Joint Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 469, on behalf of the authority.

Notary Public

March 12, 2024

Board of Commissioners
Cook County/Grand Marais Joint Economic Development Authority

Subject: Resolution 2024-15 Application to MHFA Workforce Housing Development Program

Dear President Surbaugh and Commissioners-

Please accept this memo as additional information related to resolution 2024-15, "RESOLUTION AUTHORIZING APPLICATION FOR AND, UPON APPROVAL, ACCEPTANCE OF A DEFERRED LOAN FROM MINNESOTA HOUSING FINANCE AGENCY IN AN AMOUNT NOT TO EXCEED \$1,400,000 TO SUPPORT WORKFORCE HOUSING PROJECT IN GRAND MARAIS".

While resolutions typically have a statement of purpose which provides a summary action requested and project details, Minnesota Housing Finance Agency (MHFA) provided a specific resolution template for this loan program. Below is a summary of the housing project and funding program.

Project Details

The Cook County HRA is working with Duval Companies (Developer) on a 16-unit apartment project with studio, one and two-bedroom units. The project is located on City-owned property at 1800 W Hwy 61. The City has approved providing the property for \$1 to serve as local project match. Rents will be set at rates affordable to those earning 80-100% of Area Median Income (AMI).

Workforce Housing Development Program

The Workforce Housing Development Program (WHDP) was funded with \$39M at the 2023 legislation session; a one-time injection into one of the only State programs targeting workforce housing needs in greater Minnesota. The WHDP provides \$2 for every \$1 of local match, up to 25% of the total project costs. The HRA anticipates requesting \$1M, but drafting a resolution up to \$1.4M ensures we leave some margin in case things change before application submittal. To date, local match includes land equity, contributions from local business and residents, and HRA funding. The HRA is not considered an eligible applicant under this program, but the EDA is, according to State statute. The HRA will take lead in creating, submitting, and tracking any grant awards from this program. While initially structured as a deferred loan, funding will be considered grant income after project completion.

Sincerely,

Theresa Bajda

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2024-16

**RESOLUTION AUTHORIZING THE COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT
AUTHORITY TO FORGIVE TACONITE AREA BUSINESS RELIEF LOAN PROGRAM DEBT OWED BY LUTSEN
RECREATION INC.**

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) administered the Taconite Area Business Relief (“TABR”) Loan program to support Cook County local businesses adversely impacted by the COVID-19 pandemic in the form of loans; and

WHEREAS, the Board of Commissioners of the EDA approved a \$35,000 loan at two percent interest for Lutsen Recreation Inc. at their October 13, 2020 meeting to support remodel of their shop to accommodate social distancing requirements; and

WHEREAS, the Board of Commissioners of the EDA acknowledges that loan forgiveness was provided to other TABR loan recipients at the November 21, 2023 meeting if businesses made payments equal to twenty percent of their loan balance and remained in operations.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the EDA hereby authorize forgiveness of \$15,426.98 in TABR loan program debt for Lutsen Recreation Inc.

_____ Ex. Dir.

March 19, 2024

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) to forgive Taconite Area Business Relief (“TABR”) loan program debt for Lutsen Recreation Inc. Quarterly loan payments were calculated assuming two percent interest with a 5-year amortization schedule. While this loan was not structured to support loan forgiveness after the recipient paid 20 percent of their loan balance, the EDA authorized forgiveness to other TABR recipients under these conditions at their November 21, 2023 meeting. Lutsen Recreation Inc. has paid \$19,573.02 to date and forgiveness will further support their operations during the challenging no snow winter season.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 19th day of March 2024.

ATTEST:

Steve Surbaugh – Board President

**COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY**

RESOLUTION NO. 2024-17

**RESOLUTION APPROVING A DEVELOPMENT AGREEMENT WITH LUTSEN MOUNTAINS CORPORATION
AND CORRESPONDING GRANT FINANCING FOR THE PAPA CHARLIES COMMERCIAL PROJECT IN LUTSEN
MINNESOTA**

WHEREAS, Lutsen Mountains Corporation (“Developer”), is the owner of property located on Lutsen Mountain Ski and Recreation Resort, which property is located at 467 Ski Hill Road, in Lutsen, Minnesota (the “Property”); and

WHEREAS, in June 2023, Papa Charlie’s at Lutsen Mountains was destroyed by a fire, resulting in a total loss; and

WHEREAS, the Developer has proposed to redevelop Papa Charlie’s into a mixed-use commercial building with restaurant, event space, and lodging units (the “Project”); and

WHEREAS, the Developer has requested financial assistance from the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) to support demolition of the former structure, site preparation and infrastructure costs that are eligible for public financing related to the redevelopment of said Property and the development of said Project; and

WHEREAS, the EDA has secured a \$75,000 Commercial Redevelopment grant from the Department of Iron Range Resources and Rehabilitation (“IRRR”) to support the Project.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the EDA hereby authorize approval of a Development Agreement with the Developer, substantially in the form attached hereto as Exhibit A, defining the terms and conditions of financial support.

