

A G E N D A

COOK COUNTY BOARD OF COMMISSIONERS

REGULAR MEETING COURT HOUSE, GRAND MARAIS, MN OCTOBER 18, 2016

Please note that all times are estimated and changes of times could occur during the meeting.

- 8:30 a.m. HUMAN SERVICES BOARD
- 10:30 a.m. B R E A K
- 10:45a.m. 1. Call meeting to order
 Pledge of Allegiance
 Make adjustment to agenda
2. PUBLIC COMMENT PERIOD: Opportunity for citizens to appear before
 the County Board.
3. Consent Agenda items: Action as a whole.
 A. Claims
 B. Permission to proceed with plat. Bill Lane
 C. Donation. Pat Eliassen/Braidy Powers
- 11:00 a.m. 4. Todd Smith, Assessor
 A. New Hire Residential Appraiser. Action
- 11:15 a.m. 5. David Betts, Engineer/Ag. Inspector
 A. Final Payment, SP 016-012-073. Action
- 11:20 a.m. 6. Braidy Powers, Auditor-Treasurer
 A. RLF Loan-Chmelik. Action
 B. 47N90W Enterprises Revolving Loan Request. Action
 C. Subordination Agreement & Mortgage. Action
- 11:35 a.m. 7. Jeff Cadwell, Administrator
 A. Class Comp Study Market Peer Group. Action
- 11:45 a.m. 8. Employee Concerns
 Commissioner Concerns
 A. Commissioner Reports
 B. Meetings to note
 C. Meeting updates
 D. WTIP interview on 10/19/2016: Commissioner Moe

- 11:50 a.m. 9. Correspondence – Memos:
A. Cook County 1% Local Option Sales Tax. Information.
B. Letter from ATV Club. Information.
C. Cook County/Grand Marais EDA meeting materials. Information.

L U N C H

The afternoon session is in the ITV room.

- 1-3 p.m. 10. Jeff Cadwell, Administrator
A. Non-Mandated Discretionary budget requests.

A D J O U R N

* * * *

NOTE: On Tuesday, Oct. 25th there will be a presentation to our County Board and Elected Officials at 2-4 p.m. on “Public Information for Elected Official” by Joseph Kelly. This is not a formal Cook County Board of Commissioner’s meeting. However a quorum of the Cook County Commissioners may be in attendance. No action will be taken.
There will also be a public meeting on Oct. 19th in the Commissioner’s room from 6-8 p.m. about what county services are available. A quorum of Cook County Commissioners may be in attendance.

Cook County

e-mail form

Request for Time

3. B.

Before the Board of Commissioners

1.	a. Topic or Issue: (As should be listed on agenda) Permission to proceed with plat	b. Requested Date: October 18, 2016	c. Amount of time with Board 10 min	Consent Agenda <input checked="" type="checkbox"/>
2.	a. Person requesting/presenting Bill Lane	b. Phone: 3635	c. Email: bill.lane@co.cook.mn.us	
3.	a. Departments affected: Land Services	b. Department Head: Tim Nelson	c. Dept been contacted? Yes	
4.	a. Has the Board addressed this before? ^{NO}	b. If so, When? n/a	c. What was the result? n/a	
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified? MIS Dept will be involved as process proceeds. Plat review will go to multiple LGU's.			
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): Section 9.1 (A) of the Cook County Subdivision Ordinance states that plats without connectivity to County roads must receive permission from the Board to proceed with the platting process. Leonard and Lennie Sobanja are about to submit a 4 lot plat adjacent to, but not directly connected with Sobanja Lane, a County-maintained roadway. To adhere to ordinance constraints, they need approval from the Board of Commissioners to proceed with their proposed plat.			
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider). Please see attachments.			
8.	How will this request affect the County Budget? Will ultimately result in an increase in taxable properties in Cook County			
9.	Have funds been budgeted/allocated for this request? n/a			
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.): n/a			

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	County Attorney Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>

Date: October 12, 2016

Submitted by: Bill Lane

Department of Land Services
Planning and Zoning Administrator

Re: Request to the Board of Commissioners for permission to proceed with a plat without direct county road connectivity.

Leonard and Lennie Sobanja are moving forward with their application to create a 4 lot plat on a 40-acre parcel adjacent to Sobanja Lane. Before doing so, however, they will need approval from the Cook County Board of Commissioners to adhere to Section 9, of the Cook County Subdivision Ordinance. Specifically, Section 9.1 (A) states:

When a proposed road does not connect directly with an existing County Road, the property owner must receive permission from the County Commissioners prior to receiving preliminary approval from the Zoning Administrator or Planning Commission to proceed with a plat or lot division. Approval of subdivisions may be conditioned upon meeting legal access requirements as set forth by the County Commissioners.

Access to the Sobanja plat will occur through private road easements which interrupt connectivity between the plat and a county-maintained travel corridor.

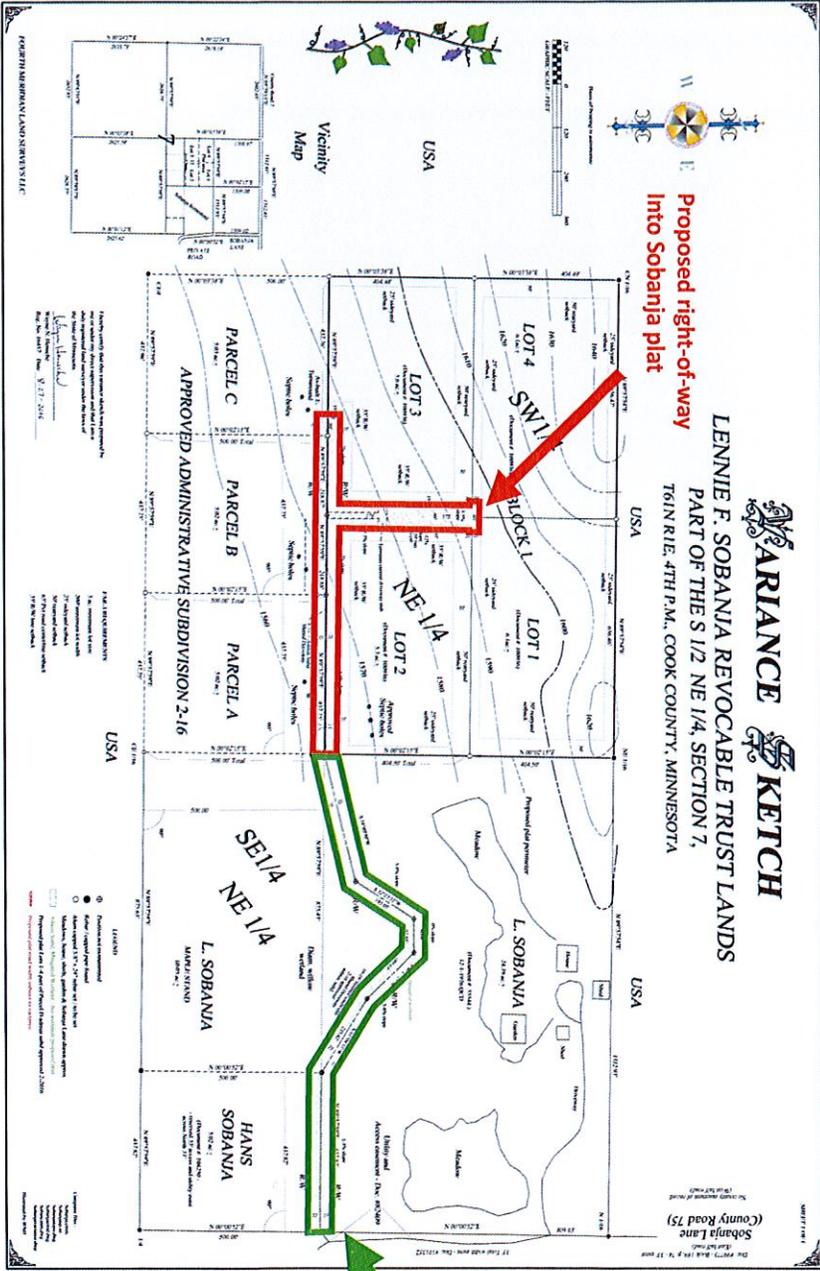
The Sobanjas' original intent was to complete the parcel creation through the administrative subdivision process. However, they viewed the mandatory 2-year wait from initial to subsequent divisions as an impediment to conservative land ownership and sought Land Services direction on the proper path forward.

It is Land Services opinion that platting is the proper venue for the Sobanjas, from both an ownership and planning perspective. Based upon an October 1, 2016 submittal, the preliminary plat will be presented to the Planning Commission on November 9, with subsequent presentation to the Board of Commissioners.

Land Services respectfully asks the Board of Commissioners for permission to allow the Sobanjas to proceed with their platting process, as defined in Section 9.1 (A) of the Cook County Subdivision Ordinance, mindful that all other platting requirements shall be met during the review and implementation of the plat.

Proposed right-of-way
Into Sobanja plat

VARIANCE **KETCH**
LENNIE F. SOBANIA REVOCABLE TRUST LANDS
PART OF THE S 1/2 NE 1/4, SECTION 7,
T6N R1E, 4TH P.M., COOK COUNTY, MINNESOTA



Private easement with
access to Sobanja Lane

**Cook County
Request for Time**

e-mail form

Before the Board of Commissioners

3.C.

1.	a. Topic or Issue: (As should be listed on agenda) Donation	b. Requested Date: 10/18/16	c. Amount of time with Board Consent Agenda <input checked="" type="checkbox"/>
2.	a. Person requesting/presenting Pat Eliason/Braidy Powers	b. Phone:	c. Email:
3.	a. Departments affected:	b. Department Head:	c. Dept been contacted?
4.	a. Has the Board addressed this before?	b. If so, When?	c. What was the result?
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?		
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): Approve a donation of \$1867 from Bethlehem Lutheran Church to the Sheriff's Department toward the purchase of a mobile command trailer.		
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider). This is the recently approved purchase of a trailer for Search and Rescue.		
8.	How will this request affect the County Budget?		
9.	Have funds been budgeted/allocated for this request?		
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.):		

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	County Attorney Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>

**Cook County
Request for Time**

e-mail form

4.A.

