



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

**EDA Members Present:** Shelly Peterson, Steve Micke, Dave Bjerkness, Lara Wilkinson, Mike Schultz, Ross Peterson

**EDA Members/Ex-Officio Absent:** Russ Smith, EDA; Kelly Zink (Cloquet Area Chamber of Commerce); Connie Christenson (Carlton County EDA)

**Staff Present:** Brian Fritsinger, Holly Butcher (City)

### **CALL TO ORDER**

President Ross Peterson called the meeting to order at 8:02 a.m.

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

None.

### **APPROVAL OF MEETING MINUTES**

President Ross Peterson asked for any corrections or additions to the May 11, 2016 Meeting Minutes? Hearing none he asked for a motion.

**Motion:**        **Commissioner Bjerkness moved, and Commissioner Micke seconded, that the EDA approve the Meeting Minutes from May 11, 2016. (Motion passed 6-0.)**

### **BRIEF UPDATES**

Ms. Butcher reviewed the City, Chamber, and County updates for the EDA. Commissioner Shelly Peterson asked if the City was aware of the County's RFP for their Transportation Building or Courthouse/Jail complex and how the County would be financing that? The City had no details to provide.

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

#### **1013 Cloquet Avenue – Ed's Bakery Rehabilitation RFP**

Ms. Butcher reviewed the staff report and prepared Request for Proposals to rehabilitate the Ed's Bakery building located at 1013 Cloquet Avenue. She reported that as part of the application to DEED for Small Cities Grant funding that the City committed \$25,000 cash towards exterior improvements. Being the building is bank owned, it affords the City opportunities to conduct the work.



Commissioner Shelly Peterson suggested bid format to break out costs for the EDA as a better way to craft the RFP. Commissioner Bjerckness expressed concerns for the limited funding available to complete the extensive list of improvements. Mr. Fritsinger asked if it made more sense for the City to negotiate a building purchase from the bank? Commissioner Wilkinson expressed caution on funds invested to turn back to the bank to sell with no direct project controls who the property is sold to and for what use. Commissioner Ross Peterson asked if there were more property specifics as to the actual status of the building – foreclosure, short sale, redemption status, deed status etc.? EDA members discussed the funding source and requirement of prevailing wage rates, as a result 1-2 bids may be expected in this current market. Mr. Fritsinger asked if it makes more sense to only focus on the East wall face of the building since that is the primary source of complaints?

**Motion:** Commissioner Shelly Peterson moved, and Commissioner Micke seconded, that the 1013 Cloquet Avenue Rehabilitation RFP be approved subject to the following modifications: removal of funding amount available replacing with the phrase limited funding, preparation of improvements in bid format requesting contractor execution plans for renovation allowing the city to see costs broken down, pulling out the bathroom wall into an alternate section providing a schematic or photo of bathroom area, attaching the city’s design standards, providing information on who to contact to access the building for tour (realtor or bank) and further discussions with the bank to understand the technical property status. (Motion passed 6-0).

**Debrief on Tax Credit Prioritization**

EDA members individually discussed their thoughts on the two housing tax credit projects moving forward from Cloquet those being the Sherman Middle School renovations and secondly the Cloquet HRA project. The discussion allowed staff to tally and have available information for the state in the event that MHFA needs to consult the City on their project priorities due to funding constraints.

**Next meeting date**

July 13, 2016

**ADJOURNED 9:27 a.m.**

Respectfully submitted,

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Holly L. Butcher, Community Development Director