

Cloquet Council Chambers  
6:00 P.M. August 2, 2022

## **Regular Meeting**

Roll Call

Councilors Present: Lamb, Swanson, Jaakola, Acting Mayor Wilkinson

Councilors Absent: Carlson, Kolodge, Mayor Maki

Pledge of Allegiance

## **AGENDA**

**MOTION:** Councilor Swanson moved and Councilor Lamb seconded the motion to approve the August 2, 2022 agenda. The motion carried unanimously (4-0).

## **MINUTES**

**MOTION:** Councilor Jaakola moved and Councilor Lamb seconded the motion to approve the Regular Meeting minutes of July 19, 2022 as presented. The motion carried unanimously (4-0).

## **PUBLIC COMMENTS**

There were none.

## **CONSENT AGENDA**

**MOTION:** Councilor Lamb moved and Councilor Swanson seconded the motion to adopt the Consent Agenda of August 2, 2022, approving the necessary motions and resolutions. The motion carried unanimously (4-0).

- a. Resolution No. 22-55, Authorizing the Payment of Bills and Payroll
- b. Consideration of Cloquet Housing and Redevelopment Authority (HRA) Appointments, Dunaiski and Bird

## **PUBLIC HEARINGS**

There were none.

## **PRESENTATIONS**

- a. 4<sup>th</sup> of July Celebration Recap  
Fourth of July committee members highlighted the events of the weekend noting how the weather did not cooperate therefore moving events to the 5<sup>th</sup>. The parade was rescheduled as a stand still parade and was very successful. Not all vendors were able to participate on the 5<sup>th</sup> but the public seemed to enjoy what was available. New items to the celebration included the July 4<sup>th</sup> website for event participants and informational hub and information kiosks at Veterans Park. A few concerns included no plan B for inclement weather, cost increases and lack of volunteers. Sponsorship was on target from 2019 but individual and parade donations were down. One of the committee's main goals will be to increase community support.
- b. 2021 Financial Presentation – Michelle Swoboda of WIPFLI  
Michelle Swoboda from WIPFLI presented the 2021 Financial Report. Swoboda noted the audit resulted in an unmodified, or "clean", opinion of the 2021 financial statements. Swoboda mentioned the city's total net position increased from \$63,741,030 in 2020 to \$66,093,710 in 2021. Revenues increased in 2021 by \$132,000 and expenses decreased \$2,727,000, resulting in the increase to net position. The city's governmental funds balance increased by \$389,323 in 2021 to an ending balance of \$8,222,694. Total 2021 general fund revenues were \$497,000 over budget while general fund expenses for 2021 were \$5,000 less than budgeted. The city's proprietary funds had operating income of \$2,118,000 in 2021 resulting in an increase to net position of \$1,188,000.

**MOTION:** Councilor Swanson moved and Councilor Jaakola seconded the acceptance of the 2021 Financial Statements as presented. The motion carried (4-0).

**SPECIAL ASSESSMENT ORDINANCE REVISION AND POLICY ADOPTION – 2<sup>ND</sup> READING**

**MOTION:** Councilor Jaakola moved and Councilor Lamb seconded the motion to table the approval of **ORDINANCE NO. 500A, AN ORDINANCE TO AMEND CHAPTER 12 OF THE MUNICIPAL CODE PERTAINING TO FINANCING AND ASSESSMENT OF PUBLIC IMPROVEMENTS** until the August 16<sup>th</sup> City Council meeting when there are more councilors present. The motion carried unanimously (4-0).

The City Council of the City of Cloquet does hereby ordain as follows:

**Section 1. Sections 12.2.01 thru 12.2.11 are deleted in their entirety.**

**Section 2. Sections 12.2.01, 12.2.02 and 12.2.03 are adopted as follows:**

**12.2.01. General Policy.** It shall be the policy of the City to finance certain street and utility improvements by the methods prescribed in the Policy for Financing and Assessment of Public Improvements as adopted and periodically updated by City Council. The apportionment of the cost between benefited property and the City at large and the method of levying assessments prescribed in the Assessment Policy shall be followed in each case unless the Council, by resolution, finds that because of special circumstances, as provided for by Statute, a different policy shall be necessary or desirable. Any local improvement described in Minn. Stat., Chapter 429 and not specifically addressed by the Assessment Policy shall be financed as the Council determines to be most feasible and equitable in each case.