Before the Board of Commissioners

1.	a. Topic or Issue: (As should be listed on agenda) Assessor's Office new Hire	b. Requested Date: October, 18 2016	c. Amount of time with Board 10 minutes
2.	a. Person requesting/presenting Todd W Smith	b. Phone: 218-387-3652	c. Email: todd.smith@co.cook.mn.us
3.	a. Departments affected: Assessor's	b. Department Head: Todd smith	c. Dept been contacted? Yes
4.	a. Has the Board addressed this before? No	b. If so, When?	c. What was the result?
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified? No		
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): Approve the hiring of Robert J. Thompson as new staff assessor. <i>B32-2 step 4</i>		
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider). Mr. Thompson has a Certified Minnesota Assessor license, has been an appraiser in MN. for approx. 13 years and is also a licensed MN. Realtor. He also has a construction background and is an avid outdoor person. His background fits with the qualities necessary for a successful career here in Cook.		
8.	How will this request affect the County Budget? N/A		
9.	Have funds been budgeted/allocated for this request? Yes		
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.): Already in the current budget under employee expenses.		

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	County Attorney Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input checked="" type="checkbox"/>

**Cook County
Request for Time**

e-mail form

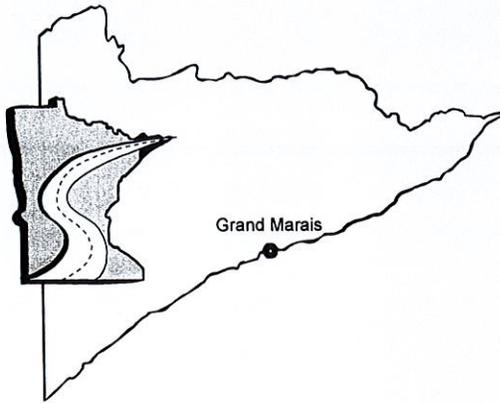
Before the Board of Commissioners

5.A.

1.	a. Topic or Issue: (As should be listed on agenda) Final Payment, SP 016-012-073	b. Requested Date: 10/18/16	c. Amount of time with Board 5 minutes
2.	a. Person requesting/presenting David Betts	b. Phone: 218-387-3695	c. Email: david.betts@co.cook.mn.us
3.	a. Departments affected: Hwy Dept	b. Department Head:	c. Dept been contacted?
4.	a. Has the Board addressed this before? No	b. If so, When?	c. What was the result?
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?		
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): We recommend that the County Board accept the project and authorize final payment in the amount of \$96,154.50 to KGM Contractors, Inc.		
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider). Please see attached memo.		
8.	How will this request affect the County Budget? Neutral		
9.	Have funds been budgeted/allocated for this request? Yes		
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.): CSAH Funds		

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	County Attorney Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>



Cook County Highway Department

609 East 4th Ave
Grand Marais, Minnesota 55604-2308
Phone (218) 387-3014 Fax (218) 387-3012

MEMO

TO: Cook County Board of Commissioners

FROM: David L. Betts, P.E.
County Highway Engineer *DLB*

DATE: October 11, 2016

RE: CSAH 12 Grading & Bituminous Surfacing
SP 016-612-073
Final Payment

KGM Contractors, Inc. has requested final payment of \$96,154.50 on SP 016-612-073 CSAH 12 Grading & Bituminous Surfacing. The work has been completed and final inspection has been performed.

The Contractor's original bid was \$2,047,778.01. Final construction cost was \$1,896,371.24, 92.6 percent of the original bid. These savings resulted from better-than anticipated subgrade conditions and normal deviations in contract quantities.

Federal monies funded \$583,853.19 of construction costs, with the balance coming from Regular (CSAH) State Aid funds.

We recommend that the County Board accept the project and authorize final payment in the amount of \$96,154.50 to KGM Contractors, Inc.

/ls

**Cook County
Request for Time**

e-mail form

6. A.

Before the Board of Commissioners

1.	a. Topic or Issue: (As should be listed on agenda) RLF Loan - Chmelik	b. Requested Date: 10/18/16	c. Amount of time with Board 5 minutes	Consent Agenda <input type="checkbox"/>
2.	a. Person requesting/presenting Mike Chmelik/Braidy Powers	b. Phone:	c. Email:	
3.	a. Departments affected:	b. Department Head:	c. Dept been contacted?	
4.	a. Has the Board addressed this before?	b. If so, When?	c. What was the result?	
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?			
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): Approve a 20 year revolving loan for up to \$75,000 to Mike and Teresa Chmelik for the Croftville Road Cottages, to be paid in increments based upon benchmarks developed by the RLF Committee, the first benchmark being the opening of two units by end of 2016, at an interest rate of 1% over the ten year treasury bond with 2nd position mortgage on the building as collateral, all dependent on GMSB resetting their loan to 5 years.			
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider). See attached revolving loan fund committee minutes from October 3, 2016. The GMSB loan has been reset to 5 years as requested.			
8.	How will this request affect the County Budget?			
9.	Have funds been budgeted/allocated for this request?			
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.):			

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	County Attorney Contacted: YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>

Revolving Loan Fund

Minutes

October 3, 2016

Commissioner's Board Room

Members present: Braidy Powers, Karen Blackburn, Hal Greenwood, Bruce Kerfoot, Gene Erickson, Pat Campanaro, Scott Harrison and Garry Gamble

Members absent: John Lindell, Molly Hicken

Chair Hal Greenwood called the meeting to order at 8:30 AM.

Minutes from August 1, 2016 were reviewed and approved. Motion made by Pat Campanaro, seconded by Bruce Kerfoot to approve the minutes.

Materials were provided by Michael Chmelik (not present) for completing the Inn portion of the Croftville Road Cottages – including a cash flow analysis.

Bruce Kerfoot and Pat Campanaro reviewed their meetings with Mr. Chmelik and Mike Lavigne (Grand Marais State Bank). The meeting with GMSB resulted in Mr. Chmelik's loan rate being reduced by $\frac{1}{2}\%$ - from $5\frac{3}{4}\%$ to $5\frac{1}{4}\%$ until 2018. Chmelik has also met with other funders to ask for increased loans – these loans have not been approved. The committee discussed the merits of the project and the position the Chmelik's are in at the moment. After much discussion the following motion was made:

Motion by Gene Erickson, seconded by Hal Greenwood to have Scott Harrison and Bruce Kerfoot approach GMSB and ask them to reset the loan now for 5 years with interest only payments until May 2017 (understanding the interest only payments are very unlikely to happen). In addition, the RLF will loan the Chmelik's up to \$75,000 in increments. The increment loans will be made when certain benchmarks have been reached. The first benchmark is completion of the first 2 units in the lodge. Pat Campanaro will work with the Chmelik's to set the other benchmarks. All eyes, motion passed.

Meeting adjourned at 9:30 AM – motion made by Erickson and seconded by Bruce Kerfoot.

**Cook County
Request for Time**

e-mail form

Before the Board of Commissioners

6.B.

1.	a. Topic or Issue: (As should be listed on agenda) 47N90W Enterprises Revolving Loan Request	b. Requested Date: 10/18/16	c. Amount of time with Board 5 minutes	Consent Agenda <input type="checkbox"/>
2.	a. Person requesting/presenting Mike Larson/Braidy Powers	b. Phone:	c. Email:	
3.	a. Departments affected:	b. Department Head:	c. Dept been contacted?	
4.	a. Has the Board addressed this before?	b. If so, When?	c. What was the result?	
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?			
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): Approve a 20 year revolving loan to Mike Larson and Stephen Surbaugh, 47N90W Enterprises, LLC, for purchase and remodel of the Norshor Building at an interest rate of 1% over the ten year treasury bond with 2nd position mortgage on the building as collateral.			
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider). See attached revolving loan fund committee minutes from August 1, 2016. The questions in the minutes have been answered. The plan presented to the committee is to keep the current commercial tenants on the first floor and convert the 2nd floor into three rental units for employee housing.			
8.	How will this request affect the County Budget?			
9.	Have funds been budgeted/allocated for this request?			
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.):			

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted:	County Attorney Contacted:
YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>

Revolving Loan Fund

Minutes

August 1, 2016

Commissioner's Board Room

Members present: Braidy Powers, Karen Blackburn, Hal Greenwood, Bruce Kerfoot, Gene Erickson, John Lindell, Pat Campanaro, Scott Harrison, Molly Hicken and Garry Gamble

Members absent: None

Chair Hal Greenwood called the meeting to order at 8:30 AM.

Minutes from July 21, 2016 were reviewed and approved. Motion made by Pat Campanaro, seconded by Bruce Kerfoot to approve the minutes.

Materials provided by Michael Chmelik for completing the Inn portion of the Croftville Road Cottages were reviewed by the committee and a list of questions was developed for addressing with Mr. Chmelik.

Mr. Chmelik joined the meeting at 8:50. Much discussion followed concerning his occupancy rates, current loans, marketing plans and completion plans.

The committee planned a walk through of the property for Thursday, August 11 at 10 AM. Those members that can attend, will.

John Lindell and Pat Campanaro agreed to meet with Mr. Chmelik and work with him on restructuring his current loan with Grand Marais State Bank. This meeting will occur this week and the committee supported the three of them talking directly with Grand Marais State Bank.

No further action was taken. Mr. Chmelik left the meeting at 9:35.

At 9:35 Mike Larsen joined the meeting to discuss a loan to complete the financing of purchasing and renovating the Norhshor building located at 204 1st Ave West in Grand Marais by his company 47N90W Enterprises, LLC. The building will be renovated to increase the potential for residential properties – mainly for employee housing. The current commercial leasers would stay in place on the first floor.

Motion made by Gene Erickson, seconded by Pat Campanaro to approve a 20 year loan for \$75,000 contingent upon Mike Larson satisfying the concern that the building's cash flow loss can be supported by Cascade Vacation Rentals, LLC and that 47N90W will provide more information regarding the \$125,000 "other" funding that will complete the financing package. All Ayes, motion passed.

