

A SPECIAL MEETING OF THE



**IRON RANGE RESOURCES
& REHABILITATION BOARD**

Monday, July 29, 2024

10:00 a.m.

**Iron Range Resources & Rehabilitation
Administration Building
Eveleth, MN**

Meeting of the Iron Range Resources & Rehabilitation Board
Iron Range Resources & Rehabilitation Administration Building
4261 Highway 53 South, Eveleth, MN 55734
Monday, July 29, 2024 – 10:00 a.m.

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Iron Range Resources & Rehabilitation Administration Building
4261 Highway 53 South, Eveleth, MN 55734
Monday, July 29, 2024 – 10:00 a.m.**

Pursuant to Minnesota Statutes Section 13D.015, some Board members may participate by interactive technology.

AGENDA

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of May 28, 2024, Meeting Minutes**
- 4. Commissioner's Comments**
- 5. City of Cook Economic Recovery Fund**
- 6. Adjournment**

Program: City of Cook Economic Recovery Fund

Purpose: Provide financial assistance to businesses located in the city of Cook that were directly impacted by the flood that occurred on June 18, 2024.

Economic Impact:

Quick Start Economic Recovery Grants:	\$300,000
Cook Economic Redevelopment Loans:	\$2,200,000
Total Agency Investment:	\$2,500,000

Description:

The program funding will provide financial assistance to business owners whose buildings and operations were directly impacted by the devastating flood on June 18, 2024. The flood caused extensive damage to community infrastructure, businesses and homes in Cook as well as several other communities in the agency's service area.

Agency community and business development staff have been actively engaged with the city of Cook to better understand short- and long-term needs of businesses. Staff conducted outreach to businesses through phone calls, and on July 16 the agency hosted an outreach session for businesses at the Cook Community Center. Staff met in person with 10 businesses to listen to their recovery needs, including their financial and logistical challenges.

To provide financial assistance to the businesses, a two-part response is recommended that includes grant and loan funding. The minimum eligibility requirements include:

- The business must intend to reopen in the city of Cook.
 - The business can demonstrate need for financial support.
 - The business must utilize available insurance.
1. **Quick Start Economic Recovery Grants:**
 - a. Available immediately to business owners who were operating in the city of Cook at the time of the flood, whose business is located in the commercial business area, and who intend to reopen.
 - b. Each business may be awarded one grant up to \$15,000.
 - c. Grant funds will be disbursed by the city of Cook based upon the submission of documentation that quantifies the loss, such as receipts dated after the flood or invoices for purchases made after the flood.

- d. Eligible uses of the grant funding include replacement of lost inventory, replacement of machinery/equipment/furniture, supplies, building rehabilitation, architectural/engineering services related to building repair or building new, full or selective demolition, utility bills, operational expenses, and other expenses as approved by agency staff.

2. Cook Economic Redevelopment Loans:

- a. Loans, with the potential for forgiveness, will provide long term financial support to business owners impacted by the flood.
- b. Loans will be available to business owners who were operating in the city of Cook at the time of the flood, whose business is located in the commercial business area, who will reopen by rebuilding in the same or new location or rehabilitating the building on the existing site.
- c. To access loans, business owners must develop a viable plan that:
 - Supplements other state and/or federal relief programs.
 - Provides proof that the repair or new construction will be less likely to be destroyed by future flooding.
 - Agency staff will review and approve all plans prior to releasing loan funding.
- d. The loan funding will be distributed by the agency to the city of Cook who will in turn work with an alternative lender to administer the funding to the business and service the loan.
- e. Any loan repayments will be recaptured by the city and used for future economic development projects.
- f. Loan forgiveness will be contingent upon business remaining open for five years.

Funding Authorization: This project is authorized under Minnesota Statute Section 298.2961 (2008) as reauthorized by 2017 Laws of Minnesota, 1st Special Session, Ch. 1, Art. 11, Sec. 18. These laws allow for expenditure of monies in the Highway 1 Corridor Account to be spent for economic development projects in the cities of Babbitt, Cook, Ely or Tower.