



Cloquet Economic Development Authority
MEETING AGENDA
Wednesday January 8, 2020
8:00AM
Cloquet City Hall – COUNCIL CHAMBERS

ACTION TAKEN

- 1. **Call Meeting to Order** _____
- 2. **Announcements, Adjustments, Correspondence, and Other Comments** _____
- 3. **Approval EDA meeting minutes** _____
 - a. Regular Meeting December 4, 2019
- 4. **Approval of Monthly Financials:** _____
 - a. November 2019
- 5. **Action Items/Presentations:** _____
 - a. 2020 EDA Goal Discussion
- 6. **Updates / Discussion**
- 7. **Adjourn**



AGENDA INFORMATIONAL UPDATES

CHAMBER

1. **Mob Lunch:** Jan 9 – Trapper Pete’s
2. **Leadership Program:** Session 2 – ‘Personal Leadership Skills & Techniques’
 - a. Have you ever run out of hours in the day before you’ve run out of things to do? We will discuss the difference between energy and time management tactics, define values, and clarify priorities so that you will have both the time and energy to lead people. In this session, you will also learn how to unlock the secret of the Haha! You will discover several easy techniques to integrate into your everyday routine that will increase your happiness factor while enhancing your workplace environment.
3. **Business After Hours:** River Inn/Volta Logistics & Woodlands National Bank – January 23

COUNTY -- *No updates provided.*

CITY

- The City was notified December 20th that they were successful in obtaining **Transportation Economic Development grant funding** to work on a project over the next two years to reduce conflicts along South Hwy 33.
- The Council discussed the EDA’s request to amend City Code to exempt private economic development projects from the **Cloquet PLA**, the Council directed no action and would not amend the code. The Trades were present at the discussion. Staff will meet with Mr. Kuklis and the Trades to see if the PLA is viable or not.
- Staff participated in **MnPower’s Stakeholder Engagement** on their Integrated Resource Plan & Baseload Retirement Study
- Staff met with **ISD 94 on upcoming Workforce Development efforts**, they were awarded a grant, along with several area school districts (Barnum, Moose Lake, Wrenshall, Carlton, Esko, Cromwell, Willow River etc.) to add curriculum and equipment into school and partnerships.
- The **Artists on Mainstreet** Kick-off Meeting will be Monday January 6th at 4:30pm at the Northeastern in the West End/Dunlap Island. The **Cohort Team** meeting with Rethos will be held between all four selected MN communities on January 16th.
- **New City Administrator** Tim Peterson will start with the City on January 13th.
- The **Rural Childcare Town Hall Meeting** will be Tuesday January 14th at 6pm at the County Transportation Building, RSVP required for food count.
- The City has been working with the Northspan Group to schedule a **Non-Traditional Lenders Forum** that will be held at Cloquet City Hall (Old MCCU building at 101 14th ST) on Thursday January 30th from 11:30am – 1:30pm. This will be a great opportunity for Bankers & Lenders and Business Owners & Entrepreneurs. Presentations will be given by non-traditional lenders including the Northland Foundation, Entrepreneur Fund, USDA, Northspan, Cloquet and Carlton County EDAs, GRE, and more, sharing opportunities available for financing projects or business. Please note RSVP required to attend there is a hyperlink to a Google Form on the attached “Save the Date” flyer.



**CLOQUET ECONOMIC DEVELOPMENT
AUTHORITY**

101 14th ST Cloquet, MN 55720

December 4, 2019 at 8:00 a.m.

MINUTES OF THE REGULAR EDA MEETING

EDA Members Present: Shelia Lamb, Steve Micke, Mike Schultz (*for a portion of the meeting via phone*), Steve Russ Smith, Ross Peterson, Lara Wilkinson, John Riihiluoma (EDA)

Ex-Officio Staff/Staff Members/Others Present: Holly Hansen (City); Dave Chmielewski (Blackhoof Development), Jim Kuklis (Trails Edge), Todd Hagen and Jason Aarsvold (Ehlers)

EDA/Ex-Officio/Staff Members Absent: Kelly Zink (Chamber), Mary Finnigan (County)

CALL TO ORDER

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

1. ANNOUNCEMENTS, ADJUSTMENTS, CORRESPONDENCE AND OTHER

Ms. Hansen announced that the EDA/City were successful in their application to become an Artists on Mainstreet Community 2020-2021 and were one of four communities in the state selected out of 39 applications. Ms. Hansen asked to add to the agenda item 5 to adjourn into closed meeting to discuss the confidential financials of an economic development loan with City/EDA.