Meeting adjourned at 10:15 AM – motion made by Blackburn, seconded by Erickson

Request for Time

Before the Board of Commissioners

6.C.

1.	a. Topic or Issue: (As should be listed on agenda) Subordination Agreement & Mortgage	b. Requested Date: 10/18/16	c. Amount of time with Board Consent Agenda <input type="checkbox"/>
2.	a. Person requesting/presenting GMSB/Braidy Powers	b. Phone:	c. Email:
3.	a. Departments affected:	b. Department Head:	c. Dept been contacted?
4.	a. Has the Board addressed this before?	b. If so, When?	c. What was the result?
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?		
6.	<p>BOARD ACTION REQUESTED(detail what you seek from the board, including motion/vote):</p> <p>Approve an amendment to a mortgage dated January 8, 2016 between N & L Samari Properties LLC, Mortgagor, and Cook County, Mortgagee, to increase the not to exceed principal balance that the Mortgagee will subordinate to from \$171,600 to \$227,625.</p> <p>Approve the subordination of the Cook County lien on Lot 3, Block 5, Cedar Grove Business Park, evidenced by a mortgage dated January 8, 2016 between N & L Samari Properties LLC, Mortgagor, and Cook County, Mortgagee in the amount of \$52,200, to the Grand Marais State Bank mortgage on the same property in the amount of \$227,625.</p>		
7.	<p>BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider).</p> <p>See attached mortgage amendment to the County's Revolving Loan mortgage with N & L Samari Properties LLC. See attached subordination agreement with Grand Marais State Bank.</p> <p>When the county approved the loan in January 2016 the bank loan we would subordinate to was expected to not exceed \$171,600. In the year of preparation for construction the amount needed by Samari from the bank increased due to increased living space and price of construction. A commercial appraisal was completed in August 2016 estimating a market value at completion of \$350,000. The combined loans from GMSB and Cook County are 79% of appraised value. The county was also given collateral on business property in Ottertail County. GMSB has closed on the loan to Samari and recorded a mortgage of \$227,625.</p>		
8.	How will this request affect the County Budget? NA		
9.	Have funds been budgeted/allocated for this request?		
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.):		

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted:	County Attorney Contacted:
YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>

(Top 3 inches reserved for recording data)

**SUBORDINATION AGREEMENT
by Business Entity**

DATE: _____, 2016

FOR VALUABLE CONSIDERATION, the undersigned hereby subordinates the lien on real property in Cook County, Minnesota, legally described as follows:

Lot 3, Block 5, CEDAR GROVE BUSINESS PARK, according to the plat thereof on file and of record in the office of the Cook County, Minnesota, Recorder.

which is evidenced by a Mortgage dated January 8, 2016, and recorded on January 22, 2016, as Document Number 122745, in the Office of the County Recorder of Cook County, Minnesota, to a subsequent lien evidenced by a Mortgage from N & L Samari Properties, LLC to Grand Marais State Bank, in an amount not to exceed Two Hundred Twenty Seven Thousand Six Hundred Twenty Five and 00/100 Dollars (\$227,625.00) and recorded on _____, 2016, as Document Number _____, in the Office of the County Recorder of Cook County, Minnesota.

COOK COUNTY

By: _____
Its:

By: _____
Its:

State of Minnesota, County of Cook

This instrument was acknowledged before me on _____, 2016, by _____ as _____ and by _____ as _____ of COOK COUNTY.
(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

(Top 3 inches reserved for recording data)

**AMENDMENT OF MORTGAGE
by Business Entity Borrower**

THIS IS A MORTGAGE AMENDMENT, AS DEFINED IN MINN. STAT. 287.01 SUBD. 2, AND AS SUCH IT DOES NOT SECURE A NEW OR AN INCREASED AMOUNT OF DEBT.

THIS AMENDMENT OF MORTGAGE is made _____, 2016 by and between **N & L SAMARI PROPERTIES, LLC** a limited liability company under the laws of **Minnesota** ("Borrower"), and **COOK COUNTY**, ("Lender").

Borrower and Lender agree as follows:

1. Lender is the owner and holder of indebtedness (as evidenced by a promissory note or other document) in the original principal amount of **\$52,500.00** owed by Borrower, dated **January 8, 2016** (the "**Indebtedness**"), which is secured by a mortgage on real estate owned by Borrower, situated in the County of **Cook**, Minnesota and recorded on **January 22, 2016**, as Document Number **122745**, in the Office of the County Recorder of **Cook County**, Minnesota (the "**Mortgage**").
2. The Mortgage is hereby amended as follows: Page 2 of the Mortgage provides that Mortgagor will place one or mortgages on the real property located in Cook County, Minnesota, legally described as Lot 3, Block 5, CEDAR GROVE BUSINESS PARK, not to exceed the principal balance of \$171,600.00. Said provision is hereby amended to reflect that Mortgagor will place a mortgage on said real property located in Cook County, Minnesota, in favor of Grand Marais State Bank in an amount not to exceed \$227,625.00.
3. All stipulations, provisions, conditions, and covenants of the Mortgage shall remain in full force and effect except as herein modified.

Borrower:

N & L SAMARI PROPERTIES, LLC

By: _____
Its: _____

State of Minnesota, County of _____

This instrument was acknowledged before me on _____, 2016, by _____ as _____ of **N & L SAMARI PROPERTIES, LLC.**

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

Lender:

COOK COUNTY

By: _____
Its: _____

By: _____
Its: _____

State of Minnesota, County of **Cook**

This instrument was acknowledged before me on _____, 2016, by _____ the _____ and by _____ the _____ of **COOK COUNTY**, as Lender.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:
SWANSON & HEEREN, P.C.
505 West Highway 61
PO Box 819
Grand Marais, MN 55604

Request for Time

Before the Board of Commissioners

7.A.

1.	a. Topic or Issue: (As should be listed on agenda) Class Comp Study Market Peer Group	b. Requested Date: 10/18/2016	c. Amount of time with Board 10 minutes	Consent Agenda <input type="checkbox"/>
2.	a. Person requesting/presenting Jeff Cadwell	b. Phone: 387-3687	c. Email: jeff.cadwell@co.cook.mn.us	
3.	a. Departments affected: All	b. Department Head:	c. Dept been contacted?	
4.	a. Has the Board addressed this before?	b. If so, When?	c. What was the result?	
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?			
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): Approve the amended market peer group for the Keystone Consulting Class Comp study.			
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider).			
8.	How will this request affect the County Budget?			
9.	Have funds been budgeted/allocated for this request?			
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.):			

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted:	County Attorney Contacted:
YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>

Jeff Cadwell

From: Saado Abboud <SAbboud@keystonecomp.net>
Sent: Tuesday, October 11, 2016 5:38 PM
To: Jeff Cadwell; Judy Hill
Cc: Saado Abboud
Subject: Revised Peer Group Selection
Attachments: Revised Cook County Peer Group 10-10-2016.xlsx

Hi Jeff and Judy:

It was great to catch up with you this afternoon and discuss our compensation project! As we discussed on the phone, the next step for us would be to finalize the peer group.

Attached you will find an updated list of the counties that we looked at originally. Here are some thoughts about the revised list:

1. You will find two tabs one with the original draft peer group and the revised one with input from the Personnel Committee.
2. The revised group has 22 counties. We have a few more counties with larger population than Cook Counties. As we know, Cook County's population more than doubles during the peak tourist season forcing the County to provide services above and beyond its regular population size. This is an issue that we see in other counties like Crow Wing that has large seasonal fluctuation. Not all counties face the same challenge.
3. I removed the two Counties that the Committee suggested deleting: Chippewa and Faribault. I also removed Pennington County. Please know that Lincoln County did not report data to the survey.
4. The concern with narrowing the peer group furthermore is the data may not be reliable enough to sufficiently represent the market.
5. Once we agree on the peer group, I can have my consultant start with job matching and collecting survey data.
6. The job evaluation table will follow shortly.

Please let me know when you an approval for the peer group.

Regards,

Saado

Saado Y. Abboud
Principal Consultant
Keystone Compensation Group LLC
Tel: 612.810.3522
Email: sabboud@keystonecomp.net
Web: <http://www.keystonecomp.net>

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Revised Cook County Peer Group Organizations * (10/10/2016)

Organization	Population	Region	Full Time	Part Time	Seasonal	Union	Budget	Fiscal Year	Note
Cottonwood County	12,167	Central	70	6	8	38	\$15,566,712	2016	Ok (budget&ee)
Watowan County	11,286	Central	125	31	4	31	\$19,831,580	2016	Yes
Pope County	10,995	Central	103	16	1	83	\$17,871,695	2016	Yes
Lake County	10,970	Northeast	135	13	20	120	\$23,437,369	2016	Yes
Yellow Medicine County	10,272	Central	106	18			\$16,812,342	2016	Yes
Jackson County	10,266	Central	90				--	2016	Yes
Stevens County	9,685	Central	101	6	3	56	--	2016	Yes
Marshall County	9,648	Northwest	98	4	20		\$20,331,485	2016	Yes
Swift County	9,546	Central	88	10	2	100	\$21,083,723	2016	Yes
Rock County	9,459	Central	83	26	4	28	\$10,277,132	2016	Yes
Pipestone County	9,364	Central	69	18	2	61	\$15,201,032	2016	Yes
Murray County	8,657	Central	63	17	7	28	\$15,188,660	2016	Yes
Clearwater County	8,247	Northwest	109	42			--	2016	Yes
Norman County	6,789	Northwest	67	5	0	42	\$12,462,104	2016	Yes
Wilkin County	6,565	Central	81	28	2	31	\$12,487,346	2016	Yes
Grant County	5,993	Central	68	16	1	46	\$10,896,529	2016	Yes
Big Stone County	5,466	Central	60	8	12	28	\$11,337,560	2016	Yes
Cook County	5,437	Northeast	88	17	5	73	\$14,048,830	2016	Reference
Mahnomen County	5,085	Northwest	84	15	3	58	\$12,617,013	2016	Yes
Kittson County	4,440	Northwest	52	1	11	24	\$12,175,030	2016	Yes
Red Lake County	4,111	Northwest	34	9	10	20	\$7,789,089	2016	Yes
County	3,976	Northwest	65	13	5	19	\$3,047,511	2016	Yes
Traverse County	3,445	Central	66	10	3	50	\$10,754,490	2016	Yes

* Organizations had at least one match to the 2016 League of MN Survey.

