



Annual Report 2023 for the Community Development Department

The core functions of the Community Development Department are to provide building inspections and housing code compliance, planning, zoning, and subdivision review, and economic development services. This is the annual report reviewing the activities of the Community Development Department during the year 2023. As such, the below report is broken up into these service function areas.

Department staffing consists of three employees: one economic development staff (Community Development Director), one planning staff (City Planner / Zoning Administrator), and one building/housing staff (Building Official). Additionally, the Department uses the Northspan Group for business loan reviews, Ehlers as financial advisors, and Taft Law as Development Attorney/bond counsel. Periodically, the Department utilizes the services of Pro-West and Associates to create GIS data layers unique to the City's regulatory information.

Staff maintains the following professional memberships:

- *Al Cottingham, City Planner/Zoning Administrator: Minnesota Chapter of the American Planning Association (MnAPA and APA)*
- *Matt Munter, CBO Building Official/Code Enforcement: Association of Minnesota Building Officials (AMBO) Board Member, Arrowhead Chapter of Building Officials*
- *Holly Hansen, EDFP/AICP Community Development Director: Economic Development Association of Minnesota (EDAM), Iron Range Economic Alliance (IREA), Minnesota Chapter of the American Planning Association (MnAPA and APA)*

Building Code Administration

Annual building values for 2023 totaled \$7,771,763 which was similar in building values of \$7,853,158 in 2022. There were 2 new single-family homes constructed in 2023 compared to 5 in 2022. Notable projects this year included a new 22,000 square foot commercial building for C&L Distributing in the Cloquet Business Park, a kitchen addition at Carmen's Bar and Restaurant, openings of Pedros Event Center, Holy Smokes BBQ & Coffeehouse, and 218 TapHouse.

Inspection requests and permit data are organized in PermitWorks. In 2023, the total building permits issued were 617 (126 were new I&I inspection permits) compared to 626 permits in 2022. There were 564 inspections conducted in Cloquet and 33 inspections conducted in Scanlon. The City continues to administer building permits and inspections for the City of Scanlon. Revenues generated from Scanlon for 2023 were \$6,403.30 which was down from \$8,054.03 in revenue in 2022. The City performs inspections for the FDL Reservation on a project request basis, revenues from FDL



inspections in 2023 were \$1,820 for a child care center near the tribal headquarters and a ceremonial hall on Mission Road.

Housing & Building Code Enforcement

Chapter 10 of City Code outlines the building and housing code requirements. In 2023, the department placarded two properties for water/sewer shut offs or other lack of utilities (electric or heat). Enforcement action this year focused predominantly on a building in the West End and its retaining wall failure, solid waste left behind at homes that fell into either tax or mortgage foreclosure, and compliance at the Victory Apartments with completion of the rear staircase.

Cloquet Riverfront Area Clean-up 2023

Boldt Construction planned and hosted an Earth Day Clean up with the Cloquet Parks Department on May 17th. The clean-up occurred along the riverfront with a great community turn out. The event was sponsored by Boldt, B&B Market, Community Memorial Hospital, and Community Printing.



Celebrating our volunteers, thank you parents and kids from our local troops!



B&B Market owner Mikayla Richardson serves food to clean-up volunteers inside the Dunlap Island shelter.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

2023 CONSTRUCTION HIGHLIGHTS



*On September 12, 2023 Dick Family Real Estate, LLC closed on the purchase of three commercial lots, totaling 3.77 acres in the Cloquet Business Park to construct a 22,000 square foot distribution and office facility for their business **C & L Distributing**. The company has been examining building sites in the Twin Ports region after recently purchasing the Minnesota distribution rights from Superior Beverages, LLC in Superior, Wisconsin. As a company, they only distribute in Minnesota and are looking to streamline operations and transportation logistics. They selected the Cloquet Business Park to construct a distribution warehouse.*



***Carmen's Bar & Restaurant**, located at 1410 Prospect Avenue West expanded the building adding space for a substantial kitchen in 2023.*



***Holy Smokes BBQ & Coffee House**, located at 103 Avenue C in the historic Chief Theater, was opened in November 2023 by owners Lee and Julie Harris.*



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

2023 CONSTRUCTION HIGHLIGHTS



218 TapHouse, Entrepreneurs Dean and Alison Crotteau opened 218 TapHouse at 918 South Hwy 33 in December 2023, paying tribute to the 218-area code and its variety craft features. The couple also owns Cold One Liquor in the same building complex and has strong business relationships with distributors. The beer wall has 29 taps, featuring brews, ciders, seltzers, and THC-infused beverages the majority of which are local from Duluth, Superior, and northern-area breweries with a few from the Twin Cities. They also have a full bar, plus specialty cocktails, as well as mocktails (non-alcoholic and fun for kids) as well as sodas. The facility also has three lanes of duckpin bowling!

