AGENDA

Tuesday, October 20, 2026 – 4:00pm
Grand Marais City Hall – Council Chambers
15 North Broadway Ave, Grand Marais, MN 55604
Members of the Board may participate in this meeting via electronic means

1. **Call to Order**
2. **Approval of Agenda**
3. **Public Comments**
4. **Approval of Meeting Minutes**
    a. September 15, 2026 EDA Regular Meeting (Pages 1-5)
5. **Review of Financials**
    a. Balance Sheet EDA, as of September 30, 2026 (Pages 6-9)
    b. Bill Approval Status EDA, September 2026 Payments (Page 10)
    c. Balance Sheet Superior National Golf Course, as of September 30, 2026 (Pages 11-14)
    d. 2025 Business Development Fund Grant Report, information only (Page 15)
    e. 2026 Business Development Fund Grant Report, information only (Pages 16-17)
6. **New Business**
    a. **2026-38** RESOLUTION APPROVING BUSINESS DEVELOPMENT FUND GRANT AWARDS AND AUTHORIZING EXECUTION OF GRANT AGREEMENTS (Pages 18-34)
    b. **2026-39** RESOLUTION RESCINDING RESOLUTION 2026-34 AND APPROVING AMENDED AND RESTATED DEVELOPMENT AGREEMENT C202415 WITH THE NORTH COAST LLC D/B/A HOTEL MAYHEW (Pages 35-49)
    c. **2026-40** RESOLUTION AUTHORIZING ENGAGEMENT OF REDPATH AND COMPANY FOR 2026 FINANCIAL AUDIT SERVICES (Pages 50-63)
    d. **2026-41** RESOLUTION AUTHORIZING MEMORANDUM OF UNDERSTANDING WITH NORTHLAND FOUNDATION/NORTHLAND SMALL BUSINESS DEVELOPMENT CENTER (Pages 64-69)
    e. **2026-42** RESOLUTION AUTHORIZING EXECUTION AND RECORDING OF CERTIFICATE OF COMPLETION FOR NORTH SHORE LAUNDRY DEVELOPMENT AT CEDAR GROVE BUSINESS PARK (Pages 70-99)
    f. **Strategic Plan Discussion**
7. **SBDC Report** (Page 100)
8. **Committee/Commissioner Reports**
    a. Golf Course Committee
        i. Northland Contractors Contract – Irrigation Project Update
        ii. KTM Paving Contract – Septic Project Update
    b. Taconite Harbor Subcommittee
        i. Schroeder Township Meeting Debrief
    c. Grant Review Committee
        i. 2025 Grant Recipients – Final Reports (Pages 101-155)
        ii. 2026 Grant Recipients – Final Reports (Pages 156-176)
    d. HR Committee Update
    e. Finance Committee
9. **Executive Directors Report**
10. **Adjourn -** *Next Meeting: Tuesday, November 17, 2026*

MINUTES

Tuesday, September 15, 2026 – 4:00pm
Grand Marais City Hall – Council Chambers
15 North Broadway Ave, Grand Marais, MN 55604
Members of the Board may participate in this meeting via electronic means

Commissioners Present: Peter Clissold, Mark Shackleton, Dave Mills, Siri Anderson, Alex Beebe-Giudice, Tracy Benson
Commissioners Absent: Pat Eliasen
Others Present: Rachelle Christianson, Lucas Wakefield, County Commissioner Garry Gamble

1. **Call to Order**
   President Clissold called the September 15, 2026 regular meeting of the EDA to order at 4:03 p.m. Roll call of Commissioners present and absent.

2. **Approval of Agenda**
   Beebe-Giudice requested the SBDC Report be moved earlier in the agenda before New Business so Rachelle Christianson can provide her update.

   Wakefield requested a roll call for all votes.
   Motion to approve the agenda with amendment. (Benson/Beebe-Giudice)
   Vote Roll Call: Clissold, Mills, Beebe-Giudice, Shackleton, Anderson, Benson: all ayes. Passed (6-0)

3. **Public Comments**
   No comments.

4. **Approval of Meeting Minutes**
   a. August 18, 2026 EDA Regular Meeting (Pages 1-4)
      Motion to approve the August 18, 2026 EDA Regular Meeting Minutes. (Anderson/Mills)
      Vote Roll Call: Clissold, Mills, Beebe-Giudice, Shackleton, Anderson, Benson: all ayes. Passed (6-0)

5. **Review of Financials**
   a. Balance Sheet EDA, as of August 31, 2026 (Pages 5-8)
      Shackleton stated the EDA's year-to-date budget comparison is good. Clarified the following transactions for the EDA: miscellaneous income from the Department of Revenue is for repairs associated with Poplar River at the golf course, reimbursement from SNL is from a management fee to Mike Larson that was inadvertently paid by the EDA, and the miscellaneous services is for North Shore administrative services.
      President and members accept and forward to audit.
   b. Bill Approval Status EDA, August 2026 Payments (Page 9)
      Motion to approve the August 2026 payments (Mills/Shackleton)
      Vote Roll Call: Clissold, Mills, Beebe-Giudice, Shackleton, Anderson, Benson: all ayes. Passed (6-0)
   c. Balance Sheet Superior National Golf Course, as of August 31, 2026 (Pages 10-15)
      Shackleton noted the golf course sale closed on August 20, 2026 and the budget expenses are in line with last year. Noted the unallocated sales of $127,000 are inaccurate and a QuickBooks accounting issue that showed up on the report.
      President and members accept and forward to audit.

d. 2025 Business Development Fund Grant Report, information only (Page 16)
e. 2026 Business Development Fund Grant Report, information only (Page 17)

6. SBDC Report (Page 128)

Christianson reported a quiet month for activity, however that the entrepreneurs she met with were able to use her guidance and direction to move forward on their own although some clients need more direct assistance and reassurance of steps to take. It is very valuable to the clients to have someone to talk through steps and give them confidence to move forward. The Commissioners appreciate her work.

7. New Business

a. **2026-31** RESOLUTION APPROVING FIRST AMENDMENT TO DEVELOPMENT AGREEMENT C202407 WITH CASCADE VACATION RENTALS LLC (Pages 18-63)
Clissold noted the original agreement authorized conveyance of two Cedar Grove Business Park parcels for development of storage unit buildings and stipulated that the improvements be completed by December 31, 2025. Stated that while with MN State Statute Section 469.105 also imposes time restraints, the EDA is authorized to extend the deadline if the purchaser demonstrates good cause. Summarized that the first amendment would extend the deadline to December 31, 2027 and noted the purchaser is working on required stormwater design and local permitting to meet this amended timeline.

Commissioners discussed creating tools to make it easier to follow projects and lot compliance matters at the Business Park.
Motion to approve RESOLUTION 2026-31 (Mills/Benson)
Vote Roll Call: Clissold, Mills, Beebe-Giudice, Shackleton, Anderson, Benson: all ayes. Passed (6-0)

b. **2026-32** RESOLUTION AUTHORIZING PARTICIPATION IN JUST TRANSITION FUND LOCAL ECONOMY LAB GRANT APPLICATION (Pages 64-65)
Wakefield summarized the five-county coalition grant request to Just Transition Foundation and its intent to support workforce training and development needs. Clarified that he has requested funding for Cook County support to be for broader programming than strictly previously incarcerated individuals.

Motion to approve RESOLUTION 2026-32 (Anderson/Shackleton)
Vote Roll Call: Mills, Beebe-Giudice, Shackleton, Anderson, Benson, Clissold: all ayes. Passed (6-0)

c. **2026-33** RESOLUTION CONFIRMING SATISFACTION AND AUTHORIZING REVISED RELEASE OF LOAN AGREEMENT C202419 WITH GUNFLINT VUE LLC (Pages 66-70)
Clissold reminded Commissioners of the Gunflint Vue Loan that was repaid and that this resolution authorizes satisfaction of the agreement on both Torenn's and Abstract title documents at the County Recorder's Office.
Motion to approve RESOLUTION 2026-33 (Shackleton/Anderson)

Vote Roll Call: Mills, Beebe-Giudice, Shackleton, Anderson, Benson, Clissold: all ayes. Passed (6-0)

d. **2026-34** RESOLUTION APPROVING AMENDED AND RESTATED DEVELOPMENT AGREEMENT C202415 WITH THE NORTH COAST LLC D/B/A HOTEL MAYHEW (Pages 71-84)
*Anderson left the meeting room during this discussion and will not vote.

Clissold stated that the EDA received a $400,000 IRRR Development Infrastructure Grant to support the Mayhew Expansion project and that Commissioners previously authorized a First Amendment at the August 2026 meeting extending the deadline for certain preconditions and construction completion. Informed Commissioners that since this First Amendment the Developer and their legal counsel have requested additional document amendments to more accurately reflect the current legal entity of North Coast LLC d/b/a Hotel Mayhew and clarify which portions of the project are subject to IRRR and procurement requirements.

Wakefield clarified he is working with IRRR staff and legal counsel to confirm the stipulations of prevailing wage and requirements for the project and recommends the Board make approve the Amended and Restated Development Agreement contingent upon confirmation from IRRR and alignment of all terms and conditions.

Commissioner discussion.

Motion to approve RESOLUTION 2026-34 subject to the legal confirmation from IRRR
(Shackleton/Benson) Vote Roll Call: Mills, Beebe-Giudice, Shackleton, Benson, Clissold: all ayes. Passed (5-0-1) Anderson Recused.

e. **2026-35** RESOLUTION AUTHORIZING SECOND AMENDMENT TO BUSINESS DEVELOPMENT FUND GRANT AGREEMENT WITH SYDNEY'S FROZEN CUSTARD LLC (Pages 85-106)
*Anderson remained out of the meeting room for this discussion and vote.
**Beebe-Giudice also left meeting room and will not vote.

Clissold provided background of the amendment previously made for Sydney's Frozen Custard and that this Second Amendment would identify the final eligible costs approved and reimbursed by the grant.
Motion to approve RESOLUTION 2026-35 (Mills/Shackleton)
Vote Roll Call: Mills, Shackleton, Benson, Clissold: all ayes. Passed (4-0-2) Anderson and Beebe-Giudice Recused.

f. **2026-36** RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR THE SUPERIOR NATIONAL GOLF COURSE SUBSURFACE SEWAGE TREATMENT SYSTEM PROJECT (Pages 107-116)

Clissold noted the lowest bidder was KTM Paving Inc. at $141,000 for the main project, which is the clubhouse and excludes the maintenance building single bathroom, which will be solicited once design documents are completed.

Motion to approve RESOLUTION 2026-36 awarding subsurface sewage treatment system clubhouse project to KTM Paving Inc. in the amount of $141,000 (Shackleton/Mills)
Vote Roll Call: Mills, Beebe-Giudice, Shackleton, Anderson, Benson, Clissold: all ayes. Vote: (6-0)

g. **2026-37** RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR THE POPLAR RIVER WATER DISTRICT/SUPERIOR NATIONAL GOLF COURSE WATER INTERCONNECTION PROJECT (Pages 117-127)
Clissold noted the lowest bid was Northland Constructors in the amount of $74,800.

Commissioner discussion.
Motion to approve RESOLUTION 2026-37 awarding the water interconnection project to Northland Constructors in the amount of $74,800 (Anderson/Shackleton)
Vote Roll Call: Mills, Beebe-Giudice, Shackleton, Anderson, Benson, Clissold: all ayes. Passed (6-0)

h. EDA Strategic Plan Review, Discussion Only

8. Committee/Commissioner Reports

a. Golf Course Committee
Shackleton said they are finalizing a management agreement between the EDA and the new owner.

Commissioners thanked Shackleton for his work on this.

b. Taconite Harbor Subcommittee
Wakefield will be going to Cohasset to present the Taconite Harbor proposals.
   i. EDA & Schroeder Township Meeting Scheduled, October 13, 2026
   Commissioners are invited to attend.

c. Grant Review Committee
Beebe-Giudice said they are in the review cycle for the final round of grants for this year with eight applicants, five of which are requesting maximum grant awards. There will be a meeting next week to finalize recommendations. Grant recipient decals shown to Commissioners. We are hoping to get a County representative to come to a meeting to speak about the Revolving Loan Fund.

d. HR Committee Update
No update.

e. Finance Committee
Clissold asked Mills if there will be an opportunity for the EDA to present and speak to the County Commissioners about the EDA budget.

Mills said there has been no vote yet, but currently there is no support for funding the Business Development Fund Grant Program. The preference is for banks to be the first option for funding followed by the Revolving Loan Program. It seems the Grant Program has become the first choice over the Revolving Loan Fund, in the past fifteen months there has been no committee meeting for the Revolving Loan Fund due to lack of requests. There is a new process for non-mandated organizations such as the EDA which is review by the Facilities Advisory Committee. The grant program was ranked very low for the

EDA budget by this Committee.

President Clissold recognized County Commissioner Gamble and offered the floor for any comments on the current budget process.

Gamble described the process and noted the challenges in setting the preliminary levy this year. Current status is it is likely there will be cuts to the EDA budget requests.

9. **Executive Directors Report**

Wakefield wanted to highlight he was invited with Mayor Benson and Linda Jurek to speak to the International Journalists and it was very enjoyable. He was interviewed by one of the journalists. At the end of this month he will be presenting at the ETAC conference. The EDA is hosting a public bidding process for the Mayhew project Thursday morning.

Clissold thanked him for his work on the golf course bids.

Benson said the State of the Range gathering was a great opportunity for them and thanked the participants. She also invited members to the journalist's panel this evening at 7 p.m. at the ACA.

10. **Adjourn**

Motion to adjourn the September 15, 2026 Regular EDA meeting at 5:31 p.m. (Shackleton/Benson)

Next Meeting: Tuesday, October 20, 2026

Respectfully submitted by minute taker Maggie Barnard

Cook County/Grand Marais Economic Development Authority

Balance Sheet

As of September 30, 2026

	TOTAL		
	AS OF SEP 30, 2026	AS OF SEP 30, 2025 (PY)	% CHANGE
ASSETS			
Current Assets			
Bank Accounts			
GMSB Checking Account	271,927.82	43,312.46	527.83 %
GMSB Money Market	130,486.47	247,706.11	-47.32 %
NSFCU 5162030 Checking	6,355.14	6,354.34	0.01 %
NSFCU Money Market (87)	0.00	0.00	
NSFCU Patronage	37.24	37.24	0.00 %
NSFCU Savings	10.19	10.19	0.00 %
Total Bank Accounts	**$408,816.86**	**$297,420.34**	**37.45 %**
Accounts Receivable			
Accounts Receivable	-1,012.50	0.00	
Total Accounts Receivable	**$ -1,012.50**	**$0.00**	**0.00%**
Other Current Assets			
Due from Lutsen Recreation	0.00	0.00	
Due from Lutzen Mountainside	8,437.50	8,437.50	0.00 %
Due from SNL	12,083.33		
Due from Superior National at Lutsen	190,000.00		
Note Payable | Gunflint Vue LLC	0.00	200,000.00	-100.00 %
Prepaid Rent	915.00	915.00	0.00 %
Taxes Receivable - current	35,732.65	16,054.18	122.58 %
Taxes Receivable - delinquent	18,709.00	8,396.00	122.83 %
Undeposited Funds	0.00	0.00	
Total Other Current Assets	**$265,877.48**	**$233,802.68**	**13.72 %**
Total Current Assets	**$673,681.84**	**$531,223.02**	**26.82 %**
Fixed Assets			
Land Held for Resale	2,800.00	114,000.00	-97.54 %
Total Fixed Assets	**$2,800.00**	**$114,000.00**	**-97.54 %**
Other Assets			
Tac Area Bus Relief Note Rec	0.00	0.00	
Total Other Assets	**$0.00**	**$0.00**	**0.00%**
TOTAL ASSETS	**$676,481.84**	**$645,223.02**	**4.84 %**

Cook County/Grand Marais Economic Development Authority

Balance Sheet

As of September 30, 2026

	TOTAL		
	AS OF SEP 30, 2026	AS OF SEP 30, 2025 (PY)	% CHANGE
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	1,488.58	39,048.09	-96.19 %
Total Accounts Payable	**$1,488.58**	**$39,048.09**	**-96.19 %**
Credit Cards			
Visa Credit Card	102.76	168.60	-39.05 %
Total Credit Cards	**$102.76**	**$168.60**	**-39.05 %**
Other Current Liabilities			
Contingent Liability	0.00	0.00	
Deferred Revenue	0.00	0.00	
Due to City of Grand Marais	35,872.50	149,812.55	-76.06 %
Due to Cook County	0.00	28,103.89	-100.00 %
Due to Workforce Recruitment	0.00	0.00	
Note Payable | Cook County	0.00		
Salaries/Benefits	0.00	0.00	
Total Other Current Liabilities	**$35,872.50**	**$177,916.44**	**-79.84 %**
Total Current Liabilities	**$37,463.84**	**$217,133.13**	**-82.75 %**
Long-Term Liabilities			
Unavailable Rev - Deferred Tax	18,709.00	8,396.00	122.83 %
Total Long-Term Liabilities	**$18,709.00**	**$8,396.00**	**122.83 %**
Total Liabilities	**$56,172.84**	**$225,529.13**	**-75.09 %**
Equity			
Opening Bal Equity	118,003.47	118,003.47	0.00 %
Retained Earnings	479,019.59	358,699.28	33.54 %
Net Income	23,285.94	-57,008.86	140.85 %
Total Equity	**$620,309.00**	**$419,693.89**	**47.80 %**
TOTAL LIABILITIES AND EQUITY	**$676,481.84**	**$645,223.02**	**4.84 %**

Cook County/Grand Marais Economic Development Authority

Budget FY26_P&L

January-September, 2026

	TOTAL		
	Actual	Budget	Over budget by
Income			
EDA Levy			
Levy County Cedar Grove Pass Thru	34,248.77	60,000.00	-25,751.23
Levy County - Operations	259,598.07	452,962.00	-193,363.93
Total for EDA Levy	**$293,846.84**	**$512,962.00**	**-$219,115.16**
Grant Income			
Misc Income	18,328.03		18,328.03
Total for Grant Income	**$18,328.03**		**$18,328.03**
Interest Income	6,823.49		6,823.49
Northland SBDC Income	2,034.75	39,000.00	-36,965.25
Rent HRA	5,175.00	6,900.00	-1,725.00
Total for Income	**$326,208.11**	**$558,862.00**	**-$232,653.89**
Cost of Goods Sold			
Gross Profit	**$326,208.11**	**$558,862.00**	**-$232,653.89**
Expenses			
Dues/Memberships	2,669.94	3,500.00	-830.06
Operating Expenses		$0.00	$0.00
Advertising/Marketing/Website	2,782.94	3,000.00	-217.06
Bank Charges	54.00	200.00	-146.00
Meeting Expenses & Per Diem	1,110.00	4,000.00	-2,890.00
Office Expenses	$1,837.87		$1,837.87
Copy Machine	309.92		309.92
Equipment/Computers/Virtual	65.01	3,000.00	-2,934.99
Supplies	182.41	3,000.00	-2,817.59
Total for Office Expenses	**$2,395.21**	**$6,000.00**	**-$3,604.79**
Rent Expense	11,307.72	8,400.00	2,907.72
Superior National pass-thru	5,542.79		5,542.79
Telephone	628.59	852.00	-223.41
Board Member Training		2,000.00	-2,000.00
City Administration		1,000.00	-1,000.00
Insurance		3,600.00	-3,600.00
Total for Operating Expenses	**$23,821.25**	**$29,052.00**	**-$5,230.75**
Professional Services		$0.00	$0.00
Accounting Support	2,800.00	8,000.00	-5,200.00
Legal	25,339.08	4,000.00	21,339.08
Misc Services	39,205.00	0.00	39,205.00
SBDC Consultant Expense	1,771.25	5,000.00	-3,228.75
State Audit	25,500.00	24,000.00	1,500.00
Public Financing Consulting		3,000.00	-3,000.00
SBDC Expenses - Other		1,000.00	-1,000.00
Total for Professional Services	**$94,615.33**	**$45,000.00**	**$49,615.33**

Cook County/Grand Marais Economic Development Authority

Budget FY26_P&L

January-September, 2026

	TOTAL		
	Actual	Budget	Over budget by
PROJECTS			
Business Development Program	125,053.74	200,000.00	-74,946.26
Cedar Grove Business Park Pass Thru	34,248.77	60,000.00	-25,751.23
Cedar Grove Special Assessments		3,754.00	-3,754.00
Total for PROJECTS	**$159,302.51**	**$263,754.00**	**-$104,451.49**
Staff Expenses			
Director Salary (w/ benefits)	21,968.14	134,230.00	-112,261.86
Training/Travel/Mileage	545.00	5,000.00	-4,455.00
Administration		8,000.00	-8,000.00
Total for Staff Expenses	**$22,513.14**	**$147,230.00**	**-$124,716.86**
Contingency		24,426.00	-24,426.00
Total for Expenses	**$302,922.17**	**$512,962.00**	**-$210,039.83**
Net Operating Income	**$23,285.94**	**$45,900.00**	**-$22,614.06**
Other Income			
Other Expenses			
Net Other Income			
Net Income	**$23,285.94**	**$45,900.00**	**-$22,614.06**

Cook County/Grand Marais Economic Development Authority

Bill Approval Status

September 15-October 31, 2026

Bill number	Vendor	Date	Amount	Paid status	Approval status	Due date
001	Clissold, Peter	09/16/2026	53.58	Paid		09/26/2026
2609	Maggie Barnard	09/17/2026	75.00	Paid		10/17/2026
2122-1878	Cook County Chamber of Commerce	09/28/2026	1,000.00	Paid		10/01/2026
2044	Drosera Holdings	10/01/2026	1,282.07	Paid		10/16/2026
4015	North Shore Development Co.	10/01/2026	2,500.00	Paid		10/31/2026
375	Sarena Crowley	10/01/2026	350.00	Paid		10/31/2026
199452	Hanft Fride	10/12/2026	315.00	Paid		10/22/2026