- Total of 22 counties are in this group, Cottonwookd and Watowan have larger population but comparable budget

- Peer group selection is typical 1/2 to 2X population size used as a starting point and then refined to get final selection

Cook County Peer Group Organizations

Organization	Population	Region	Full Time	Part Time	Seasonal	Union	Budget	Fiscal Year
Faribault County	14,784	Southeast	74	29	1	60	\$26,096,616	2016
Pennington County	13,930	Northwest	108	12	4	72	\$17,506,007	2016
Koochiching County	13,302	Northeast	117	31	2	81	\$21,698,394	2012
Cottonwood County	12,167	Central	70	6	8	38	\$15,566,712	2016
Chippewa County	12,093	Central	96	7	3	67	\$24,350,156	2016
Watonwan County	11,286	Central	125	31	4	31	\$19,831,580	2016
Pope County	10,995	Central	103	16	1	83	\$17,871,695	2016
Lake County	10,970	Northeast	135	13	20	120	\$23,437,369	2016
Yellow Medicine County	10,272	Central	106	18			\$16,812,342	2016
Jackson County	10,266	Central	90					2016
Stevens County	9,685	Central	101	6	3	56	\$15	2016
Marshall County	9,648	Northwest	98	4	20		\$20,331,485	2016
Swift County	9,546	Central	88	10	2	100	\$21,083,723	2016
Rock County	9,459	Central	83	26	4	28	\$10,277,132	2016
Pipestone County	9,364	Central	69	18	2	61	\$15,201,032	2015
Murray County	8,657	Central	63	17	7	28	\$15,188,660	2016
Clearwater County	8,247	Northwest	109	42			\$26,643,512	2016
Lac qui Parle County	7,321	Central	69	10	0	38	\$10,752,589	2009
Norman County	6,789	Northwest	67	5	0	42	\$12,462,104	2014
Wilkin County	6,565	Central	81	28	2	31	\$12,487,346	2010
Grant County	5,993	Central	68	16	1	46	\$10,896,529	2016
Lincoln County	5,882	Central	52	10	2		\$8,756,885	2007
Big Stone County	5,466	Central	60	8	12	28	\$11,337,560	2016
Cook County	5,437	Northeast	88	17	5	73	\$14,048,830	2016
Mahnomen County	5,085	Northwest	84	15	3	58	\$12,617,013	2016
Kittson County	4,440	Northwest	52	1	11	24	\$12,175,030	2016
Red Lake County	4,111	Northwest	34	9	10	20	\$7,789,089	2016
Lake of the Woods County	3,976	Northwest	65	13	5	19	\$3,047,511	2016
Traverse County	3,445	Central	66	10	3	50	\$10,754,490	2016

9.B.

County Board of Commissioners
Cook County Courthouse
411 West Second Street
Grand Marais MN 55604

October 2, 2016

Dear Commissioners:

The Cook County ATV Club would like to express appreciation to the county board for its July 28, 2015 decision to allow all-terrain vehicle (ATV) travel on portions of the Gunflint Trail. Our members and visitors to the community have been greatly enjoying the scenic ride from Grand Marais to the Mid-Gunflint Trail area to frequent businesses there. Thank you!

However the ATV Club would also like to ask the county board to revisit the issue of the ATV signage on the Gunflint Trail.

When the signs were installed in October 2015, the Cook County ATV Club (CCAC) and the Gunflint Trails Scenic Byways Committee (GTSBC) both requested that modifications be made to the signage regarding ATVs. The CCAC would still like to see changes made.

Since installation of the signs, we have heard from numerous travelers, both by vehicle and ATV, stating that the signage is confusing. Motorists have asked why “every other sign says ‘ATVs okay’ or ‘No ATVs.’” Not knowing the route on which ATVs are allowed, the signs cause confusion.

For ATVers, the signs are unnecessary. As County Engineer David Betts said in a board meeting, it is the responsibility of ATVers to know where they can and cannot ride. The CCAC believes ATVers have demonstrated that they understand the route and the majority of the signs could be eliminated. The CCAC believes one “No ATVs” sign at the end of each open section is a sufficient reminder.

It also seems that the signs are larger than they need to be. Having ridden in other areas of the state and country, CCAC members know that generally signs for ATVs are smaller than highway traffic signs—and in many areas they share the same signpost as highway signs. This is the case on several roads in Lake County. ATV signs are similar to signs for snowmobiles and ATVers are accustomed to watching for these smaller signs.

In addition, the wording on the “No ATVs” signs is actually *incorrect*. Under Minnesota state law, Class 2 ATVs (side-by-side machines) *are* allowed on the entire Gunflint Trail, including the sections closed to Class 1 ATVs. The “No ATVs” signs cause confusion for people driving Class 2 ATVs. It is definitely confusing to motorists who do not understand the difference between Class 1 and Class 2 ATVs. If these signs must remain, there should be an additional notice of some sort that the section is closed *only* to Class 1 ATVs.

The sign just beyond County Road 92 has the appropriate verbiage “Notice: No Class 1 ATVs past this sign.” That sign alone should be sufficient. The additional “No ATVs” signs beyond that point are really unnecessary.

Finally, the signs are *grammatically incorrect*. Nearly every sign says ATV's. The signs are not addressing something belonging to an ATV, for example: the ATV's wheels; the ATV's mirror. The signs should be the plural of ATV, which is ATVs. No apostrophe is necessary. The signs with incorrect grammar should be replaced as they do not project a professional image of our county.

The Cook County ATV proposes a simple solution: Allow ATV traffic on the entire Gunflint Trail and remove the overabundance of signs, installing one sign at the bottom of the Gunflint Trail stating simply: "Expect ATV Traffic." This has worked quite well on all other county roads since 2010.

We would be happy to meet to discuss this with you at a future county board meeting or at any time at your convenience. Please contact CCAC secretary Rhonda Silence to arrange a time by calling 218-387-9844 or emailing ATVcookcounty@outlook.com.

Sincerely,

Mickey Brazell

President, Cook County ATV Club

9.0.

**COOK COUNTY/GRAND MARAIS JOINT EDA
MEETING AGENDA
OCTOBER 11, 2016, 4:00 PM
GRAND MARAIS CITY HALL**

4:00 PM

Call to Order

- A. Public Comments
- B. Adjustments to and Approval of Agenda (*motion*)
- C. Approval of Minutes September 13, 2016 (*motion*)

4:05 PM

New Business

- A. EDA Budget Meeting with County Board October 11, 2016
-2017 Budget and \$175,000 Matching Funds for Housing
- B. Assisted Living Proposal Received from Spectrum Health
-Subcommittee Meeting with Spectrum October 3, 2016
- C. Housing Projects Updates
-Resolution to apply for DEED Workforce Housing Grant (*action*)
-Resolution to match \$40,000 for same (*action*)
- D. IRRRB Grants Update, IRRRB Board Meeting October 17, 2016
- E. Tofte Housing Project Request
- F. Potential Location for a Workforce Housing Project on Gunflint Trail
- G. MN Housing Partnership Grant Application Submitted
- H. Roundtable Discussion with Senator Franken's Staff
- I. Listening Session in Hovland on October 20

4:50 PM

Financials

- A. Golf Course Financials (*motion to accept*)
- B. EDA Financials (*motion to accept*)

5:00 PM

Old Business

- A. Cedar Grove Business Park Update
- B. CCLEP/REEP Balance Sheets Requested at August Meeting
- C. Housing and Community Dialogue Follow Up
- D. Taconite Harbor CAP
- E. Arts & Culture Economy Update
- F. HOME Consortium Follow Up
- G. Non-Traditional Lending Forum Follow Up

5:45 PM

Other

- A. SBDC Director's Report
- B. Other Business and Adjourn

/

Cook County-Grand Marais Economic Development Authority
September 13, 2016 – Grand Marais City Hall

Present: Board members Howard Hedstrom, Heidi Doo-Kirk, Hal Greenwood, Carol Mork, Anton Moody, Scott Harrison, Bev Green; EDA Director Mary Somnis; Small Business Development Center Representative Pat Campanaro; Chamber Director Jim Boyd; Amy Demmer, Richard Anderson, Rhonda Silence.

Meeting called to order at 4 p.m. by EDA President Howard Hedstrom.

Public Comment - None

Agenda reviewed. *Motion by Scott Harrison, second by Heidi Doo-Kirk to approve agenda. Motion carried, all ayes.*

Minutes of August 9, 2016 and August 30, 2016 meeting reviewed. Scott Harrison noted an error in the estimated cost of the Lutsen workforce housing project in the August 30 minutes. A zero is missing, it should be \$400,000. *Motion to approve minutes with that correction by Heidi Doo-Kirk, second by Carol Mork. Motion carried, all ayes.*

New Business

New board member welcome

Board Chair Howard Hedstrom welcomed new board member Bev Green. Green was at the EDA's August 30 special meeting, but this is her first official meeting.

Superior National at Lutsen construction update

Scott Harrison introduced golf course architect Jeff Brauer to those who did not know him. Brauer has been responsible for the golf course design at The Legend, The Quarry and other courses. Brauer said there has been great feedback on the upgrade to River 9 last year. Every golfer they have taken out there has said it is dramatically improved. He said construction is going well. Some holes actually look ready to play, but he agrees with Grounds Superintendent Mike Davies that they are not. However, he said they are ready for great photo opportunities. EDA Director Mary Somnis asked when the EDA/golf course can hold a grand opening of the new holes. Brauer said when Mike Davies says the course is ready. Ways to market the golf course were discussed.