Pedros Event Center, opened on the second floor of the restaurant located at 7 – 8th Street, in the fall of 2023. The event center is a reservable space with access to catering menus, a private bar, a third floor VIP space, spacious seating, and a

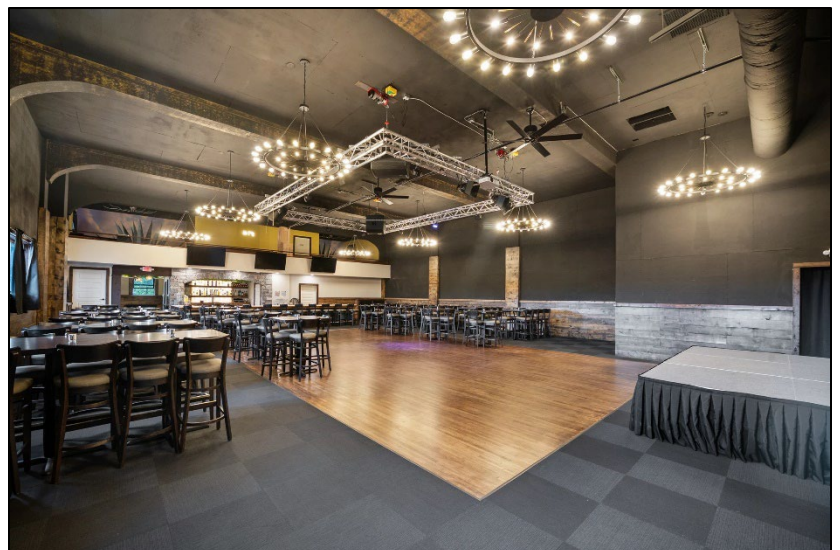




TABLE 1: 2023 BUILDING PERMITS – PERMITWORKS

CITY OF CLOQUET PERMITS	2023					
	Type	No.	Value	City Fee	City Plan Review	State Surcharge
ALL BUILDING PERMITS	328	\$7,771,763	\$71,603.66	\$17,749.40	\$3,770.79	\$93,123.85
INFLOW & INFILTRATION	126	0	\$10,500.00			\$10,500.00
MECHANICAL PERMIT	59	0	\$3,100.00		\$59.00	\$3,159.00
PLUMBING	37	0	\$2,450.00		\$37.00	\$2,487.00
ROW PERMIT	1	0				0
SHED/FENCE SITE LOCATE	66	0	\$1,425.00			\$1,425.00
TOTALS	617	\$7,771,763	\$89,078.66	\$17,749.40	\$3,866.79	\$110,694.85
<i>LESS CLOQUET STATE SURCHARGE</i>						\$3,866.79
CITY OF CLOQUET RETAINED						\$106,828.06
CITY OF SCANLON BUILDING PERMITS	29	\$407,428	\$6,503.30	\$160.00	\$217.71	\$6,881.01
CITY OF SCANLON MECHANICAL PERMITS	3		\$115.00		\$3.00	\$118.00
CITY OF SCANLON PLUMBING PERMITS	1		\$25.00		\$1.00	\$26.00
CITY OF SCANLON SHED/FENCE SITE LOCATE	5		\$125.00			\$125.00
TOTALS	38	\$407,428	\$6,768.30	\$160.00	\$221.71	\$7,150.01
<i>SCANLON STATE SURCHARGE</i>						\$221.71
CITY OF CLOQUET RETAINED FOR SERVICES						\$6,928.30
FDL RESERVATION INSPECTIONS	28					\$1,820.00



TABLE 2: 2023 SEWER CONNECTIONS (CAF)

TYPE	Total CAF Units
Capacity Availability Fee/Permits (Single Family)	6
Capacity Availability Fee/Permits (Townhome)	1
Capacity Availability Fee/Permits (Commercial/Industrial)	0
TOTAL	7

TABLE 3: 2023 ZONING AND SUBDIVISION APPLICATIONS PROCESSED

TYPE OF APPLICATION	NUMBER
Appeals	0
City Owned Land Requests	0
Conditional Use Permit Applications	2
Residential	2
Commercial/Industrial	0
House Moving Permit Applications	0
Gravel Extraction (new)	0
Gravel Extraction (renewals)	4
Other	4
Planned Developments	0
Residential	0
Commercial/Industrial	0
Site Plan Reviews (Design Standards)	2
Subdivision Plat	2
Subdivision Lot Splits or Consolidations (Administrative Review)	6
Variance Applications	2
Subdivision Regulations	0
Zoning Ordinance	0
Wetland Review	1
Zoning Amendment Applications	2
Map	1
Text (Zoning childcare in OM)	1
TOTAL	25