Superior National

Balance Sheet

As of September 30, 2026

	TOTAL	
	AS OF SEP 30, 2026	AS OF SEP 30, 2025 (PY)
ASSETS		
Current Assets		
Bank Accounts		
Cash on Hand	1,143.58	1,143.58
NSFCU CD	428.50	438.69
NSFCU Checking	0.00	0.00
NSFCU Checking 5162029	287,698.89	507,261.19
NSFCU Money Market	1,832.49	1,832.49
NSFCU Patronage Rebate	2,143.61	1,719.01
NSFCU Savings	10.00	10.00
Total Bank Accounts	**$293,257.07**	**$512,404.96**
Accounts Receivable		
Accounts Receivable	0.00	0.00
Total Accounts Receivable	**$0.00**	**$0.00**
Other Current Assets	**$111,910.00**	**$85,158.17**
Total Current Assets	**$405,167.07**	**$597,563.13**
Fixed Assets		
Accumulated Depreciation	-7,237,213.53	-6,879,182.51
Building - Club House	476,180.90	476,180.90
Building - Maintenance	85,707.03	85,707.03
Capital Items	0.00	0.00
Club House Equipment	64,827.73	64,827.73
Golf Course Equipment	1,143,362.40	1,044,675.03
Golf Course Land	213,685.00	213,685.00
Land Improvements - 1st 18 Hole	2,929,057.25	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
Loss of disposal of fixed assets	0.00	0.00
Total Fixed Assets	**$5,616,314.41**	**$5,652,406.06**
Other Assets		
Accumulated amortization	-69,715.00	-99,294.00
Deferred Outflow - Pension	176,904.00	76,178.00
Right to use leased assets	385,118.00	99,294.00
Total Other Assets	**$492,307.00**	**$76,178.00**
TOTAL ASSETS	**$6,513,788.48**	**$6,326,147.19**

Superior National

Balance Sheet

As of September 30, 2026

	TOTAL	
	AS OF SEP 30, 2026	AS OF SEP 30, 2025 (PY)
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
*Accounts Payable	27,622.89	21,592.27
Total Accounts Payable	**$27,622.89**	**$21,592.27**
Credit Cards	**$0.00**	**$0.00**
Other Current Liabilities		
Capital Reserves	0.00	0.00
Direct Deposit Payable	543.16	0.00
Due to EDA	190,000.00	0.00
Gift Certificates	29,049.39	29,802.22
Minnesota Department of Revenue Payable	0.00	0.00
Payroll Liabilities	0.00	0.00
Child Support	0.00	0.00
Co. HSA	0.00	0.00
Credit One Garnishment	183.85	150.66
Federal Taxes (941/944)	-34.64	-34.64
MN Income Tax	-2.75	-2.75
MN Paid Family and Medical Leave	737.80	
MN Paid Family and Medical Leave SUI	2,158.32	
MN Unemployment Taxes	-5,198.44	-5,198.44
PERA Employee	-902.67	6,359.91
PERA Life	0.00	0.00
Rent	0.00	0.00
Total Payroll Liabilities	**-3,058.53**	**1,274.74**
Sales Tax Payable	1,082.05	21,958.76
Tips Payable	1,107.17	2,847.47
Total Other Current Liabilities	**$218,723.24**	**$55,883.19**
Total Current Liabilities	**$246,346.13**	**$77,475.46**
Long-Term Liabilities		
Deferred Inflow - Pension	136,974.00	119,899.00
Lease Liability	300,398.00	0.00
Loan Payable - Cook County	2,169,972.00	2,169,972.00
Net Pension Liability	152,686.00	94,504.00
Total Long-Term Liabilities	**$2,760,030.00**	**$2,384,375.00**
Total Liabilities	**$3,006,376.13**	**$2,461,850.46**
Equity	**$3,507,412.35**	**$3,864,296.73**
TOTAL LIABILITIES AND EQUITY	**$6,513,788.48**	**$6,326,147.19**

Superior National

Profit and Loss

September 2026

	TOTAL		
	SEP 2026	SEP 2025 (PY)	% CHANGE
Revenue			
Golfing Related Sales			
Cart Rentals		39,889.50	-100.00 %
Club Rentals/Lessons		4,359.24	-100.00 %
Driving Range Fees		2,388.14	-100.00 %
Greens Fees		174,013.47	-100.00 %
Total Golfing Related Sales		**220,650.35**	**-100.00 %**
Merchandise, Beverage & Food			
Beverage Sales		29,334.72	-100.00 %
Food Sales		21,305.23	-100.00 %
Merchandise Sales		40,899.94	-100.00 %
Total Merchandise, Beverage & Food		**91,539.89**	**-100.00 %**
Sales - Unallocated	13,941.98	48,905.90	-71.49 %
Total Revenue	**$13,941.98**	**$361,096.14**	**-96.14 %**
Cost of Goods Sold			
Beverage CoGS	1,790.77	21,783.98	-91.78 %
Food CoGS	980.67	8,274.87	-88.15 %
Merchandise CoGS	3,412.94	44,041.74	-92.25 %
Total Cost of Goods Sold	**$6,184.38**	**$74,100.59**	**-91.65 %**
GROSS PROFIT	**$7,757.60**	**$286,995.55**	**-97.30 %**
Expenditures			
Administrative & General			
Credit Card Fees	11,108.70	12,394.87	-10.38 %
Insurance		19,347.40	-100.00 %
Licenses/Permits/Dues		2,036.00	-100.00 %
Office Expense	611.00	2,272.28	-73.11 %
Total Administrative & General	**11,719.70**	**36,050.55**	**-67.49 %**
Club House			
Cart Lease	5,898.96	11,142.69	-47.06 %
Cash Over/Short		-32.13	100.00 %
Repairs and Maintenance	1,049.34		
Utilities			
Electric - Club House	1,126.32	1,025.67	9.81 %
Internet - Club House		102.00	-100.00 %
Telephone - Club House	298.87	301.17	-0.76 %
Television - Club House		177.40	-100.00 %
Total Utilities	**1,425.19**	**1,606.24**	**-11.27 %**
Total Club House	**8,373.49**	**12,716.80**	**-34.15 %**
Grounds Maintenance			
Dues/Memberships		2,110.00	-100.00 %

Superior National

Profit and Loss

September 2026

	TOTAL		
	SEP 2026	SEP 2025 (PY)	% CHANGE
Seed & Soil		4,366.36	-100.00 %
Small Tools/Parts	195.34	514.44	-62.03 %
Supplies		4,407.74	-100.00 %
Utilities			
Electric	6,126.51	3,300.28	85.64 %
Propane	7,099.10	7,000.98	1.40 %
Septic		1,332.96	-100.00 %
Telephone		468.00	-100.00 %
Total Utilities	**13,225.61**	**12,102.22**	**9.28 %**
Total Grounds Maintenance	**13,420.95**	**23,500.76**	**-42.89 %**
Payroll Expenses			
Payroll Burden			
Payroll Taxes		7,029.86	-100.00 %
Retirement/PERA		3,292.35	-100.00 %
Total Payroll Burden		**10,322.21**	**-100.00 %**
Salaries/Wages			
Grounds		50,173.26	-100.00 %
Proshop		15,130.20	-100.00 %
Salaried Employees		30,307.68	-100.00 %
Total Salaries/Wages		**95,611.14**	**-100.00 %**
Uniforms		1,052.48	-100.00 %
Wages		0.00	
Sick Pay		120.00	-100.00 %
Total Wages		**120.00**	**-100.00 %**
Total Payroll Expenses		**107,105.83**	**-100.00 %**
Professional Services	11,979.50		
Accounting/Audit	500.00	500.00	0.00 %
Consulting		24,166.67	-100.00 %
Legal		3,182.50	-100.00 %
Marketing and Promotion		17,597.79	-100.00 %
Total Professional Services	**12,479.50**	**45,446.96**	**-72.54 %**
Total Expenditures	**$45,993.64**	**$224,820.90**	**-79.54 %**
NET OPERATING REVENUE	**$ -38,236.04**	**$62,174.65**	**-161.50 %**
Other Revenue			
Interest Income	45.92	32.92	39.49 %
Total Other Revenue	**$45.92**	**$32.92**	**39.49 %**
NET OTHER REVENUE	**$45.92**	**$32.92**	**39.49 %**
NET REVENUE	**$ -38,190.12**	**$62,207.57**	**-161.39 %**

Business Development Fund Grant Awards Approved in 2025															
Grantee	**Board Approval Date**	**Contract Executed Date**	**Contract #**	**Award**	**Required Match**	**Total Project Cost**	**W9 Received**	**Grants Issued to Date**	**Actual Match to Date**	**Award Balance**	**Match Balance**	**Actual Project Costs to Date**	**Project Deadline**	**Final Report Received**	**Description/Progress Notes**
Britt Malec, LLC	3/18/2025	5/30/2025	C202506	$1,000.00	$0.00	$946.97	6/6/2025	$1,000.00	$193.27	$0.00	$0.00	$1,193.27	3/18/2026	7/22/2025	Printer & Supplies. Final report received
Ruby Loon Graphics, LLC	4/15/2025	7/21/2025	C202507	$5,852.44	$585.24	$6,437.68	5/22/2025	$5,997.98	$708.22	-$145.54	-$122.98	$6,706.20	4/15/2026	3/23/2026	Screen Printing/Heat Transfer Equipment. Resolution approved $6,000 but grant contract approved $5,582.44 with grantee match of $585.24. $5,997.98 was issued to grantee. 7/22/2025 emailed grantee for documentation of 10% match of the grant amount issued to date ($599.80) and sent final report form.
Unimoose Enterprises	4/15/2025	7/23/2025	C202508	$24,254.00	$6,063.56	$30,317.56	10/1/2024	$24,254.00	$6,063.56	$0.00	$0.00	$30,317.56	4/15/2026	7/23/2025	Welding Equipment/Concrete Apron Repair. Original grant for $25,000; grantee confirmed project complete. No additional grant/match.Final report received.
Scruffy Dog Vintage Emporium, LLC	5/20/2025 & 4/21/2026	8/21/2025 & 7/7/2026	C202519 C202519-01	$25,000.00	$6,250.00	$34,069.52	3/3/2026	$25,000.00	$12,787.00	$0.00	-$6,537.00	$37,787.00	7/15/2026	9/29/2026	Building Repairs & Signage. 4/21/26 Board approved deadline extension to 7/15/26. 7/14/2026 proof of executed commercial lease provided by grantee. Materials submitted for final reimbursement - sent to treasurer 7/23/26. Final report received 9/29/26.
Sydney's Frozen Custard, L.L.C	5/20/2025 & 7/21/2026 & pending 2nd amendment 9/15/26.	8/11/2025 & 8/6/2026 & pending 2nd amendment	C202526 C202526-01 C202526-02	$25,000.00	$6,250.00	$36,593.00	pending	$21,095.70	$6,250.00	$3,904.30	$0.00	5/20/2025 & 7/21/2026 & pending 2nd amendment 9/15/26.	8/11/2026	10/4/2026	Building Repairs/Create Breezeway/Expand Menu. 8/11/2025 confirmed LLC registered. 6/1/2026 Executive Director authorized 30 day project completion deadline at request of Grantee. First amendment to extend deadline to 8/11/2026 approved by EDA 7/21/26 - amendment executed 8/6/2026. Reimbursement processed 8/12/26; close grant short $3,904.30 no remaining eligible costs. 2nd Amendment to EDA Board 9/15/26. Final report received.
Fika Coffee, LLC	5/20/2025	5/20/2025	C202505	$25,000.00	$6,250.00	$37,073.10	6/2/2025	$25,000.00	$15,033.99	$0.00	-$8,783.99	$40,033.99	5/20/2026	4/14/2026	Roastery Equipment.
Raven Moon Ridge, LLC	5/20/2025	7/17/2025	C202504	$3,200.00	$0.00	$3,196.20	9/30/2025	$1,943.45	$0.00	$0.00	$0.00	$1,943.45	12/31/2026	3/22/2026	Solar Panel System/Mobile Charging Unit; original award $3,196.20; grantee came in under budget. No additional expenses.
Beran's Handcrafted Log Cabins	6/17/2025	7/30/2025	C202520	$10,000.00	$1,000.00	$39,900.00	7/2/2025	$10,000.00	$81,360.13	$0.00	$0.00	$91,360.13	6/18/2026	2/4/2026	Excavator.
The Mayhew, LLC	6/17/2025	7/22/2025	C202509	$25,000.00	$28,440.00	$53,440.00	12/22/2025	$25,000.00	$43,158.35	$0.00	-$14,718.35	$68,158.35	6/17/2026	7/31/2026	Environmental Work. Grant to support future environmental studies; match previously incurred costs Phase I. 5/21/26 2nd and final reimbursement processed. Final report received 7/31/2026.
CedarSun Electric, LLC	7/15/2025	7/17/2025	C202503	$10,000.00	$1,000.00	$31,304.98	7/17/2025	$10,000.00	$6,758.10	$0.00	-$5,758.10	$16,758.10	1/31/2026	1/25/2026	equipment purchase electrical contracting.
Wild Wes Tire and Timber LLC	7/15/2025	7/17/2025	C202502	$10,000.00	$1,000.00	$12,181.35	7/24/2025	$10,000.00	$2,181.35	$0.00	-$1,181.35	$12,181.35	12/31/2026	4/22/2026	equipment purchase new auto repair.
Sweetwater Design Studios LLC	7/15/2025	7/18/2025	C202501	$25,000.00	$6,250.00	$78,283.03	7/17/2025	$25,000.00	$11,398.22	$0.00	-$5,148.22	$36,398.22	12/31/2026	pending	Grinder pumps for commerical spaces. 3/13/26 emd grantee for final report. 3/18/26 grantee is completing HVAC and electrical work and will send final report early April to account for additional match/work towards the project.
The Beaver House LLC	9/16/2025	7/19/2025	C202527	$10,693.00	$1,069.00	$63,409.75	7/19/2025	$0.00	$0.00	$10,693.00	$1,069.00	$0.00	12/31/2026	pending	interior rennovation, windows, doors and flooring. Request for reimbursement and project update sent 1/21/26. 1/23/26 encountered several delays and securing additional funding. Anticipate completion by grant deadline.
TOTAL				**$199,999.44**		**$427,153.14**		**$184,291.13**				**$342,837.62**			
2025 BDF Allocation				**$200,000.00**											
Available Balance (less encumberd/awarded funds)				**$0.56**											
Actual Balance (less expended reimbursements)				**$15,708.87**											

Business Development Fund Grant Awards Approved in 2026

Grantee	Board Approval Date	Contract Executed Date	Contract #	Award	Required Match	Total Project Cost	W9 Received	Grant Funds Issued to Date	Actual Match to Date	Award Balance	Match Balance	Actual Project Costs to Date	Project Deadline	Final Report Received	Description/Progress Notes
Dream Superior LLC (dba Sisu + Loyly)	3/17/2026	3/18/2026	C202603	$25,000.00	$6,250.00	$31,250.00	3/28/2026	$25,000.00	$38,300.00	$0.00	-$32,050.00	$63,300.00	3/31/2027	pending	Construction support of new bathhouse. Reimbursement request processed 8/3/2026. Final report due within 30 days of reimbursement but may consider waiting until additional work completed - closer to project deadline so true deliverables/outcomes can be reported.
Crosby Bakery LLC	3/17/2026	3/18/2026	C202604	$21,679.35	$5,087.77	$26,767.12	4/11/2026	$18,318.45	$4,295.68	$3,360.90	$792.09	$22,614.13	3/31/2027		Purchase 4th oven for bakery. 1st reimbursement processed 4/14/26.
Violence Prevention Center	3/17/2026	4/9/2026	C202605	$20,500.00	$4,675.00	$25,175.00	4/9/2026	$20,500.00	$9,668.28	$0.00	-$4,993.28	$30,168.28	3/31/2027	pending	Remodel/expansion of VPC office. 8 year lease received 4/9/26. 1st Reimbursement processed 5/6/26. 2nd& final reimbursement processed 9/22/2026; grantee exceeded rquired match.
Scaredy Cat LLC	3/17/2026	3/20/2026	C202607	$5,000.00	$0.00	$5,000.00	4/10/2026	$0.00	$0.00	$5,000.00	$0.00	$0.00	3/31/2027		Website update and procure original artwork for website.
Common Ground Home Services LLC	3/17/2026	3/19/2026	C202609	$4,729.05	$0.00	$4,729.05	3/19/2026	$4,729.05	$494.49	$0.00	-$494.49	$5,223.54	3/31/2027	5/21/2026	Purchase tools for contracting company.1st and final reimbursement processed 3/23/26. 5/21/2026 final report received.
Refugia Designs LLC (dba Taproot Floral)	3/17/2026	3/18/2026	C202610	$4,500.00	$0.00	$4,500.00	3/18/2026	$4,500.00	$0.00	$0.00	$0.00	$4,500.00	3/31/2027	5/20/2026	Purchase used flower cooler. 1st and final reimbursement processed 3/23/26. 5/20/26 final report received.
North Road Knits LLC	3/17/2026	3/22/2026	C202611	$2,549.65	$0.00	$2,691.16	9/9/2026	$2,549.65	$0.00	$0.00	$0.00	$2,549.65	3/31/2027	9/8/2026	Purchase materials/equipment for home yard dying expansion. 9/8/26 first and final reimbursement submitted; grantee did not expend full grant award of $2,691.16. Reduce to actual $2,549.65. Final report received.
Wandering Fern Retreats LLC	3/17/2026	3/23/2026	C202612	$1,998.90	$0.00	$1,998.90	pending	$0.00	$0.00	$1,998.90	$0.00	$0.00	3/31/2027		Purchase equipment tor new business startup. 4/10/26 email reminder for W9.
Dr Steph Vos LLC	6/16/2026	6/19/2026	C202617	$3,027.35	$0.00	$3,027.35	8/5/2026	$3,027.35	$276.42	$0.00	-$276.42	$3,303.77	6/30/2027	pending	Chiropractic equipment and patient education maters. Reimbursement request processed 8/5/26.
Berans Handcrafted Log Cabins LLC	6/16/2026	6/19/2026	C202618	$15,000.00	$2,750.00	$17,750.00	pending	$0.00	$0.00	$15,000.00	$2,750.00	$0.00	6/30/2027		Solar power system installation. Must submit proof of approved conditional use permit from Cook County; approval by county board 6/23/26.
Adrea Davina Beres Ceramics LLC (dba Lichen & Ember)	6/16/2026	6/19/2026	C202619	$7,098.00	$598.00	$7,696.00	7/19/2026	$4,951.30	$598.00	$2,146.70	$0.00	$5,549.30	6/30/2027		Perimenopause coaching certification and program launch. 1st reimbursement processed 7/20/2026. 2nd reimbursement processed 9/8/2026.
Java Moose LTD	10/20/2026	pending	C202630	$25,000.00	$6,250.00	$197,404.00	pending	$0.00	$0.00	$25,000.00	$6,250.00	$0.00	10/31/2027		Coffee shop building addition at Java Moose in Grand Marais. Pending Board approval 10/20/2026.
The Great Skogby LLC	10/20/2026	pending	C202631	$7,850.00	$570.00	$42,358.20	pending	$0.00	$0.00	$7,850.00	$570.00	$0.00	10/31/2027		Equipment and materials for new popcorn store in Lutsen. Pending Board approval 10/20/2026.
Ski Hill Cabins and Saunas LLC	10/20/2026	pending	C202632	$7,850.00	$570.00	$56,500.00	pending	$0.00	$0.00	$7,850.00	$570.00	$0.00	10/31/2027		Spray foam insulation on five new A-frame cabins. Pending Board approval 10/20/2026.

Prom Enterprises Inc. (dba Voyageur Canoe Outfitters)	10/20/2026	pending	C202633	$25,000.00	$6,250.00	$53,450.00	pending	$0.00	$0.00	$25,000.00	$6,250.00	$0.00	10/31/2027		Indoor plumbing and water system installation for lodge. Pending Board approval 10/20/2026.
BrightBale LLC	10/20/2026	pending	C202634	$25,000.00	$6,250.00	$31,310.00	pending	$0.00	$0.00	$25,000.00	$6,250.00	$0.00	10/31/2027		Manufacturing equipment andp roduction setup for prefabricated straw-insulated wall panel manufacturing. Pending Board approval 10/20/2026.
TOTAL				**$201,782.30**		**$511,606.78**		**$83,575.80**				**$137,208.67**			

2026 BDF Allocation	**$200,000.00**
Available Balance (less encumberd/awarded funds)	**-$1,782.30**
Actual Balance (less expended reimbursements)	**$116,424.20**

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: October 14, 2026
Subject: Business Development Fund – Third Round Grant Recommendations (Resolution 2026-38)

Background

Applications for the third and final round of the 2026 Business Development Fund (BDF) Grant Program were due September 2, 2026. The EDA received eight (8) applications requesting grant assistance.

The Grant Review Committee met several times to review the applications, request additional materials and clarification where necessary, and evaluate proposed projects against the BDF program guidelines and funding priorities. Following its review, the Committee is recommending five (5) grant awards, including two awards at reduced funding levels.

The EDA's 2026 BDF grant budget is $200,000, with $88,917.70 available for consideration during the third funding round. The five recommended awards total $90,700, exceeding the remaining 2026 allocation by $1,782.30. Uncommitted funding remains from the 2025 BDF grant cycle ($3,904.86), and staff recommends utilizing $1,782.30 of those funds to support the recommended awards, subject to confirmation of their availability for this purpose.

If approved, the recommended awards will fully allocate the remaining 2026 BDF funding along with $1,782.30 in previously uncommitted 2025 funding.

Grant Contract Language

The BDF grant contract template is attached for Board reference. Important provisions include:

1. **Reimbursement Documentation Requirements** – Grantees must submit receipts and/or paid invoices for eligible project costs, along with proof of payment, such as cleared checks or bank statements. Costs incurred before execution of the grant agreement and authorization to commence work are not eligible for reimbursement.
2. **Project Scope Modification** – Changes to approved project expenses require prior written approval from the EDA. Minor vendor price fluctuations within approved project costs remain allowable, provided the total grant award is not exceeded.
3. **Post-Completion Operational Requirements** – The grant contract includes standardized operating requirements based on award size:
    - $10,000 or less: minimum three (3) years of continued operation in Cook County.
    - $10,001–$25,000: minimum five (5) years of continued operation in Cook County.
    - If a business ceases operations during the applicable compliance period, repayment provisions apply. For equipment purchases, repayment is calculated based on straight-line depreciation of the grant-funded portion. For other eligible project expenses, repayment is determined at the discretion of the EDA Board, up to the full grant amount.

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- Grantees agree to respond to requests for information regarding project outcomes at one and five years following project completion.
- Where feasible, grantees agree to display an EDA-provided decal or similar recognition during the project and applicable post-completion compliance period.

4. **Continued Eligibility Requirements** – Grantees must maintain eligibility consistent with BDF program guidelines, including active registration and good standing with the Minnesota Secretary of State, continued business operations in Cook County, and good standing on property taxes and local utility accounts, where applicable.

Recommended Grant Awards

The Grant Review Committee recommends funding the following five applications.

Java Moose, LTD.