_____ Ex. Dir.

March 19, 2024

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority (“EDA”) to approve a Development Agreement with Lutsen Mountains Corporation (“Developer”) defining terms and conditions attached to the \$75,000 Commercial Redevelopment grant award the EDA secured to support construction of Papa Charlies post fire at Lutsen Mountains.

Board member _____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:

Abstention:

and the following voted against the same:

Whereupon said resolution was declared adopted by the Cook County and Grand Marais Joint Economic Development Authority this 19th day of March 2024.

ATTEST:

Steve Surbaugh – Board President

**DEVELOPMENT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT
AUTHORITY
LUTSEN MOUNTAINS CORPORATION
PAPA CHARLIES AT LUTSEN MOUNTAINS DEVELOPMENT**

THIS DEVELOPMENT AGREEMENT (“Agreement”) entered into this _____ day of _____, 2024 (the “Effective Date”), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, (“EDA”) and LUTSEN MOUNTAINS CORPORATION, a domestic business corporation created and existing under the laws of the State of Minnesota (“Developer”)

WHEREAS, Developer is the owner of property located on Lutsen Mountain Ski and Recreation Resort, which property is located at 467 Ski Hill Road, in Lutsen, Minnesota, legally described on the attached Exhibit A (the “Property”); and

WHEREAS, in June 2023, Papa Charlies restaurant, lodging and event center was destroyed by a fire, resulting in a total loss; and

WHEREAS, Developer has proposed to rebuild Papa Charlies into a mixed-use commercial building with restaurant, event space, and lodging units (the “Project”); and

WHEREAS, the Developer has requested financial assistance from the EDA to support site preparation and infrastructure costs that are eligible for public financing related to the development on said Property and the development of the Project; and

WHEREAS, the EDA received a \$75,000 Commercial Redevelopment grant award from the Department of Iron Range Resources and Rehabilitation (“IRRR”) to support the Project; and

WHEREAS, Developer agrees and understands that certain terms and conditions will apply to the Project in exchange for public assistance for construction of Papa Charlies in Lutsen, Minnesota

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
Definitions

For the purpose of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meaning clearly appears from the context:

- A. Developer means Lutsen Mountains Corporation, a domestic business corporation created and existing under the laws of the State of Minnesota.
- B. Eligible Project Costs means costs associated with demolition of remaining building structure at Papa Charlie's incurred by the Developer which may be legally funded with IRRR grant funding, including required infrastructure and new construction costs pledged as project match as described in attached Exhibit B. The eligible reimbursable amount is \$75,000.
- C. Executive Director means the Executive Director of the EDA or such person or persons designated in writing by said Executive Director to act on behalf of him/her with regard to this Agreement or any portion thereof.
- D. Grant Award means the \$75,000 Commercial Redevelopment grant, award number 300010086, awarded to the EDA from the Department of Iron Range Resources and Rehabilitation on March 8, 2024.
- E. IRRR means the Department of Iron Range Resources and Rehabilitation.
- F. Project means the demolition of the remaining building structure post 2023 fire and new construction of an approximately 9,300 square foot mixed-use commercial building that will be located on similar footprint at Lutsen Mountains and include a restaurant, event center, bar/lounge, and four lodging units for resort visitors, including all required site preparation and utility infrastructure.
- G. Property means that Property located in Cook County, Minnesota, described on Exhibit A

ARTICLE II
Preconditions to Project Construction

- A. Uniform Municipal Contracting Law and Prevailing Wage. Per Minn. Stat. Sec. 471.345, Developer understands that for projects that include construction work, prevailing wage rates must be paid pursuant to Minn. Stat. Sec. 177.41-177.44 and per the IRRR Board Resolution No. FY96-005. Consequently, the bid request must state the Project is subject to the payment of prevailing wages. These rules require that the wage of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals. The Developer must not contract with vendors who are suspended or debarred in the state of MN: <https://mn.gov/admin/osp/government/suspended-debarred/>. Developer understands that all work for this Project must comply with Uniform Municipal Contracting Law, per

Minn. Stat. Sec. 471.345: (i) for contract or cost of service \$25,000-\$175,000 at least two quotes or cost estimates must be secured; (ii) for contracts over \$175,000 sealed bids shall be solicited by public notice in the manner and subject to the requirements of the law governing contracts by Economic Development Authorities and local units of government in the State of Minnesota. Developer shall submit to Executive Director all necessary documentation demonstrating compliance with contracting law and prevailing wage.