**12.2.02. Applicable State Statutes.** All procedures for the construction and financing of local improvements, when at least part of the cost shall be defrayed by special assessments against benefited property, shall conform with the applicable city policy and Minn. Stat., Chapter 429 and the definitions as set forth in the statutes.

**12.2.03. Deferral of Special Assessments for Seniors and Retired, Disabled Homeowners.**

**Subd. 1. Legislative Authority.** Pursuant to Minnesota Statutes Section 435.193, the City Council may defer special assessments levied against the homestead property of a senior citizen or retired, disabled homeowner for whom it would be a hardship to make the annual payments. The City Council will act on all deferral requests once an application, as adopted by the City, has been completed.

**Subd. 2. Termination of Deferral Status:** It shall be the duty of the applicant, his/her heirs or legal representative to notify the City Administrator of any changes in status which affect the eligibility for the deferral. Special assessments deferred pursuant to the eligibility requirements set forth herein shall terminate and become payable, together with accumulated interest, upon the occurrence of any one of the following events:

- a. **Transfer of Ownership:** The property is sold, transferred, subdivided or in any way conveyed to another by the individual for whom the deferral was granted.
- b. **Death of Owner:** The death of the owner qualified for the deferral, unless a surviving joint tenant or tenant in common is eligible for the deferral benefit provided herein.
- c. **Loss of Homestead Status:** The property loses its homestead status for any reason.
- d. **No Hardship:** The City Council determines that there would be no hardship to require an immediate or partial payment.

**Subd. 3. Disability:** Retirement by reason of permanent and total disability shall be deemed prima facie to exist when the applicant presents a sworn affidavit by a licensed medical doctor attesting that the applicant is unable to be gainfully employed because of a permanent and total disability in any occupation for which he/she may be qualified.

**Section 3. Effective Date.** This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

**MOTION:** Councilor Jaakola moved and Councilor Lamb seconded the motion to table **RESOLUTION NO. 22-54, A RESOLUTION ADOPTING THE CITY OF CLOQUET POLICY FOR FINANCING AND ASSESSMENT OF PUBLIC IMPROVEMENTS.** The motion carried unanimously (4-0).

**WHEREAS**, the City Council of the City of Cloquet, Minnesota (the "City") proposes to issue its General Obligation Sales Tax and Water Revenue Bonds (the "Bonds"), the proceeds of which will be used to finance the costs of construction, improvement or rehabilitation of water, sanitary sewer, and storm sewer facilities; and

**WHEREAS**, the City Council hereby determines it is in the best interests of the City to apply to the Minnesota Public Facilities Authority (the "Authority") for credit enhancement of the Bonds;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CLOQUET, MINNESOTA**, as follows:

1. Approval of the Authority's Credit Enhancement Program Agreement. The Authority's Credit Enhancement Program Agreement (the "Agreement") is hereby approved, the same being before the City Council and made a part of this resolution by reference.

2. Authorization to Sign Agreement and Related Forms. The Mayor and the City Administrator are authorized to sign the Agreement on the City's behalf and to execute any other related forms prescribed by the Authority with respect to the Agreement.

3. Agreement to Comply with Minnesota Statutes, Section 446A.086. The City is entering into the Agreement with the Authority pursuant to Minnesota Statutes, Section 446A.086 (the "Act") and the City hereby agrees to comply with and be bound by the provisions of the Act.

Submission of the Agreement. The Mayor and the City Administrator are hereby authorized to submit, on the City's behalf, the Agreement to the Authority, together with the nonrefundable application fee in the amount of \$500.

#### **APPROVING CONDITIONAL USE PERMIT FOR THE HUMAN DEVELOPMENT CENTER**

**MOTION:** Councilor Lamb moved and Councilor Jaakola seconded the motion to adopt **RESOLUTION NO. 22-56, A RESOLUTION APPROVING THE CONDITIONAL USE PERMIT FOR THE HUMAN DEVELOPMENT CENTER FOR OFFICES IN THE MULTIPLE FAMILY RESIDENTIAL DISTRICT**. The motion carried unanimously (4-0).