Recommended Grant: $25,000
Required Match: $6,250
Post-Completion Operational Requirement: 5 year non-equipment repayment provisions apply.
Business Description: Java Moose is an established, locally owned coffee shop in downtown Grand Marais, serving residents and visitors year-round. Originally founded in 1992 and operated by the Jorgenson family since 1999, the business provides coffee, beverages, and food offerings while supporting seasonal and year-round employment in the community.
Project Summary: Grant funds will support construction costs associated with an expansion of the existing commercial building, including additional year-round customer seating and storage space. The project will address existing space limitations, improve customer experience and operational efficiency, and provide additional capacity for continued business growth. The applicant's preliminary construction estimate is approximately $197,404, substantially exceeding the minimum required matching investment. The project supports retention and expansion of an established downtown business.
Applicant Representative: Sarah Hallberg

The Great Skogby LLC (Highway 61 Popcorn)

Recommended Grant: $7,850
Required Match: $570
Post-Completion Operational Requirement: 3 years; equipment repayment provisions may apply.
Business Description: The Great Skogby LLC is establishing Highway 61 Popcorn, a new food and retail business in Lutsen. The business will provide specialty popcorn products and related retail offerings for residents and visitors, adding a new commercial service along the Highway 61 corridor.
Project Summary: Grant funds will support the purchase of commercial kitchen equipment, food preparation and storage equipment, retail fixtures, displays, and furnishings necessary to establish the new business. The applicant submitted an equipment and furnishings budget totaling approximately $42,358. The project will support activation of an existing commercial property, new business creation, and additional retail and food-service opportunities in Lutsen. The Grant Review Committee recommends partial funding of $7,850, reflecting available program resources and the number of competitive applications received during this cycle.
Applicant Representative: Danielle Dey

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

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Ski Hill Cabins and Saunas, LLC
Recommended Grant: $7,850
Required Match: $570
Post-Completion Operational Requirement: 3 years; non-equipment repayment provisions apply.
Business Description: Ski Hill Cabins and Saunas is an existing lodging business in Lutsen offering Scandinavian-inspired cabin accommodations with private saunas. The business serves visitors to the North Shore and supports the area's tourism and hospitality economy.
Project Summary: Grant funds will support the purchase and installation of energy-efficient spray foam insulation for five new Nordic A-frame rental cabins as part of the business's Phase 2 expansion. The submitted project budget identifies approximately $56,500 in insulation costs associated with the five cabins. The expansion will increase lodging capacity, diversify accommodation options, and support continued private investment in Cook County's visitor economy. The Grant Review Committee recommends partial funding of $7,850, reflecting available program resources and the number of competitive applications received.
Applicant Representative: Patrick Kindler

Prom Enterprises, Inc. d/b/a Voyageur Canoe Outfitters
Recommended Grant: $25,000
Required Match: $6,250
Post-Completion Operational Requirement: 5 years; non-equipment repayment provisions apply.
Business Description: Voyageur Canoe Outfitters is an established outfitting and lodging business located along the Gunflint Trail. The business provides canoe outfitting, lodging, and related services to visitors accessing the Boundary Waters Canoe Area Wilderness and surrounding recreational opportunities.
Project Summary: Grant funds will support Phase 2 of the business's potable water system improvements, including indoor plumbing, water storage, filtration and treatment equipment, and associated installation costs. The proposed Phase 2 improvements have an estimated cost of $53,450 and are intended to complement separately funded well installation work. The improvements will provide more reliable water infrastructure to support expanded year-round operations, lodging opportunities, and continued business investment along the Gunflint Trail. The project also supports the applicant's plans for expanded winter and shoulder-season operations and associated employment opportunities.
Applicant Representative: Matthew Ritter

BrightBale LLC
Recommended Grant: $25,000
Required Match: $6,250
Post-Completion Operational Requirement: 5 years; equipment repayment provisions may apply.
Business Description: BrightBale LLC is a newly established manufacturing business in Lutsen focused on producing prefabricated straw-insulated wall panels for residential construction. The business aims to provide efficient, durable building materials manufactured locally while supporting the development of more attainable housing options and expanding opportunities for local builders.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

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Project Summary: Grant funds will support the purchase of manufacturing equipment, woodworking tools, dust collection and air filtration systems, and related equipment necessary to establish a local wall panel production operation. The applicant's submitted equipment budget totals $31,310, including $6,310 in applicant funding. The project will activate an existing industrial property in Lutsen, support new business creation and local manufacturing, and introduce an alternative construction product to the regional housing market. The business also intends to provide training opportunities for local contractors and anticipates beginning production in late 2026, with initial home panel deliveries planned for 2027.
Applicant Representative: Jack Sloan

Recommended Action

Adopt Resolution 2026-38 approving five Business Development Fund grant awards totaling $90,700 and authorizing the Board President to execute grant agreements substantially in the form attached.

Attachments:

- Resolution 2026-38
- Template BDF Grant Contract

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

RESOLUTION NO. 2026-38

RESOLUTION APPROVING BUSINESS DEVELOPMENT FUND GRANT AWARDS AND AUTHORIZING EXECUTION OF GRANT AGREEMENTS

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") administers the Business Development Fund (BDF) grant program to support local business development, economic growth, and job creation within Cook County; and

WHEREAS, applications for the third 2026 funding cycle were due September 2, 2026 and the EDA received eight (8) applications requesting BDF support; and

WHEREAS, the EDA Grant Review Committee reviewed submitted applications and evaluated proposals against program guidelines and funding priorities; and

WHEREAS, following this review, the Grant Review Committee recommends funding five (5) applications totaling $90,700, including two (2) awards at reduced funding levels; and

WHEREAS, the EDA has sufficient Business Development Fund resources available, including uncommitted funds from the 2025 grant cycle, to support the recommended awards.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby approve the following BDF grant awards for the third 2026 funding cycle:

Grantee	**Project Description**	**Grant Award**	**Required Match**
Java Moose, LTD.	Construction of a commercial building addition to expand customer seating and storage space	$25,000	$6,250
The Great Skogby LLC (Highway 61 Popcorn)	Commercial kitchen equipment, retail equipment, fixtures, and furnishings for a new food and retail business	$7,850	$570
Ski Hill Cabins and Saunas, LLC	Energy-efficient spray foam insulation for five new Nordic A-frame rental cabins	$7,850	$570
Prom Enterprises, Inc. d/b/a Voyageur Canoe Outfitters	Phase 2 potable water system improvements, including indoor plumbing, water storage, filtration, and treatment equipment	$25,000	$6,250
BrightBale LLC	Manufacturing equipment, woodworking tools, dust collection, and air filtration systems for prefabricated wall panel production	$25,000	$6,250

BE IT FURTHER RESOLVED, that the EDA Board of Commissioners authorize the Board President to execute grant agreements with recommended grantees, subject to completion of any required 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:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 20th day of October 2026.

ATTEST: _____
Alex Beebe-Giudice– Board Vice President

BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
(INSERT GRANTEE NAME)

THIS GRANT AGREEMENT ("Agreement") entered into this _____ day of _____, 2026 (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 (INSERT GRANTEE NAME), a Minnesota Limited Liability Company located in Grand Marais, Minnesota ("grantee").

WHEREAS, Grantee has requested assistance from the EDA through the Business Development Fund to (INSERT BRIEF PROJECT DESCRIPTION) (the "Project"); and

WHEREAS, the EDA has determined that this Project aligns with the Business Development Grant Program through the (INSERT BRIEF DESCRIPTION OF ALIGNMENT WITH BDF PROGRAM GOALS) provided by (INSERT GRANTEE NAME).

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. Act: means Minnesota Statues, Sections 469.090 through 469.1082, as amended to supplemented from time to time.
B. Agreement: means this Grant Agreement, as originally executed or as it may from time to time be modified, amended or supplemented pursuant to the provisions hereof.
C. City: means the City of Grand Marais, Minnesota.
D. County: means Cook County, Minnesota.
E. EDA: means the Cook County/Grand Marais Joint Economic Development Authority.
F. 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.
G. Eligible Project Costs: insert summary of approved project costs.

H. Funding Amount: means up to $_____ issued to the Grantee from the EDA's Business Development Fund for Eligible Project Costs if all necessary supporting documentation is provided.

I. Grantee: means (Insert Grantee Name), a Minnesota Limited Liability Company located at (insert grantee address), in (City), Minnesota.

J. Indemnified Parties: has the meaning provided in Section 5.3 hereof.

K. Match: means the required financial contribution of the Grantee toward Eligible Project costs in an amount no less than $_____. Match must be documented through invoices and/or receipts, and proof of payment. Match expenditures must be incurred prior to or proportionally with grant fund reimbursement. In-kind contributions are not eligible unless expressly approved in writing by the EDA. Failure to substantiate required Match shall constitute a Default of this Agreement.

L. Project: purchase a (insert project description).

M. State: means the state of Minnesota.

N. Unavoidable Delays: means delays, beyond the reasonable control of the party claiming such delay, including but not limited to strikes, labor disputes, material shortages, supply chain disruptions, unusually severe weather, acts of nature, fire, casualty, governmental orders or actions (other than the EDA), third-party litigation resulting in injunction, or other causes beyond reasonable control of the affected party.

ARTICLE II
Representations and Warranties

Section 2.1 Representations, Warranties and Covenants by the EDA. The EDA represents, warrants and covenants that:

A. The EDA has all the powers of an Economic Development Authority under the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

B. No part of this Agreement shall be construed as a representation or warranty of the EDA as to the condition of the Project or as to its suitability for the Grantees purposes and needs.

Section 2.2 Representations, Warranties and Covenants by the Grantee. The Grantee represents, warrants and covenants that:

A. The Grantee is a duly organized and existing Minnesota Limited Liability Company in good standing under the laws of the State, and is not in violation of any provisions of law or

regulations of the State and has the full power to enter into this Agreement and perform its obligations hereunder.

B. 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 or limited by, or in conflict with or will result in a breach of, the terms, conditions or provisions of any evidence of indebtedness, agreement or instrument of whatever nature to which the Grantee is now a party or by which it is bound, or will constitute a default under any of the foregoing.

C. The Grantee will promptly advise the EDA in writing of and cooperate with the EDA with respect to any litigation commenced with respect to the Project, except for litigation in which the EDA and the Developer are adverse parties.

D. The Grantee has not received any notice or communication from local, State or federal officials or any private party that the Grantee's activities respecting the Project may or will be in violation of any law or regulation (including environmental laws and regulations).

E. The Grantee reasonably believes that the financing commitments which the Grantee has obtained to finance the Project, together with the Grantee's committed resources, will be sufficient to enable the Grantee to successfully complete in accordance with the schedule contemplated in this Agreement. The information provided by the Grantee to lenders in order to secure financing for the Project, if necessary, is identical to the project and financial information provided to the EDA.

F. The Grantee agrees that there shall be no discrimination in the use of the Project because of race, sex, age, sexual orientation or religious, political or other similar affiliation.

ARTICLE III
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 a completed W-9 is submitted to Director.

B. Expiration date: (insert expiration date) 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: 4. Grantee's Duties; 8 Audits.; 9 Data Practices and Intellectual Property; 10 Publicity and Endorsement.; 11 Governing Law, Jurisdiction, and Venue; and 12 Data Disclosure.

ARTICLE IV

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 and/or paid invoices for all Eligible Project Costs for reimbursement prior to expiration date. Proof of payment must be submitted to support paid invoices or receipts. Reimbursement shall not exceed the approved Funding Amount and shall not exceed the proportion of Eligible Project Costs expended relative to the required Match contribution. The EDA reserves the right to withhold reimbursement if eligibility requirements are not met at the time of the request.

B. Submit to Director of the EDA a final report within 30 days of project completion or grant expiration date of (insert grant expiration date), whichever occurs first, documenting how grant funding supported outcomes defined in the grantee's application.

C. Submit to Director of the EDA an executed W-9 for tax purposes.

D. Modifications to Eligible Project Costs require written approval from the EDA. The Grantee shall not change the approved Project scope or Eligible Project Costs as Described in Exhibit A without prior written approval from the EDA. Minor vendor pricing fluctuations within an approved line item are permissible, provided the changes do not alter the approved Project scope and do not exceed the total Funding Amount. Any costs incurred for items or activities not included in the approved Eligible Project Costs, or incurred following an unapproved change in Project scope, shall be ineligible for reimbursement.

E. Post-Completion Operational Requirement.
    a. For grants of $10,000 or less, the Grantee shall maintain active business operations in Cook County for a minimum of three (3) years following Project completion.
    b. For grants between $10,001 and $25,000, the Grantee shall maintain active business operations in Cook County for a minimum of five (5) years following Project completion.
    c. If the Grantee ceases operations within the applicable post-completion compliance period, the Grantee shall repay grant funds as follows:
        i. For equipment purchases, repayment of the depreciated value of the grant-funded equipment calculated on a straight-line basis. For purposes of repayment under this Agreement, the depreciated value of grant-funded equipment shall be calculated using a straight-line method over the applicable compliance period required under this Agreement (either three (3) years or five (5) years, depending on the award amount). The depreciated value shall be determined by dividing the total grant-funded portion of the equipment costs by the total number of months in the applicable compliance period and multiplying that amount by the number of months remaining in the compliance

period at the time the business operations cease. Only the grant-funded portion of the equipment cost shall be subject to depreciation and repayment.

ii. For other Eligible Project Costs (non-equipment), repayment of funds as determined by the EDA Board at its discretion.

F. Grantee agrees to respond to the EDA's request for additional information related to the Project and outcome at one (1) and five (5) years after the Project completion date to support the EDA's documentation of Business Development Fund grant outcomes in Cook County.

G. Grantee shall take and/or cause others to take reasonable precautions for the safety of, and shall provide reasonable protection to prevent damage, injury or loss to, employees and other persons on and off-site where maintenance and construction activities are underway. The Grantee shall take reasonable precautions for the safety and protection of the improvements, materials and equipment to be incorporated therein, whether in storage on or off-site, under case, custody or control of the Grantee or one of the Grantee's contractors or any subordinate contractor.

H. To acknowledge support provided through the Cook County/Grand Marais Joint Economic Development Authority Business Development Fund, the Grantee is requested, where feasible, to display an EDA-provided decal or similar recognition at the project location during the project period and throughout any applicable post-completion compliance period. This decal will be provided by the EDA and will identify that the project was supported in part by the EDA.

Continued Eligibility

The Grantee shall maintain all eligibility requirements set forth in the Business Development Fund Grant Program Guidelines throughout the Term of this Agreement and throughout any post-completion compliance period required herein. Such requirements include, but are not limited to:

A. Grantees business must be actively registered and in good standing with the Minnesota Secretary of State.
B. Grantees business must remain in active operation in Cook County.
C. Grantee must remain current on Cook County property taxes.
D. Grantee with project property located within the City of Grand Marais must be current on City of Grand Marais utility payments.
E. Grantees business must comply with all applicable zoning, permitting, and code requirements.

Failure to maintain eligibility shall constitute an Event of Default.

ARTICLE V

Prohibitions Against Assignment and Transfer; Indemnification; Events of Default

Section 5.1 Representation as to Project. The Grantee represents and agrees that its undertakings with respect to the Project pursuant to this Agreement are and will be used for the purpose of purchasing a (insert eligible project cost description).

Section 5.2 Prohibitions Against Transfer of Project or Property and Assignment of Agreement. The Grantee hereby represents and agrees that prior to completion of the Project:

A. Except only by way of security for the purposes of obtaining financing necessary to enable the Grantee or any successor in interest to the Project, or any part thereof, to perform its obligations with respect to completing the Project under this Agreement, the Grantee (except as so authorized) has not made or created and will not make or create or suffer to be made or created any Transfer of this Agreement or the real property without the prior written approval of the EDA, which approval shall not be unreasonably withheld. In the event the EDA approves a Transfer, the EDA will complete a written statement indicating whether the Grantee, before or at the time of the Transfer, has been or is in default as to any of the obligations of this Agreement, and stating that this Agreement is in full force and effect between the transferee and the EDA.

Section 5.3 Release and Indemnification Covenants.

A. The Grantee releases from and covenants and agrees that the EDA and its governing body members, officers, agents, including its independent contractors, consultants and legal counsel, servants and employees (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person resulting from any defect in the Project.
B. All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA, and not of any governing body member, officer, agent, servant or employee of the EDA.

Section 5.4 Events of Default Defined. The following are Events of Default under this Agreement:

A. A petition in bankruptcy is filed naming the Grantee as debtor during the term of this Agreement, and such petition is not dismissed within 90 days of the date of filing thereof.

B. Failure by the Grantee to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement within 30 days of receiving written notice of default from the EDA.

C. Failure by the Grantee to maintain eligibility requirements or post-completion operational compliance requirements as required under Article IV of this Agreement.

Section 5.5 Remedies of Default. Whenever any Event of Default occurs, the EDA may take any one or more of the following actions after giving 30 days written notice to the Grantee from the EDA, but only if the Event of Default has not been cured within said 30 days:

A. The EDA may suspend its performance under this Agreement and until it receives assurances from the Grantee, deemed adequate by the EDA, that the Grantee will cure its default and continue its performance under this Agreement.

B. The EDA may cancel and rescind this Agreement.

C. The EDA may require repayment of all, or a prorated portion of grant funds set forth in Article IV.

ARTICLE VI
Authorized Representatives

A. The EDA's Authorized Representative is Peter Clissold, EDA Board President, 615-840-9993, PeterGClissold@gmail.com, 425 W Hwy 61, Suite B, PO Box 597, Grand Marais, MN 55604.

B. The Grantee's Authorized Representative is (insert owner name), owner of (insert entity name), (insert phone number), (insert email address), (insert grantee address).

ARTICLE VII
Amendments, and Waiver

A. 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.

B. Modifications to Eligible Project Costs must be submitted in writing by Grantee and requires approval by the same parties who approved the original Agreement prior to implementing proposed changes.

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.

E. Neither party shall be deemed in default of this Agreement to the extent performance is prevented or delayed by Unavoidable Delays as defined in Article I. The affected party shall provide written notice within a reasonable time and shall use reasonable efforts to resume performance as soon as practicable. The EDA may extend deadlines as is deemed appropriate.

F. The Grantee may submit a written request to terminate this Agreement due to extenuating circumstances. The EDA Board may approve termination with or without repayment obligation in its sole discretion based on the status of Project completion and funds disbursed.

ARTICLE VIII

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 IX

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 X

Publicity and Endorsement

A. Any publicity regarding the subject matter of this Agreement must identify the EDA as a sponsoring agency.

B. The Grantee must not claim that the EDA endorses its products or services.

ARTICLE XI

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 XII

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

By:

_____

Peter Clissold

Its: Board President

Grantee –Insert Grantee Name

By:

_____

Owner Name

Its: Owner

EXHIBIT A - Eligible Project Costs

(Insert Summary of Eligible Project Costs per grant application and awarded project)

**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 $x,000.*

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: October 14, 2026
Subject: Amended and Restated Development Agreement – Hotel Mayhew (Resolution 2026-39)

Background

On April 16, 2024, the EDA Board approved resolution 2024-21 authorizing Development Agreement C202415 between the Cook County/Grand Marais Joint Economic Development Authority and The Mayhew LLC for the Mayhew Expansion project in downtown Grand Marais.

The EDA received a $400,000 Development Infrastructure grant from the Department of Iron Range Resources and Rehabilitation (IRRR) to support eligible infrastructure costs associated with the development. The original Development Agreement established the terms and conditions applicable to the Developer's use of the IRRR funding, including public procurement and prevailing wage requirements.

On August 18, 2026, the EDA Board approved Resolution 2026-27 authorizing a First Amendment to the Development Agreement. The First Amendment established December 31, 2026 as the deadline for satisfaction of applicable preconditions to construction and December 31, 2027 as the deadline for substantial completion of construction and eligible infrastructure work.

At its September 15, 2026 meeting, the EDA Board approved Resolution 2026-34 authorizing an Amended and Restated Development Agreement, contingent upon written clarification from IRRR regarding the applicability of public procurement and prevailing wage requirements. The proposed agreement would have distinguished the broader development from the infrastructure scope supported by the IRRR grant for purposes of those requirements.

Following the September meeting, additional clarification was received regarding the applicable requirements. Prevailing wage requirements apply to the broader Project, including both publicly and privately funded construction, while Uniform Municipal Contracting Law requirements apply to contracts associated with the infrastructure costs eligible for reimbursement through the IRRR grant.

The revised Amended and Restated Development Agreement reflects this clarification, incorporates the construction schedule previously approved through the First Amendment, identifies The North Coast LLC d/b/a Hotel Mayhew as the current Developer, updates the legal description of the Property, and otherwise maintains the Project scope and financial terms of the original Development Agreement.

Resolution 2026-39 rescinds Resolution 2026-34 and authorizes execution of the updated Amended and Restated Development Agreement.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

Recommended Action

Approve Resolution 2026-39 rescinding Resolution 2026-34, approving the Amended and Restated Development Agreement between the EDA and The North Coast LLC d/b/a Hotel Mayhew, and authorize the Board President to execute the Agreement.

Attachments:

- Resolution 2026-39
  Amended and Restated Development Agreement

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

RESOLUTION NO. 2026-39

RESOLUTION RESCINDING RESOLUTION 2026-34 AND APPROVING AMENDED AND RESTATED DEVELOPMENT AGREEMENT C202415 WITH THE NORTH COAST LLC D/B/A HOTEL MAYHEW

WHEREAS, on April 16, 2024, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") approved Resolution 2024-21 authorizing Development Agreement C202415 with The Mayhew LLC for the Mayhew Expansion project in downtown Grand Marais; and

WHEREAS, the EDA received a $400,000 Development Infrastructure grant from the Department of Iron Range Resources and Rehabilitation ("IRRR") to support eligible infrastructure costs associated with the development; and

WHEREAS, on August 18, 2026, the EDA approved Resolution 2026-27 authorizing a First Amendment to Development Agreement C202415 establishing revised deadlines of December 31, 2026 for satisfaction of applicable preconditions to construction and December 31, 2027 for substantial completion of construction and eligible infrastructure work; and

WHEREAS, on September 15, 2026, the EDA approved Resolution 2026-34 authorizing an Amended and Restated Development Agreement, with execution expressly contingent upon written clarification and approval from IRRR regarding the applicability of public procurement and prevailing wage requirements to the Project; and

WHEREAS, following the September meeting, additional clarification was received confirming that prevailing wage requirements apply to the broader Project, including both publicly and privately funded construction, while Uniform Municipal Contracting Law requirements apply to contracts associated with the infrastructure costs eligible for reimbursement through the IRRR grant; and

WHEREAS, the Amended and Restated Development Agreement has been revised to reflect this clarification, incorporate the construction schedule previously approved through the First Amendment, identify The North Coast LLC d/b/a Hotel Mayhew as the current Developer, update the legal description of the Property, and otherwise maintain the Project scope and financial terms of the original Development Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby rescinds Resolution 2026-34.