- B. Construction Contract. Developer will provide Executive Director with a copy of the executed contract between Developer and demolition contractor as well as between Developer and construction and infrastructure general contractor necessary to complete construction of the Project.
- C. Building Permits. Developer will provide Executive Director copy of any required building permits from Cook County for construction of the Project, demonstrating conformance to required state and local zoning, land use and building code(s).
- D. IRRR Acknowledgement. Developer agrees to acknowledgement of the grant award from IRRR by displaying signage that is clearly visible to the public on the Project site. Signage will be provided by the IRRR through coordination with the Executive Director. Developer will provide Executive Director with a photograph of the acknowledgement sign once installed.

ARTICLE III

Construction

- A. Construction. Upon the fulfillment of the preconditions to construction provided for in Article II above, but in no event later than June 30, 2024, Developer shall commence with demolition of former building structure and construction of the Project. Construction of the Project shall be completed no later than June 30, 2025.
- B. Developer to Bear All Costs. Except for payments by EDA provided for in Article IV, Developer specifically agrees to bear all costs related to the construction of the Project.
- C. Progress Reports. Until construction of the entire Project has been completed, Developer shall work with Executive Director to submit required progress report to IRRR annually. Developer shall work with Executive Director to submit required final report to IRRR at Project completion and prior to final disbursement of grant funds.
- D. Publicity. Developer agrees that any publicity regarding the Project must identify the Department of Iron Range Resources and Rehabilitation (IRRR) as sponsoring agency and must not be released without prior written approval from the Executive Director. The Executive Director will coordinate required written approval from IRRR staff. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the

Developer individually or jointly with others, or any subcontractors, with respect to the Project or services provided resulting from the IRRR grant award.

ARTICLE IV
Payment Obligations

The total obligation of the EDA for all compensation and reimbursement to Developer under this Development Agreement will not exceed \$75,000 (seventy five thousand dollars). The IRRR will promptly pay the EDA after the EDA presents itemized invoices for the services actually performed. Developer understands that IRRR requires a 1:1 match for all agency funded work. Developer agrees to submit to Executive Director all invoices and prevailing wage reports timely upon completion of stages of work on the project and/or completion of the entire project done in accordance with this Agreement. Project costs eligible for reimbursement under IRRR grant award are identified in attached Exhibit B.

ARTICLE V
Representations by the EDA

The EDA makes the following representations as the basis for the undertaking on its part herein contained:

- A. It is a lawfully constituted economic development authority under the laws of the State of Minnesota, it is not in material violation of any provisions of State law, all actions of EDA have been taken to secure IRRR grant funding, and it has full power and authority to enter into this Agreement and perform all of its obligations hereunder.
- B. There are not actions, suits or proceedings pending, or to the knowledge of EDA, threatened against EDA or any property of EDA in any court or before any federal, state, municipal or governmental agency which, if decided adversely to EDA, would have a material adverse effect upon EDA or any business or property of EDA and EDA is not in default with respect to any order of any court or government agency.
- C. EDA will perform all of its obligations under this Agreement

ARTICLE VI
Developer's Representations and Warranties

Developer represents and warrants that:

- A. The Developer is a domestic business corporation duly organized and authorized to transact business in the State of Minnesota, it is the owner of the Property and is fully competent to construct the Project thereon, it is not in violation of any provisions of its articles of organization, member control agreement, or the laws of the State of Minnesota, it has the power to enter into this Agreement, and it has duly authorized the execution, delivery and performance of this Agreement by proper action of its members.

- B. Developer will perform all of its obligations under this Agreement. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of the terms, conditions, or provisions of any agreement or instrument of whatever nature to which the Developer is now a party or by which Developer is bound, or constitutes a default under the foregoing.
- C. No actions, suits, or proceedings are pending or, to the knowledge of Developer, threatened against Developer or any property of Developer in any court or before any federal, state, or municipal or other governmental agency that, if decided adversely to Developer, would have a material adverse effect upon Developer, the Property, or the Project, and Developer is not in default of any order of any court or governmental agency which, if decided adversely to Developer, would have a material adverse effect upon the Property or the Project.
- D. The Developer shall be responsible for constructing the Project in accordance with the terms of this Agreement and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations, and living and prevailing wages). The Developer will obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.
- E. Developer is not in default on the payment of principal of or interest on any indebtedness for borrowed money or in default under any instrument or agreement pursuant to which the indebtedness has been incurred.
- F. Developer shall do such things as are necessary to cause any information, document, certificate, statement in writing, or report required under this Agreement delivered to EDA or any third party under this Agreement to be true, correct, and complete in all material respects.

