

Cloquet City Council Special Work Session

Tuesday, March 29, 2016

5:30 p.m.

Present: Bjerkness, Kolodge, Maki, Rock, Wilkinson, Mayor Hallback

Absent: Langley

Staff: Fritsinger, Barclay, Klassen, Butcher

Introductions were made of those in attendance. Mr. Barclay gave a brief overview of his career background.

Mr. Fritsinger stated the reason for this special work session is to have good conversation on 3 major topics the City is dealing with at this time. They include the Scanlon/Cloquet merger study, Middle School adaptive reuse, and the Community Visioning process.

Scanlon/Cloquet Merger Study

Mr. Fritsinger gave a brief review of the Ehler's presentation made recently by Mark Ruff. The main questions are in regard to legal components and finances with a potential merger. Attorneys are red-lining the draft study now and a final study will be complete in the near future. Scanlon did vote to move forward and continue discussions. This meeting is for feedback only, no decisions are being made tonight.

Council thoughts/concerns:

- Council agreed what was presented by Mr. Ruff at the joint meeting with Scanlon was not enough information to make an opinion. There were many unanswered questions in regard to taxes and utility rates. These questions are in the attorney's hands now.
- Concern about capital projects on facilities. Mr. Rock feels a merger wouldn't be beneficial to Cloquet. Mr. Bjerkness stated Scanlon would have to become part of a larger facility plan.
- Discussion of Cloquet's tax rate and Scanlon's utility rate. Merging would bring both down.
- Mr. Fritsinger commented the broader governance doesn't make sense beyond the financial piece. Many components need to be explored further. The timeline of a merger is aggressive and a merger does not need to take place this year. There is currently not enough information for this strict timeline.
- Council is in agreement on questioning what the effects a merger would make on the Knife Falls Township. The attorneys are working on how that piece will phase in.
- Consensus from Council is not to move forward until the study results are reviewed and questions answered.

Cloquet Middle School Adaptive Housing Proposal

- The school district has accepted a proposal by Sherman and Associates for the adaptive reuse of the current middle school. Mr. Fritsinger gave a brief overview of what the City's role will be which includes taxes, zoning and permits, code inspection, internal challenges with property management, law enforcement, etc. The City has no role with Sherman seeking a financial partner.
- Ms. Butcher gave a summary of what the site proposes for apartments and ideas for the lack of parking, which is a major issue. The tentative timeline has the apartment ready for renters in early 2019.

- Discussion of demographics for the proposed 36 units.
- Holly contacted the Duluth Police Department regarding the types of calls they receive for the Sherman developments in Duluth. Most of their calls are self-initiated, not generated by calls. No different than any other calls we already have in our community. Sherman has an excellent reputation for property management.
- Mr. Kolodge commented he has concern over “walk throughs” made by the P.D. This raises a red flag, means they are anticipating activity. Mr. Bjerkness thinks police presence would be a deterrent for unwanted activity.
- Mr. Fritsinger stated the City’s role in housing and economic development is to foster the needs and this project meets a number of the criteria. As the developer works on design concepts, any concerns will be taken seriously and changes made right from the beginning. Parking remains a prominent concern.

Community Visioning Proposals

- As directed by the Council, Mr. Fritsinger put together an RFP for a Community Vision Process. Five RFPs were received, ranging from \$35,000 to \$89,000. Now that we have responses, what does the Council see as the next step.
- Mr. Bjerkness questioned why this became a Council priority? Wilkinson responded that her recollection is it was to help align the public and Council. There is much concern of the negative direction the public has taken recently on a number of topics/projects the City is facing. It is understood that the public has a right and a need to be heard, but it hasn’t been constructive. There needs to be a better way to form dialog.
- With the volume of projects currently going on, is this a bad time to develop a visioning process? Much to consider if it does move forward. It is not in the budget for this year, and if the Scanlon/Cloquet merger does move forward, that change many things.
- A community vision may be a bridge builder with large developers who want to invest in the community. How do we compel people to engage positively with all of the negativity currently being voiced.
- Mr. Maki agrees with being proactive. This is something to move towards and if left to just us to come up with the visioning process, it may not get done. We need to have someone who knows what they’re doing. There is value in engaging the community.
- Mr. Kolodge feels it is important to get public feedback. There’s a lot of money to spend and the timing now is hard. Uncertain if this is the right way to go.
- Mr. Bjerkness inquired about using the Comprehensive Plan as the guide. Our plan is now 10 years old, maybe we just update it?
- Mr. Kolodge questioned if we really need to do this. Mr. Fritsinger replied the staff needs to take into account expectations of the community. There is a gap in all areas of participation. We need people to help push, see things we’re missing.
- Budget discussions begin in 6 weeks. This presents an opportunity. There still is time to think about it. Most of the companies will honor their proposal for 90 days.
- All in agreement to use an outside source to facilitate this process. Timing of project is to be determined.

Respectfully Submitted,

Brian Fritsinger
City Administrator