BE IT FURTHER RESOLVED, that the EDA Board hereby approves the Amended and Restated Development Agreement between the EDA and The North Coast LLC d/b/a Hotel Mayhew and authorizes the Board President to execute the 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 duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 20th day of October 2026.

ATTEST: _____
Alex Beebe-Giudice – Vice Board President

AMENDED AND RESTATED DEVELOPMENT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
THE NORTH COAST LLC D/B/A HOTEL MAYHEW
MAYHEW EXPANSION PROJECT DEVELOPMENT

THIS AMENDED AND RESTATED DEVELOPMENT AGREEMENT ("Agreement") entered into this _____day of _____, 2026 (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 THE NORTH COAST LLC d/b/a HOTEL MAYHEW , a domestic limited liability company created and existing under the laws of the State of Minnesota ("Developer");

WHEREAS, Developer is the owner of property located in Grand Marais, Minnesota, which property is located on the corner of Wisconsin Street and 1st Avenue West, legally described on the attached Exhibit A (the "Property"); and

WHEREAS, in March 2020, three businesses in downtown Grand Marais were lost in a fire on the Property, resulting in a total loss; and

WHEREAS, Developer has acquired the vacant parcels and proposed to construct a mixed-use commercial building with restaurant, event center, lodging units and retail spaces (the "Project"); and

WHEREAS, the Developer has requested financial assistance from the EDA to support site 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 $400,000 Development Infrastructure grant award from the Department of Iron Range Resources and Rehabilitation ("IRRR") to support the Project; and

WHEREAS, the EDA and The Mayhew LLC entered into Development Agreement C202415 dated April 17, 2024, and subsequently entered into a First Amendment to Development Agreement dated August 19, 2026; and

WHEREAS, The North Coast LLC d/b/a Hotel Mayhew is the current owner of the Property and development entity advancing the Project; and

WHEREAS, the parties desire to amend and restate Development Agreement C202415 and the First Amendment thereto in their entirety to reflect the current Developer, incorporate the previously approved construction schedule, update the legal description of the Property, and consolidate the applicable terms into a single controlling agreement.

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 The North Coast LLC d/b/a Hotel Mayhew, a domestic limited liability company created and existing under the laws of the State of Minnesota.
B. Eligible Project Costs means costs associated with eligible infrastructure expenses incurred by the Developer in construction of the Project which may be legally funded with IRRR grant funding, including required new construction costs pledged as project match as described in attached Exhibit B. The eligible reimbursable amount is $400,000.
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 $400,000 Development Infrastructure grant, PO number 3000010150, awarded to the EDA from the Department of Iron Range Resources and Rehabilitation on March 26, 2024.
E. IRRR means the Department of Iron Range Resources and Rehabilitation.

F. Project means new construction of an approximately 10,000 square foot mixed-use commercial building that includes a restaurant, event center, rooftop deck, three retail spaces, 10 lodging units and a lobby/bar/lounge space, including all required site preparation and utility infrastructure necessary to support new construction as well as construction of a visitor parking lot adjacent to the project property.
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. Developer understands that the Project is subject to prevailing wage requirements pursuant to applicable Minnesota law and the requirements of the IRRR grant. Developer shall require payment of applicable prevailing wages for all work subject to such requirements and shall provide the Executive Director with documentation demonstrating compliance. Developer further understands that contracts for work to be reimbursed as Eligible Project Costs using IRRR grant funds must comply with the applicable requirements of the Uniform Municipal Contracting Law, Minn. Stat. § 471.345. Developer shall provide the Executive Director with documentation demonstrating compliance with applicable public procurement requirements for such work. Developer must not contract with vendors who are suspended or debarred in the State of Minnesota.
B. Construction Contract. Developer will provide Executive Director with a copy of the executed contract between Developer and 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 and the City of Grand Marais 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. Developer shall satisfy the applicable preconditions to Project construction set forth in Article II no later than December 31, 2026, and thereafter diligently proceed

with construction of the Project. Substantial completion of construction of the Project, including eligible infrastructure work associated with the IRRR grant, shall occur no later than December 31, 2027. Reimbursement of Eligible Project Costs remains subject to the terms, conditions, and availability of funding under the EDA's grant agreement with the IRRR, including any extension thereof.

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 $400,000 (four hundred 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 limited liability company 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:

Hotel Mayhew	with copy to
Attn: Joel Saint John	Smith Law, PLLC
300 Locust Street NE	1710 W. Hwy. 61, P.O. Box 66
Stillwater, MN 55082	Grand Marais, MN 55604

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 it s 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 shown below.

Cook County/Grand Marais Joint Economic Development Authority

By: _____ Date: _____
Peter Clissold, Its Board President

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Peter Clissold, the Board President of the Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic, on behalf of the Authority.

_____
Notary Public

The North Coast LLC d/b/a Hotel Mayhew

By: _____ Date: _____
Joel Saint John, President of
The North Coast LLC d/b/a Hotel Mayhew

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2026, by Joel Saint John, President of The North Coast LLC d/b/a Hotel Mayhew, a Minnesota limited liability company, on behalf of the company.

_____
Notary Public

This instrument drafted by:
Cook County/Grand Marais Joint Economic Development Authority
PO Box 597
Grand Marais, MN 55604

EXHIBIT A
Property Description

S 90 FT LOT 20 BLK 46 VILLAGE PLAT AND S 90 FT LOT 2 BLK 19 HARBOR ADDITION, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0200

S 120 FT OF LOT 19 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0190

S 120 FT OF LOT 18 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0180

LOT 17 EXCEPT THE NORTH 40 FT AND EXCEPT THE SOUTH 120 FT; LOT 18 EXCEPT THE NORTH 40 FT AND EXCEPT THE SOUTH 120 FT BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0185

LOTS 10-11 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0100

S 120 FT LOT 17 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0170

Grand Marais, Cook County, Minnesota

EXHIBIT B
Eligible Project Expenses

Use of Funds	IRRR Development Infrastructure	Private Financing/Developer Equity	Total Category Amount
Infrastructure	$400,000	$313,068	$713,068
Building Construction	$0.00	$12,630,282	$12,630,282
Design, Architectural, Engineering Fees	$0.00	$1,064,650	$1,064,650
Furniture, Fixtures, Equipment	$0.00	$800,000	$800,000
Debt Refinance (existing Mayhew Inn)	$0.00	$1,764,000	$1,764,000
Contingency	$0.00	$1,200,000	$1,200,000
Total	**$400,000**	**$17,772,000**	**$18,172,000**

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: October 14, 2026
Subject: 2026 Financial Audit Services – Redpath and Company (Resolution 2026-40)

Background

The Cook County/Grand Marais Joint Economic Development Authority (EDA) has historically engaged Redpath and Company to conduct its annual financial audits, including financials for both the EDA and Superior National at Lutsen Golf Course. Redpath is familiar with the EDA's structure, audit history, financial systems, and the Golf Course operations. The EDA engaged Redpath for the 2025 financial audit at a cost not to exceed $25,500.

Redpath has provided a quote of **$19,100 for the EDA's 2026 financial audit**. The reduced cost from the 2025 audit reflects the sale of Superior National at Lutsen Golf Course during 2026 and the corresponding reduction in the scope of the EDA's audit work.

Because the 2026 audit will include Golf Course financial activity through the date of sale, staff recommends continuing with Redpath for the 2026 audit based on the firm's familiarity with both the EDA and Superior National financials.

For future budget planning, Redpath has provided an estimated fee of approximately $15,700 for the 2027 audit, when the audit is anticipated to include only the EDA. This estimate does not constitute a future engagement, and the EDA may evaluate audit services and obtain additional quotes prior to the 2027 audit.

Recommended Action

Approve Resolution 2026-40 authorizing engagement of Redpath and Company for 2026 financial audit services at a cost not to exceed $19,100 and authorize the Board President and Treasurer to execute the engagement letter upon receipt.

Attachments:

- Resolution 2026-40
- 2026 Engagement Letter Redpath

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

RESOLUTION NO. 2026-40

RESOLUTION AUTHORIZING ENGAGEMENT OF REDPATH AND COMPANY FOR 2026 FINANCIAL AUDIT SERVICES

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority (EDA) requires annual financial audits in compliance with state statute; and

WHEREAS, Redpath and Company has provided audit services to the EDA in prior years and is familiar with the EDA's operations, accounting systems, audit requirements, and the financial operations of Superior National at Lutsen Golf Course; and

WHEREAS, the EDA completed the sale of Superior National at Lutsen Golf Course during 2026, resulting in a reduced scope of audit services compared to prior years; and

WHEREAS, Redpath and Company has provided a quote to perform the EDA's 2026 financial audit for a total fee not to exceed $19,100.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby authorizes engagement of Redpath and Company to perform financial audit services for the 2026 calendar year at a cost not to exceed $19,100, and authorizes the Board President and Treasurer to execute the engagement letter with Redpath and Company.

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 duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 20th day of October 2026.

ATTEST: _____
Alex Beebe-Giudice – Vice Board President

October 2, 2026

Cook County / Grand Marais Joint
Economic Development Authority
Grand Marais, Minnesota

This letter agreement defines the terms and objectives of our engagement and the nature and limitations of the services Redpath and Company, LLC (Redpath) will provide to the Cook County / Grand Marais Joint Economic Development Authority (the EDA) for the year ended December 31, 2026.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the disclosures, which collectively comprise the basic financial statements of the EDA as of and for the year ended December 31, 2026. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as a budgetary comparison schedule, to supplement the EDA's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the EDA's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- Budgetary Comparison Schedule – General Fund
- Schedules of Proportionate Share of Net Pension Liability
- Schedules of Pension Contributions

In connection with our audit of the basic financial statements, we will read the Introductory Section and consider whether a material inconsistency exists between the Introductory Section and the basic financial statements, or the Introductory Section otherwise appears to be materially misstated. If, based on the work performed, we

conclude that an uncorrected material misstatement of the Introductory Section exists, we are required to describe it in our report.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

We will also issue a report on compliance based on the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minnesota Statute 6.65.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the minimum procedures for auditors as prescribed by Minnesota Statute 6.65, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect

waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement.

Andy Hering is the engagement Partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Audit Procedures – Internal Control

We will obtain an understanding of the entity and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal

control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the EDA's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions* requires that we test whether the entity has complied with certain provisions of Minnesota statutes. Our audit will include such tests of the accounting records and other procedures as we consider necessary in the circumstances.

Other Services

We will also assist with the following other services based on information provided by you:

- preparation of the financial statements and related notes in conformity with accounting principles generally accepted in the United States of America
- preparation of pension related workpapers and journal entries
- preparation of lease liability and right to use leased asset workpapers, calculations, journal entries and footnote disclosures

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the services defined above. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes, the other services listed above, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with the nonaudit services listed above, that you have reviewed and approved those services prior to the issuance of the financial statements, and that you have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior

management, with suitable skill, knowledge, and/or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

We will provide copies of our reports to the EDA; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Reporting

We will issue a written report upon completion of our audit of the EDA's financial statements which will also address other information in accordance with AU-C 720, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our reports will be addressed to the Board of Commissioners of the Cook County / Grand Marais Joint Economic Development Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the EDA is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Information Requirements

We will provide you with an information request, which outlines the information needed to complete our services.

The terms of this engagement, including timing and estimated cost, are directly dependent on the quality and timeliness of the information and data you provide. A lack of information may also cause delays in the timely completion of the engagement. In the event that information cannot be provided, you may incur additional costs if we attempted to generate such information, or we may even be unable to continue the engagement in the absence of such information. It is in your best interest to provide accurate and timely information.

Fees

Unless additional work is requested or required, our fee for these services will be $19,100.

We bill our fees monthly as work progresses and expect payment within thirty (30) days. Each invoice includes a detailed description of the services provided. Amounts over thirty (30) days will be considered delinquent. We reserve the right to assess a 1.5% per month service charge on any balance older than thirty (30) days. In the event it becomes necessary to refer this account to an attorney for collection (whether or not suit is commenced), you will be responsible for payment of all reasonable costs of such collections, including reasonable attorney fees. Our policy is to suspend work if your account becomes overdue by sixty (60) days or more, and work will not be resumed until your account is paid in full. Should we elect to discontinue services, you will be responsible for all time and expenses incurred through the date of termination regardless of whether we have issued a report or other final product.

Our fees are based on the scope of services contemplated at the time this engagement is planned and expected cooperation from your personnel. The circumstances listed below are outside that contemplated scope and may require additional time or procedures. If these circumstances arise, the related additional time will be billed at our standard hourly rates. We will communicate with you when we become aware that such circumstances are expected to materially affect our fees; however, by signing this engagement letter, you acknowledge that these circumstances may result in additional fees without the need for a separate engagement letter.

- Significant audit adjustments, restatements, or corrections to previously issued financial statements
- Material weaknesses, significant deficiencies, or other internal control findings requiring additional procedures
- Expanded scope due to fraud risk indicators or identified irregularities
- Delayed, inaccurate or incomplete client-prepared schedules, reconciliations, or supporting documentation
- Turnover in client accounting personnel during fieldwork
- Government combinations, transfer of operations, changes between blended and discretely presented component units, debt refundings, or other significant transactions
- Preparation of schedules, reconciliations, or accounting analyses not contemplated during engagement planning
- Circumstances requiring revision of work previously completed
- Requests for technical accounting consultations, research memoranda, or third-party reporting
- Scheduling disruptions or rescheduled fieldwork caused by client availability
- New or amended accounting standards requiring additional procedures or disclosures

- Engagement Quality Review (EQR) triggered by findings during the engagement

Our fees and rates are adjusted annually for general economic factors.

You will also be billed for out-of-pocket costs, including audit confirmations (if required), courier, postage, and similar expenses.

If we are requested or required to provide documents or testimony to support litigation proceedings as a professional service on your behalf (that is, litigation in which we are not a party as a result of our engagement), you will be billed for our time at the current standard rates and all out-of-pocket expenditures, including copying costs and legal fees.

Record Keeping Responsibilities

The AICPA Code of Professional Conduct requires Redpath to maintain our independence with regard to certain attestation services provided to the EDA. These rules require the EDA to take responsibility for all nonattest services. Redpath cannot serve as custodian for your data in such a way that your data is incomplete and accessible only through Redpath or the Redpath portal. As such, any financial report, reconciliation, document, and calculation (depreciation schedules, journal entries, etc.) that we prepare or update on your behalf will be sent to you at the completion of each attest or nonattest service. You are responsible for downloading and maintaining these records as well as all supporting documents generated in the normal course of business until the retention period expires.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by oversight agencies, regulators, or pass-through entities. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation. Our firm's records retention policy will differ considerably from yours. Every entity has different record keeping requirements, because regulations vary by industry, entity structure, the state(s) of operation, and most importantly, the needs to the specific entity. Retention policies are determined by taking into consideration legal, fiscal, operational, and historical values of any given type of record.

The audit documentation for this engagement is the property of Redpath and Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to oversight agencies, regulators, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Redpath personnel. Furthermore, upon request, we may provide copies of selected audit

documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Confidentiality

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Use of Artificial Intelligence

In providing services under this engagement, Redpath may utilize artificial intelligence ("AI"), machine learning, workflow automation, document analysis, and similar technology tools provided either internally or through approved third-party vendors. These technologies may be used to assist with research, document review, drafting, summarization, data extraction, analysis, and administrative functions.

Redpath personnel will maintain responsibility for all professional judgments, conclusions, recommendations, opinions, reports, and other deliverables provided to you. AI-generated content is subject to human review and oversight in accordance with our quality control policies and professional standards.

To the extent necessary to perform services, the EDA’s information may be processed through AI-enabled technologies maintained by Redpath or its approved service providers. Such use remains subject to the confidentiality, privacy, and security provisions of this engagement letter. Redpath will use commercially reasonable efforts to engage providers that maintain appropriate safeguards designed to protect confidential information.

By signing this engagement letter, you authorize Redpath to use such technologies in connection with the services described herein.

Artificial Intelligence Service Providers:	Anthropic, OpenAI, Google, Microsoft, and similar AI platforms

Privacy

We have established policies and procedures obligating our employees and/or contractors with access to personal information to ensure that any non-public, personal information is protected as confidential and in conformance with security practices designed to keep it secure at all times. We maintain appropriate physical, technological and administrative controls to comply with industry standards and applicable law in safeguarding your personal information from loss, misuse, alteration or destruction (unless the destruction is according to our records retention schedule). We do not sell personal information to third parties. We do not disclose non-public information except as necessary to provide our services (see Confidentiality above) and as required by law. We do not disclose non-public, personal information we receive to our affiliates unless authorized by you, or necessary to provide our services or in the event of an assignment.

Governing Law; Dispute Resolution

This letter agreement and our services are governed by the laws of the State of Minnesota and applicable federal laws of the United States of America.

In the event of any dispute arising out of or in connection with this letter agreement, including any question regarding its existence, validity, termination, or breach hereof, our services, or fees for our engagement (a “Dispute”), the EDA and our firm mutually agree to try in good faith to resolve the Dispute through: (i) good faith discussions; and (ii) if not resolved under (i) then, upon the written request of either party, such Dispute may be resolved through mediation by selecting a third-party to help reach an agreement, in accordance with the following paragraph (Mediation). If we are unable to resolve the fee dispute through mediation, then, with the consent of both parties, such disputes may be settled by binding arbitration. We both acknowledge that should a dispute over fees arise that cannot be resolved through mediation, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. Instead, we are accepting the use of arbitration for resolution.

We believe that most disagreements can be resolved to mutual satisfaction in a friendly, non-threatening environment. While we do not expect there to be any problems whatsoever with our relationship, misunderstandings can occur. Therefore, we agree that any Dispute arising under this letter agreement (including the scope, nature and quality of services to be performed by us, our fees or other terms of the engagement) shall be submitted to mediation. A competent and impartial third-party, acceptable to both parties, shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator’s fees and expenses. No suit or arbitration proceeding shall be commenced under this letter agreement until at least sixty (60) days after the mediator’s first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

This letter agreement supersedes all prior communications, understandings, and agreements, whether oral or written, in connection with this engagement. Amendments to this agreement must be confirmed by both parties. If you do not understand any of the terms of this letter agreement, please call me and I will be happy to review them with you.

Thank you for the opportunity to be of service.

Sincerely,

Redpath and Company, LLC

REDPATH AND COMPANY, LLC
St. Paul, Minnesota

Response

If you agree to the terms of this engagement, please designate below the individual who will be overseeing our services, sign this letter and return to us a signed copy.

The individual(s) assigned to oversee the nonaudit services is:

_____ (name and title)

_____	_____
Signature	Signature
_____	_____
Title	Title
_____	_____
Date	Date

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: October 14, 2026
Subject: Northland Small Business Development Center Memorandum of Understanding (Resolution 2026-41)

Background

The Cook County/Grand Marais Joint Economic Development Authority (EDA) has historically partnered with the Northland Foundation and Northland Small Business Development Center (SBDC) to provide local business consulting services in Cook County. Under the previous model, the EDA contracted with a local SBDC consultant and received funding from the Northland Foundation to support those consulting services annually.

Following several meetings between Northland SBDC representatives, the EDA Board President, and Executive Director, the parties have developed a new service model that reflects the changing SBDC needs in Cook County and more closely aligns local service delivery with Northland SBDC's regional structure. Under this model, Northland SBDC will directly contract with and manage the consultant serving Cook County, while the EDA will continue to serve as a local partner supporting referrals, community connections, outreach, and access to meeting space.

The proposed Memorandum of Understanding (MOU) formalizes this partnership through December 31, 2027. Among other commitments, the EDA will provide meeting space at no cost for SBDC client meetings, promote and refer businesses to SBDC services, and participate in development of a community outreach plan. Northland SBDC will provide no-cost business consulting to Cook County businesses, including anticipated in-person availability of one to two days per month based on demand.

The MOU does not create a financial obligation for either party and may be terminated by either party with 30 days' written notice.

Recommended Action

Approve Resolution 2026-41 authorizing the Memorandum of Understanding between the Cook County/Grand Marais Joint Economic Development Authority and Northland Foundation/Northland Small Business Development Center and authorizing the Executive Director to execute the MOU on behalf of the EDA.

Attachments:

- Resolution 2026-41
- Memorandum of Understanding – Northland Foundation/Northland Small Business Development Center

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

RESOLUTION NO. 2026-41

RESOLUTION AUTHORIZING MEMORANDUM OF UNDERSTANDING WITH NORTHLAND FOUNDATION/NORTHLAND SMALL BUSINESS DEVELOPMENT CENTER

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") has historically partnered with the Northland Foundation and Northland Small Business Development Center ("Northland SBDC") to support the delivery of business consulting services to entrepreneurs and small businesses in Cook County; and

WHEREAS, Northland SBDC is transitioning to a service model under which it will directly contract with and manage the SBDC consultant serving Cook County, while the EDA will continue to serve as a local partner supporting community connections, outreach, referrals, and access to meeting space; and

WHEREAS, the EDA and Northland SBDC have developed a Memorandum of Understanding establishing the respective roles and responsibilities of the parties under this service model through December 31, 2027; and

WHEREAS, under the Memorandum of Understanding, the EDA will provide meeting space at no cost for SBDC client meetings, refer entrepreneurs and small businesses to Northland SBDC, promote SBDC services and events, and participate in community outreach activities; and

WHEREAS, the Memorandum of Understanding does not create a financial obligation for either party and may be terminated by either party upon 30 days' written notice.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby approves the Memorandum of Understanding between the Northland Foundation, as host of the Northland Small Business Development Center, and the EDA for the delivery of SBDC business consulting services in Cook County.

BE IT FURTHER RESOLVED, that the Executive Director is authorized to execute the Memorandum of Understanding on behalf of the EDA.

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 duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 20th day of October 2026.

ATTEST: _____
Alex Beebe-Giudice – Vice Board President

202 West Superior Street, Suite 800
Duluth, Minnesota 55802
218-723-4040 · northlandfdn.org
218-740-7307 · northlandsbdc.org

MEMORANDUM OF UNDERSTANDING

Between the Northland Foundation (Northland Small Business Development Center) and the Cook County/Grand Marais Joint Economic Development Authority (EDA)

1. Purpose

This Memorandum of Understanding (MOU) establishes the roles, responsibilities, and shared commitments of the Northland Foundation, as host of the Northland Small Business Development Center (Northland SBDC), and the EDA for the delivery of SBDC business consulting services in Cook County. The parties share a common goal: ensuring that Cook County entrepreneurs and small businesses have consistent access to high-quality, no-cost business consulting.