2. APPROVAL OF MONTHLY MEETING MINUTES

President Ross Peterson noted that the minutes date was incorrect and then asked as corrected for other additions or corrections to the November 6, 2019 Meeting Minutes? Hearing none he asked for a motion.

Motion: Commissioner Riihiluoma moved, and Commissioner Lamb seconded, that the EDA approve the Meeting Minutes from November 6. (Motion passed 6-0.)

**3. APPROVAL OF MONTHLY FINANCIALS
OCTOBER**

Ms. Hansen reviewed the October 2019 cash balances and loans for the EDA. For the cash balances, she noted increases in all loan funds. She provided a loan portfolio update. President Ross Peterson asked for a motion to approve the October 2019 Cloquet EDA financials.

Motion: Commissioner Micke, and Commissioner Smith seconded, that the EDA October 2019 financials be approved. (Motion passed 6-0).

4. ACTION ITEMS / PRESENTATION / DISCUSSION

a. Appreciation for Service on the Cloquet EDA

MIKE SCHULTZ, Sappi Fine Papers North America

EDA members contacted Mike Schultz of Sappi via phone, now stationed in Boston, to thank him for 10 years of service on the Cloquet EDA. He stated it was important for him to fulfill



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his term on the board and appreciated the efforts of the EDA on all types of projects, particularly housing that support mill workers, and for the collaborative relationship between the mill and the City, the two economically go hand in hand as the fabric of Cloquet.

RUSS SMITH, former ISD 94/Cloquet and Duluth business investor

EDA members presented Russ Smith with a certificate of appreciation for 15 years of service on the Cloquet EDA. President Ross Peterson thanked Commissioner Smith for his leadership on housing projects, especially the adaptive reuse of the Cloquet Middle School building project. Commissioner Smith said he enjoyed his time on the board and is proud of the accomplishments.

b. EDA At-Large Commissioner Appointments for 2020

President Ross Peterson reported that both USG and Upper Lakes Foods (ULF) accepted seats on the EDA. He was pleased to announce Sue Ryan, ULF and Dave Manderfeld, USG as recommendations for appointees for 2020. The third appointment was for John Riihiluoma who was fulfilling the last year of Shelly Petersons term. All three At-Large appointments will start their six-year terms in January 2020.

Motion: Commissioner Micke moved, and Commissioner Lamb seconded, that the EDA recommend to Cloquet City Council the At-Large EDA Seat appointments of: Sue Ryan, ULF; Dave Manderfeld, USG, and John Riihiluoma, RRI for six year terms beginning at their January 7, 2020 Council meeting. (Motion passed 5-0, Riihiluoma abstained).

c. Development Agreement Amendment Request from the Developer: Country Club Patio Homes (owner-occupied Housing TIF project)

Ms. Hansen provided an update on the TIF Look Back costs and decertification of Lot 4. She provided an update of the Look Back costs, verification that Lot 4 must be decertified due to noncompliance with state TIF Law, and then provided an overview for the EDA of Option 1, amending the Development Agreement for the developer to increase the TIF Note reimbursement basis for the project due to increased soils correction costs that exceeded the identified site improvement TIF Note basis from \$488,444 to \$661,190.48 or Option 2, do noting leaving the Development Agreement as originally adopted. The City of Cloquet will issue the TIF Note for the project once the following conditions are met:

- (1) As-Built Drawings are submitted for review and then final acceptance by the Assistant City Engineer in both .dwg and .pdf formats.
- (2) The developer pay financial advisor (Ehlers) and legal (Briggs Morgan) charges related to his TIF project which now exceed the application fee deposited of \$10,000. In the event these are not paid, the City will deduct all accumulated charges from the collected TIF to be released back to the developer via the TIF Note.