TABLE 4: 2023 INSPECTIONS PERFORMED

TYPE OF INSPECTION	NUMBER
Cloquet building inspections	564
Scanlon building inspections	33
Gravel Mine Operations	4
TOTAL	601



TABLE 5: 2023 FEES COLLECTED – CITY FINANCE REPORTING / ADJUSTMENTS

TYPE OF FEE	AMOUNT
Building Permits (retained by the City)	\$70,709.62
Cloquet Plan Review Fees	\$17,909.40
Mechanical Permits	\$3,120.00
Excavation Permits & Right of Way	\$750.00
Grading Permits	\$946.11
Plumbing Permits	\$2,385.00
City Retained 4% WLSSD CAF Fees (invoiced '22, received/pd '23)	\$-676.80
Sign	\$378.50
I&I	\$10,600.00
Zoning & Subdivision Fees	\$6,412.00
Cloquet Permits	\$ 106,121.83
Scanlon Building Permits only (retained by the City)	\$6,403.30
FDL Reservation Inspection revenues	\$1,820.00
Total Permit Revenues	\$ 114,345.13

ZONING AND SUBDIVISION ADMINISTRATION

There were 25 zoning and subdivision applications in 2023, compared with 34 in 2022 and there was 1 Wetland Conservation Act (WCA) case. The planning and zoning cases are facilitated by the City Planner Al Cottingham and the volunteer Planning Commission whose participation remains actively engaged with five members:

Cloquet Planning Commission 2023

- Terri Lyytinen, Chair (resigned in September)
- Elizabeth Polling, Vice Chair
- Phil Demers
- Brittany Kuschel
- Michelle Wick

Notable Zoning Cases in 2023 included:

- SKB Environmental Site Plan Review for office/maintenance building to replace temporary structures
- C&L Distributing Site Plan for new 22,000 square foot building in the Cloquet Business Park
- Three Lot Subdivision for Andrew Elias
- Staff stayed busy assisting with zoning and development questions.

ECONOMIC DEVELOPMENT

Economic Development work for Cloquet is facilitated by Community Development Director Holly Hansen and led by the Cloquet Economic Development Authority (EDA), a seven-member volunteer commission who provide the platform for local economic discussion and decision making.



Cloquet EDA Commissioners 2023

- President Steve Micke, Reliable Insurance
- Vice President Dave Manderfeld, USG Interiors
- Mark Lanigan, Frandsen Bank
- Lara Wilkinson, MCCU / City Councilor
- Sue Ryan, Upper Lakes Foods
- Lyz Jaakola, FDLTCC / City Councilor
- John Riihiluoma, RRI Inc.

Goals for 2023

1 - Promote the Development, and Maintenance, of Housing by implementing the 2014 Cloquet Housing Study and Taskforce Recommendations

Strategy: Ensure that the City's housing stock supports the needs of local employers, employees, and targeted businesses including the adequate marketing of the City's housing re/development opportunities.

2 – Downtown Revitalization / Business Support / Redevelopment Support

Strategy: Increase the number and variety of restaurants, breweries/cideries/taprooms etc., retail, office, commercial, and housing mixed-use destinations to maintain Downtown as a vibrant destination and place of commerce. Have strong local business relationships, awareness of their needs and market Cloquet. Ensure difficult sites that require redevelopment are supported with economic development tools as warranted.

3 – Develop the Cloquet Business Park

Strategy: Increase business and employment opportunities within the Cloquet Business Park while broadening the commercial/industrial sector and tax base.

4 – Childcare

Strategy: Ensure local families and businesses are supported by and have access to quality childcare in the City of Cloquet by maintaining and creating new additional childcare slots.

5 – Broadband: Improve Residential and Business Networks

Strategy: Facilitate partnerships to improve residential and business broadband service within the City of Cloquet.

Accomplishments

Accomplishments by the Cloquet EDA for 2023 include:

- **POLICY**
 - The City Council overturned the project labor agreement mandate on private projects and instead incentivized its use in private projects by updates to EDA program policies.