Arts & Culture Economy Staff Support

Grand Marais Art Colony Executive Director Amy Demmer, chair of the Cook County Arts & Culture Economy Planning Team, and Richard Anderson brought forward a proposal for the EDA to help facilitate the work of the Arts & Culture Economy Team. Demmer gave a history of the work done to date, including the research conducted by Sheila Smith, executive director of Minnesota Citizens for the Arts. Demmer said a McKnight Foundation capacity building grant funded the work of the Arts & Culture Economy Team and it is hoped that the Cook County plan will be finalized and ready to present at the October 25 Chamber/Visit Cook County gala. The board asked for specifics about how the EDA would give support. Demmer said the team feels that the EDA is a good entity to be "home" to the Arts & Culture Economy Team since the arts have been identified as a business diversification strategy. She said the team would like the EDA's endorsement and some administrative support from EDA Director Somnis.

Chair Hedstrom said he had talked to Somnis and the Arts & Culture Economy Team and it appears that Somnis would have the time to provide support. Board Member Heidi Doo-Kirk asked what sort of support would be needed and what the time commitment would be. Demmer said Somnis would be calling meetings, acting as chair and doing some logistic work. Demmer said it would likely be about 15 hours a month. Somnis said she felt this was an appropriate task for the EDA director and said she believed she could keep the hours within that amount.

She said she will give a report at the monthly EDA meetings and if anyone feels too much of her time is being spent on the Arts & Culture Economy Team, her role could be revisited.

Motion by Scott Harrison, second by Heidi Doo-Kirk to embrace the Arts & Culture Economy group and to authorize EDA Director Mary Somnis's time to work with the group to implement its plan. Motion carried, all ayes.

Community Connect request for funding

Small Business Development Center Representative Pat Campanaro brought forward a request from Anita Jeziah of AEOA about an event that AEOA is planning. A similar event has been held in Lake County for several years and Campanaro said it is quite successful. AEOA brings together various community support agencies to provide information on services, such as the Cook County Senior Center, Council on Aging, the Cook County Food Shelf, Arrowhead Electric, Public Health & Human Services, Ruby's Pantry, Salvation Army, AEOA and others. The event will be October 29 at School District 166 from 9 a.m. to 12 p.m. The purpose is to help connect households that may be struggling to make ends meet or people who lack stable housing, etc.

Campanaro said the committee planning Community Connect was seeking \$400 to cover the cost of promoting the event, purchasing nutritious snacks and some gift cards to be used as door prizes.

Motion by Anton Moody, second by Carol Mork, to offer support of \$400 to the Community Connect program. Motion carried, all ayes.

Assisted Living Proposal – Spectrum Health

The Assisted Living Committee reviewed a document from Spectrum Health with details about a proposed 38-unit assisted living facility in Grand Marais. Carol Mork shared some concern that the Spectrum Health was not concrete enough and her questions will be shared with Spectrum Health. Heidi Doo-Kirk noted that Spectrum was requesting 3-5 acres of land to place the building plus room for a geothermal field and parking. She asked where this could be placed. Somnis said the options are land near the horse/dog park; across from the law enforcement center or behind Grand Marais Apartments. Spectrum also asked for support in obtaining grants for infrastructure. Scott Harrison asked if this proposal would be competing with the other projects for which Cook County is seeking funding. Howard Hedstrom said he did not think so as assisted living falls under different funding categories.

Somnis said Spectrum has worked on seven other assisted living facilities, such as Carefree Living Ely, Cook, Silver Bay, Babbitt, Orr, Aurora and Virginia. She said she will talk to some of the references at those facilities. A number of Cook County people live or have lived at the Carefree Living Silver Bay facility.

Somnis said the hope is award this project at the end of October.

Housing Committee update – Grand Marais

The board discussed the Grand Marais workforce housing project, a proposal that would result in seven homes and eventually three additional multi-family dwellings on West 2nd Street and 14th Avenue, west of the Homestead Housing Cooperative in Grand Marais. Funding sources were discussed.

Heidi Doo-Kirk reported that Director Somnis had come before the Cook County Commissioners earlier that day, requesting that the EDA be allowed to purchase the tax-forfeited land needed for the project for \$8,400.

Commissioners approved the request, pending review by the county attorney. Harrison noted that without the land, the project could not move forward. The board thanked Harrison for his work on the housing committee.

Housing Committee update – Lutsen

There was brief discussion of the property under consideration for another housing project in Lutsen, estimated at \$2.4 million. Harrison said he had talked to Bruce Kimmel of Ehlers, the county's financial consultant, about bond rates for the project.

IRRRB grant applications

Somnis said meetings had been held with Steve Peterson and Chris Ismil of IRRRB to talk about grants submitted by Cook County. She said EDA resolutions are still needed for the airport and golf course grant applications to IRRRB.

Motion by Hal Greenwood, second by Heidi Doo-Kirk, to adopt the resolution as read to apply for funding for the Cook County/Grand Marais Airport arrival/departure building. Motion carried all ayes.

Motion by Scott Harrison, second by Hal Greenwood to adopt the resolution as read to apply for funding for Superior National at Lutsen. Motion carried, all ayes.

Website development

Somnis asked the EDA board to visit the EDA website: www.prosperitynorth.com. She said to send suggestions for changes to her. She said she is meeting with Sandy Schutte with Two Dogs in the Web on September 23 to start work on an updated website. Heidi Doo-Kirk asked if the EDA website was linked to the county's website. Somnis said she was not sure, but would make sure there is a connection.

Good Measure Media

The board considered a proposal from Good Measure Media for recording and live video streaming EDA meetings for \$250/month (\$3,000 /year). Scott Harrison asked why this is necessary. Heidi Doo-Kirk said the EDA needs to be transparent in its activities. She said news coverage is fine, but there are people who also want to watch government meetings. Board Member Bev Green agreed. She said the county has been doing it for a while and she has been watching. Jim Boyd said he wanted to hear the county board's budget discussion, but had to be at his office. Being able to live stream was invaluable to him. SBDC Rep Pat Campanaro said the EDA would also be lending support to a small business in the community.

Harrison said it is a lot of money and reminded the board that the EDA didn't know what its levy would be.

Motion by Heidi Doo-Kirk, second by Bev Green, to hire Good Measure Media to video EDA meetings at the proposed rate, pending approval of the EDA levy by the county board. Motion carried, all ayes.

HOME Consortium Advisory Committee

Somnis asked if the EDA wanted her to represent the EDA board on this committee. She said Pat Campanaro was representing the EDA. HOME oversees \$440,000 in housing funds from HUD and it provides funding assistance for first-time homebuyers. The meetings also include discussion of regional housing needs and future use of HOME funding. The group meets twice a year. Somnis said she believes it is worthwhile for her to attend. Attending would mean an overnight stay.

Motion by Heidi Doo-Kirk, second by Carol Mork, to appoint Somnis as the EDA's HOME representative and to approve lodging costs. Motion carried, all ayes.

North Shore Housing & Community Dialogue

Somnis provided information on the North Shore Housing & Community Dialogue coming up on September 19 at North House Folk School. She said Randy Lasky of Northspan and Cliff Knettel of One Roof Housing will be giving presentations. Representatives from USDA Rural Development, Greater MN Housing Fund, MN Department of Employment and Economic Development, and Minnesota Housing will all be there, along with local stakeholders in the affordable housing situation. Somnis said Senators Klobuchar and Franken and Representative Nolan will all send staff to learn about Cook County's housing initiatives.

Finances

Superior National at Lutsen and EDA finances for August 2016 were reviewed and discussed.

Motion by Hal Greenwood, second by Anton Moody, to accept the Superior National at Lutsen and EDA financial reports for August 2016. Motion carried, all ayes.

Invoices were reviewed. *Motion by Scott Harrison, second by Carol Mork to pay invoices, motion carried all ayes.*

Old business

Cedar Grove Business Park

GPS/wetlands mapping

Anton Moody said he had a lot of questions about the amount of wetlands on the lot he is helping develop. He said several wetland delineations have been completed, so it was difficult to know what the need for mitigation actually was. He said he found that every lot in the business park has been delineated to allow access for development. He was able to obtain one map that has the necessary information and he got that map to Somnis so it can be added to the website.

Somnis presented an updated handout with information about the Cedar Grove Business Park.

CCLEP/REEP balance sheets

After Staci Drouillard's Cook County Local Energy Project (CCLEP) presentation at the August EDA meeting, the board asked to see CCLEP's balance sheet. Drouillard submitted the information for EDA review.

Grand Marais Workforce Housing Talking Points

As discussed at the last meeting, Somnis distributed a sheet of talking points about the Grand Marais Workforce Housing Project.

Visit Cook County director ad – Cook County Chamber

Somnis shared a proof of the Cook County Chamber of Commerce ad that will be included in the Visit Cook County advertising "lure piece." The cost of the full page, full color ad is \$2,885. Somnis said the Chamber generously shared its ad with the EDA. Heidi Doo-Kirk asked if the EDA should send a note to thank the Chamber. The board said yes and asked Somnis to send a thank you.

Monthly Reports

Small Business Development Center

Campanaro gave a written report on her activities for August. She said she counseled 23 clients spending a total of 70 hours with them. Five were first-time clients. Campanaro will be attending the ASBDC National Conference September 19-23. She said the fall SBDC Workshop will be held September 29 at City Hall in Grand Marais.

EDA Director

Somnis said she, Board Chair Hedstrom and Carol Mork had a meeting with Commissioner Frank Moe in response to his concerns that needs in the east end (his district) were not being addressed by the EDA. Moe told the EDA that while in the past residents in his district wanted to just leave things as they are, things are changing. There are residents who are now interested in services the EDA could offer. It was agreed to hold a "listening session" for east end citizens at the Hovland Town Hall, probably in October.

Somnis contacted Lisa Bonow at Northspan to fix the listings for the EDA and Cedar Grove Business Park on the Northland Connection, a database of EDAs and business parks in the region.

Other matters

Somnis said One Roof Housing is hosting a "Raise the Roof" fundraiser at Clyde Iron Works in Duluth on October 13. Proceeds benefit One Roof's mission and programs for affordable housing. She said she would be willing to go. Hedstrom said it would be good to show support for One Roof Housing. The board will decide if someone should go to represent the EDA at the next meeting.

Motion to adjourn at 5:45 p.m.