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December 4, 2019 at 8:00 a.m.

Motion: Commissioner Wilkinson moved, and Commissioner Micke seconded, that the EDA recommend to Council Option 1 to Amend the Development Agreement for the COUNTRY CLUB PATIO HOMES project to increase the TIF Note basis for site improvement costs due to increased soils correction costs that exceeded the identified site improvement TIF Note basis from \$488,444 to \$661,190.48. (Motion passed 6-0).

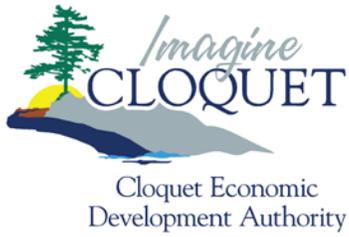
d. Trails Edge Phase 2: Term Sheet Preliminary TIF Review Process (Senior Rental Duplex TIF Housing District)

Ms. Hansen provided the EDA an overview of the Trails Edge Phase 2 project and then City financial advisors Todd Hagen and Jason Aarsvold of Ehlers joined the meeting by phone. Mr. Hagen reviewed that Trails Edge Phase 2 is a senior duplex rental project that will add 18 buildings for a total of 36 units and will be required to be constructed to City of Cloquet subdivision code standards building a street that would be accepted by the City of Cloquet at closure of the project (Trail and Edge Drives once fully complete). The project is estimated at \$6 million with \$1.2 in proposed TIF to support site construction improvements and reduced senior rents for the affordable unit occupancy requirement of 20% of units rented to occupants at or below 50% median income. Developer Jim Kuklis was in attendance and stated that the key paperwork compliance contact person for the project on annual rental compliance screening and TIF Look Back receipt analysis would be Lisa Kuklis. He added that the cost to construct duplex and single-family construction is more costly than an apartment building where costs are lower for the facility type and density of occupancy is much greater. Jim Kuklis stated, “diversity of housing stock (single level living) to support seniors that have lived in Cloquet, want to stay in Cloquet, and spend money is critical to our economy. If you don’t build it, they will find it elsewhere.” Ehlers noted that the TIF 20% rent restriction would be issued in fully completed TIF Blocks of 8-10 units (fully complete with certificate of occupancy). Ms. Hansen drew attention to the 2019 Carlton County rent restrictions by bedrooms and family size. Ehlers noted that this project would trigger the Cloquet PLA which should be discussed with the City Council as soon as possible for potential amendment to exclude private economic development projects as this will be a barrier to proceed under those standards. Ehlers noted the term of the housing district, points of potential cash flow (perhaps 17 years based on construction progress), and the need to utilize the entire term of the district potentially for construction phasing (26 years).

Motion: Commissioner Micke moved, and Commissioner Lamb seconded, that the EDA move to approve Resolution 19-1, a Resolution Requesting the City Council of the City of Cloquet Consent to the Process for the creation of a housing tax increment financing district in support of the proposed Trails Edge Phase 2 A 36- Unit Senior Duplex Rental Housing Project. (Motion passed 6-0.)

5. 9:00 a.m. Adjourned into Closed Meeting Session

The Cloquet EDA adjourned into closed meeting session to discuss private business financials of a Cloquet EDA loan.



**CLOQUET ECONOMIC DEVELOPMENT
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101 14th ST Cloquet, MN 55720

December 4, 2019 at 8:00 a.m.

Next meeting date

Wednesday January 8, 2020 at 8 a.m. at City Hall.

ADJOURNED 10:00 a.m.

Respectfully submitted,

Holly Hansen, Community Development Director



Community Development Department
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Phone: 218-879-2507 • Fax: 218-879-6555

To: City of Cloquet Economic Development Authority (EDA)
From: Holly Hansen, Community Development Director
Date: December 16, 2019

ITEM DESCRIPTION: EDA Review of Monthly Financial Statements (November 2019)

EDA Requested Action

The EDA is asked to approve the November 2019 financials.

Monthly Review

Attached the EDA members will find the November 2019 cash balances and loans for economic development.