2. Background

Northland SBDC provides no-cost, confidential business consulting and training to entrepreneurs and small businesses across seven counties in northeastern Minnesota. The SBDC is funded in part through a Cooperative Agreement with the U.S. Small Business Administration and by the Minnesota Department of Employment and Economic Development. Beginning in September 2026, Northland SBDC contracted directly with Michael Montgomery with the intent that he act as the primary small business consultant for businesses in Cook County in 2027. Michael Montgomery lives in the Two Harbors area of Lake County. This MOU documents a new service model in which Northland SBDC directly manages consultant services and the EDA serves as a local partner supporting community connection and outreach.

3. Term

This MOU is effective upon signature and remains in effect through December 31, 2027. The period from signature through December 31, 2027, is considered a transition year. The parties will conduct a formal review in August 2027, as described in Section 8, to evaluate progress and inform Northland SBDC's planning for 2028, including its annual partner RFP issued in October 2027.

4. Roles and Responsibilities

Northland SBDC will:

- Select, contract with, onboard, train, manage, and evaluate the SBDC consultant serving Cook County, consistent with SBA and Minnesota SBDC Network program requirements.
- Provide no-cost, one-on-one business consulting to Cook County entrepreneurs and small businesses through a combination of in-person meetings in Cook County and virtual, phone, and email consulting. In-person availability is anticipated at one to two days per month, adjusted based on client demand.
- Offer training and workshops in Cook County as demand and resources allow.

- Serve as the primary point of contact for all matters related to consultant performance and SBDC service delivery.

The EDA will:

- Provide meeting space at no cost for the SBDC consultant to meet with clients in person, subject to reasonable advance scheduling.
- Refer entrepreneurs and small businesses to Northland SBDC and promote SBDC services and events through EDA communication channels.
- Participate with the SBDC consultant in the development and implementation of the community outreach plan described in Section 5.

5. Community Outreach and Engagement (Transition Year)

To support relationship building during the transition year, the parties agree to the following:

- Outreach plan. By January 31, 2027, the EDA Director and the SBDC consultant will jointly develop a community outreach plan identifying key stakeholders, including lenders, business organizations, local government, and community partners. The plan will be shared with the Northland SBDC Regional Director and Program Coordinator for approval.
- Joint introductions. The EDA Director will accompany the SBDC consultant on in-person introductory meetings with stakeholders identified in the plan, reinforcing the partnership between the two organizations.
- Community leader briefings. As part of the outreach plan, the EDA Director will introduce the SBDC consultant at one meeting each of the EDA Board, Grand Marais City Council, and Cook County Board during the first half of 2027. Each briefing will provide a short overview of SBDC services and the referral process. Briefings are informational and will not include requests for funding or positions on local policy matters. Following these introductions, the EDA Director will serve as the primary channel for sharing SBDC updates with local elected bodies, drawing on the quarterly summaries and monthly check-ins described in Section 6. Additional presentations may be arranged by mutual agreement.

The parties recognize that this level of local engagement reflects the specific circumstances of the transition and exceeds the standard service model Northland SBDC maintains across its region. After the transition year, engagement expectations will follow Northland SBDC's standard regional service model unless otherwise agreed in writing by both parties.

6. Client Confidentiality and Reporting

SBDC consulting is confidential. Northland SBDC will not share the names of clients or any client-specific information without the client's written consent, consistent with SBA confidentiality requirements.

Northland SBDC will provide the EDA with a quarterly summary of aggregate Cook County activity, which may include the number of clients served, consulting hours, training events, and, as they become available, economic impact outcomes such as business starts, capital accessed, and jobs supported. Clients who consent to share their stories may be featured in joint communications.

In addition, the SBDC consultant will check in with the EDA Director approximately monthly, typically in conjunction with scheduled in-person client meetings or outreach activities in Cook County, to share general updates on SBDC activity, outreach progress, and upcoming events. All updates are subject to the confidentiality provisions of this section. The EDA Director may share these updates with the EDA Board as appropriate.

7. Communication and Issue Resolution

The Northland SBDC Program Coordinator and the EDA Director will meet quarterly to review progress on the outreach plan and discuss partnership matters. Monthly consultant check-ins described in Section 6 are informational and do not establish a supervisory relationship between the EDA and the SBDC consultant. Concerns regarding consultant performance or service delivery should be directed to the Northland SBDC Regional Director and Program Coordinator, who will address them in a timely manner.

8. Transition Year Review

The August 2027 review will assess progress against the following measures:

- Consulting activity in Cook County in 2027 by all Northland SBDC consultants, including clients served and consulting hours, compared to a baseline of 32 clients and 88 hours for January through June 2026.
- Completion of the community outreach plan and joint stakeholder introductions described in Section 5.
- Quarterly public meeting participation and monthly check-ins described in Sections 5 and 6.
- Use of EDA meeting space and referrals to Northland SBDC from the EDA and community partners.

The parties recognize that economic impact outcomes, such as business starts and capital accessed, typically follow consulting activity by six months or more. The review will therefore focus on service activity and the commitments of both parties, with impact outcomes considered as they become available.

9. Funding

Northland SBDC's commitments under this MOU are subject to the availability of funding. Federal and most state funding supporting Northland SBDC is restricted to direct client services. Community outreach, travel for public meetings, and related engagement activities described in Section 5 depend on flexible funding sources, which vary from year to year. Northland SBDC commits to funding the Section 5 activities through the transition year. Continuation of these activities after December 31, 2027, will depend on available flexible funding, and the parties may discuss local funding contributions to support continued outreach.

10. Amendment and Termination

This MOU may be amended by written agreement of both parties. Either party may terminate this MOU with 30 days' written notice.

11. Nature of Agreement

This MOU is a statement of mutual intent and partnership. It does not create a financial obligation for either party, and it does not create an employment, agency, or contractual relationship between the EDA and the SBDC consultant.

SIGNATURES

_____ _____

Vicki Hagberg Date
Regional Director
Northland Small Business Development Center

_____ _____

Lucas Wakefield Date
Economic Development Director
Cook County/Grand Marais Joint Economic Development Authority

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: October 14, 2026
Subject: Cedar Grove Business Park – North Shore Laundry Certificate of Completion (Resolution 2026-42)

Background

On July 19, 2021, the Cook County/Grand Marais Joint Economic Development Authority (EDA) entered into a Development Agreement with North Shore Laundry Services, LLC for the purchase and development of Lots 1 and 2, Block 6 of Cedar Grove Business Park. The agreement contemplated construction of a commercial laundry facility and associated site improvements.

The EDA subsequently conveyed the property to North Shore Laundry Holding Company, LLC by Warranty Deed dated August 16, 2021, and recorded August 19, 2021, as Document No. A000133809. The recorded deed references the EDA's right of reverter under the Development Agreement and provides for release of that right upon filing of a certificate from the EDA confirming its termination.

The laundry facility was constructed and operated on the property, satisfying the original construction obligations contemplated by the Development Agreement. Although the improvements were subsequently destroyed by fire, their loss does not change the fact that the original project was completed.

Section 12.1 of the Development Agreement provides for the EDA to issue a Certificate of Completion upon completion of the required improvements. The agreement also included a five-year use restriction, which has expired based on the August 2021 property conveyance.

A Certificate of Completion has been prepared to formally document completion of the original project and release the EDA's right of reverter referenced in the recorded Warranty Deed. The Certificate is limited to these purposes and does not waive or supersede separately applicable covenants, easements, land use requirements, permitting obligations, or other restrictions governing the property. Any future redevelopment would remain subject to applicable Cedar Grove Business Park covenants and current regulatory requirements.

Recommended Action

Adopt Resolution 2026-42 authorizing the Executive Director to execute and record the Certificate of Completion for Lots 1 and 2, Block 6 of Cedar Grove Business Park, documenting satisfaction of the original construction obligations and releasing the EDA's right of reverter referenced in Warranty Deed Document No. A000133809.

Attachments:

- Resolution 2026-42

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

- Draft Certificate of Completion
- Development Agreement dated July 19, 2021
- Recorded Warranty Deed, Document No. A000133809

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

RESOLUTION NO. 2026-42

RESOLUTION AUTHORIZING EXECUTION AND RECORDING OF CERTIFICATE OF COMPLETION FOR NORTH SHORE LAUNDRY DEVELOPMENT AT CEDAR GROVE BUSINESS PARK

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") entered into a Development Agreement dated July 19, 2021, with North Shore Laundry Services, LLC ("Developer") for the development of Lots 1 and 2, Block 6, Cedar Grove Business Park, Cook County, Minnesota ("Property"); and

WHEREAS, the Development Agreement required the Developer to construct certain improvements associated with the establishment and operation of a commercial laundry facility on the Property; and

WHEREAS, the EDA conveyed the Property to North Shore Laundry Holding Company, LLC by Warranty Deed dated August 16, 2021, and recorded in the Office of the Cook County Recorder on August 19, 2021, as Document No. A000133809; and

WHEREAS, the recorded Warranty Deed references the EDA's right of reverter under the Development Agreement and provides for the release and termination of that right upon the filing of a certificate from the EDA; and

WHEREAS, the improvements contemplated by the Development Agreement were constructed and the commercial laundry facility operated on the Property, satisfying the original construction obligations of the Developer, notwithstanding the subsequent destruction of the improvements by fire; and

WHEREAS, Section 12.1 of the Development Agreement provides for issuance of a Certificate of Completion upon completion of the required improvements; and

WHEREAS, the EDA desires to formally acknowledge completion of the original construction obligations and release the right of reverter referenced in the recorded Warranty Deed, without waiving or modifying separately applicable property covenants, easements, restrictions, or regulatory requirements;

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby acknowledges that the improvements contemplated by the July 19, 2021 Development Agreement with North Shore Laundry Services, LLC were completed and that the original construction obligations under the Development Agreement have been satisfied.

BE IT FURTHER RESOLVED, that the EDA Board of Commissioners hereby authorizes the Executive Director to execute and cause to be recorded the Certificate of Completion for Lots 1 and 2, Block 6, Cedar Grove Business Park, substantially in the form attached hereto, thereby terminating, releasing, and discharging the EDA's right of reverter referenced in Warranty Deed Document No. A000133809.

BE IT FURTHER RESOLVED, that this authorization is limited to acknowledgment of completion of the original construction obligations and release of the referenced right of reverter and shall not be construed to waive, modify, or supersede any separately applicable covenants, easements, restrictions, land use requirements, permitting requirements, or other obligations affecting the Property.

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 duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 20th day of October 2026.

ATTEST: _____
Alex Beebe-Giudice – Vice Board President

CERTIFICATE OF COMPLETION

RECITALS

A. On July 19, 2021, 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 ("EDA"), and North Shore Laundry Services, LLC, a Minnesota limited liability company ("Developer"), entered into a Development Agreement ("Development Agreement") related to property located in Cook County, Minnesota and legally described as:

Lots 1 and 2, Block 6, Cedar Grove Business Park, according to the plat thereof on record with the County Recorder, Cook County, Minnesota.

B. Pursuant to the Development Agreement, Developer was required to construct certain improvements upon the Property, including improvements associated with the operation of a commercial laundry service.

C. The EDA conveyed the Property by Warranty Deed dated August 16, 2021, to North Shore Laundry Holding Company, LLC, which Warranty Deed was recorded in the Office of the Cook County Recorder on August 19, 2021, as Document No. A000133809 ("Warranty Deed").

D. The Warranty Deed provides that the Property is subject to the righty of reverter granted to and retained by the EDA pursuant to the Development Agreement and further provides that such right of reverter shall be released, discharged and of no further force and effect upon the filing of a certificate from the EDA that such right of reverter has been terminated and released.

E. The Developer completed construction of the Improvements contemplated by the Development Agreement in a manner deemed sufficient by the EDA to satisfy the construction obligations of the Developer under the Development Agreement.

NOW, THEREFORE:

1. The EDA certifies that the construction of the Improvements required to be performed by Developer pursuant to the Development Agreement has been completed and that the construction obligations of Developer with respect to the Project have been fulfilled.

2. The right of reverter granted to and retained by the EDA pursuant to the Development Agreement and referenced in the Warranty Deed recorded as Document No. A000133809 is hereby terminated, released and discharged and shall be of no further force or effect with respect to the Property.
3. This Certificate is intended to evidence completion of the construction obligations associated with the Project and release the right of reverter referenced above. Nothing herein shall be construed to waive, modify, or superseded and separately applicable covenants, easements, restrictions, land use requirements, permitting requirements, or other requirements applicable to the Property according to their respective terms.
4. The Cook County Recorder is hereby authorized to accept this Certificate for recording.

Dated this ____day of _____, 2026.

COOK COUNTY/GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY

By:_____
Its: Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing was acknowledged before me this ____day of _____, 2026 by Lucas Wakefield the Executive Director of the Cook County/Grand Marais Joint Economic Development Authority, a body corporate and politic created and existing under and pursuant to Chapter 469 of the Minnesota Statutes, on behalf of the authority.

_____
Notary Public

DEVELOPMENT AGREEMENT

by and between

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

and

North Shore Laundry Services, LLC

Dated as of the 19 day of July, 2021

THIS DOCUMENT WAS DRAFTED BY:

Cook County Grand Marais EDA
Grand Marais, MN 55604

DEVELOPMENT AGREEMENT

THIS AGREEMENT, made on or as of the 19 day of July, 20 21 by and between **COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY**, a public body corporate and politic, (hereinafter referred to as the "EDA"), and North Shore Laundry Services, a LLC, (hereinafter referred to as the "Developer").

RECITALS

1. The EDA owns real estate in the City of Grand Marais ("Property").

2. Developer desires to purchase the Property for the purpose of Commercial Laundry Services, all as more fully described below.

3. The EDA believes the development of the Property pursuant to the Agreement is in the best interest of the County, City, and their people and has agreed to convey the Property to Developer pursuant to Minnesota Statutes, Section 469.105, and Developer has agreed to accept the conveyance of the Property, all subject to the terms and provisions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I
DEFINITIONS

Section 1.1. **Definitions**. In this Agreement, unless a different meaning clearly appears from the context:

"**Act**" means Minnesota Statutes, Sections 469.090-469.108, as amended.

"**Agreement**" means this Agreement, as the same may be from time to time modified, amended, or supplemented.

"**City**" means the City of Grand Marais, Minnesota.

"**Construction Plans**" means the site plan, utility plan, grading and drainage plan, landscape plan, elevations drawings and related documents on the construction work to be performed by Developer on the Property, attached hereto as Exhibit A, which are to be approved by the EDA and the City in accordance with Article 7 hereof.

"**County**" means Cook County, Minnesota.

"**Declaration**" means the Declaration of Covenants, Conditions, Easements and Restrictions dated June 5, 2006, and recorded June 7, 2006, as Document No. 104734 as amended by First Amendment dated March 23, 2010, filed March 23, 2010 as Document No. 112719 in the office of the County Recorder for Cook County, Minnesota, a copy of which is attached hereto as Exhibit B.

"**Deed**" means the deed to be given to Developer to convey the Property to Developer, which deed shall be in the form the deed attached hereto as Exhibit C.

"**Event of Default**" means an action by Developer listed in Article XI of this Agreement.

"**Holder**" means the owner of a Mortgage.

"**Improvements**" means the improvements to be constructed by Developer on the Property, including, but not limited to, $ 750,000, all to be constructed in accordance with the approved Construction Plans.

"**Mortgage**" means any mortgage made by Developer which is secured, in whole or in part, with the Property and which is a Permitted Encumbrance pursuant to the provisions of 6.1(b) of this Agreement.

"**Net Proceeds**" means any proceeds paid by an insurer to Developer or the EDA under a policy or policies of insurance required to be provided and maintained by Developer pursuant to Article VIII of this Agreement and remaining after deducting all expenses (including fees and disbursements of counsel) incurred in the collection of such proceeds.

"**Plat**" Means the plat of Cedar Grove Business Park, as recorded with the County Recorder for Cook County, Minnesota, on June 7, 2006, as Document No. 104734, a copy of which is attached as Exhibit D.

"**Project**" Means the Cedar Grove Business Park as depicted on the Plat, including, but not limited to, the construction of roads and utilities to serve the Property.

"**Property**" means the real property described as Lot 1&2, Block 6, Cedar Grove Business Park, City of Grand Marais, Cook County, Minnesota.

"**State**" means the State of Minnesota.

"**Title Company**" means a qualified title company designated by the EDA.

"**Unavoidable Delays**" means delays which are the direct result of acts of God, unforeseen adverse weather conditions, strikes, other labor troubles, unavailability of materials through no fault of Developer or the EDA, fire or other casualty to the Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the EDA in enforcing its rights under this Agreement) which result in delays.

ARTICLE II
REPRESENTATIONS AND WARRANTIES

Section 2.1. **Representations by the EDA.** The EDA makes the following representations as the basis for the undertaking on its part herein contained:

(a) The EDA is a public body politic and corporate and a political subdivision of the State duly organized and existing under the laws of the State. Under the provisions of the Act, the EDA has the power to enter into this Agreement and carry out its obligations hereunder.

(b) Subject to performance by Developer of its obligations hereunder and satisfaction of the conditions set forth herein, the EDA will convey to Property to the Developer for development in accordance with this Agreement.

(c) The EDA holds marketable title to the Property, free and clear of all encumbrances except the Permitted Encumbrances, as hereafter defined.

(d) There is no action, litigation, investigation, condemnation or proceeding of any kind pending or to the best knowledge of EDA, threatened against EDA or any portion of the Property that would affect EDA's ability to perform it obligations under this Agreement.

(e) EDA has received no notices from any governmental entity regarding assessments or planned improvements that may result in assessments to the Property.

(f) There are no unrecorded leases, contracts, easements, or any other documents creating rights in parties other than EDA which cannot be terminated by EDA prior to the First Closing and which will continue to affect the Property after the Closing.

(g) Developer acknowledges that the EDA makes no representation or warranties as to the condition of the soils on the Property or its fitness for construction of the Improvements. Developer shall have the right to enter upon the Property to undertake such environmental and soil tests as Developer deems necessary to determine the conditions of the Property. The EDA shall furnish Developer with all test results and environmental assessments that it has in its possession relating to the Property. If Developer determines that the condition of the soils on the Property is unacceptable to Developer it shall notify the EDA of such determination in writing at or before the date 45 days prior to the Date of Closing and if the EDA and Developer are unable to reach agreement on how the cure the defective condition within twenty (20) days of such notification either party hereto shall have the right to terminate this Agreement by giving ten (10) days notice of termination to the other party. At the end of such ten (10) day period this Agreement shall terminate and be of no further force or effect and the parties shall execute a certificate in recordable form evidencing the termination of the this Agreement.

Section 2.2. **Representations by Developer**. Developer represents and warrants that:

(a) The Developer is a Limited Liability Corporation duly organized and authorized to transact business in the State, is not in violation of any provisions of its Articles of Organization, if applicable, or the laws of the State, has power to enter into this Agreement and has duly authorized the execution, delivery and performance of this Agreement by proper action of its members or governors, as applicable.

(b) In the event the Property is conveyed to Developer, then Developer will construct, operate and maintain the Improvements in accordance with the terms of this Agreement, the Declaration, and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations).

(c) The Improvements constitute a permitted use under the zoning code of the City.

(d) Developer will obtain 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 Improvements may be lawfully constructed.

(e) 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 or any corporate restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which Developer is now a party or by which Developer is bound, or constitutes a default under any of the foregoing.

(f) Developer has received no notice or communication from any local, state or federal official that the activities of Developer or the EDA on the Property may be or will be in violation of any environmental law or regulation. Developer is aware of no facts the existence of which would cause Developer to be in violation of any local, state or federal environmental law, regulation or review procedure or which would give any person a valid claim under any of the foregoing.

(g) The EDA has provided Developer with a wetland delineation and mitigation plan for the land within the plat and Developer understands Developer must comply with the requirements of the delineation and mitigation plan applicable to the Property, if any.

ARTICLE III
PURCHASE PRICE AND TERMS OF PAYMENT

Section 3.1 **Purchase Price and Manner of Payment**. The purchase price ("Purchase Price") to be paid by Developer to EDA for the Property shall be $ 45,000.00 which shall be payable as follows:.

a. The sum of One Thousand Dollars ($1,000.00), cash, as Earnest Money (the "Earnest Money") to be deposited in escrow by Developer on the date of this Agreement with the Title Company, which the Title Company is instructed to hold and disburse in accordance with the terms of this Agreement.

Total
The ~~balance~~ of the purchase price shall be payable in cash or certified funds on the Closing Date, as hereafter defined.

ARTICLE IV
CONTINGENCIES

Section 4.1. **Contingencies:** The Developer acknowledges that this Agreement is non-contingent as to the Developer, except for contingencies as to financing and other matters, if any, as provided in Section 9.1. The obligations of EDA under this Agreement are subject to and contingent upon the following:

1) The Board of Directors of EDA approving the terms and conditions of this Agreement;

2) The EDA obtaining any other governmental approvals and completing the Project as it pertains to the Property;

If the above contingencies have not been satisfied or waived on or before 8/19, 20 21 by all parties (the "Contingency Period"), then this Agreement may be terminated by either party, by written notice from one party to the other party. Upon such termination, the parties to this Agreement shall execute a certificate in recordable form evidencing the termination of this Agreement. Upon termination in accordance with this Section the Earnest Money shall be refunded to Developer and upon such return, this Agreement shall become null and void and neither party will have any further rights or obligations regarding this Agreement and Developer shall have no further rights in the Property.

If EDA is diligently pursuing approval and completion of the Project, and additional time is required to finalize and/or obtain all required approvals, Developer shall have the option to extend the Contingency Period for one additional thirty (30) day period by giving written notice to the EDA prior to the expiration of the Contingency Period.

Section 4.2 **Conditions Precedent to Conveyance:** The EDA's obligation to convey the Property to Developer shall be subject to satisfaction of all of the following conditions precedent:

(i) Developer shall not be in default under any term of this Agreement; and

(ii) The Construction Plans for the Improvements shall have been approved by the City, the EDA and any other governmental agency other than the City and the EDA whose approval is required in order for Developer to construct and operate the Improvements; and

(iii) Developer shall have approved title to the Property or waived any objections to title in accordance with Section 6.1.

ARTICLE V
CLOSING

Section 5.1. **Closing**. The closing of the purchase and sale contemplated by this Agreement shall occur on 8/19, 20 21, or within thirty (30) days after all contingencies have been waived or satisfied, whichever shall first occur (the "Closing Date"). The closing shall occur at the office of the Title Company or the main business office of the EDA, in the EDA's sole and absolute discretion.

