



MINUTES OF THE REGULAR EDA MEETING

EDA Members Present: Russ Smith, Steve Micke, Dave Bjerkness, Mike Schultz, Ross Peterson

EDA/Ex-Officio Members Absent: Shelly Peterson, Adam Bailey, Kelly Zink (Cloquet Area Chamber of Commerce)

Ex-Officio/Staff Members Present: Aaron Reeves, Holly Hansen, Al Cottingham (City); Connie Christenson (Carlton County EDA)

CALL TO ORDER

President Ross Peterson called the meeting to order at 7:59 a.m.

ANNOUNCEMENTS, ADJUSTMENTS, CORRESPONDENCE AND OTHER

None.

APPROVAL OF MEETING MINUTES

President Ross Peterson asked for any corrections or additions to the February 7, 2018 Meeting Minutes? Hearing none he asked for a motion.

Motion: Commissioner Schultz moved, and Commissioner Micke seconded, that the EDA approve the Meeting Minutes from February 7, 2018. (Motion passed 5-0.)

APPROVAL OF JANUARY 2018 EDA FINANCIALS

Ms. Hansen reviewed the January 2018 cash balances and loans for the EDA. For the cash balances, she noted increases in Fund 201 and 203; no change in Funds 202, 204, or 206, an operational deficit in Fund 207 which will be addressed structurally by the City for future years, and lastly Fund 208 Small Cities owner occupied repayments and other activity related to the grant. President Ross Peterson asked for a motion to approve the January 2018 Cloquet EDA financials.

Motion: Commissioner Micke moved, and Commissioner Schultz seconded, that the EDA January 2018 financials be approved. (Motion passed 5-0).

APPROVAL OF FEBRUARY 2018 EDA FINANCIALS

Ms. Hansen reviewed the February 2018 cash balances and loans for the EDA. For the cash balances, she noted increases in Fund 201 and 203; no change in Funds 202, 204, or 206, an operational deficit in Fund 207 which will be addressed structurally by the City for future years, and



lastly Fund 208 Small Cities owner occupied repayments and other activity related to the grant. President Ross Peterson asked for a motion to approve the February 2018 Cloquet EDA financials.

Ms. Hansen noted that in February Coke stock was liquidated for the Avenue C Restaurant loan by NBC bank, with that the City was paid \$2,495.17 towards the outstanding loan amount bringing that total down to \$15,545.63. Ms. Hansen stated that the Entrepreneur Fund would be deferring the principal loan payments for Hongistos for March and April, with full payments resuming in May.

Motion: Commissioner Micke moved, and Commissioner Schultz seconded, that the EDA February 2018 financials be approved. (Motion passed 5-0).

ACTION ITEMS / PRESENTATION / DISCUSSION

Cloquet Business Park: Approve the Purchase Agreement between the City of Cloquet to Toy Barn Storage LLC

As directed by a 6-1 vote at the January EDA meeting, staff worked with the City's Development Attorney Briggs and Morgan to prepare a purchase agreement for Lot 3, Block 3 in the Cloquet Business Park with options on Lots 2 and 1. Staff reviewed the content of the agreement and then asked City Planner Al Cottingham to provide an overview of the site plan for the project. EDA Commissioner Schultz expressed concern for the proposed use of mini storage, Commissioner Micke expressed concern that utilities would not be used, and Commissioner Bjerkness expressed concern that the vote in January felt pressured and he requested outreach to the rest of the EDA membership to schedule another EDA meeting to get as many members as possible to further discuss the sale.

Motion: Commissioner Micke moved to table action and further discussion until another EDA meeting could be scheduled next week, seconded by Commissioner Bjerkness. (Motion passed 5-0).

Commissioners Schultz and Micke departed the meeting and there was no longer EDA voting quorum.

Ady Advantage: Digital Marketing Proposal

Staff distributed the Lead Generation, Digital Marketing, and Web update proposals from Ady Advantage. Staff stated that the Lead generation proposal had been withdrawn from the subconsultants and Ady Advantage cancelled that contract stating Cloquet was not a candidate for that work. EDA members expressed confusion and frustration related to why Ady even submitted that as a marketing option if it was not deemed viable by the subconsultant originally? EDA members noted Cloquet's location between the Twin Cities and Duluth was a positive in the original



marketing study. Staff stated the City has already hired a web update leaving the only viable marketing option as the digital marketing proposal.

With no EDA voting quorum all remaining agenda items were tabled.

DISCUSSION / CLOQUET EDA INFORMATIONAL UPDATES

Next meeting date

Staff will consult EDA members on scheduling a meeting next week, stay tuned via email for proposed dates.

ADJOURNED 9:30 a.m.

Respectfully submitted,

Holly L. Hansen, Community Development Director