CASH BALANCES

The summary of November financials **which currently total \$1,753,081.58** are:

- **Fund 201 (LDO-Loan)** there is an **increase** in Fund 201 due to loan repayments from loans made within Fund 201 and from repayments from loans made in Fund 202 and former Fund 204 which are being redirected into Fund 201 to remove their federal and state loan restrictions.
- **Fund 201 (LDO-Project/Loan)** there **no change** in the amount, these funds are derived from the state (DEED) MIF One Time Exception participation by the City of Cloquet and the EDA has placed these separately to identify potential future project/or loan funding opportunities.
- **Fund 202 (Fed CDBG)** there is no change as there are no Fund 202 quarterly interest disbursements.
- **Fund 203 (ED)** there is an **increase** in Fund 203 due to loan repayments into this fund.
- **Fund 206 (Revolved Phase 3 SCDP loan repayments)** there is an **increase** in Fund 206 due to Owner Occupied loan repayments. The large increases this month are due to a loan pay off due to the home sale of one of the participants (passed away) and escrow into an active awning project at the Northeastern.

LOAN STATUS

Total outstanding loans for City are \$493,292.97 with monthly repayments of over \$5,834.92.

DAQOTA SYSTEMS (WOODWARD ENTERPRISES LLC)

The building is listed for sale or lease, the last loan payment to the City was 5-17-19. Staff has directed space inquiries and provided the owner leads, who will continue to make business decisions.

Policy Objectives

As a standalone EDA, the monthly financial statements must be reviewed and approved by the EDA.



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Financial Impacts

None at this time.

Staff Recommendation

Staff recommends that the EDA move to approve the November 2019 EDA financial statements.

Supporting Documentation

- November 2019 Cash Balances; November 2019 Loan Balances

**City of Cloquet
Cash Balances
November 2019**

		<u>Current Month</u>	<u>Previous Month</u>
201	LDO Loan (EDA) - Loan	\$456,546.43 ¹	\$454,826.80
201	LDO Loan (EDA) - Project/Loan	\$105,006.21	\$105,006.21
202	Federal CDBG Loan (EDA)	\$839,525.24	\$839,525.24
203	Economic Development Loan (City)	\$277,778.64 ¹	\$276,819.75
206	Revolving SCGP	\$74,225.06 ^{1,3 & 4}	\$71,957.94
		<u>\$1,753,081.58</u>	<u>\$1,748,135.94</u>

Monthly change explanations:

- 1 - Loan repayments
- 2 - Quarterly interest earned
- 3 - Deferred loan repayment - Malwitz property sale (\$10,025.88)
- 4 - Project payment - Bert Whittington \$8,339.00