5.1.1 **EDA's Closing Documents**. On the Closing Date, EDA shall execute and/or deliver to Developer the following (collectively, "EDA's Closing Documents"):

i) **Warranty Deed**. The Warranty Deed conveying the Property to Developer, free and clear of all encumbrances, except the Permitted Encumbrances hereafter defined. The conveyance of the Property and Developer's use of the Property shall be subject to all of the conditions, covenants, restrictions and limitations imposed by this Agreement, the Declaration, and the Deed. The conveyance of title to the Property and Developer's use of the Property shall also be subject to the City's building and zoning laws and ordinances and all other applicable local, state and federal laws and regulations whether now existing or hereafter created. The Deed shall be promptly recorded. Developer shall pay all costs for recording the Deed and the EDA shall pay any applicable deed tax.

ii) **EDA's Affidavit**. An Affidavit of Title by EDA (Uniform Conveyancing Blanks Form No. 118-M) indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving EDA or the Property; that there has been no skill, labor or material furnished to the Property by EDA for which payment has not been made or for which mechanics' liens could be filed (unless sufficient retainage has been escrowed to satisfy any outstanding payables) ; and that there are no other unrecorded interests in the Property, together with whatever standard owner's affidavit and/or indemnity (ALTA Form) which may be required by the Title Company to issue an Owner's Policy of Title Insurance with the standard exceptions waived.

iii) **FIRPTA Affidavit**. A non-foreign affidavit, properly executed and in recordable form, containing such information as is required by IRC Section 1445(b) (2) and its regulations.

iv) **Title Insurance Commitment.** A marked up title commitment for an owner's policy of title insurance insuring that there are no liens or encumbrances against the Property other than the Permitted Encumbrances.

v) **Date-Down Certificate.** A certificate confirming the accuracy, as of the Closing Date, of the representations and warranties set forth in Section 2.1.

vi) **Other Documents**. All other documents reasonably required to transfer the Property to Developer in accordance with the terms of this Agreement.

5.1.2 **Developer's Closing Documents**. On the Closing Date, Developer will execute and/or deliver to EDA the following (collectively, "Developer's Closing Documents"):

i) **Purchase Price**. The balance of the Purchase Price by cashier's check or wire transfer.

ii) **Title Documents**. Such affidavits of Developer, Certificates of Value or other documents as may be reasonably required by the Title Company in order to record the Developer's Closing Documents and issue the Title Insurance Policy required by this Agreement.

iii) **Date-Down Certificate.** A certificate confirming the accuracy, as of the Closing Date, of the representations and warranties set forth in Section 2.2

iv) **Certificate of Insurance.** The certificate of insurance required by Article VIII hereof.

Section 5.2 **Prorations**. The EDA and Developer agree to the following prorations and allocation of costs regarding this Agreement:

a. **Title Insurance and Closing Fee**. EDA will pay all costs of providing a commitment for owner's title insurance, certified to date, Developer will pay the premium required for the issuance of any Lender's or Owner's Title Insurance Policy issued in connection with Developer's purchase of the Property. EDA and Developer will each pay one-half of any reasonable and customary closing fee or charge imposed by the Title Company.

b. **Real Estate Taxes**. On or before the Closing, EDA shall pay all real estate taxes, and any penalties and interest thereon due and payable with respect to the Property in the year of Closing and all years prior to the year of Closing, including all deferred taxes (including any so-called "Green Acres" taxes) attributable to the year of Closing or years prior to the year of Closing. Developer shall pay all real estate taxes due and payable in years following the year of Closing. The EDA makes no representation whatsoever with respect to the

amount of real estate taxes payable by Developer from and after the date of execution of this Agreement or with respect to the classification of the Property and Improvements for real estate tax purposes.

c. **Special Assessments.** EDA shall apply all of the net proceeds of this sale to the special assessments levied, pending or otherwise of record against the Property as of the date of this Agreement. Any remaining unpaid assessment shall be assumed by the Developer.

d. **Recording Costs.** EDA will pay the cost of recording all documents necessary to place record title in the condition warranted by EDA in this Agreement. Developer will pay the cost of recording all other documents.

ARTICLE VI
TITLE

Section 6.1. **Title Examination.** Title Examination will be conducted as follows:

a. **Title Evidence.** Within fifteen (15) days after written request by Developer to EDA, but no later than sixty (60) days after execution of this Agreement by all parties hereto, EDA shall deliver to Developer, a title commitment issued by Title Company for an ALTA Owner's Policy of Title Insurance committing to insure title to the, in the amount of the Purchase Price, issued by the Title Company. The Title Commitment will commit the Title Company to insure title to the Property subject only to the Permitted Encumbrances (as defined in Paragraph 6.1(b) of this Agreement) and shall include a Special Assessment Search and be accompanied by copies of each document evidencing liens and encumbrances affecting the Property (Any such evidence of title so provided by EDA shall hereafter be referred to as the "Title Evidence").

b. **Developer's Objections.** Within twenty (20) days after receiving the Title Evidence, Developer will make written objections ("Objections") to the condition of the title to the Property. Developer's failure to make Objections within such time period will constitute a waiver of Objections. Any matter shown on such Title Evidence and not objected to by Developer shall be a "Permitted Encumbrance" hereunder. EDA will have sixty (60) days after receipt of the Objections to cure the Objections or elect to cancel this Agreement, during which period the First Closing will be postponed as necessary. EDA shall use its best efforts to correct any Objections to title. If the Objections are not cured within such sixty (60) day period, Developer will have the option to do any of the following:

i) Terminate this Agreement and receive a refund of the Earnest Money.

ii) Waive the Objections and proceed to close.

ARTICLE VII
CONSTRUCTION OF THE IMPROVEMENTS

Section 7.1 **Construction of Improvements.** Developer agrees to construct the Improvements in accordance with the Construction Plans, and at all times operate and maintain, preserve and keep the Improvements or cause the Improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

Section 7.2 **Construction Plans.** Developer will submit Construction Plans for the Improvements to the EDA and the City for approval. The Construction Plans shall be deemed approved by the EDA unless rejected in whole or in part by written notice by the EDA to Developer setting forth in detail the reasons thereon. Such rejection must be made within ten (10) days after receipt of the Construction Plans. The Construction Plans will provide for the construction of the Improvements. No approval by the EDA shall relieve Developer of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Improvements. No approval by the EDA shall constitute a waiver of an Event of Default.

If Developer desires to make any change in the Construction Plans after their approval by the EDA and the City, Developer shall submit the proposed change to the EDA and the City for approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section 7.2 with respect to such previously approved Construction Plans, the EDA shall approve the proposed change and notify Developer in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved by the EDA unless rejected, in whole or in part, by written notice by the EDA to Developer, setting forth in detail the reasons therefore. Such rejection shall be made within ten (10) days after receipt of the notice of such change.

Section 7.3 **Commencement and Completion of Construction.** Subject to Unavoidable Delays, Developer will commence the construction of the Improvements on or before thirty (30) days following the Closing Date. Subject to Unavoidable Delays, Developer shall complete the construction of the Improvements by 7/19, 20 22. All work with respect to the Improvements shall be in conformity with the Construction Plans as submitted by Developer and approved by the EDA. Developer agrees for itself, its successors and assigns, and every successor in interest to the Property, or any party thereof, that Developer, and such successors and assigns, shall diligently prosecute to completion the construction of the Improvements thereon, and that such construction shall, in any event, be completed within the period specified in this Section. It is intended and agreed that such agreements and covenants shall be covenants running with the Property and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Agreement itself, be, to the fullest extent permitted by law and equity, binding for the benefit of the EDA and enforceable by the EDA against Developer and successors and assigns.

ARTICLE VIII
INSURANCE

Section 8.1. Insurance.

(a) The Developer will provide and maintain or cause to be provided and maintained at all times during the process of constructing the Improvements and, from time to time at the request of the EDA, furnish the EDA with proof of payment of premiums on:

(i) Builder's risk or hazard insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Improvements at the date of completion, and with coverage available in nonreporting form on the so called "all risk" form of policy.

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, Broadening Endorsement including contractual liability insurance) together with an Owner's Contractor's Policy with aggregate limits against bodily injury and property damage of not less than $1,000,000, which may include or utilize an umbrella policy for compliance.

(iii) Worker's compensation insurance, with statutory coverage and employer's liability protection. In lieu of such worker's compensation insurance, a certificate of self insurance, reasonably satisfactory to EDA, shall be deemed compliance herewith.

(b) Upon completion of construction of each unit of the Improvements and prior to the Developer's sale of the Property to a purchaser or the expiration of the EDA's Right of First Refusal contained in the Deed, whichever comes first, the Developer shall maintain, at its cost and expense, and from time to time at the request of the EDA shall furnish proof of the payment of premiums on, insurance as follows relative to such Improvements:

(i) Insurance against loss and/or damage to the unit under a policy or policies covering such risk as are ordinarily insured against by similar businesses, including (without limiting the generality of the foregoing) fire, extended coverage, all risk vandalism and malicious mischief, boiler explosion, water damage, demolition cost, debris removal, and collapse in an amount not less than the full insurable replacement value of the Improvements, but any such policy may have a deductible amount of not more than $5,000. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the EDA. The term "full insurable replacement value" shall mean the actual replacement cost of the Improvements (excluding foundation and excavating costs and costs of underground flues, pipes, drains and other uninsurable items) and equipment, and shall be determined from time to time at the request of the EDA, but not more frequently than once very three (3) years, by an insurance consultant or insurer, selected and paid for by the Developer and approved by the EDA.

(ii) Comprehensive general liability insurance, including personal injury liability (with employee exclusion deleted), and automobile insurance, including owned, non-owned and hired automobiles, against liability for injuries to persons and/or property, in the minimum amount for each year of $2,000,000, for public liability and shall be endorsed to show the EDA as additional insured. Other insurance, including comprehensive general liability insurance and worker's compensation insurance, consistent with the requirements of (a) above.

(iii) Such other insurance, including worker's compensation insurance respecting all employees of the Developer, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Developer may be self-insured with respect to all or any part of its liability for worker's compensation.

(c) All insurance required in this Article VIII of this Agreement shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risk covered thereby. The Developer will deposit annually with the EDA binders evidencing all such insurance, or a certificate or certificates of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article VIII of this Agreement each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Developer and the EDA at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer shall furnish the EDA evidence satisfactory to the EDA that the policy has been renewed or replaced by another policy conforming to the provisions of this Article VIII of this Agreement, or that there is no necessity therefore under the terms hereof. In lieu of separate policies, the Developer may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Developer shall deposit with the EDA a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Improvements.

(d) The Developer agrees to notify the EDA immediately in the case of damage to or destruction of, the Improvements or any portion thereof resulting from fire or other casualty. In the event of any such damage or destruction, the Developer will forthwith repair, reconstruct and restore the Improvements to substantially the same or an improved condition or value as existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Developer will apply the Net Proceeds of any insurance relating to such damage received by the Developer to the payment or reimbursement of the costs thereof.

The Developer shall complete the repair, reconstruction, and restoration of the Improvements, whether or not the Net Proceeds of insurance received by the Developer for such purposes are sufficient to pay for the same. Any Net Proceeds remaining after completion of such repairs, construction and restoration shall be remitted to the Developer.

ARTICLE IX
DEVELOPER'S FINANCING AND OTHER CONTINGENCIES

Section 9.1. **Financing**. Developer has obtained a preliminary commitment for financing for the purchase of the Property and construction of the Improvements. On or before the Contingency Date, Developer shall provide to the EDA evidence that Developer has secured financing sufficient to construct the Improvements.

Section 9.2. **Subordination**. In order to facilitate Developer obtaining financing for development of the Improvements, the EDA agrees that it will subordinate its right to cancel this Agreement and retake title to the Property as set forth in the Deed to the lien of an approved Mortgage. In addition, any Mortgage shall provide the Holder thereof shall upon the giving of a notice of a default by Developer under the Mortgage provide notice of such default to the EDA at the same time as it provides notice of default to Developer.

If the above contingencies have not been satisfied or waived on or before 8/19 20 21 by all parties (the "Contingency Period"), then this Agreement may be terminated by either party, by written notice from one party to the other party. Upon such termination, the parties to this Agreement shall execute a certificate in recordable form evidencing the termination of this Agreement. Upon termination in accordance with this Section the Earnest Money shall be refunded to Developer and upon such return, this Agreement shall become null and void and neither party will have any further rights or obligations regarding this Agreement and Developer shall have no further rights in the Property.

ARTICLE X

ASSIGNMENT AND TRANSFER

Section 10.1 **Representation as to Development**. Developer represents and agrees that Developer's purchase of the Property, and Developer's other undertakings pursuant to the Agreement, are, and will be, for the purpose of development of the Property and not for speculation in land holding. Developer further recognizes the importance of the development of the Property to the general welfare of the community and that any act or transaction involving or resulting in a change in the identity of Developer is of particular concern to the community and the EDA. Developer further recognizes that the EDA is entering into the Agreement with Developer, and, in so doing, is willing to accept and rely on the obligations of Developer for the faithful performance of all undertakings and covenants hereby by Developer to be performed.

Section 10.2 **Prohibition Against Transfer of Property and Assignment of Agreement**. For the foregoing reasons, Developer represents and agrees, prior to the first anniversary date of the Deed:

10.2.1 Except only by way of security for, and only for, the purpose of obtaining financing necessary to enable Developer or any successor in interest to the Property or any part thereof, to perform their obligations with respect to making the Improvements under the Agreement, any other purpose authorized by the Agreement, Developer (except as so

authorized) has not made or created, and that they will not make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance or lease, or any trust or power, or transfer in any other mode or form of, or with respect to, the Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same without the prior written approval of the EDA.

10.2.2 the EDA shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such approval that:

10.2.2.1 Any proposed transferee shall have the qualifications and financial responsibility, as determined by the EDA, necessary and adequate to fulfill the obligations undertaken in the Agreement by Developer (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).

10.2.2.2 Any proposed transferee, by instrument in writing satisfactory to the EDA and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the EDA, has expressly assumed all of the obligations of Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part).

10.2.2.3 Developer remains obligated to perform the obligations hereunder.

Section 10.3 **Transfers without Substantive Change of Control.** The EDA may, in its sole discretion, waive the requirements of Section 10.2 hereof with respect to a specified transfer, assignment or lease, if it determines, in its sole discretion, that the specified transfer, assignment or lease does not, as a practical matter, result in or involve a significant change in the identity of the parties in control of Developer or the parties responsible for the performance of the obligations of Developer under this Agreement.

ARTICLE XI
EVENTS OF DEFAULT

Section 11.1 **Events of Default Defined.** The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events:

11.1.1 Failure by Developer to complete construction of the Improvements within the time limits and pursuant to the terms, conditions and limitations of this Agreement.

11.1.2 Failure by Developer to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed hereunder.

11.1.3 There occurs any of the following:

(i) Developer files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under United States Bankruptcy Laws or any similar Federal or State Laws; or

(ii) Developer makes an assignment for the benefit of its creditors; or

(iv) Developer admits, in writing, its inability to pay its debts generally as they become due; or

(v) Developer is adjudicated, bankrupt or insolvent.

11.1.4 There occurs a default by Developer under a mortgage or other instrument securing Developer's financing permitted under this Agreement, the Holder of such Mortgage exercises its remedies as a result of such default, such exercise of remedies adversely affects Developer's interest in the Property, and Developer does not cure the basis for the default within the applicable notice and cure period.

Section 11.2 **Remedies on Default.** Whenever any Event of Default referred to in Section 11.1 of this Agreement occurs, the EDA may take any one or more of the following actions after providing fifteen (15) days written notice to Developer of the Event of Default, but only if the Event of Default has not been cured within said fifteen (15) days or, if the Event of Default cannot be cured within fifteen (15) days, Developer does not provide assurances to the EDA reasonably satisfactory to the EDA that the Event of Default will be cured and will be cured as soon as reasonably possible:

(i) Suspend its performances under the Agreement until it receives assurances from Developer, deemed adequate by the EDA, that Developer will cure its default and continue its performance under the Agreement; or

(ii) Cancel and rescind the Agreement; or

(iii) Take whatever action, including legal or administrative action, which may appear necessary or desirable to the EDA to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement or covenant of Developer under this Agreement.

Section 11.3 **Costs of Enforcement.** Whenever any Event of Default occurs and the EDA shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of Developer under this Agreement, Developer agrees that it shall, within thirty (30) days of written demand by the EDA, pay to the EDA the reasonable fees of such attorneys and such other expenses so incurred by the EDA.

Section 11.4 **Revesting Title in the EDA** In the event that subsequent to conveyance of the Property or any part thereof to Developer (or its successor in interest) shall either:

(i) fail to begin construction of the Improvements in conformity with this Agreement, and such failure to begin construction shall not be cured within thirty (30) days after written notice to do so; or

(ii) after commencement of the construction of the Improvements, default in or violate its obligations with respect to the construction of the Improvements (including the nature and the date for the completion thereof), or shall abandon or substantially suspend construction work, and any such default, violation, abandonment or suspension shall not be cured, ended or remedied within thirty (30) days after written demand by the EDA so to do;

then the EDA shall have the option to re-enter and take possession of the Property and to terminate (and revest in the EDA) the estate conveyed by the Deed to Developer. The Developer acknowledges and agrees that it is the intent of this Agreement that the conveyance of the Property to Developer is being made conditionally upon Developer's assurances and promises to the EDA that Developer shall satisfy all of the obligations imposed upon Developer under the terms of this Agreement without the occurrence of an Event of Default which is not cured within the time and in the manner prescribed by Article 11 hereof. In the event that Developer shall fail to perform the obligations imposed upon Developer under the terms of this Section or fails to cure an Event of Default within the time and in the manner prescribed by Article 11 hereof, then the EDA at its option, may declare a termination in favor of the EDA of the title, and of all the rights and interests in and to the Property conveyed to Developer, and that such title and all rights and interests of Developer, and any assigns or successors in interest to and in the Property, shall revert the EDA. In the event the title to the Property reverts to the EDA the Developer agrees to promptly execute and deliver to the EDA all documents reasonably requested of Developer by the EDA to evidence that title to the Property has reverted to the EDA. This provision may be enforced by an action in law or in equity or both with reasonable attorneys fees awarded to the EDA.

Section 11.5 **Effect of Reversion on Mortgage Financing**. The option to revert title reserved to the EDA under Section 11.4 of this Agreement shall be subordinate to any first mortgage upon the Property granted by the Developer.

Section 11.6 **Repayment of Purchase Price; Other Payments**. Upon the EDA becoming revested, pursuant to Section 11.4 hereof, with good and marketable title to the Property free and clear of all liens and encumbrances arising from any actions of Developer, Developer shall be relieved of any further obligations to the EDA under this Agreement. Provided, however, that Developer shall be entitled to recover or be repaid any monies paid by it to the EDA under this Agreement prior to the title to the Property becoming revested in the EDA less: (i) the amount of any liens or encumbrances on the Property; (ii) any costs or expenses incurred by the EDA in recovering the Property; (iii) any diminution in value of the Property since the time of the original conveyance from the EDA to Developer; and (iv) any costs incurred by the EDA from the original closing including any recording fees, closing fees, title insurance premiums and deed taxes. For

purposes of this Section 11.6, the determination that the EDA has become revested with good and marketable title to the Property free and clear of all liens and encumbrances arising from any actions of Developer shall be made by the EDA in it's reasonable discretion.

ARTICLE XII
MISCELLANEOUS PROVISIONS

Section 12.1 **Certificate with Respect to Completion of Improvements.** The EDA shall execute and deliver to Developer an appropriate certificate in recordable form upon the completion of the construction of the Improvements by Developer in accordance with this Agreement. Such certificate shall be in form of the one attached hereto as Exhibit E.

Section 12.2 **No Remedy Exclusive.** No remedy herein conferred upon or reserved to the EDA is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the EDA to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article XII.

Section 12.3 **No Implied Waiver.** In the event any term or provision contained in this Agreement should be breached by Developer and thereafter waived by the EDA, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 12.4 **Survival.** All of the terms of this Agreement will survive and be enforceable after the Closing.

Section 12.5 **Notices.** Any notice or communication required or permitted to be given by any party to the other shall be in writing and shall be deemed to have been given in accordance with this Agreement if it is delivered personally to EDA or Developer or an authorized representative of a party hereto; or if mailed to either EDA or Developer by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice; or if transmitted by electronic mail followed by mail notice; or if deposited cost paid with a nationally recognized overnight courier, properly addressed as follows:

If to EDA: The Director
The Cook County/Grand Marais Joint EDA
P.O. Box 597,
15 North Broadway St.
Grand Marais, MN 55604

If to Developer: North 5 Lore Laundry Services, LLC
PO Box 148
Lutsen, MN 55612

Personal or facsimile mail deliveries shall be deemed effective the date sent. Overnight courier deliveries shall be deemed effective one (1) business day after the date sent. Mailed notices shall be deemed effective two (2) business days after the date of mailing. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, ten (10) days prior to the effective date of such change.

Section 12.6 **Representatives Not Individually Liable**. No member, official, or employee of the EDA shall be personally liable to Developer, or any successor in interest, in the event of any default or breach or for any amount which may become due to Developer or any successor interest on any obligations under the terms of the Agreement.

Section 12.7 **Restrictions on Use**. Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, that Developer, and such successors and assigns, shall devote one hundred (100%) percent of the Improvements on the Property to commercial uses, and only to and in accordance with, the terms and uses specified in the Agreement and shall use such property solely for the uses specified in the Agreement until five (5) years from the Time of Conveyance.

Section 12.8 **Provisions Not Merged With Deed.** None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring an interest in the Property. No deed shall be deemed to affect or impair the provisions and covenants of this Agreement. The provisions of this Agreement shall run with the land and be binding upon and inure to the benefit of the parties hereto and their successors and assigns until five (5) years from the date of the Second Closing.

Section 12.9 **Release and Indemnification Covenants.**
(a) Developer releases the City, the EDA , and it's members, officers, agents, servants, and employees (the "Released Parties") from liability and covenants and agrees that the Released Parties shall not be liable for, and agrees to indemnify and hold harmless the Released Parties against any loss or damage to property or injury to or death of any person occurring at or about or resulting from any defect in the Improvements.

(b) Developer agrees to protect and defend the Released Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever, other than Developer, arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Improvements.

(c) The Released Parties shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about

the Property or Improvements due to any act of negligence of any person other than the Released Parties.

(d) All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA and not of any governing body member, officer, agent, servant or employee of the EDA in the individual capacity thereof. Notwithstanding the foregoing, the protections granted to the Released Parties under subparagraphs (a) through (d) above shall not extend to any Released Party who has made any willful misrepresentation, or whose willful or wanton conduct or gross negligence has resulted in damage to Developer or any other person.

