



## **MINUTES OF THE REGULAR EDA MEETING**

**EDA Members Present:** Russ Smith, Shelly Peterson, Dave Bjerkness, Mike Schultz, Ross Peterson, Roger Maki

**EDA/Ex-Officio Members Absent:** Steve Micke (EDA), Aaron Reeves, (City); Kelly Zink (Cloquet Area Chamber of Commerce);

**Ex-Officio/Staff Members Present:** Holly Hansen (City), Connie Christenson (Carlton County EDA)

**Others Present:** None.

### **CALL TO ORDER**

President Ross Peterson called the meeting to order at 8:00a.m.

### **OATH OF OFFICE**

President Ross Peterson read the Oath of Office for Roger Maki, new Council appointed representative to the EDA replacing Adam Bailey. EDA Commissioner Maki accepted the Oath of Office.

### **ANNOUNCEMENTS, ADJUSTMENTS, CORRESPONDENCE AND OTHER**

None.

### **APPROVAL OF MEETING MINUTES**

President Ross Peterson asked for any corrections or additions to the April 12, 2018 Meeting Minutes? Hearing none he asked for a motion.

**Motion:**           **Commissioner Shelly Peterson moved, and Commissioner Bjerkness seconded, that the EDA approve the Meeting Minutes from April 12, 2018. (Motion passed 6-0.)**

### **APPROVAL OF MONTHLY FINANCIALS**

None Available.

### **ACTION ITEMS / PRESENTATION / DISCUSSION**

#### **REVIEW WEST END LOAN & GRANT PROGRAM**

Ms. Hansen reviewed the Advance the West End Loan Program. She stated it was modeled after the City of Duluth's program for Lincoln Park, with a few Cloquet twists. She stated that Fund 202 would be the source behind the program but clarified that Fund 202 also remains open within the City to qualifying businesses. EDA members asked questions and reviewed all the global issues in the West End noting



many policy issues need to be addressed to restore vibrancy to this area in which the City has a whole and City Council would need to support.

Secondly, she highlighted Phase 3 of the City's SCDP program which just ended. All commercial projects that used funding were located along Cloquet Avenue, none in the West End reflective of the storefront vacancy problems. She noted that SCDP repayments over the next 6 years will total \$80,000 in Fund 206. Just as with past SCDP awards, the EDA has an Income Reuse Plan filed with DEED however she recommended doing what was done with the Phase 2 SCDP repayments and offering the repayments to commercial only (not for further residential projects) for a \$10,000 façade grant to be paired with this West End program, meaning those that are using the Advance the West End Loan Program are eligible for the grant. Presently, there is almost \$20,000 in Fund 206 SCDP repayments and those will grow annually by \$10,000 over the next six years.

In short the Advance the West End Loan Program would provide a maximum of \$50,000 in gap financing loan funding and as available a \$10,000 storefront grant if approved for the loan program.

**Direction:** EDA members directed staff to prepare a policy which further defines the use of SCDP Phase 3 repayments for commercial in the West End District. The EDA concluded that this is a good start to positively communicating City support within this district. This loan program should be unveiled similar to how Duluth did, a media press event in the district with EDA, Council, Mayor, Staff, Chamber present to show support for the District. Staff should prepare a media strategy.

#### IDENTIFY VISIBILITY IMPROVEMENT PROJECTS FOR WEST END

Ms. Hansen said she met with City Engineering to review transportation improvements noted in the October 2017 Downtown Cloquet Revitalization Strategy. At this time Engineering Department leaders did not find the additional cost and feasibility of alternate side parking year-round the first step for the district and instead suggested the EDA/City proceed with concepts in the plan that target an entryway Municipal Parking Lot that is aesthetically cleaned up and communicates the entry into the West End. Members noted active regional efforts working with the Arrowhead Arts Council as a potential to further aesthetic goals from that plan.

**Direction:** EDA members asked that staff review the EDA's plan with Council in the near future at the next Work Session opportunity as we are upon budgeting season and some of these goals may warrant the use of sales tax infrastructure dollars needed to lift the EDA's effort (e.g. entryway municipal lot).

#### IDENTIFY CITY POLICY CHANGES FOR SUPPORT OF THE WEST END

Ms. Hansen reviewed the issue of concentrated commercial vacancies in the City being in the West End, buildings that generally cash flow with strong second floor residential rentals above and due to lacking



district visibility have vacant storefronts. Some buildings have been completely empty for many years, Ms. Hansen reviewed buildings that have not had utilities since 2003, 2007 etc. EDA members discussed recent Vacant Building Registry efforts by the City of Duluth enforced by Housing Inspectors with the annual penalty. Ms. Hansen stated that Duluth examines actual usage and occupancy in a building, (not just if utilities are on or off), but usage.

The Engineering Department noted that over the past several years they have not gained much traction with the Parks Committee or Council solidifying direction for the pavement in Wentworth Park (former tennis courts, former skatepark), which is technically parks space. They suggested staff discuss with Council the concept of cleaning up the property line here and removing the front fencing and installing a curb entrance from Avenue B this summer while west end construction crews are working in this area so that at least it could be used if a group such as the Farmers Market or an event were held in the District overflow parking. It was also noted that the parking lot behind the VFW is not signed as a city municipal parking lot and should be along with a wayfinding sign from Broadway. The Downtown Cloquet Revitalization Strategy also discussed utilizing the burned down Hong Kong parcel that is west of the Naaslund Interiors building to create a walkway to the City municipal lot and aesthetically upgrade the parcel.

**Direction:** EDA members thought there was value to pursuing a Vacant Building Registry to financially disincentivize building vacancies. EDA directed staff to craft the West End Action Step Plan for the City to see what is needed to support and roll out actions to restore vibrancy to the District.

#### **DISCUSSION / CLOQUET EDA INFORMATIONAL UPDATES**

See attached agenda informational updates.

#### **Next meeting date**

June 6, 2018

#### **ADJOURNED 9:30 a.m.**

Respectfully submitted,

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Holly L. Hansen, Community Development Director