**Community Development
Loan Balances
November 2019**

Loan	Loan Date	%	Loan Amount	Monthly Payment	Maturity Date	Balance	*Exp. UCC or FF
Fund 201 from 202 (EDA)							
Daqota	2 3/29/2011	3%	\$ 300,000.00	\$ 1,727.82	1/1/2032	\$ 222,967.94	4/26/2021
Daugherty	11/30/2012	2.25%	\$ 125,000.00	\$ 647.26	12/1/2032	\$ 87,957.53	12/3/2022
Radoush Holdings LLC	10/13/2017	3.25%	\$ 10,475.00	\$ 139.59	11/15/2024	\$ 7,483.15	
				Fund 201	\$ 2,514.67	\$ 318,408.62	
Fund 201 from 204 (EDA)							
Synapp North	9/27/2011	3%	\$ 100,000.00	\$ 690.58	10/1/2026	\$ 51,441.42	
Pioneer Recovery	6/21/2013	2.25%	\$ 95,500.00	\$ 889.46	7/15/2023	\$ 37,531.86	8/2/2023
				Fund 201	\$ 1,580.04	\$ 88,973.28	
Fund 203 (City)							
Wood City Lights	4/1/2014	3%	\$ 54,050.00	\$ 360.40	4/1/2029	\$ 36,252.96	
Hongisto's	5/27/2015	6.00%	\$ 25,555.00	\$ -	7/1/2030	Paid 7/1/19	
Rivdogg - Ave C	1 10/13/2016	6.00%	\$ 75,000.00	Varies	10/13/2026	Write-off	
				Fund 203	\$ 360.40	\$ 36,252.96	
Fund 203 from Fund 207 (City)							
CMW Retail Properties	7/1/2012	1%	\$ 100,000.00	\$ 598.49	8/1/2027	\$ 52,982.76	6/25/2022
14th Street Apartments	6/26/2013	3%	\$ 100,000.00	\$ 474.21	6/1/2023	Paid 10/10/19	
				Fund 203	\$ 1,072.70	\$ 52,982.76	
Fund 206 from 208 (EDA)							
Roberta Malwitz	8/18/2016	3%	\$ 7,409.00	\$ -	8/18/2023	Paid 6/25/19	
Janet Chalberg	8/23/2016	3%	\$ 7,017.00	\$ 92.72	8/23/2023	\$ 3,941.51	
Diane Mullen	7/17/2017	3%	\$ 6,274.00	\$ 87.62	2/17/2024	\$ 4,187.35	
Mark & Rebecca Lambert	12/15/2016	3%	\$ 7,395.00	\$ 97.67	12/15/2023	\$ 4,662.22	
Jamie Lund	12/15/2016	3%	\$ 7,500.00	\$ 99.10	12/15/2023	\$ 4,561.96	
Billy Joe Wise	8/11/2017	3%	\$ 7,493.00	\$ 99.01	9/11/2024	\$ 5,253.65	
Tammy Randa	9/13/2017	3%	\$ 7,024.00	\$ 92.81	10/13/2024	\$ 5,005.11	
Donna Trettel	9/29/2017	3%	\$ 7,461.00	\$ 98.58	10/29/2024	\$ 5,316.51	
				Fund 208	\$ 667.51	\$ 32,928.31	
Total Community Development Loans Outstanding				\$ 5,834.92		\$ 493,292.97	

Notes:

- 1 - 75% of the loan participation was returned in November 2016. Dec 2016 - Feb 2017 payments suspended.
 Restaurant closed, interest paid through 11/6/2017. Received \$2,495.17 & \$2,504.62 & from collateral sell off.
 Received \$5,327.91 in December from refi. & \$577.99 in May 2019 from refi. Written off 7/16/2019.
- 2 - Requested loan deferral, granted for 6 months June to November 2018. Last payment 5/17/2019.

* - Can re-file continuation within 6 months of expiration.



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To: City of Cloquet Economic Development Authority (EDA)
From: Holly Hansen, Community Development Director
Date: December 20, 2019

ITEM DESCRIPTION: Cloquet EDA Goal Discussion for 2020

Background/Overview

Attached the EDA will find the 2019 Cloquet EDA goals. The EDA is asked to review the 2019 goals in advance of the meeting and provide input on continued or new direction needs in identifying annual goals for 2020.

- **Conduct a roundtable of EDA input on key goals**
- **Identify key goals for 2020 (conduct annual prioritization of goals via sticker votes)**

To prime the discussion on some pending 2020 initiatives they include:

1. **Gap Financing Loans** –the EDA will continue to outreach on opportunities to use city loan resources, holding a non-traditional lenders forum at City Hall on January 30th. Non-Traditional Lenders Forum - Northspan will host this forum in Cloquet with a spectrum of non-traditional lending partners. The goal will be to increase local understanding with bankers and for-profit entrepreneurs on various programs and tools available to stimulate growth.
2. **Got Beer? Bring it Here!** Continue working with entrepreneurs inquiring about city incentives to open a taproom or brewery in the West End.
3. **Carlton County Rural Child Care Innovation Program** outcomes could include potential daycare project and/or creation of a loan fund for daycare slots like Duluth did recently
4. **EPA Brownfield Redevelopment Grant**, partnership with ARDC, will find out in 2020 if they are awarded funding, if so Cloquet will focus on potential contaminated sites with redevelopment opportunities.
5. The EDA's ICE Study (Intersection Control Evaluation Study for South Hwy 33 Gillette Road) was used as the basis to submit for a **MnDOT Transportation Economic**



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Development Grant Application along with the opportunity of the new Essentia clinic within that ICE Study area to continue to improve land redevelopment opportunities along South Hwy 33 and improve transportation safety. Cloquet will learn if they were awarded this grant funding in early 2020.