Respectfully submitted by
Rhonda Silence
Minutes & More

******To be approved at October 11, 2016 EDA meeting******

**COOK COUNTY/GRAND MARAIS EDA
DIRECTOR'S REPORT
OCTOBER 11, 2016**

EDA Budget Meeting with County Board

To be on the County Board Agenda for October 11: 2017 EDA budget and \$175,000 matching funds for Grand Marais housing project. Also need to bring request for tax abatement bond for Lutsen housing project before Nov 10, which is deadline for DEED grant application.

Assisted Living Proposal from Spectrum Community Health

The proposal was reviewed by the Assisted Living Committee on September 12. At the EDA meeting on September 13, it was agreed that a subcommittee should meet with Spectrum to discuss this further. On October 3 the following met to discuss the proposal: Jon Monacelli and Marilyn Hanson from Spectrum, Steve Nielson, Pat Campanaro, Scott Harrison and Mary Somnis. Next steps: Jon will send Spectrum financials for Scott to review, Jon will continue with due diligence regarding available sites, workforce, etc. If EDA approves to continue moving forward, Spectrum will make another site visit October 27/28.

DEED Workforce Housing Grant

Two resolutions needed from EDA. One to apply for and accept the grant and one to commit EDA matching funds. Also need letters from local businesses demonstrating the need for workforce housing and, if applicable, guaranteeing rentals.

IRRRB Grants/Board Meeting

We should have representation at the IRRRB Board meeting on October 17 at 11 AM.

Tofte Housing Project Request

I met with Jeanne Larson, project manager, on September 21. See attached *EDA & TOFTE TOWNSHIP DISCUSSION POINTS*.

Workforce Housing on the Gunflint Trail

I have been contacted by a property owner that has offered us the opportunity to look at developing workforce housing on his land on the Gunflint Trail. He has invited me to visit the site. This could happen before or after October 11 EDA meeting.

MN Housing Partnership Grant Application

Application submitted on September 30 for technical assistance to continue moving forward to address our housing needs. This is great follow-up to the Housing and Community Dialogue that was held on September 19. Goals and outcomes for this grant project:

- Create a county-wide partnership to identify "next steps"
- Establish a dedicated source of local matching funds
- Pursue grants to complete Phase 1 and continue on to next projects

-Address housing needs across all sectors: affordable workforce, low income, homeless, seniors, temporary lodging and consider childcare needs for working families
Partners, to date, in this work are CC/GM EDA, Cook County Public Health and Human Services, City of Grand Marais, AEOA and Grand Portage Tribal Council. We will hear back from MHP by the end of October, regarding the level of their investment in this work.

Roundtable Discussion with Senator Franken's Staff

Representatives from Cook County at this meeting were John Twiest, Stanley Tull, Ginny Storlie and Mary Somnis. Discussion was focused on infrastructure. Topics included roads and bridges, water and wastewater, broadband and housing. We are encouraged to keep in communication with them whenever we apply for Federal funds. We talked about the importance of Secure Rural Schools funding. The US EDA may be able to participate in completion of the Lake Superior Pipeline Project.

Heart of the Continent Partnership

I will attend the quarterly meeting/roundtable discussions October 13-14 in Thunder Bay.



**COOK COUNTY/GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION #16-07**

**RESOLUTION AUTHORIZING
COOK COUNTY/GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
TO MAKE APPLICATION AND TO ACCEPT FUNDS FROM
DEED WORKFORCE HOUSING DEVELOPMENT PROGRAM**

BE IT RESOLVED that Cook County/Grand Marais EDA (CCGMEDA) act as the legal sponsor for the project contained in the Workforce Housing Development Program application to be submitted on November 10, 2016 and that CCGMEDA President Howard Hedstrom and CCGMEDA Vice President Anton Moody are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of CCGMEDA.

BE IT FURTHER RESOLVED that CCGMEDA has the legal authority to apply for financial assistance, and the institutional, managerial and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that CCGMEDA has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the State, CCGMEDA may enter into an agreement with the State of Minnesota for the approved project, and that CCGMEDA certifies that it will comply with all applicable laws and regulations as stated in all contract agreements.

BE IT FURTHER RESOLVED that the amount of the grant will be matched as per program requirements by Cook County and CCGMEDA with at least \$1 for every \$2 provided in grant funds.

BE IT FURTHER RESOLVED that the sources and uses, private investors, equity, and other financing commitments represented in the attached document are accurate.

NOW, THEREFORE BE IT RESOLVED that CCGMEDA President Howard Hedstrom and CCGMEDA Vice President Anton Moody, or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project on behalf of the Applicant.

I CERTIFY THAT the above resolution was adopted by the Board of CCGMEDA on October 11, 2016.

SIGNED:

Howard Hedstrom
CCGMEDA President
October 11, 2016

Anton Moody
CCMEDA Vice President
October 11, 2016

WITNESSED:

Mary Somnis
CCGMEDA Director
October 11, 2016



PROSPERITY NORTH

15 N Broadway, PO Box 597, Grand Marais, MN 55604

218-387-3112 • director@prosperitynorth.com • www.prosperitynorth.com

**COOK COUNTY/GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
RESOLUTION #16-08
RESOLUTION AUTHORIZING
COOK COUNTY/GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
TO PROVIDE MATCHING FUNDS FOR A
DEED WORKFORCE HOUSING DEVELOPMENT PROGRAM GRANT**

BE IT RESOLVED that Cook County/Grand Marais EDA (CCGMEDA) act as the legal sponsor for the project contained in the Workforce Housing Development Program application to be submitted on November 10, 2016.

BE IT FURTHER RESOLVED that the CCGMEDA has set aside funds to be used as local matching funds for grants to be applied to workforce housing projects.

NOW, THEREFORE BE IT RESOLVED that CCGMEDA will provide \$40,000 in local matching funds for this DEED Workforce Housing Development Program Grant for this project.

I CERTIFY THAT the above resolution was adopted by the Board of CCGMEDA on October 11, 2016.

SIGNED:

WITNESSED:

Howard Hedstrom
CCGMEDA President
October 11, 2016

Mary Somnis
CCGMEDA Director
October 11, 2016

Anton Moody
CCMEDA Vice President
October 11, 2016

EDA & TOFTE TOWNSHIP DISCUSSION POINTS

From Christopher Virta, Fryberger, Buchanan, Smith & Frederick P.A., Tofte Township Legal Counsel

"Regarding the housing project and collaboration between Tofte and the EDA, here are three potential structures for consideration at this time that do not require additional legislative authority for Tofte:

Scenario #1 (EDA issues i) housing revenue bonds, or ii) housing revenue bonds with G.O. pledge by County)

Tofte

- Gives long-term ground lease to EDA for the land on which the housing is located.
- Contributes IRRRB grant and existing infrastructure, documents and plans.
- Pledges tax abatement to fund up a debt service reserve fund equal to one year's worth of principal and interest on the bonds (issued by EDA).

EDA

- Issues housing revenue bonds (30-35 year term) that are only secured by the rents from the housing project.
- Owns and operates (or contracts out for management of) the housing project.
- Pledges rents from the housing project to pay the debt service on the bonds.

County

- (County considers providing a general obligation pledge for the EDA's bonds that allows for a more favorable interest rate on the bonds and commits the County to levy taxes in the event the rents are insufficient to pay debt service on the bonds.)
- (In exchange for the County granting a pledge on the bonds, Tofte could agree to indemnify the County up to a certain dollar amount (i.e. reimburse the County if it has to levy taxes to pay debt service on the EDA bonds).)

Scenario #2 (County issues G.O. tax abatement bonds)

County

- Issues G.O. tax abatement bonds (like the golf course project).

EDA

- Owns and operates (or contracts out for management of) the housing project.
- Pledges rents from the housing project to pay the debt service on the bonds.

Tofte

- Grants long-term ground lease to EDA or conveys the land on which the housing is located.
- Contributes IRRRB grant and existing infrastructure, documents and plans.
- Tofte pledges tax abatement to fund up a debt service reserve fund equal to one year's worth of principal and interest on the bonds (issued by the County).

Scenario #3 (Tofte Issues G.O. tax abatement bonds)

Tofte

- Issues G.O. tax abatement bonds
- Grant long-term ground lease to EDA for the land on which the housing is located.
- Contribute IRRRB grant and existing infrastructure, documents and plans.
- Assuming rents cover debt service on the bonds in the initial years, Tofte uses tax abatement to fund up a debt service reserve fund for the bonds equal to one year's worth of principal and interest on the bonds.

EDA

- Owns and operates (or contracts out for management of) the housing project.
- Pledges rents from the housing project to pay the debt service on the bonds.

County

- (County pledges tax abatement on County portion of Tofte taxes in order to fund up a debt service reserve fund equal to one year's worth of principal and interest on the bonds (issued by Tofte). Any money remaining in the debt service reserve fund funded by the County is returned to the County once the housing project has been paid off.)

Please note that in all of these scenarios some of the terms are negotiable. I have included certain things that Tofte could do to reduce risk for the EDA and County on the project and certain things the County could do that would help the viability of the project, but are not required."

APPENDICES

- A Market Study
- B Project Team Members
- C Design Plans
- D 2016 Proforma based on 30 year bond
- E Tofte's Final Bill (found in the Legislative Tax Bill)

NEXT STEPS

COOK COUNTY/GRAND MARAIS
ECONOMIC DEVELOPMENT AUTHORITY



MINNESOTA

PROSPERITY NORTH

15 N Broadway, PO Box 597, Grand Marais, MN 55604

218-387-3112 • director@prosperitynorth.com • www.prosperitynorth.com

September 30, 2016

Minnesota Housing Partnership
Community Development Staff
2446 University Avenue West, Suite 140
St. Paul, MN 55114

Dear Community Development Staff:

The Cook County/Grand Marais EDA is a joint powers entity of Cook County and the City of Grand Marais, created by the Minnesota Legislature in 1988. The mission of the EDA is to diversify the economy and create year-round, livable wage employment for Cook County through the preservation and expansion of existing businesses and development of new business that is environmentally responsible, respects multiple use and enhances the unique attractiveness of our area.

Current EDA priorities include, but are not limited to: sale and development of lots in Cedar Grove Business Park, affordable workforce housing, assisted living and accelerating the development of our arts and culture economy.