(e) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the following named parties or any misstatement of fact or representation contained herein, the EDA agrees to protect and defend Developer, its officers, agents, servants and employees thereof, now or forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever, other than the EDA, arising or purportedly arising from the EDA's activities with respect to or ownership of the Property prior to the date that the Property is conveyed to Developer.

Section 12.10 **Captions.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

Section 12.11 **Entire Agreement; Modification.** This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver or modification of any of its terms will be effective unless in a writing executed by the parties.

Section 12.12 **Binding Effect.** This Agreement binds and benefits the parties and their successors and assigns.

Section 12.13 **Controlling Law.** This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

Section 12.14 **No Joint Venture or Partnership.** EDA and Developer, by entering into this Agreement and completing the transactions described herein, shall not be considered joint venturers or partners.

Section 12.15 **Date For Performance.** If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which the Closing must be held, expires on a Saturday, Sunday or legal or bank holiday, then such time period will be automatically extended through the close of business on the next regularly scheduled business day.

ARTICLE XIII
TERMINATION DATE

This Agreement may be terminated by Developer in Developer's sole discretion and be of no further force and effect if the EDA has not executed and delivered the Deed to Developer hereunder by 8/15, 20 21. Developer may exercise this right to termination at any time after said date by written notice thereof to the EDA.

ARTICLE XIV
BUSINESS SUBSIDIES LAW

Developer and the EDA have discussed the Minnesota Business Subsidies Law, Minnesota Statutes §116J.993, through 116J.995 and its application to this transaction. Developer has advised the EDA and the EDA hereby agrees that the sales price of the Property is a fair market sales price and that the EDA has made no business subsidy within the meaning of Minn. Statutes Section 116J.993, Subdiv. 3 to Developer.

Accordingly, Developer and the EDA have determined that the Minnesota Business Subsidies Law is not applicable to this transaction.

IN WITNESS WHEREOF, the EDA has caused this Agreement to be duly executed in its name and behalf and Developer has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

By Mary Somers
Its ~~President~~ Executive Director

By
Its ~~Treasurer~~

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 22 day of July, 2021, by Mary Somers and _____, the Executive Director and _____, respectively, of the Cook County/Grand Marais Joint Economic Development EDA on behalf of the Cook County/Grand Marais Joint Economic Development EDA.

HADEN STEWART HINCHMAN
Notary Public
State of Minnesota
My Commission Expires
January 31, 2023

Notary Public

DEVELOPER:

By Stephen W Surbaugh
Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this 23 day of July, 2021, by Steve Surbaugh, the President of North Shore Laundry Services, a _____, on behalf of _____.

HADEN STEWART HINCHMAN
Notary Public
State of Minnesota
My Commission Expires
January 31, 2023

Notary Public

Exhibits

A. Construction Plans
B. Declaration of Covenants
C. Warranty Deed
D. CGBP Plat
E. Certificate of Completion

No delinquent taxes and transfer entered;
Certificate of Real Estate Value (✓) filed
( ) not required Certificate No. 6200
August 19, 2021
Braidy Powers
County Auditor-Treasurer
by Corinne Benner
Deputy

A000133809
OFFICE OF THE COUNTY RECORDER
COOK COUNTY, MINNESOTA
CERTIFIED, FILED, AND/OR
RECORDED ON
8/19/2021 11:45 AM
AS DOC #: A000133809
DUSTY NELMS
COOK COUNTY RECORDER
BY Holly Schroder Dep
PAGES: 3

80-800-0601
80-800-0602

(Top three inches reserved for recording data.)

WARRANTY DEED

e-CRV ID No.: 1361396

STATE DEED TAX DUE HEREON: **$** 148.50

Date: August 16, 2021

FOR VALUABLE CONSIDERATION, Cook County / Grand Marais Joint Economic Development Authority, a public body corporate and politic created pursuant to the laws of the State of Minnesota, **Grantor**, hereby conveys and warrants to **North Shore Laundry Holding Company, LLC,** a Minnesota limited liability company, **Grantee**, real property in Cook County, Minnesota, described as follows:

Lot 1 and 2, Block 6, Cedar Grove Business Park, according to the plat thereof on record with the County Recorder, Cook County, Minnesota.

Subject to Declaration of Covenants, Conditions, Easements and Restrictions dated June 5, 2006, and recorded June 7, 2006, as Document No. 104734 as amended by First Amendment to Declaration dated March 23, 2010, filed March 23, 2010 as Document No. 112719, in the office of the County Recorder for Cook County, Minnesota.

Subject to easements, restrictions and reservations of record, and further subject to easements for roads and public utilities existing on, over or under said premises.

together with all hereditaments and appurtenances belonging thereto.

The Seller certifies that the Seller does not know of any wells on the described real property.

The property herein and the interest conveyed by Grantor to Grantee hereunder is subject to a right of reverter granted to and retained by the Grantor under Section 11.4 of that certain Development Agreement dated the 19th day of July, 2021, as well as other terms and conditions of said Development Agreement, all of which are incorporated herein and made a part hereof by reference. The foregoing described right of reverter shall be deemed released, discharged and of no further

force and effect upon the filing of a certificate from Grantor that such right of reverter has been terminated and released.

Grantor hereby reserves the following Right of First Refusal to Purchase the Property. If at any time prior to five (5) years from the date hereof Grantee, or Grantee's heirs, successors, or assigns, desire to sell all or part of the property and shall receive a bonafide offer to purchase said property satisfactory to Grantee, Grantee agrees to give Grantor the option of purchasing said property at the price and on the terms of the offer so made, said option to be given by written notice to Grantor of such offer, requiring contract of purchase within thirty (30) days after receipt of such notice. If Grantor fails to accept such offer to purchase by signing such contract within said period, then, and in that event, Grantee shall be at liberty to sell the property to the original offeror for the original offer. Further, if such sale is completed to the original offeror, this right of refusal shall terminate and be of no further effect as to future and further sales. This option is deemed exercised upon Grantor's execution and delivery to Grantee of said contract of purchase. Upon the exercise of the option to purchase by Grantor, Grantee agrees to convey to Grantor the said property by Warranty Deed, free and clear of all liens and encumbrances, and accompanied by an Abstract of Title showing good and unencumbered title. This right of first refusal may not be assigned by Grantor and shall not apply to conveyances that do not constitute a bonafide sale for fair market value, including, but not limited to, conveyance by transfer without consideration to an entity wholly owned by Grantee. This right of first refusal may not be assigned by Grantor but shall run with the land and shall be binding on the successors, and assigns of Grantee. Whenever any notice is required or permitted under this right of first refusal, that notice shall be given or served, and shall not be deemed to have been given or served unless in writing and forwarded by certified mail addressed to the parties at their last known addresses. Such addresses may be changed from time to time by either party giving written notice as above provided. The parties hereto agree to execute and deliver any and all documents reasonably calculated to effectuate the provisions of this Right of First Refusal and Grantor specifically agrees to execute and deliver a recordable Release of Right of First Refusal if they should choose not to exercise the purchase as presented.

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

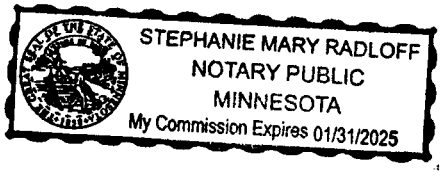
Mary Somnis

By: MARY SOMNIS
Its: EXECUTIVE DIRECTOR

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 16 day of August, 2021 by Mary Somnis, the Executive Director of the Cook County / Grand Marais Joint Economic Development Authority an economic development authority under the laws of the State of Minnesota, on behalf of the Cook County / Grand Marais Joint Economic Development Authority.

NOTARIAL STAMP OR SEAL



Signature of Person taking Acknowledgement

THIS INSTRUMENT DRAFTED BY:
SMITH LAW, PLLC
1710 W. Hwy. 61, P.O. Box 66
Grand Marais, MN 55604
(218) 387-9800 / TS/md

Tax statements for the real property described in this instrument should be sent to:

North Shore Laundry Holding Company, LLC
~~**1401 E Hwy 61**~~ PO Box 148
~~**Grand Marais, MN 55604**~~
Lutsen, MN 55612

Deed Tax hereon of $ 148.50 Paid
Brandy Powers
County Auditor-Treasurer
Courtney Bernier
Deputy

Name: Cook Co. 2026 Northland SBDC Reporting Scorecard
Layout: *External Partners Northland SBDC Reporting Scorecard
Cumulative Period Start: 1/1/2026
Current Period Start: 1/1/2026
Scorecard End: 12/31/2026
Funding Source(s): All
Sub-Funding Source(s): ALL
Center(s): 7

Line No	Data Elements	9/1/2026 to 9/30/2026
1.	**DEED Report Categories**	0
2.	# Unique Individual Entrepreneurs and/or Businesses Served	2
4.	# of New Clients - Based on Initial Session	0
5.	# Hours of Business Assistance Services Provided	1
6.	Total Capital Accessed by Clients Served	$0.00
7.	Number of Jobs Created (Full Time and Part-Time)	0
8.	Number of Jobs Retained	4
9.	Total Jobs Supported (Created and Retained)	4
10.	Average Wages of Jobs Reported	$0.00
11.	# of New Businesses Starts/Bought Businesses	0
14.	# Veteran-Owned Businesses/Entrepreneurs Served	0

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: Beran's Handcrafted Log Cabins, LLC

Authorized Representative: Isaak Beran

Email address: Phone:

Project Name:

Mini Excavator

Project Start Date: 04/18/2025 Project End Date: 04/18/2030- loan end date

Total Final Project Costs: $ 91,360.13

Total Grant Amount Awarded: $ 10,000

applicant has 5 year loan for remaining portion of equipment cost from North shore credit union.

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

New services offered by Beran's Log Cabins will be created by the purchase of a mini excavator. Services include but are not limited to foundation preparation, finish landscaping, rock work, final grading, stump/tree removal, clean up, demolition, and building yard improvements. I currently specialize in log shell construction and assembly, having the ability to take on projects from start to finish will grow the workload and generate higher incomes for the business. With this being said, I will not be able to take on the additional work by myself. The additional services will force me to hire additional laborers and create a team at Beran's Log Cabins. There will be a big learning curve adding employees, but over time, it will eventually become a well-oiled machine and production will naturally increase.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

A mini excavator was purchased and has been used many times on job sites and at the building yard to work on projects and improve our workspace. A full-time employee was hired because of the demand for more/ new work.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [x] New product/service
- [x] Improved operations
- [x] Increased customer/revenue
- [x] Job Creation
- [x] Job Retention
- [ ] Other

Details:

We were able to take on more work, hire a full-time employee, expand our business, improve our workspace, and work more efficiently because of the purchase of this mini excavator.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

This project created a new job in Cook County. This project served unmet needs in Cook County. This project opened the door for Collaboration with other small businesses in Cook County. This project allowed us to expand our workspace at Beran's Handcrafted Log Cabins which will increase property value and taxes.

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

Yes, we were able to take on multiple jobs we wouldn't have had the capability of achieving before the purchase of the mini excavator. Some of these jobs were in collaboration with other local businesses in Cook County.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

I encountered financial challenges since the full grant amount requested was not received. I overcame these challenges by finding a better financing option through the company I purchased the excavator from. The project has been producing us more steady income. It has been a smooth transition adding an excavator to the fleet of heavy equipment and hiring a new employee.

Would you recommend this program to other businesses? Why or why not?

Yes. The grant from the Cook County EDA allowed me to expand my business and hire a full-time employee. I would recommend this program to anyone who is looking to do the same.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee Isaak Beran Date 02/04/2026

Printed Name Isaak Beran Title Owner/ President

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.


TAKEUCHI



COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Personal Information

Grantee Name: Brittny Malec

Email address:

Phone:

Project Information

Project Name: purchase an Epson Eco-tank printer and two sizes of fine art paper

Project Start Date: March 18th, 2025

Project End Date: April 9th, 2025

Purpose of Grant Funding (one to two sentences):

Fund purchase of printer to allow me to expand my art business.

Total Final Project Costs:

1,193.27

Results

Did your project involve collaboration with other community partners or organizations? If so, please describe.

No

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Please describe how the project benefited your business and the direct or indirect impacts to economic development in Cook County (i.e. business creation and or expansion, job creation and/or retention, increase to local tax base, unmet services provided to visitors and residents, redevelopment, etc.)

The funding of my project has allowed me to expand my art business by creating fine art quality reproductions of original work for sale at local businesses.

Please describe any changes to the project scope, budget or timeline you encountered. Be sure to note any challenges or unanticipated results, either positive or negative.

Due to a bank error at the time of purchase, as well as the timing of grant acceptance versus the actual printer purchase a couple weeks later, I encountered significant price increases due to newly imposed tarrifs. I had to negotiate with Epson representatives on the phone to get them to honor their original quote. All told, the project was a couple hundred dollars more than I initially anticipated, but still within a reasonable price for my business.

Certifications

The undersigned designated agent of this grant warrants: (1) that the above information is true and correct; (2) that the practices and expenses incurred were in accordance with the specifications and program requirements.

Signature of Grantee



Date

July 22, 2025

Submission

*Please submit completed final report form to director@cookcountymneda.org

Please include with your final report submission:

- Please attach any relevant documents. This may include outcomes, photos, flyers, stories of impact to demonstrate results of this project.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: Scruffy Dog Vintage Emporium LLC

Authorized Representative: Annette M.Block-Valdivia

Email address: Phone:

Project Name:

Scruffy Dog Vintage Garage Renovation Project

Project Start Date: Nov. 5, 2025 Project End Date: July15,2026

Total Final Project Costs: $ 40,464.40

Total Grant Amount Awarded: $ 25,000

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

The main goal of this renovation project was to renovate the garage space so that Scruffy Dog Vintage Emporium could increase their retail space and community work/meeting space. We also prioritized improving the curb appeal of the building as a whole, upgrading our building electricity and retail space lighting.

Was the project completed as originally proposed?

☐ Yes ☑ No – If no, describe changes below:

We did not meet our initial deadline for completion and had to request an extension for completion of July 15, 2026. In addition, our original plan to reglaze the garage door would not have been cost effective as it needed more work than originally thought. We decided to timberframe the entire garage door entrance which created a more eye-catching appearance from the highway and created maximum curb appeal.

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

*please see attached document for details

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [x] New product/service
- [x] Improved operations
- [x] Increased customer/revenue
- [ ] Job Creation
- [ ] Job Retention
- Other [ ]

Details:

*please see attached document for details

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

*please see attached document for details

d. Did your project involve collaboration with other businesses or organizations

- [x] Yes
- [ ] No

If yes, please describe:

Several local businesses were used in the completion of the project: Superior Electric, JSK Contracting, Jim Miller Certified Lighting, and Building Blocks Construction

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

Without the grant, we would not have been able to renovate the garage and we would still be dealing with a leaking roof that was causing further damage to the building and putting our inventory at risk of damage.
This entire process was extremely stressful, challenging my time management, finances and communication with contractors and EDA affiliates. The greatest challenge overall was working with building and construction crew in the meeting of completion deadlines.

Would you recommend this program to other businesses? Why or why not?

I would recommend this program to other businesses, however, I would caution them that this process is incredibly time consuming and stressful. Perhaps the process would have been easier for me if I had not applied during a transitional and training period for EDA personnel. For brand

4. Required Attachments

Please attach documentation supporting project completion and eligible project expenditures, including:

- **Photographs of completed improvements, equipment, or other EDA-funded items (Required).**
- Media coverage, promotional materials, or marketing materials related to the project (if applicable)
- Documentation of measurable outcomes, such as jobs created or retained, sales growth, increased production capacity, new services offered, or other project impacts (if available)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee Annette M. Block-Valdivia Date 9/29/2026

Printed Name Annette M. Block-Valdivia Title CEO Scruffy Dog Vintage E

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.

EDA Grant Summary for Scruffy Dog Vintage Emporium, LLC

The grant funds supported the outcomes for the project, primarily and most critically, to repair and update the building. There was a sizable garage space that could not be utilized due to a dilapidated and rotting roof that leaked, dangerous and impractical electrical, and a badly damaged garage-style door that was not insulated. Additionally, because the space originally was a repair shop, a car lift also had to be removed from within the floor.

The major renovation included removal of the existing roof and rebuilding and insulating the roof and ceiling. The garage door was reconfigured with a wall and pedestrian doorway. A back wall was installed to divide the garage space and a separate inventory storage space. New walls, ceiling, energy-efficient lighting, and electrical outlets were installed in the garage space. Additionally, electrical and lighting were updated in the existing retail space. Finally, roadside signage was purchased which has already made a difference in visibility from the road, resulting in increased store traffic.

The result of this project made possible by this EDA grant is that the garage space has been transformed into a functional and multi-purpose area that has already been leased to local artists as of July 15th, and that will also now be utilized as a community resource and pop-up sales space, retail expansion for Scruffy Dog Vintage Emporium, and space to collaborate with other local retailers and small businesses to increase tourist traffic and cash flow. These activities will translate into additional income and tax base, opportunities for multiple local entrepreneurs, and a flexible community resource space for a variety of offerings such as recovery meetings, music, classes, and a community gathering space with coffee and tea. The entire building also now has safer and more practical electrical service that will allow adequate heating for a more comfortable environment.

Before and After




SMALL


SMALL




SHOP

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: WILD WES AUTO REPAIR

Authorized Representative: STEPHANIE HIGGINS

Email address: Phone:

Project Name:

WILD WES AUTO REPAIR EQUIPMENT PURCHASE

Project Start Date: 16 JUL 2025 Project End Date: 22 APR 2026

Total Final Project Costs: $ 12,181.35

Total Grant Amount Awarded: $ 10,000.00

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

To purchase approved equipment in order to furnish a new auto repair shop located at our home in Grand Marais.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

A tire machine and balancer were purchased and installed in our new shop.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- ☐ Business Expansion
- ☑ New product/service
- ☐ Improved operations
- ☐ Increased customer/revenue
- ☐ Job Creation
- ☐ Job Retention
- ☐ Other

Details:

These two pieces of equipment were determined to be the most important for starting our business and being able to serve our customers. We could not have opened our business' without at least these two machines.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

The auto shop is filling an unmet need in the community. Since opening our doors in December of last year we have been steadily increasing our customer base. Overall, our customers have been extremely satisfied with their speedy repairs, and pleased with the work and fair price paid. So much so, that we have been steady without having to advertise more than by word-of-mouth referral and handing out business cards. Our contact information is also on google business.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

Napa Auto and Steve's Sports and Auto are our main parts suppliers. We are also working on becoming a Napa Auto Care center so we can perform warranty work.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

The only challenge that we've faced so far is not having enough funds to purchase everything needed for start-up without using our line-of-credit. We purchased a second lift to expedite repairs and allow work to be done on more than one vehicle at a time.

Would you recommend this program to other businesses? Why or why not?

Yes, absolutely! We are incredibly grateful for the funds we received last year that allowed us to purchase these two big items.

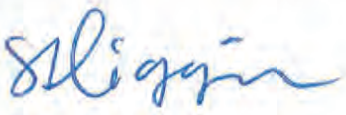
4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee  Date 22 APR 2026

Printed Name Stephanie Higgins Title Owner

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: The Mayhew LLC

Authorized Representative:

[redacted]: [redacted] [redacted]: [redacted]

Project Name:

Environmental Studies- Hotel Mayhew Development

Project Start Date: 4/24/24 Project End Date: 6/15/26

Total Final Project Costs: $ 68,441

Total Grant Amount Awarded: $ $21,725 $25,000 true BDF grant amount

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

This grant request is made to specifically meet the needs for further environmental studies, management and ground work that is required prior to final funding. We are working through an action plan in regards to results from our Phase II Environmental Study with Braun Intertec. These final steps will plan for and manage ground soil contamination and ground vapor detected, likely due to the fires of 2020 and possible petroleum in the area.

We have already completed the following, all with Braun Intertec:
1) Initial Geotechnical Study
2) Phase I Environmental Study
3) Phase II Environmental Study + Final RAP Implementation & Project Analysis

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

Through all of the environmental studies, we have been cleared by the MPCA on our project site, and no remediation is necessary

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [ ] New product/service
- [ ] Improved operations
- [ ] Increased customer/revenue
- [x] Job Creation
- [x] Job Retention
- [x] Other

Details:

new mixed use development

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

It will be an expansion of our current business, and we will be adding new businesses including:
-3 retail shops
-Restaurant & Lounge
-Event Center & Music Venue
-Lodging Units
We will retain all of our current staff, and create additional employment including retail, event staff/planning, overall hospitality and restaurant staffing needs.
Blight Removal. Our project will significantly increase the tax base including Food & Liquor sales, retail sales, events, and lodging (including the 4% lodging tax)
Much needed restaurant, retail, need for an event center - serving local residents as well as visit

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

d. Did your project involve collaboration with other businesses or organizations

☐ Yes ☑ No If yes, please describe:

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

Many rounds of enviromental studies needed due to all of the previous businesses in the area over the years, filling stations, auto service etc...

Would you recommend this program to other businesses? Why or why not?

Yes

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee Joel Saint John Date 7/31/26

Printed Name Joel Saint John Title Owner- The Mayhew LLC

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Personal Information

Grantee Name: Matthew Stone, Unimoose Enterprises LLC

Email address: Phone:

Project Information

Project Name: Unimoose Enterprises LLC Expansion

Project Start Date: April 15th, 2025 Project End Date: June 28th, 2025

Purpose of Grant Funding (one to two sentences):

To acquire additional equipment for operations and to upgrade company infrastructure.

Total Final Project Costs:

Approximately $30,317

Results

Did your project involve collaboration with other community partners or organizations? If so, please describe.

No

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Please describe how the project benefited your business and the direct or indirect impacts to economic development in Cook County (i.e. business creation and or expansion, job creation and/or retention, increase to local tax base, unmet services provided to visitors and residents, redevelopment, etc.)

This project has increased my fabrication capabilities immensely. This project funding has allowed me to be able to start mass producing artwork and fire suppression equipment from right in Grand Marais.

Please describe any changes to the project scope, budget or timeline you encountered. Be sure to note any challenges or unanticipated results, either positive or negative.

Unexpected costs ended up exceeding $6000 , but were not included in the total project cost as they were not discussed prior to the agreement between Unimoose and the EDA.

Certifications

The undersigned designated agent of this grant warrants: (1) that the above information is true and correct; (2) that the practices and expenses incurred were in accordance with the specifications and program requirements.