6. **Artists on Mainstreet Community**, beginning in January 2020 Cloquet's West End will have two years of Minnesota Mainstreet Program work with artists. *(During this program, there could be further conversation for other funding opportunities with FDL Reservation to collaborate on a joint West End project be that sculpture or mural perhaps in years after this project is complete).*
7. **Cloquet Business Park, Lot Sales** reach out to 2019 inquiries on lot sites for projects.
8. **Housing Projects** – the Preliminary Trails Edge Phase 2 TIF application is in the court of the developer to readjust the assistance request within the City's PLA funding threshold; Downtown Upper Story apartment development remains a price opportunity, there are potential single-family subdivision sites that remain an opportunity and will require creative funding mechanism as market rate projects.
9. **Workforce Development Opportunities and local collaboration** –ISD 94 will receive a grant in 2020 to strengthen curriculum, equipment, job fairs, and apprenticeship opportunities with students. This committee will likely meet in February 2020 to unveil further plans.
10. **Combating Blight** vacant homes, churches, commercial and industrial buildings remain an ongoing presentation issue in the city. Crafting and recommending a vacant building registry and adopting the ICC's basic property maintenance code provide the city tools to address these properties.
11. Another **Small Cities application**?

Attachments

- 2019 Highlights
- 2019 Cloquet EDA Goals



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1. HOUSING (2019)

Accomplished:

- **Single-Family:** Constructed 1st home on the City’s Historic Water Tower site and held an EDA meeting onsite, 2nd home to be constructed spring 2020. Completed Country Club Patio Home project (12 new modular single-family home TIF District).
- **Multi-Family:** The West Wing is complete and open at Carlton Lofts (the adaptive reuse of historic Cloquet Middle School building used LIHTC, Roers, 57 units); complete and open White Pine Apartments (used LIHTC, Commonwealth/Cloquet HRA, 35 units); 14th Street Apartments Phase III (City land sale/rental TIF Application)
- **Future:** Trails Edge Phase 2 (senior duplex rental TIF Application); Stanley Avenue townhomes (rental project, assistance unknown), possible Slate Street extension land subdivision for lots served by utilities (single family homes, assistance unknown), Freeman Road continue to look at creative local options to build a subdivision; adaptive reuse of unused downtown second stories into apartments.



14th ST Phase 3, \$3 million 36 units under construction, multifamily TIF rental project (20% income restricted).



Country Club Patio Homes, single family TIF owner-occupied purchase project (100% income restricted). Average purchase price, \$230,000.



Cloquet HRA’s White Pine Apartments, \$6 million 35 units LIHTC project (state, 100% rent and income restricted).



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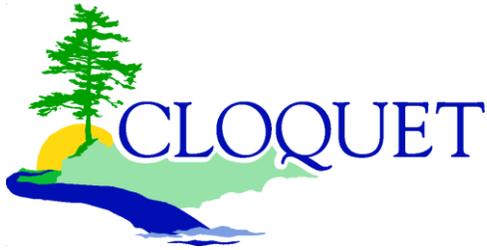


EDA Request for Proposals for stick-built move-up/move-down housing construction on land associated with the City's former water tower site on Avenue E. Boss Builders has completed one home, the second will be underway in the spring of 2020. EDA/City land sale, market rate project, for sale \$325,000.



Roers Carlton Lofts, \$14 million 57 units adaptive reuse of the 1921 Cloquet Middle School federal/state historic tax credits and LIHTC project (state, 80% rent and income restricted, 20% market rate).





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2. CLOQUET BUSINESS PARK (2019)

Accomplished:

- Ady Advantage Direct Digital Marketing Campaign targeting transportation and agricultural markets for business attraction.
- Toy Barn Storage: second building completed.
- Several lot inquiries
- Directed several leads to the listed for lease or sale Daqota Systems building at 305 Business Park Drive East.



Building 2 and site improvements, Toy Barn Storage, Cloquet Business Park.