Thank you for the opportunity to apply for assistance through your *Strengthening Rural Communities Program*. I have completed the online form, with this cover letter and attachments:

- Narrative response to #16-20 in the online form
- Preliminary designs and budget proformas for workforce housing in Grand Marais and Lutsen
- A letter of commitment for matching funds by Cook County, City of Grand Marais and the EDA
- Spectrum Health Master Planning Approach
- Draft version of *Leveraging Creativity*, scheduled for approval on October 25, 2016

Please let me know if you have any questions or if we've missed anything in our application. As you will see, our needs are great. We welcome the opportunity to work with you.

Sincerely,

Mary Somnis, Director
Cook County/Grand Marais EDA



Mary Somnis <somnismary@gmail.com>

Re: REEP 2016 Budget/Balance Sheet

1 message

Cook County Local Energy Project <localenergy@boreal.org>
To: Mary Somnis <somnismary@gmail.com>
Cc: gwilkes@boreal.org

Mon, Aug 29, 2016 at 1:59 PM

Hi Mary,

Here is the current REEP budget & balance sheet for mid-year 2016. As you can see, an \$8,000.00 request is right in line with actual expenses.

I previously sent the overall CCLEP balance sheet that includes general and grant funding for other projects. It should be noted that CCLEP does reserve 70% of our annual operating budget, which is \$12,600 for 2016.

This amount should be considered when the Board reviews the balance sheet figures.

I've been in touch with Jeff Cadwell about presenting REEP outcomes to the County Board. He is working on the right timing for the presentation, based on the budget talks which are currently underway.

Let me know if you have any questions.

Staci

REEP Budget 2016 Mid-Year.xlsx
11K

CCLEP 2016 Budget	Operating Budget	2016 Jan-August	
REEP (Detail)			
Residential Component			
Based on Goal of 10 Audits/Year			
10 Rebates @ \$300	\$3,000	\$1,500.00	5-rebates (6 completed minus 1 promotional)
Audit staff time (5 hr/audit @ 10 audits)	\$1,000	\$700.00	1- post; 6 new
Auditor's fee 10@ \$400	\$4,000	\$950	(2 Invoiced plus 1 post audit, four invoices pending)
Program promotion			
Ads	\$220	\$0.00	
Printing:	\$100	46.43	
Boreal Ad	\$50	\$0.00	
Staff time & auditor training	\$1,994	\$995.50	Staff transition/training
Program Administration	\$1,500	\$494.00	
Total REEP	\$11,864	\$4,685.93	
EDA 2016 payment for REEP	\$5,000		
Net Income		\$314.07	
Budget v. Actual	\$6,864	\$314.07	

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08/14/16

Cook County Local Energy Project
Balance Sheet
As of July 31, 2016

	<u>Jul 31, 16</u>	<u>Jul 31, 15</u>
ASSETS		
Current Assets		
Checking/Savings		
10000 · NSFCU All		
10040 · NSFCU S-9999 Patronage Re...	63.85	46.26
10030 · NSFCU S-0 Share Savings	10.00	10.00
10020 · NSFCU S-87 Money Market	17,184.14	20,142.39
10010 · NSFCU S-93 Community Adv	14,620.99	13,072.29
Total 10000 · NSFCU All	<u>31,878.98</u>	<u>33,270.94</u>
Total Checking/Savings	31,878.98	33,270.94
Other Current Assets		
11100 · Wind Grant Held at CC	1,611.00	1,611.00
Total Other Current Assets	<u>1,611.00</u>	<u>1,611.00</u>
Total Current Assets	<u>33,489.98</u>	<u>34,881.94</u>
TOTAL ASSETS	<u><u>33,489.98</u></u>	<u><u>34,881.94</u></u>
LIABILITIES & EQUITY		
Equity		
3900 · Retained Earnings	36,885.77	28,570.69
Net Income	-3,395.79	8,311.26
Total Equity	<u>33,489.98</u>	<u>34,881.94</u>
TOTAL LIABILITIES & EQUITY	<u><u>33,489.98</u></u>	<u><u>34,881.94</u></u>

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09/05/16

Cook County Local Energy Project
Profit & Loss
January through August 2016

	<u>Jan - Aug 16</u>	<u>Jan - Aug 15</u>
Income		
44630 · Donated Goods & Services	1,440.00	0.00
43310 · Corporate Grants	0.00	8,600.00
44600 · Program Service Fees	2,000.00	1,200.68
43450 · Individual & Bus Contributions	1,875.00	783.00
43330 · Foundation Grants	3,415.00	15,000.00
44530 · Local Gov't Contribution	6,000.00	3,500.00
45030 · Interest & Div	38.82	61.12
Total Income	<u>14,768.82</u>	<u>29,144.80</u>
Expense		
7 · Administration		
76350 · Website	56.50	45.35
75160 · Other Costs-adm	0.00	0.00
75040 · Supplies-adm	27.43	48.00
75030 · Printing & Copying-adm	66.30	0.00
75020 · Postage & Mailing-adm	87.14	0.00
70005 · Salaries-adm	3,044.00	2,029.50
Total 7 · Administration	<u>3,281.37</u>	<u>2,122.85</u>
6 · Program Expenses		
61000 · Education Presentation	1,257.93	697.00
65150 · Website	0.00	22.00
62150 · Outside Contract Services-...	3,976.00	7,056.15
65165 · Staff Development-pgm	1,845.00	0.00
66300 · Meeting Expense-pgm	0.00	22.00
65040 · Supplies-pgm	0.00	59.00
65020 · Postage & Mailing-pgm	60.37	9.80
66320 · Travel & Mileage-pgm	1,344.00	69.00
65030 · Printing & Copying-pgm	1,571.97	2,325.56
60005 · Salaries-pgm	6,034.00	11,588.50
Total 6 · Program Expenses	<u>16,089.27</u>	<u>21,849.01</u>
Total Expense	<u>19,370.64</u>	<u>23,971.86</u>
Net Income	<u>-4,601.82</u>	<u>5,172.94</u>

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North Shore Housing and Community Dialogue
Breakout session notes
September 19, 2016

Rental Housing Needs- Affordable Workforce Housing Development

3 Big Points:

- Need a win- demonstrate success and finish projects we started
- Maintain passion and conversations
- Continue to look at best practices to create local success

4 Next Steps:

- Make a commitment to have funds available to build the products
- Have a rental standards conversation (safe, affordable housing is not readily available)
- Address the trade/skill labors issue (those currently with skills are overworked and not available to do the work)
- Explore local financing options
- Tie to local planning efforts

Single Family Housing Needs- Production, Purchase and Rehabilitation

3 Big Points:

- Need for more and better housing- not only workforce but low income
- Promoting housing options and resources (education)

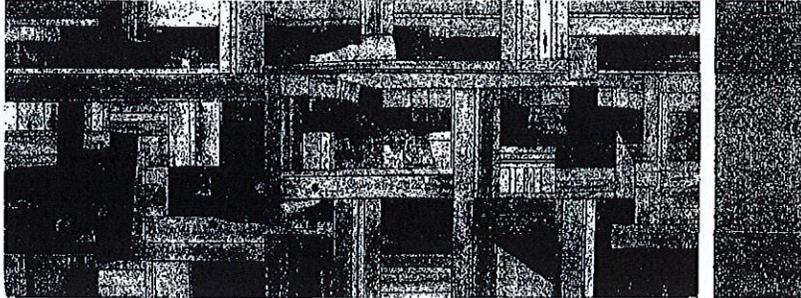
3 Next Steps:

- Work with Habitat affiliate (need local people to step up and do the outreach)
- Evaluate and expand One Roof
- Establish a local housing point person- who is going to share this information (Banks and realtors need to be aware of the resources and be part of the conversation)

Leveraging Creativity

Cook County Cultural Plan

Accelerating the development of Arts and Culture as a key prosperity driver contributing to the social and economic vitality of Cook County



We can count ourselves among the most fortunate to live in a place that on a daily basis offers us the riches of a bountiful and beautiful landscape, a home in which to raise our families that offers healthy lifestyle choices and the lessons of self-reliance, a deeply ingrained culture of respect for the land and one another, and the creativity of the artist and the maker.

This plan recognizes the critical role that arts and culture play in the development of Cook County—as drivers of the local culture, the economic life, as well as the tourism that brings visitors into the region.

George Morrison (1918–2000) *Cumulated Landscape*, 1976
Wood collage, 48 x 120 x 3 inches
Collection, Minnesota Museum of American Art, Gift of Honeywell, Inc., 2000.01

Creating Lives from the Land

The Lake Superior horizon is never far from view on Minnesota's North Shore. "It straightens out the crooked thoughts," observed artist Birney Quick, founder of the Grand Marais Art Colony.

The lake wears a different mercurial and mysterious mood every day. It inspires visual art, music, and poetry, and has fed, transported, threatened, quenched, and enlivened residents and visitors in Cook County since the glaciers receded. The rugged landscape and the hardy people have been sculpted by chisels of wind, water, and winter. The intensity of the climate breeds its own kind of abundance, fueling ingenuity and cooperation.

Those who live in Cook County are here because they want to be, have stayed because they can. The place attracts unique people: self-reliant, creative, opinionated, outspoken, observant. They pull together for community initiatives, artistic endeavors, bartering goods and services, and to pull each other out of the ditch in snowstorms.

Creativity has long connected humanity to this place, from prehistoric artists to the writers, performers, and makers of today. Few small and isolated towns have such plentiful culture. People here craft useful and beautiful products that echo the beauty of the landscape, utility, and a sense of purpose and connection. Artists also bring visitors, tax dollars, creative problem-solving, and much more.

Preserving the county's rich resources is a priority for Cook Countians. It means eating as much food as possible that was grown locally. It means sustainable forestry, biomass heat, solar arrays, and smart architecture. Eating fresh-caught fish is an eternal connection between life and the lake.

People here can make almost everything they need, from bread to birchbark canoes. And now they must make two essential elements: space to live and places to work. They must make an economy that lasts all year. Families, seniors, locals and visitors occupy the county rich with arts and culture. The combination of ideas, education and experience is stimulating an exciting time at the edge of Lake Superior.