ARTICLE VII

Notices

Any notice, demand or other communication under this Agreement by either party to the other shall be deemed to be sufficiently delivered if it is dispatched by registered or certified mail, postage prepaid to:

In the case of the EDA:

Cook County/Grand Marais Joint Economic Development Authority
Attn: Executive Director
PO Box 597

Grand Marais, MN 55604

In the case of Developer:

Lutsen Mountains Corporation

Attn: Jim Vick

467 Ski Hill Road

Lutsen, MN 55612

ARTICLE VIII

Government Data Practices and State Audits

- A. Under Minn. Stat. Sec. 16B.98, Subd. 8, the Developer's books, records, documents, and accounting procedures and practices of the Developer or other party relevant to this Agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt and approval of all final reports, or the required period of time to satisfy all EDA, State, and IRRR program retention requirements, whichever is later.
- B. The Developer and EDA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13 as it applies to all data provided to the State under the IRRR grant contract and this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Developer and EDA as it relates to this Project and the IRRR grant award. The civil remedies of Minn. Stat. Ch.13.08 apply to the release of the data referred to in this clause by either the Developer, EDA or the State. If the Developer receives a request to release the data referred to in this Clause, the Developer must immediately notify the EDA who will notify the State. The State will give the EDA instructions concerning the release of the data to the requesting party before the data is released. The Developer's response to the request shall comply with applicable law.

ARTICLE IX

Unavoidable Delays and Amendments

- A. Neither party shall be held responsible for, and neither party shall be in default of this Agreement as a result of, delay or default caused by fire, riot, acts of God, war, government actions, judicial actions by third parties, labor disputes, or adverse weather conditions, except for delays caused by government and judicial actions which could have been avoided by compliance with laws, rules and regulations of which either party had knowledge or should have reasonably had knowledge.

- B. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

ARTICLE X

Liability and Applicable Law

The Developer must indemnify, save, and hold the EDA, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the EDA, arising from the performance of this Agreement by the Developer or the Developers agents or employees. This clause will not be construed to bar any legal remedies the Developer may have for the EDA's failure to fulfill its obligations under this grant contract. This Agreement together with all of its Articles, paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Cook County, Minnesota.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation show below.

**Cook County/Grand Marais Joint Economic
Development Authority**

By:

Steve Surbaugh, Its Board President

Date: _____

By:

Theresa Bajda, Its Executive Director

Date: _____

Lutsen Mountains Corporation

By:

Jim Vick, Its General Manager

Date: _____

EXHIBIT A
Property Description

467 Ski Hill Road, Lutsen Minnesota

Cook County, Minnesota

Parcel ID: 27-121-3110

Section 21, Township 60.0, Range 3 W, PART NE/SW AKA PAPA CHARLIES LAND
PARCEL

EXHIBIT B
Eligible Project Expenses

Use of Funds	IRR Commercial Redevelopment	Fire Escrow/Developer Equity	Total Category Amount
Demolition, Clean Fill	\$75,000.00	\$13,537.00	\$88,537.00
Infrastructure	\$0.00	\$377,234.00	\$377,234.00
Design, Architectural and Engineering Fees	\$0.00	\$227,500.00	\$227,500.00
F,F&E	\$0.00	\$400,000.00	\$400,000.00
Kitchen Equipment	\$0.00	\$562,000.00	\$562,000.00
Exterior Site work	\$0.00	\$150,000.00	\$150,000.00
Building Construction	\$0.00	\$3,615,000.00	\$3,615,000.00
Contingency 5%	\$0.00	\$188,250.00	\$188,250.00
Total	\$75,000.00	\$5,533,521.00	\$5,608,521.00

Business Development Fund Grant Program



Adopted: pending

Program Objectives

Business growth and job creation are priorities of the Cook County/Grand Marais Joint Economic Development Authority (“EDA”). To support small businesses and entrepreneurs, the EDA has adopted the Business Development Fund Grant Program to encourage public/private investment. The goal is to support small businesses and entrepreneurs that will contribute to Cook County’s economic base. Any type of business is eligible, provided that the business or services are or will be located within Cook County and meet all applicable zoning and code requirements. This grant program is designed to meet businesses where they are at, and fund projects and ideas that contribute to overall economic development success in Cook County. The flexibility built into the program is meant to encourage applicants to present projects for funding that would be an asset to your success.