3. HWY 33 REDEVELOPMENT (2019)

Future projects:

- Utilized the Essentia project and recent EDA 2018 ICE Study to apply for MnDOT Transportation Economic Development grant funding to improve South Hwy 33.
- Partnered with ARDC to apply for EDA Brownfield funds to provide key redevelopment properties tools to investigate clean up needs and Cloquet EDA tools.



Site of the former Driftwood Motel on Hwy 33 South, soon to be redeveloped into an Essentia Clinic.

4. WORKFORCE DEVELOPMENT

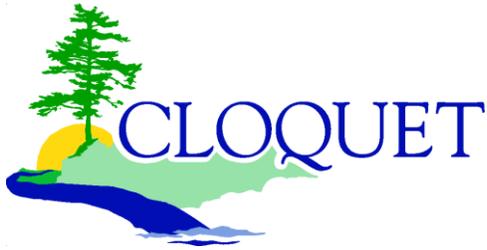
Future projects:

- Continued work with ISD 94 staff and Cloquet businesses on skill

development to feed local and regional manufacturing/trades job options.



Cloquet High School, workforce development committee featuring the auto shop, welding and other career center amenities, soon to be further expanded in curriculum and equipment in 2020 with grant funding.



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5. DOWNTOWN

Accomplished:

- Got Beer? Bring it Here!
Launched a wide spread Growler advertised and direct mailed RFP to solicit a taproom or brewery into the West End to revitalize downtown and create a destination catalyst.

Future projects:

- Munger Trail Connection into Cloquet: from Scanlon into Riverfront will require strong interagency organization, unification, planned route etc.
- FDL Broadband?
- Formation of Downtown Committee?



Press event in June 2019 at 207 Avenue C for the Got Beer Bring it Here! committing \$175,000 to attract a taproom or brewery into the historic West End Business District to revitalize downtown.



Cloquet EDA 2019 EDA Work Plan

Goal #1 - Promote the Development & 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.

Implementation Steps:

1. The EDA will continue housing efforts playing a crucial role in housing development and redevelopment in Cloquet, maintaining clear economic development housing incentives for market and affordable housing projects in Cloquet (e.g. Housing TIF/Abatement Policy) and assistance in securing grant funding to assist with key community projects.
2. Support new single-family projects and housing subdivision projects, especially those that will connect with public utilities.

Goal #2 - Develop the Cloquet Business Park

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

Implementation Steps:

1. Engage in business lead generation activity work with regional economic development partners such as DEED, APEX, MnPower, Carlton County etc.
2. Conduct BRE (Business Retention Expansion visits) with regional economic development partners to leverage incentives and share marketing information on Cloquet EDA programs and sites such as the Business Park.
3. Consider the Marketing Study recommendation to hire a Twin Cities based broker to generate more statewide exposure on the site.
4. Stay apprised of FDL and NESC broadband fiber opportunities for the Business Park.
5. Consider obtaining estimates for a Phase 1 and Alta Survey for the Cloquet Business Park. Consider application to MnPower/EDAM Foundation to support the cost of application fee to DEED for Shovel Ready Certification.

Goal #3 – Proactively Participate in Private Redevelopment of Underutilized Properties and Land along South Highway 33 for Retail/Office Development and North Highway 33 for Commercial/Mixed-use Development Opportunities

Strategy: To increase the diversity of retail shopping alternatives for the residents of the City and attract others to shop in Cloquet and to craft viable office employment centers in Cloquet stimulating job creation.

Implementation Steps:

1. Private developers and businesses will proactively work with the City of Cloquet on development and redevelopment opportunities that benefit the community.
2. Identify specific properties/sites the EDA could work on to affect transformative redevelopment.



Cloquet EDA 2019 EDA Work Plan

Goal #4 – Workforce Development

Strategy: To ensure local industries have the opportunity to educate local students on career opportunities in their community.

Implementation Steps:

1. Further workforce development initiatives between major businesses and ISD 94, work towards career days at ISD 94 focused on both (1) local industrial/manufacturing/engineering/trades and (2) local construction trades. Market regional trades events such as Construct Tomorrow to students and parents at ISD 94. Market Technical College opportunities and events to students and parents.
2. Continue manufacturing promotion of Cloquet within the region connecting college workforce opportunities.
3. Engage in manufacturing issues locally as relevant.
4. Continue to promote local and regional manufacturing student facility tours.
5. Encourage local industry college and student apprenticeship opportunities.