October 1, 2016

Cook County Grand Marais EDA
September 2016 Activity Report

Dear Board Members:

- In September I conducted 51 individual counseling sessions with 14 clients for a total of 55 hours.
- Of those 51 sessions, there were with 3 first time clients with needs ranging from starting a business to buying or selling an existing business.
- One of the clients ended up purchasing a business on 9/30. This business has been shuttered for a couple of years and will add 3-4 new jobs when their doors open!
- I attended the ASBDC National Conference the week of September 19-23, trip report attached.

Questions, or comments always welcome.

Sincerely,

Pat

PHONE
651-336-2964

EMAIL
pcampanaro@gmail.com

WEB
www.umdced.com



Pat Campanaro

Conference Trip Report
September 19- 23

Summary: Overall a very worthwhile experience. I attended several pertinent sessions to our needs here in Cook County, networked with my Duluth team and meet several vendor contacts that my clients here may find enlightening.

Monday 9/19

A mechanical failure in Duluth kept me from getting to the conference until one on Monday. Once I arrived I was able to catch a breakout session titled Live Plan Expert advisor certification. This training was on a business planning tool that may make it easier for clients writing their first business plans. They tout a professional, investor ready business plain when completed. I plan discuss adoption of this tool with my team., SBDC centers who adopt Live Plan get a substantial break on fees. For more information: <https://www.liveplan.com/>

Tuesday 9/10

8-9:30 Peer2Peer: Working in Rural Offices (1 person shops) A facilitated discussion regarding best practices of Centers that are considered 1 person shops. I learned I am luck, some rural consultants have 3 or 4 county's to cover and deal with a variety of obstacles I don't have. I did learn and share at this session.

Wednesday 9/21

8-9:30 Beyond Google: Getting Your Business Found. Eric Spellman is very good an I suggest you all check out his YouTube channel: <https://www.youtube.com/user/ericspellmann> Lots of free training regarding social media. I picked up many tips on manipulating the Internet to insure businesses rank as high as possible in Google searches.

9:45 General Session

Keynote Speaker Jason Dorsey: I thought he had great insight, and since I liked it I though you would appreciate the highlights:

AN INTRO TO SELLING & MARKETING TO MILLENNIALS & GEN Y

Numbering almost 80 million, Millennials are the fastest-growing, most diverse generation of consumers in the United States. This is true globally, too. Popular belief says that Millennials are broke. It's not true. Millennials are simply entering their wealth accumulation phase later than Baby Boomers—who are often the ones doing the “wealth comparison.” In reality, it is likely that Millennials will outspend Baby Boomers in 2017.

Millennials, also known as Generation Y and Echo Boomers, have grown up being advertised to more than any previous generation and with more choices for products and services than ever before. Most importantly, Millennials have come of age with more channels and ways to buy, rent, share and pay for products and services than any previous generation. These changes are setting new rules for sales and marketing.

Yes, Millennials have more college debt (over \$1.3 trillion!) and, in many cases, the credit card debt to go with it. But given the generation's size and *annual* increase in earnings, they will navigate through their debt over time. We predict that the average age of a first-time homebuyer will be older for the Millennial generation than it is for previous generations, but overall spending will continue to grow year after year. It's important to note that major purchases are often driven by life stage (i.e., marriage and kids), which Millennials have needed more time to reach. They will still buy cars and houses; they're just doing it later.

When Millennials outspend Baby Boomers in 2017, a huge marketplace shift will take place, and the spending paths will only diverge more. At The Center for Generational Kinetics, we discovered that Millennials:

- Have the greatest lifetime value of any customer in the marketplace
- Have the least-established loyalty as customers—but they are very loyal once they select a brand, service or company
- Are most likely to refer their friends when they have a good shopping or buying experience

10 THINGS TO KNOW ABOUT MILLENNIAL CUSTOMERS & CLIENTS

1. Millennials were born between approximately 1977 and 1995.

The birth years for Millennials in the United States stop at 1995 because those born later cannot process the significance of September 11, 2001 in the way those born before 1995 do. In other words, if 9/11 has always been history, then you are not a Millennial.

2. When you think about how to market to Millennials, start with their life stage.

Millennials are approximately 20 to 37 years old. This age range covers a broad range of key life events, from earning an education and moving into your own

apartment (with three roommates) to being married with two kids. The subgroups within the generation are key for marketing and sales.

3. The Center for Generational Kinetics made the important discovery that Millennials are breaking into two different generational groups.

One group of Millennials is reaching all the traditional markers of adulthood, just a few years later than previous generations. This group is entering their wealth accumulation life phase and commanding more power in the marketplace. The other group of Millennials, however, is not creating “real-world traction.” It is important to identify which group represents the ideal customer for your products, services and solutions because each group has different purchasing criteria.

4. Millennials are the most consistent generation in the world.

Whether we work in Chile, Egypt, India or elsewhere, Millennials are the most consistent group of all the generations. This is due to many factors, including inexpensive mobile technology.

5. Millennials are primarily visual buyers and learners.

This generation has been conditioned to make purchases while looking at a screen, skipping blocks of marketing and advertising text. The Center works with marketers and salespeople to increase conversion with Millennial customers by improving visual layout, overall copy and specific calls-to-action.

6. Millennials communicate differently than other generations in the market.

At The Center, we found that Millennial customers prefer to communicate in this order:

- Text—in many cases, IM apps such as WhatsApp are used more than texting
- Email, with the subject line being most important
- Social media
- Phone call
- In-person

7. Millennials are paying for products and services differently than other generations.

If companies, salespeople and brands don’t adapt, Millennials will simply not buy from them—they’ll go to the next guy who has adapted. For example, in a recent national study led by The Center, we discovered how shockingly little cash Millennials actually carry on a daily basis. What does this mean for you? If you want to attract and keep Millennial buyers—especially for small transactions where a couple of dollars can make all the difference (i.e., tipping)—make it easy to pay with a card.

8. Millennials don’t just spend their own money.

It’s important to remember that their Baby Boomer parents often provide access to more money and credit. Millennials are entering adulthood later, and as a result, many Baby Boomers are providing financial resources and a financial backstop to their grown children, sometimes well into their 30s. Or maybe it’s the other way

around: Baby Boomers continue to offer financial support, so Millennials don't need to enter adulthood. In either case, this expands the spending and economic power of the Millennial generation. Even if they don't personally have the funds, they can direct money from other sources. Thanks Mom and Dad for the "emergency" credit card!

9. Winning Millennials is not just about Millennials. You need to keep all generations of customers in mind.

The Center discovered that Gen Xers and Baby Boomers are starting to communicate, shop and buy similarly to Millennials. Thus, if you win Millennials, you are in a strong position to attract and keep other generations—but if you lose or miss Millennials as customers, you increase your risk of losing your Gen X and Baby Boomer customers as well.

10. Where can I go for specific, research-driven strategies and tactics on how to attract, keep and grow Millennial sales?

[Click here](#) to contact us for a customized proposal or informational call.
Get more info on Millennials at GenHQ.com/Findings.

2:00 - 5:15 Cup and Gap: Profit and Cash Flow Drivers. An understanding of the P&L and Balance Sheet and how they link to give business the tools to focus on both profit and cash flow. This is a session from the Profit Mastery series, a course we will bring to Cook County in Feb 2017. <http://www.brs-seattle.com>

Thursday 9/22

8-9:30 - Foods Hub Growing Small Businesses: I attended this session since it is a priority item for the Northwood's Food Project, where I am treasurer. Food hubs are principally regional food aggregators/distributors well positioned to fill a number of social roles and services not traditionally provided by wholesale food companies. However, there is little agreement among stakeholders about what these roles and services should be or understanding of how they affect food hub financial viability. I learned about food hub sizes, the many ways to structure a food hub and how the payout works.

9:45 - 11:15 Entrepreneurship for the Baby Boomer Generation. Today there are more than 30 million solo entrepreneurs of whom 37% are Baby Boomers. Solo entrepreneurs seem to be one solution to the continued long term unemployment of older workers who were downsized in the great depression. This SBDC team developed a program designed specifically for Encores (over 50) who need to supplement retirement. The benefits: schedule control, more flexibility, being

your own boss, doing what you love. This SBDC build a 4 step program to bring Boomers into solo entrepreneurship. Handout available

2-3:30 Selling A Small Scale Food Product. Again, a real opportunity for Cook County producers. The focus was on breaking into the marketplace and positioning the company for long term sustainable growth. Handout available.

3-5:15 Peer2Peer: Art based client counseling. The consultant has been working with artists, musicians and professional tradesmen in the creative industry for several years. She led an interactive discussion on how to work with right brainers (my word) not much new for me in this session.

Please let me know if you have questions.

Request for Time

Before the Board of Commissioners

10.A.

1.	a. Topic or Issue: (As should be listed on agenda) Non-Mandated Discretionary budget requests	b. Requested Date: 10/18/2016	c. Amount of time with Board 1:00pm-3:30pm	Consent Agenda <input type="checkbox"/>
2.	a. Person requesting/presenting Jeff Cadwell	b. Phone: 387-3687	c. Email: jeff.cadwell@co.cook.mn.us	
3.	a. Departments affected:	b. Department Head:	c. Dept been contacted?	
4.	a. Has the Board addressed this before?	b. If so, When?	c. What was the result?	
5.	Are there other individuals or departments that will be affected by this matter and if so, who? Have they been notified?			
6.	BOARD ACTION REQUESTED (detail what you seek from the board, including motion/vote): First round Discretionary/Non-mandated budget requests.			
7.	BACKGROUND AND JUSTIFICATION (please be clear and concise; this information will be communicated to the public; and please attach ANY relevant supporting documentation you wish the Board to consider).			
8.	How will this request affect the County Budget?			
9.	Have funds been budgeted/allocated for this request?			
10.	If funds have been budget or allocated, please give details (i.e., levy, grants, general fund, department budget, or some combination; fully budgeted or partially budgeted; etc.):			

COUNTY STAFF INFORMATION

Meeting Date Set:	Agenda Item Number:
Auditor-Treasurer Contacted:	County Attorney Contacted:
YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/> N/A <input type="checkbox"/>