**WHEREAS**, the Human Development Center is proposing a Conditional Use Permit for offices in the R3 – Multiple Family Residence District; and

**WHEREAS**, As required by ordinance, notification was advertised in the Pine Knot on July 15, 2022, and property owners within 350 feet were sent notice. A public hearing was held to consider the application at the regular meeting of the Cloquet Planning Commission on July 26, 2022, at which time Zoning Case / Development Review No. 22-06 was heard and discussed; and

**WHEREAS**, the property of the proposed Conditional Use Permit is located 40 11<sup>th</sup> Street and is legally described as follows:

Lots 13 and 14, Block 11, Northern Lumber Co's Eastern Division, Carlton County, Minnesota. And,

**WHEREAS**, the Planning Commission reviewed the staff report and recommends approval of the Conditional Use Permit.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, that it approves Zoning Case 22-06 for the Human Development Center for offices in the Multiple Family Residence District subject to the following conditions:

1. A Building Permit be issued prior to beginning any work.
2. The lots must be consolidated into one tax parcel.

#### **APPROVING THE CONDITIONAL USE PERMIT FOR TONY NGUYEN**

**MOTION:** Councilor Swanson moved and Councilor Lamb seconded the motion to adopt **RESOLUTION NO. 22-57, A RESOLUTION APPROVING THE CONDITIONAL**

**USE PERMIT FOR TONY NGUYEN FOR APARTMENTS IN THE REGIONAL COMMERCIAL DISTRICT.** The motion carried unanimously (4-0).

**WHEREAS**, Tony Nguyen is proposing a Conditional Use Permit for four (4) additional apartments in the RC – Regional Commercial District; and

**WHEREAS**, As required by ordinance, notification was advertised in the Pine Knot on July 15, 2022, and property owners within 350 feet were sent notice. A public hearing was held to consider the application at the regular meeting of the Cloquet Planning Commission on July 26, 2022, at which time Zoning Case / Development Review No. 22-07 was heard and discussed; and

**WHEREAS**, the property of the proposed Conditional Use Permit is located 807 and 809 Sunnyside Drive and is legally described as follows:

Part of the East ½ of the Southwest ¼ of the Southwest ¼, Section 11, Township 49, Range 17, Carlton County, Minnesota described as follows: Commencing at the southwest corner of Section 11, thence North 90 degrees East on the south line 577 feet, thence North 0 degrees 29 minutes 30 seconds East 241 feet, thence North 90 degrees East 205.39 feet, thence North 1 degree 13 minutes West 102.21 feet to the point of beginning, thence continue on straight line 162.97 feet, thence entering curve to the right of 25.24 foot radius 21.93 feet through total deflection of 49 degrees 46 minutes 30 seconds to bearing of North 48 degrees 33 minutes 30 seconds East, thence continue straight tangent line 128.77 feet, thence South 89 degrees 6 minutes 30 seconds East 90.89 feet to west right-of-way of Highway 33, thence deflect to right angle of 114 degrees 1 minute 5 seconds to tangent point on curve, thence running on curve of 1984.86 feet to left 312.45 feet through total deflection 9 degrees 1 minute 10 seconds to point on curve which bears South 72 degrees 32 minutes East from point of beginning, thence bearing North 72 degrees 32 minutes West 87.72 feet to point of beginning. Subject to easement. Carlton County, Minnesota.  
And,

**WHEREAS**, the Planning Commission reviewed the staff report and recommends approval of the Conditional Use Permit.

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA**, that it approves Zoning Case 22-07 for Tony Nguyen for four (4) additional apartments in the RC – Regional Commercial District subject to the following conditions:

1. A Building Permit be issued prior to beginning any work.

**COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES**

City Administrator Peterson stated a meeting is scheduled for Wednesday, August 10 at 4:00 p.m. with city staff and Kelly Avenue residents.

City Administrator Peterson encouraged a write in campaign for Ward 3 City Councilor due to Councilor Swanson moving out of the ward. His resignation as Ward 3 City Councilor was past the deadline to have his name removed from the ballot.

Administrator Peterson recommended citizens to follow the Cloquet Sales Tax Referendum Facebook page created to share information about the sales tax referendum that will be on the November ballot. The Facebook page is designed to post information and updates on the referendum to keep citizens informed and a place to ask questions about the referendum.

Kudos were given to Finance Director Katie Bloom for her time and efforts during the audit process.

**ADJOURNMENT**

On a motion duly carried by a unanimous yea vote of all members present on roll call, the Council adjourned.

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Tim Peterson, City Administrator