



MINUTES OF THE REGULAR EDA MEETING

EDA Members Present: Russ Smith, Shelly Peterson, Steve Micke, Dave Bjerkness, Mike Schultz, Adam Bailey

EDA/Ex-Officio Members Absent: Ross Peterson (EDA), Connie Christenson (Carlton County EDA)

Staff Present: Aaron Reeves, Holly Hansen (City); Kelly Zink (Cloquet Area Chamber of Commerce)

CALL TO ORDER

Vice President Bjerkness called the meeting to order at 8:13 a.m.

ANNOUNCEMENTS, ADJUSTMENTS, CORRESPONDENCE AND OTHER

None.

APPROVAL OF MEETING MINUTES

Vice President Bjerkness asked for any corrections or additions to the December 6, 2017 Meeting Minutes? Hearing none he asked for a motion.

Motion: Commissioner Schultz moved, and Commissioner Bailey seconded, that the EDA approve the Meeting Minutes from December 6, 2017. (Motion passed 6-0.)

APPROVAL OF NOVEMBER 2017 EDA FINANCIALS

Ms. Hansen reviewed the November 2017 cash balances and loans for the EDA. For the cash balances, she noted increases in Fund 201 and 203; a decrease in Fund 202 after releasing the final EDA payment for the east wall face of Ed's Bakery, no change in Fund 204, small cities development program activity in Funds 206/208, and an operational deficit in Fund 207 which will be addressed structurally by the City for future years. In terms of the EDA's portfolio of loans, all loans were current except November 2017 marked the first month of a delinquency for the Avenue C Restaurant/Rivdog LLC which closed in late October/early November 2017. As the EDA is aware, the City has \$18,040.80 outstanding in loan funding for the business. Vice President Dave Bjerkness asked for a motion to approve the November 2017 Cloquet EDA financials.

Motion: Commissioner Schultz moved, and Commissioner Bailey seconded, that the EDA November 2017 financials be approved. (Motion passed 6-0).



ACTION ITEMS / PRESENTATION / DISCUSSION

2018 CLOQUET EDA GOAL PRIORITIZATION

Vice President Bjerkness asked that in roundtable format each EDA Commissioner share their thoughts on important economic development needs for Cloquet in 2018.

- Commissioner Bjerkness stated the importance of the Ady Advantage framework from the Marketing Strategy and the need to build upon that in terms of next steps for Marketing Cloquet. He also mentioned the importance of the Cloquet Business Park with the hopes that improved marketing can also lead to positive momentum there related to commercial/industrial lot sales.
- Kelly Zink, Cloquet Chamber stated that marketing and housing development are important for Cloquet.
- Commissioner Schultz stated that housing development is key, while Cloquet needs something to market first before that raises to the top. Transformation of the West End, creating a draw for that area to make it more noteworthy is key, such as art/native American art/culture etc. something special and unique to Cloquet.
- Commissioner Micke stated that housing and marketing are key. The transformation of Cloquet Avenue has been amazing and adding to that streetscaping next year will continue to revitalize Downtown.
- Commissioner Shelly Peterson Housing development and the Cloquet Business Park are opportunities, although the plat layout/drainage patterns in the Park is difficult to layout buildings on. Marketing is an overall, it cannot stand alone, need to market “something.”
- Commissioner Bailey stated there is a significant need to revitalize the West End and Downtown, housing is key, marketing is key, the Cloquet Business Park is also important.
- Commissioner Smith stated that housing is key and he hopes that the Cloquet Middle School Adaptive Reuse project and White Pines Apartment projects will continue to move forward. He expressed concerns and the need to revitalize the West End Business District to open up its visibility and spoke to the experience of his recent business endeavor there with the closure of the Avenue C Restaurant.

Ms. Hansen asked for any discussion before EDA members participated in sticker voting for 2018.

- Commissioner Schultz stated that he would not focus on the Cloquet Business Park, our Business Park is one you’d see anywhere in Minnesota. EDA energy should focus on creating a unique draw as folks pass through town, the way to do that is to revitalize the West End creating ways to make Cloquet a destination and offering something unique, a reason to come here, creating positive energy in the West End with Munger Trail riverfront connectivity is the way to transform Cloquet. From those actions, housing growth will be stimulated as will business park lot sales.



Ms. Hansen asked for EDA members to utilize their stickers to vote for top EDA priorities for 2018.

1. Implementation of the 2014 Cloquet Housing Study and Taskforce Recommendations, marketing is a component of this.
2. Develop the Cloquet Business Park, marketing is a component of this.
3. Downtown Revitalization with special focus on the West End District (visibility improvement, information on programs, Munger Trail riverfront connectivity etc.), marketing this as an area of opportunity is important to this goal.

CLOQUET BUSINESS PARK

Ms. Hansen shared a prepared strategy list of concepts to forward the goal of developing the Cloquet Business Park stating that the approach needs to be multifaceted, local, regional, and Midwest in its reach. This list will be added to the 2018 EDA goal sheet.

Ms. Hansen distributed a proposal from Ady Advantage to conduct additional marketing work on the specific targeted business niches and beyond in an effort to generate viable leads in the Cloquet Business Park. EDA members discussed, found merit in the need to implement the goal of developing the Business Park. The funding source for the project will be Fund 207, EDA operational funds.

Motion: **Commissioner Smith moved, and Commissioner Schultz seconded, that the EDA execute the proposal and begin additional work for the Cloquet Business Park with Ady Advantage. (Motion passed 6-0).**

LOT SALES

Ms. Hansen then asked EDA members for input on their position on types of land uses that have been discouraged in the past within the Cloquet Business Park in light of \$4 million invested into the Business Park. She specifically mentioned mini storage, something past administration did not encourage in particular not appropriate for city assistance requests due to lack of job creation. Ms. Hansen shared a lead with the EDA requesting the purchase of one lot in the Cloquet Business Park with an option to buy two additional lots within the next five years and the associated prices offered to construct ministorage. Ms. Hansen suggested rather than a flat fee per lot, being that the lots are various sizes in terms of acreage, that staff suggests a price per total acreage instead.

EDA members discussed, stated they were looking for positive forward local energy in the Business Park, wanted to be sure to promote the quality of life and business friendly partners on a common vision as an EDA. Commissioner Shelly Peterson shared a story on Clarksville, TN and the community aligning with a shared vision plan. Commissioner Schultz stated a Business Park is not



what makes a City unique, it is its downtown, riverfront, places like the West End architecturally and the need to make a draw, to connect regional trails into it such as the Munger Trail etc. Vice President Dave Bjerkness asked for a motion to approve the sale of a lot for ministorage per the proposal distributed.

Motion: **Commissioner Shelly Peterson moved, and Commissioner Smith seconded, that the EDA prepare a purchase agreement for the sale of one lot in the Cloquet Business Park with the option to purchase two more within 5 years of the closing date for mini storage. (Motion passed 5-1, nay Commissioner Schultz).**

Commissioner Scultz stated that the EDA is giving up or lower standards too soon, we just authorized additional work with Ady Advantage, this mix could be potentially non-advantageous.

WEST END PROGRAM CONCEPTS AND ATTRACTION UPDATES

Out of time, deferred to the February meeting.

Next meeting date

February 7, 2018

ADJOURNED 9:45 a.m.

Respectfully submitted,

Holly L. Hansen, Community Development Director