Signature of Grantee

Matthew Stone

Date

7/23/2025

Submission

*Please submit completed final report form to director@cookcountymneda.org

Please include with your final report submission:

- Please attach any relevant documents. This may include outcomes, photos, flyers, stories of impact to demonstrate results of this project.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: CedarSun Electric LLC

Authorized Representative: Stephen Kuchera

Email address: Phone:

Project Name:

CedarSun Electric Start-up.

Project Start Date: 9/2025 Project End Date: 1/01/2026

Total Final Project Costs: $ 16,758.10

Total Grant Amount Awarded: $ 10,000

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

CedarSun Electric is seeking funding for tools to support the start-up cost associated with launching our new electrical and solar business.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

The EDA grant funds allowed us to purchase the nessesary tools required for our electrical and solar business. We were not financially resourced to make these large purchases right away. This grant allowed us to take on more customers and secure larger jobs right away.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [ ] New product/service
- [x] Improved operations
- [x] Increased customer/revenue
- [x] Job Creation
- [ ] Job Retention
- [ ] Other

Details:

This grant allowed us to schedule more jobs, larger projects, complete jobs more efficiantly, and provide full time work for our employees.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

This project allowed us to focus on electrical upgrades to new and existing residential and business properties. This in turn will increase the value to the structures, therby increasing the local property tax base. Additionally, the company and team of employees will contribute to local taxes through income tax and sales tax expenditure. Our company also supports local businesses by purchasing many materials locally.
The is a high demand for skilled electricians, solar specialists and off-grid support in Cook County, especially in the remote areas of the Arrowhead region.

d. Did your project involve collaboration with other businesses or organizations

☐ Yes ☑ No If yes, please describe:

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

This grant and the tools it provided, succesfully propelled our new business forward. This has allowed us to reinvest our profits into business truck modifications and parts inventory. The challenges have been dealing with the SBDC and lack of communication since the beginning of our start-up process. This has caused many delays with applying for the original EDA grant and many mistakes related to Quickbooks and budget guidance.

Would you recommend this program to other businesses? Why or why not?

Yes absolutely. This is a wonderful program and a great resource for local businesses. We are satisfied with the ease of the process, the desire of the EDA to help us launch our business and the ability to invest in the business right away for a sucessful start-up.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee  Date 01/25/2026

Printed Name Stephen Kuchera Title Ownner

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.



THE NORTH SHORE JOURNAL

THE NORTH SHORE JOURNAL

Serving all residents, businesses and visitors in Lake, MN & Cook, MN Counties

Business Lifestyle

CedarSun Electric Opens This Fall

By **Steve Fernlund** July 24, 2025 2060 0



Steve and Wendi Kuchera.

CedarSun Electric LLC is a new, full-service electrical contractor based in Hovland, offering residential and commercial electrical services with a specialization in solar energy solutions. It is owned and operated by Cook County residents Steve and Wendi Kuchera. "We will be open for business this fall," Wendi said. They're ready to do everything from new construction to remodels and general troubleshooting.

The Kucheras met in Oregon almost 20 years ago.

Steve, who was raised in southeast Wisconsin, graduated from the University of Wisconsin-La Crosse in 2005 and then moved to Oregon. He became a journeyman electrician, working on commercial and residential projects, as well as doing repairs and maintenance.

Wendi grew up in Tucson, AZ, and moved to the Eugene, OR area in 2000. She was a landscape designer for 20 years. She managed an 11-acre city forest, which included a cemetery, before the couple relocated to Minnesota.

A couple of years ago, the Kucheras began searching for a place to move that offered a quieter lifestyle that would feed their need to be nearer to nature, for what Steve called "a fresh start. They were attracted to Cook County because of the Dark Sky Sanctuary, which is the Boundary Waters Canoe Area Wilderness. The county is renowned for its dark skies and is one of the best places in the country to see the Milky Way and the Northern Lights.

Having decided to move closer to family and choosing the Arrowhead as a preferred home, Wendi said, "We were having a hard time finding housing." She then posted on a Cook County-focused Facebook page seeking a rental property or house for sale. Almost instantly, she was notified about an off-grid home in Hovland that was for sale. A phone conversation with the seller led to an invitation for the couple to visit for a week. They learned all about the solar and water systems on the property during that visit and purchased it, which came with acres of mature cedar trees. They moved in last summer.

Steve immediately went to work earning his Minnesota journeyman electrician certification upon arrival. The combination of an aging workforce nearing retirement and increasing demand, particularly due to electrification and renewable energy, contributes to a noticeable shortage of licensed and experienced electricians across the Arrowhead region. This shortage is part of a broader national trend affecting many skilled trades.

"We will provide electrical services of all types," Steve said. "There is a lot of interest in off-grid power here, and a lot of people wanting solar have to go out of the county."

The Kucheras have found lots to enjoy during their first year in Hovland. "We both love the winter," Steve said. Wendi said she hated to see the snow melt. But she has another favorite thing about the North Shore, Lake Superior. This might surprise many Shore residents, but Wendi swims in the big lake almost daily, and likes it.

Wendi said that they are very grateful for the warm welcome they have received from the people who call Hovland home. One of their early excursions last summer was to the annual Hovland Arts Festival, an event held each year on the July 4th weekend. They were there this year, too. "We didn't know anyone there last year," Wendi said. "This year we knew many more."

The couple is excited to be here and looks forward to giving back to the community that has welcomed them.

As for the business, the self-described hardworking couple will, according to Steve, be driven by "honesty, integrity, transparency, and quality work."

If you're a homeowner, solar energy can be a wise investment. Being informed throughout the process, from initial assessment to ongoing maintenance, helps you maximize savings and enjoy clean energy for decades to come.

The folks at CedarSun Electric are here to assist you with all your electrical needs, and you can contact them by email at cedarsunelectric@gmail.com or follow them on Facebook at CedarSun Electric LLC.

Business Development Fund Grant Program

Final Report

Grantee Business Name: Fika Coffee

Authorized Representative: [redacted]

Project Start Date: May 2025

Project End Date: Jan. 2026

Total Final Project Costs: $ 40,033.99

Total Grant Amount Awarded: $ 25,000

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

The purpose of this grant request is to assist with the purchase of key production equipment that will significantly ease the physical demands on our team and prepare us for future growth

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

The Purchase of new equipment, weigh n fill machine, two coffee loaders and a continuous band sealer.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [ ] New product/service
- [x] Improved operations
- [ ] Increased customer/revenue
- [ ] Job Creation
- [x] Job Retention
- [ ] Other

Details:

The work of coffee production is not completed with less physical labor then before which is appreciated by staff. Also we are able to package our coffee a lot quicker now too.

4/28/26 - Josh Lindstrom confirmed 2 production jobs retained with expansion. Intend to add 3rd production team staff person when they see additional growth.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

Two main things.

1. A studio apartment was built attached the roastery so we now have employee housing.

2. Also the roastery itself as increased the tax base in the county too.

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

Just that I bought equipment from other businesses.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

The whole process is very well balanced and accessible. The application makes you think and do a little homework but it's not overwhelming and this is significant. Also going to the board to share briefly about the project was a good thing as well.

Would you recommend this program to other businesses? Why or why not?

I would recommend this to other businesses because it's well worth the time and energy that you put into it.

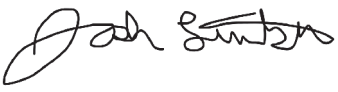
4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee  Date 04/14/2026

Printed Name Joshua Lindstrom Title Owner

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.


AAE



COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: Ruby Loon Graphics, LLC

Authorized Representative: Jessica Jacobsen Smith

Email address: Phone:

Project Name:

Project Start Date: March 1, 2025 Project End Date: Aug 1, 2025

Total Final Project Costs: $ 6706.2

Total Grant Amount Awarded: $ 5,997.98

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

Ruby Loon Graphics LLC is a for-profit apparel decorating company. I customize clothing and other items using screen printing technology and heat transfers.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

I was able to purchase new equipment to get started.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [x] New product/service
- [ ] Improved operations
- [x] Increased customer/revenue
- [x] Job Creation
- [ ] Job Retention
- [ ] Other

Details:

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

Filling an unmet need. One example: I have been able to get some Cook County spirit wear into a local grocery store. As of now that is the only place to buy spirit wear. I am hoping to increase what I can offer.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

Talking to Johnson's Foods to sell my products.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

Having someone (SBDC) to guide me through the process was extremely helpful. The biggest challenge has been doing everything myself. Takes a lot more time to accomplish something when I am the only one working on my business.

Would you recommend this program to other businesses? Why or why not?

Yes. It helped get my feet off the ground and able to start making and selling products.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee *Jessica Jacobsen Smith* Date 3-23-26

Printed Name Jessica Jacobsen Smith Title Owner

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: Raven Moon Ridge LLC

Authorized Representative: Marybeth Garmoe

Email address: Phone:

Project Name:

Off-grid short term yurt rental installation of small solar panel system and a mobile charging unit

Project Start Date: 7/1/2025 Project End Date: 11/1/2025

Total Final Project Costs: $ 1943.45

Total Grant Amount Awarded: $ 3196.20

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

The primary purpose of this project was to install a solar panel system and a mobile charging unit to provide renewable energy to the yurt. The former off-grid setup lacked a sustainable energy solution, which led to reliance on a generator and battery-operated lighting that negatively impacted the environment. As demand for eco-tourism and sustainable travel experiences continues to increase, it felt critical to stay ahead of these trends by incorporating renewable energy into the yurt's infrastructure.

With the installation of the small solar panel system, the yurt now has a consistent and environmentally-friendly power source. Additionally, the mobile charging unit address the practical needs of guests who rely on their mobile devices for communication, navigation, and emergency purposes during their stay.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

The primary outcome of our project was the purchase of solar panels, wiring, mounting equipment, and an easy to use, all-in-one battery system/mobile charging unit.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- ☐ Business Expansion
- ☐ New product/service
- ☑ Improved operations
- ☑ Increased customer/revenue
- ☐ Job Creation
- ☐ Job Retention
- ☐ Other

Details:

With the addition of solar-powered lighting, cooling fans and the ability to charge devices, guests are having a more comfortable and enjoyable stay. This enhances their overall experience and improve reviews, resulting in increased bookings and higher demand. This system has also streamlined the cleaning and maintenance of the yurt.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

This project will have a lasting impact on Cook County by directly increasing the local tax base by increasing the nightly fee and booking rates for the yurt, thus increasing the amount of lodging tax that will be paid to Cook County each year. Furthermore, an additional housing option on busy weekends in Cook County continues to allow for increased tourism dollars to be spent in the area. As our family also lives in Cook County, the profits from the yurt rental mostly stay in the county as our family tries to purchase through local channels as much as possible, thereby further increasing the amount of sales tax that remains in Cook County.

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

We chose to work with the local company Electroshem Solutions LLC to provide the solar panels and installation hardware, rather than the large corporation EcoFlow that we originally received quotes from. Working with a local company resulted in a much lower overall cost.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

Overall everything has worked well and we have acheived our goals. Our plan is to change the solar panel location to the top of a (yet unbuilt) wood shed to increase the solar gain - a project for this coming spring. A great reminder that projects are often more complicated than anticipated!

Would you recommend this program to other businesses? Why or why not?

Absolutely! I have recommended this program to numerous local small business owners. The application is straight forward, and the process is fairly easy to navigate. Many thanks for the ways you help our local businesses!

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee Marybeth Garmoe Date 3/22/2026

Printed Name Marybeth Garmoe Title Owner

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: Sydney's Frozen Custard LLC

Authorized Representative: Bruce Block

Email address: [redacted] Phone: [redacted]

Project Name:

Recovery from Fire

Project Start Date: May 05, 2025 Project End Date: August 11, 2026

Total Final Project Costs: $ 49, 717

Total Grant Amount Awarded: $ 21,095

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

Sydney's was significantly damaged from an electrical fire that happened in 2023. Rebuilding involved several stages as I attempted to do what I could with the funds I had available to me at the time. Because the bank required that I pay off my mortgage when the fire happened, I had limited unencumbered cash to operate from. With the EDA funding I wanted to establish a grill in the previous pizza kitchen, improve the entry to the restaurant dining area, and finish the dining area and bathrooms.

Was the project completed as originally proposed?

☐ Yes ☑ No – If no, describe changes below:

There were a number of issues with getting full approval to enact the grant after the board had approved it, which may have been the result of the departure of the executive director in place when the funding was first awarded.

As a result, the initial costs that I had asked for grant funds to cover were not eligible for reimbursement. The committee graciously offered to support a new set of expenses related to the same overarching objective of rebuilding after the fire.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

The seating in the restaurant (indoor and outdoor) is re-established with good looking solid furniture. This Labor Day every seat was filled in some areas and it was incredibly rewarding to see all the happy families enjoying the beauty of Grand Marais's East Bay from Sydney's.

The grill was developed and operated as an adjunct kitchen offering smashburgers, fries, gyros, and Chicago Dogs.

Refrigeration equipment, critical for restaurant operation, was purchased and established to support full-scale operation.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [x] New product/service
- [x] Improved operations
- [x] Increased customer/revenue
- [x] Job Creation
- [x] Job Retention
- [ ] Other

Details:

This project aided in the rebuilding of Sydney's. It helped re-establish our grill operation with expanded menu. Also, it allowed us to re-open our dining room and improved seating options for visitors. The new refrigeration significantly improved the efficiency and operational capacity of the restaurant as well as reduced the waste heat generated by our previous struggling refrigera

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

The EDA funding helped reestablish a lakefront business that has been operational for 25 years. We provide families and patrons memorable and affordable lakeshore access. The restaurant sustained a larger staff than usual due to increased operations--employing three local residents in addition to our Twin Cities and J1 student workers.
The new seating has filled-out our outdoor dining experiences (lakeside and rooftop) that visitors treasure. Completion of the indoor dining has been critical for the shoulder seasons when it is too cold and/or windy to eat comfortably outdoors. We have enough seating in each of our dining areas to host music events featuring local musicians.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

We hired local electricians, refrigeration, and insulation companies. We bought many materials through local hardware and lumber stores.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

It seemed in the beginning that the EDA did not understand the demands they added after the award would be significantly impactful on my cash flow which of course was a reason I was seeking support. The delay in funding meant that I was required to try and do the rebuild while operational, as the season is so incredibly short here. In order to use the grant and move the project forward, I had to keep changing focus. I am very thankful for Lucas' leadership.

Would you recommend this program to other businesses? Why or why not?

I would recommend the program. In this challenging business environment that, for most of us, is limited to seasonal operations, an influx of cash has the potential to allow growth that can otherwise by stymied by the seasonal cycle of cash flow.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee B Block Date 9/7/26

Printed Name Bruce Block Title 9/7/26





COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: Common Ground Home Services

Authorized Representative: Brandon Gillespie

Email address: Phone:

Project Name:

Common Ground Home Services Equipment and Operations Capacity Project

Project Start Date: 3/19/2026 Project End Date: 3/23/2026

Total Final Project Costs: $ 5,223.54

Total Grant Amount Awarded: $ 4,729.05

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

Grant funding was used to build the operating capacity of Common Ground Home Services by purchasing professional-grade tools, equipment, and storage needed to provide reliable handyman, repair, maintenance, and small improvement services for full-time residents and property owners in Cook County. The main goal was to help establish a local, service-based business that fills an unmet need in the Lutsen/Grand Marais area and allows work to be completed more efficiently, safely, and professionally.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

The project was completed substantially as proposed. Any changes were limited to practical equipment substitutions or purchasing decisions needed to stay within the approved budget, improve usefulness, or respond to availability and pricing. The overall purpose of the project remained the same: building the equipment base and operating capacity needed to serve local customers.

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

The project helped Common Ground Home Services purchase and put into service key tools and equipment needed for day-to-day handyman and repair work. This included professional-grade power tools, jobsite equipment, and organization/storage improvements that make it possible to complete a wider range of projects with better efficiency and quality. The business is now better equipped to respond to customer needs, complete jobs more safely, and take on additional small repair, maintenance, and improvement projects in the community.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [x] New product/service
- [x] Improved operations
- [x] Increased customer/revenue
- [ ] Job Creation
- [ ] Job Retention
- [ ] Other

Details:

The grant strengthened the business by improving operations, expanding the services I can offer, and increasing the number and type of customer projects I can accept. Having the right equipment reduces setup time, improves job quality, and makes the business more dependable and professional for local customers.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

This project contributes to economic development in Cook County by helping establish and grow a needed local service business. Common Ground Home Services helps fill a gap for residents and small property owners who need reliable handyman, repair, and maintenance work. Keeping this work local supports the local tax base, improves housing and property conditions, reduces the need to bring in services from outside the county, and creates the foundation for future business growth and possible job creation.

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

Yes. The project involved working with local customers, suppliers, and community resources as the business developed. The business also benefits from local referrals and relationships with residents and property owners who need dependable repair and maintenance services. These collaborations help keep work and spending within Cook County whenever possible.

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

What worked well was being able to purchase practical equipment that immediately improved efficiency and professionalism. The grant helped remove an early barrier for a small start-up business by making essential tools and setup costs more manageable. Challenges included balancing the budget with changing prices, choosing the most useful equipment for the widest range of jobs, and building systems while also responding to customer demand.

Would you recommend this program to other businesses? Why or why not?

Yes. I would recommend this program to other local businesses because it provides practical support at a stage when a small investment can make a major difference. For a small business, the program helps turn a plan into usable capacity, improves the ability to serve customers, and supports local economic activity in a direct and measurable way.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee Brandon Gillespie Date ENTER DATE

Printed Name Brandon Gillespie Title Owner

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

Business Development Fund Grant Program

Final Report

Grantee Business Name: North Road Knits

Authorized Representative: Jamie Rex

[redacted]: [redacted] [redacted]

Project Name: Yarn dyeing

Project Start Date: 3-18-2026 Project End Date: 8-27-26

Total Final Project Costs: $ 2,549.65

Total Grant Amount Awarded: $ 2,691.16

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

To obtain the supplies needed to begin dyeing my own yarn. I wish to sell the yarn directly to my customers and will also use the yarns I dyed to knit my finished projects I sell.

Was the project completed as originally proposed?

☒ Yes ☐ No – If no, describe changes below:

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

I obtained the equipment necessary to begin dyeing my yarn. I have dyed several single skeins and am already using them in the knits I'm selling. I am now in the process of duplicating my recipes so I can sell multiple yarns of the same colors.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [x] New product/service
- [ ] Improved operations
- [x] Increased customer/revenue
- [ ] Job Creation
- [ ] Job Retention
- [ ] Other

Details: I am now able to provide my customers with locally dyed yarns when they visit Grand Marais. The yarns are also opening up new customers that are asking when they can purchase.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

These hand dyed yarns are bringing more curiosity from visitors to come in person. There will also be increased traffic and taxes generated from these visits. Because of the process used, I can also begin to offer classes in the future which will increase revenues locally as well.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

EDA

d. Did your project involve collaboration with other businesses or organizations

☐ Yes ☒ No If yes, please describe:

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

The main challenges were just learning and understanding the application and grant processes. Questions I had were answered quickly and the staff were amazing to work with.

Would you recommend this program to other businesses? Why or why not?

Yes. This is such a great resource for small business expansion in the community.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee Jamie Rex Date 8-27-26

Printed Name Jamie Rex
North Road Knits Title Owner








459
Inter
439
Equal


ATTENTION


Dharma Trading Co.
Dharma Acid Dye
DAD 444
DAD 470
DAD 478
DAD 477
nutrichef™




Java Moose
GRAND MARAIS, MN



Business Development Fund Grant Program

Final Report

Grantee Business Name: Refugia Designs LLC

Authorized Representative: Alisa Berns

Email address: Phone:

Project Name:

Floral Cooler Purchase

Project Start Date: 3/18/26 Project End Date: 10/31/26

Total Final Project Costs: $ 4,500

Total Grant Amount Awarded: $ 4,500

1. Project Overview

Purpose of Grant Funding (from your application):

(Briefly restate the main goal of your project.)

To increase flower sales from our cut flower farm by enabling greater holding capasity with a larger cooler. In alignment with our farm's growing space expasion, a larger floral cooler will allow us to hold more flowers over a longer window thereby increasing our ability to expand into a diversity of direct sales markets.

Was the project completed as originally proposed?

☑ Yes ☐ No – If no, describe changes below:

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

2. Project Results and Impact

a. What was achieved?

Describe the primary outcomes of your project (for example: new equipment purchased, space renovated, property improved, etc.)

Gently used floral cooler was purchased from Sandi McQuatters at Terra Bella Floral in late March.

b. How did this project impact your business?

Check all that apply and provide short summary of details:

- [x] Business Expansion
- [ ] New product/service
- [ ] Improved operations
- [x] Increased customer/revenue
- [ ] Job Creation
- [ ] Job Retention
- [ ] Other

Details:

Our growing season hasn't come into full swing yet as planting is just slated for next week. However I have begun pulling tulips and am holding them in the ample cooler space until the first Farmers market in a few weeks. I anticipate having finally adequate cooler space for flower harvests once everything is coming on, towards mid-July.

c. How did this project contribute to economic development in Cook County?

(Examples: new jobs, increased tax base, filling an unmet need, improved visibility, collaboration, blight removal, etc.)

The anticipated outcome of this project is to supply the community with fresh grown flowers in direct farmers market sales, wholesale grocery as well as to the emerging florists.
Offering a locally grown flower alternative will contribute to the local tax base and create a seasonal job position for harvest days.

d. Did your project involve collaboration with other businesses or organizations

☑ Yes ☐ No If yes, please describe:

The Cook County Whole Foods Co-op, the Northwoods Food Project and hopefully local florist businesses. (TBD)

3. Reflection and Lessons Learned

What worked well, and what challenges did you encounter?

Overall the grant was a great opportunity to acquire a cooler for my emerging business. The timeline was a bit tricky to navigate with agreements to buy the cooler but needing to wait for grant approval, but it still worked well in the end.

Would you recommend this program to other businesses? Why or why not?

Yes, it is very encouraging to a business owner to take on additional risk with a business expansion with the support of the EDA behind you.

4. Attachments

Please attach any supporting documentation that helps show project outcomes, such as:

- Photos of completed work or improvements
- Media coverage or promotional materials
- Customer or community feedback
- Measurable data (sales growth, new hires, etc.)

Certification

I certify that the information provided in this report is true and complete, and that all project costs and match expenditures were incurred and paid in accordance with the executed Grant Agreement.

Signature of Grantee  Date 5/20/26

Printed Name Alisa Berns Title owner

Submission

Please submit completed final report form to: Cook County EDA, PO Box 597, Grand Marais, MN 55604 or via email to director@cookcountymneda.org.


BUSH
REFRIGERATION