- **GRANT PROJECTS**

- The City hired the 106 Group to facilitate and implement the Cultural Riverfront Signage project, grant funding which was provided from the Blandin Foundation. The Advisory Panel held workshops and prepared design concepts for fabrication.
- Revolved Small Cities Grant Projects for Northern Printery, Historic City Hall – Split Rock, GCL Development doorway for American National Insurance, Medicine Shoppe, and Buscala's. The City completed the federal environmental review and filed notice to access funding for the City's SCDP Public Infrastructure award for West End streetlights from DEED. The City Council has adopted all SCDP grant policies as required by DEED and received clearance to access the funding award and City Engineering will be managing the majority of this project.
- The Cloquet/Carlton County Airport hosted a grand opening of the multi-use County hangar secured with assistance from the Federal Economic Development Authority to support the business expansion of Venture North in Cloquet.

- **BUSINESS SUPPORT**

- The City held a public hearing on the submission of a Minnesota Investment Fund (MIF) application by the City applying for \$300,000 in MIF grant funds to support a \$38.5 million equipment recapitalization project at the Cloquet USG Plant. This project will ensure the viability of the plant by reinvestment. The company has requested the form of assistance to the State to be a \$300,000 grant, making the commitment to retain 300 manufacturing jobs in Cloquet, Minnesota. USG also hosted a celebration and plant tour for the 100th anniversary of the 35 Arch Street building of manufacturing.
- Council approved Tax Increment Financing for the expansion of Upper Lakes Foods freezer space and applied in partnership for a Job Creation Fund award to support 15 positions in Cloquet.
- The state legislative session allocated \$5 million for Lake Superior Waterline Repairs to the City of Cloquet's waterline infrastructure running from Park Point to serve Sappi. Sappi also celebrated 125 years of the Cloquet Paper Mill.
- Three lots in the Cloquet Business Park were sold to C&L Distributing to construct a 22,000 square foot distribution facility.
- Cloquet's Small Business Saturday was a huge success with 32 businesses signed up.



- The Pine Knot News will host the 3rd annual West End Celebration in Cloquet's Historic West End.
- Staff continued business retention visits and local business promotions as part of the Hidden Gems of Cloquet.
- Rethos held two stateside sessions on Equitable Entrepreneurial Ecosystem Workshop with Main Street America for small rural communities, one in Cloquet the other in Red Wing during October. Three national speakers attended from various parts of the country and the workshop was excellent!
- **HOUSING**
 - Construction was underway and completed at 609 / 611 Adams Street, a City/EDA housing code enforcement case turned project opportunity to improve the neighborhood and add housing. The EDA meeting was held onsite in November with Boss Builders.
 - Lagom Development acquired a County tax forfeit home at 217 - 3rd Street and also applied for a gap financing loan from the EDA to assist the work.
 - Hotel Solem Redevelopment request yielded an interested development team. The EDA hired local ACCT to perform a materials inspection survey of the building and lab testing. Staff used the Brownfield EPA Grant from ARDC for a no-cost Phase 1 and then prepared a redevelopment grant application for DEED.
 - The EDA repurchased 333 20th Street and issued a Request for Proposals and closed on the sale of the property to Boss Builders.
 - The EDA repurchased 316 20th Street and will issue a Request for Proposals in 2024 for its redevelopment.
 - The Council approved a Private Revenue Bond Application for Steele properties application for MMB federal bonding funds for senior affordable rentals and renovations at Larson Commons.
 - Participation in regional workforce housing meetings with major employers such as Cirrus Aircraft and providing developers tours of Cloquet sites.

This concludes the 2023 Annual report for the City of Cloquet Community Development Department.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

2023 ACCOMPLISHMENTS



The City hired the 106 Group to facilitate and implement the Cultural Riverfront Signage project, grant funding which was provided from the Blandin Foundation. The Advisory Panel was comprised of Fond du Lac Reservation and Cloquet community members. 106 Group held workshops and prepared design concepts for fabrication which will be installed by the City in 2024.



609 and 611 Adams Street - for sale twin homes. The EDA tore down a former collapsed home and released Request for Proposals to redevelop the site. The EDA held their November 2023 meeting onsite prior to the units being listed for sale.

*The Cloquet/Carlton County Airport hosted a **grand opening of the multi-use County hangar** secured with assistance from the Federal Economic Development Authority to support the business expansion of Venture North in Cloquet.*





CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

*Rethos held two stateside sessions on **Equitable Entrepreneurial Ecosystem Workshop with Main Street America** for small rural communities, one in Cloquet the other in Red Wing during October 2023. Three national speakers attended from various parts of the country.*



*Lagom Development acquired a **county tax forfeit home at 217 - 3rd Street** and also applied for a gap financing loan from the EDA to assist the work.*