Goal #5 - Downtown Revitalization

Strategy: Increase the number and variety of retail, office, commercial, and mixed-use destinations to maintain Downtown as a vibrant destination and place of commerce.

Implementation Steps:

1. **ATTRACT BUSINESS AND RESTORE BUILDINGS:** The Downtown Revitalization Strategy 2017 noted that the Cloquet Avenue and West End Districts have different needs and approaches to accomplish revitalization. With successes along Cloquet Avenue, create a program for the West End Business District to attract interested businesses who want to purchase, renovate and create jobs in the district. Consider a program similar to what Duluth created for the Lincoln Park District.
 - a. Market the *Advance West Loan Program* and hold an informational business resources meeting.
 - b. Conduct ongoing BRE visits with Cloquet businesses.
 - c. Examine partnership opportunities with FDL and NESC on potential broadband opportunities.
 - d. Review off street parking standards in the West End to allow more onstreet parking use year round in this zero lot line district and/or increase the number of municipal parking lots in the West End district. Ensure downtown municipal parking lots are signed and there is wayfinding signage to them. Again, off street parking requirements are key to examine to restore vibrancy in a district built without off-street individual lot accommodations which necessitates the importance of onstreet and municipal lot infrastructure. In the past the EDA has discussed the concept of a gateway municipal parking lot entry into the West End with improved aesthetics and connectivity into the district (concept in the 2017 Downtown Strategy and 1998 Sketch Plan).
 - e. Ensure there is business district wayfinding signage visible from Hwy 33 for both Downtown Districts.
2. **CREATE A DRAW:** Work with FDL and others on a destination anchor for the district that is cultural, artist, or craft production related to generate a traffic draw into the district.



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3. **ENFORCEMENT:** Initiate appropriate tools to enforce against irresponsible property owners that create a net negative property value drag.
 - a. Devise a commercial vacant building registry: The EDA should create and recommend to Council a vacant commercial building registry with a financial disincentive for buildings that have utilities off and/or lack of consistent use/occupancy, the largest concentrated number of which are located in the West End. What has developed in the West End is a standing pattern of completely vacant commercial buildings or in other cases vacant mainlevel storefronts being used for storage while upper story residential rentals are strong, but storefront vibrancy is not. Owners of completely vacant buildings are paying minimal taxes on vacant buildings in which the utilities are off, with no enforcement stick by the City or County, creating a net negative property value drag throughout the District with a high number of building vacancies.
4. **IMPROVE DISTRICT AESTHETICS AND NATURAL/RECREATIONAL AMENITIES:**
 - a. Work on Implementation of the Downtown Revitalization Strategy adopted in 2017. Leverage and build upon completed Parks and Riverfront aesthetic and functional investments and planned future streetscaping investments for the West End and Cloquet Avenue Downtown Districts.
 - b. Continue roadway, park, trail development drawing attraction to the Riverfront area bringing traffic past the West End. Continue work for off-road trail connection to Munger along Cloquet's downtown riverfront corridor. Meet with the railroad and other large industry landowners to convey the importance of the project to the City.
 - c. Work with FDL and others on cultural mural opportunities in the West West End to convey Cloquet's unique history of both cultures
5. **PROMOTE, ENCOURAGE & EMPOWER:**
 - a. Provide meeting space in City Hall for Downtown Businesses interested in reestablishing the Downtown Committee to plan events in Downtown.
 - b. Leverage and explore partnership opportunities with the City's Special Events contract with the Chamber to hold events in Downtown Cloquet.
 - c. Celebrate successes and create positive Cloquet community PR– ribbon cutting for completed projects.
6. **MARKETING LAUNCH – CLOQUET'S HISTORIC DISTRICT:**
 - a. proactively market Cloquet to attract new business investment.
 - b. Market the program developed for West End owner occupied business development
 - c. Hold an informational business resources meeting for Cloquet businesses with regional ED partners, marketing Cloquet EDA programs
 - d. Conduct ongoing BRE visits with Cloquet businesses sharing Cloquet EDA marketing information.