Eligible Applicants

- For-profit and not-for profit entities or entrepreneurs are eligible to apply.
- Cities, towns, or other local units of government recognized as such by Minnesota Statue and are not eligible to apply.

Eligible Projects

Business Development Examples (including but not limited to):

- Point of sale system or other software (new or upgrade)
- Website (new or upgrade/enhancement to current site)
- Social media or marketing consultation for business
- Signage or wayfinding
- Building construction, envelope or energy improvements, and repairs
- Building façade improvements (painting, window and door replacement, awnings, accessibility)
- Equipment upgrades and repairs
- Supplies, materials, furniture for new business or expansion
- Staff training, certification, licensure that promotes continued education and workforce development opportunities
- Redevelopment (blight removal, environmental cleanup, site remediation)
- Support for workforce housing (necessary for staff retention and/or attraction)
- Childcare startups or expansion projects

Ineligible Expenses:

- Management fees, staff salaries, operating overhead
- Financing costs
- Franchise fees
- Debt consolidation
- Costs to the applicant prior to EDA award and grant agreement execution
- Land or property held for sale or investment
- Moving costs

Grant Criteria

To qualify for this program, the business must be located within Cook County. In addition, the business must have:

- Estimates or quotes for products and or services for which grant funding is requested.
- Proof of required grant match for applications in excess of \$5,000. Please include document listing sources and uses of project funding.
- W-9 (required for reimbursements and tax purposes). *Please note, grant awards are considered taxable income.*
- Project must be completed within one year of grant award, unless an extended timeframe is approved by the EDA Board of Commissioners.

Prior to submitting a grant application, applicants are strongly encouraged to meet with a representative of the Small Business Development Center (SBDC) or EDA. See “Contact” section of these program guidelines for more information.

Grant Amounts

The EDA’s Business Development Fund balance is established yearly based on our approved budget amount. Grant applications in any amount will be considered, but grant awards are limited to the amount of available funding at the time of application, and subject to approval by the EDA Board of Commissioners.

Applicants must demonstrate at least a 25% cash match of the total project costs for grants in excess of \$5,000. For example, a grant request of \$10,000 must demonstrate at least \$2,500 in cash match, for a total project costs of \$12,500.

All grant funding will be provided on a reimbursement basis. Grantees must provide proof of costs incurred prior to receiving a reimbursement check from the EDA. A grant agreement will be required to ensure funds are utilized as outlined in the application.

Procedure, Review Process and Evaluation

All local businesses and entrepreneurs within Cook County are encouraged to apply. Applications are accepted year round as funding is available. There can only be one active grant award per business at a time. The EDA will be responsible for administering all aspects of the Business Development Fund Grant Program, including marketing, application intake and review, agreement drafting, disbursements, and program compliance.

The following criteria will be used to evaluate applications and should be incorporated into an applicant’s application narrative:

- How does the project benefit Cook County and meet priorities and strategic initiatives of the EDA?
 - Support new business creation or expansion
 - Support creation or retention of skilled workforce/jobs in Cook County
 - Promote responsible and sustainable development

- Directly or indirectly increase local tax base
- Redevelopment or blight removal
- Provide needed services to Cook County visitors and residents
- Address unmet housing needs
- How will this project contribute to the business, what are the anticipated outcomes, and what is the overall need for the grant funding?
- Is this project feasible given the timeline and budget for implementation?

EDA staff will review applications for completeness and respond within 10 business days with any request for additional documentation. The EDA Grant Review Committee will make best effort to review applications within 30-days of receipt and make recommendations to the EDA Board of Commissioners. Please note, all grant awards require approval from the EDA Board of Commissioners. The EDA will make its best effort to provide notice of funding within 60 days of application date.

Grant Agreement

Payments made to approved grantees will be on a reimbursable basis. The EDA must receive appropriate documentation of approved expenditures (receipts) in accordance with the application and grant agreement, and comply with the one-year deadline.

Reporting

Within 30 days after project completion, grantee will submit a final report to the EDA to include:

- Photo(s) of the project (if applicable)
- A written report of how the funds were utilized and how the project benefited grantee and economic development goals (as described in grantees original application)

To Apply

The following required documents must be submitted:

- Application Form
 - Additional attachments may be submitted if they support grant application (renderings, pictures, additional project narrative, reports)
- Project Budget Form (sources and uses)
- Cost estimate or quotes for products and services included in the grant application
- Identify source of required 25% cash match if total grant request in excess of \$5,000

Contact

Cook County/Grand Marais Joint EDA: Theresa Bajda, Executive Director, 218-387-3112 or theresa@cookcountymneda.org

Small Business Development Center (SBDC): Pat Campanaro, 651-336-2964 or pcampanaro@gmail.com