



Cloquet Economic Development Authority  
MEETING AGENDA  
Wednesday June 1, 2022  
8:00AM  
101 14<sup>th</sup> Street  
Cloquet, MN 55720

ACTION TAKEN

1. **Call Meeting to Order** \_\_\_\_\_

2. **Announcements, Adjustments, Correspondence, and Other Comments** \_\_\_\_\_

3. **Public Comments?**

**a. Public Comments**

*Please give your name, and address. Visitors may share concerns on any issue, which is not already on the agenda. The Chair reserves the right to limit an individual's presentation if it becomes redundant, repetitive, irrelevant, or overly argumentative. All comments will be taken under advisement by the Commission. No action will be taken at this time. Public Comments will be limited to 10 minutes per topic or 30 minutes total. The Commission may request an item be placed on a future agenda for further discussion as part of the regular meeting.*

4. **Approval EDA meeting minutes** \_\_\_\_\_

a. May 4, 2022

5. **Approval of Monthly Financials:** \_\_\_\_\_

a. April 2022

6. **Action Items:**

a. None.

7. **Presentations:**

a. **Cloquet's Workforce – What We Need to Know How to Better Bolster this Community and How to Prepare for Generation Z in Our Workforce**, Laura Nilsen and Ryan Hampton, JET

i. EDA Discussion / Feedback?

8. **Informational Updates** \_\_\_\_\_

9. **Adjourn** \_\_\_\_\_



Cloquet Economic  
Development Authority

## AGENDA INFORMATIONAL UPDATES

5-28-22

### CHAMBER

- The **Chamber's Golf Outing will be June 13<sup>th</sup> at the Cloquet Country Club**, flyer attached

### COUNTY

- **Small Cities Development Program Commercial Project updates:**
  - 1208 Cloquet Avenue (Medicine Shoppe) bid documents and closing pending.
  - 128 Avenue C (former Robert's Home Furniture) second round of bid packets – one bid received.
  - 206 Avenue C (Northern Printery) scoping out the project.

### CITY

- **On Tuesday June 28<sup>th</sup> the Chamber, Carlton County EDA & Cloquet EDA will host a Non-Traditional Lenders Forum in the City Hall Conference Chambers** that will begin promptly at 11:30AM, find registration information attached.
- The City is working with CTC on broadband expansion concepts.
- Broadband Updates: Legislature Passes Significant Broadband Funding and Policy Measures May 24, 2022 **A combination of state and federal funds for broadband deployment will help assist unserved and underserved cities.**

*The Legislature on May 22 advanced [HF 3420](#), a drought-relief bill that also includes \$210 million for broadband resources and policy provisions for broadband infrastructure deployment.*

*After a 66-1 vote by the Senate, the bill is on its way to Gov. Tim Walz.*

#### *Broadband funding*

*Broadband funding provisions in the bill include state general fund spending and legislative direction for federal broadband funding authorized by the American Rescue Plan Act and Infrastructure Investment and Jobs Act. The following funding provisions were included:*

- *\$25 million in fiscal year (FY) 2023 and \$25 million in FY 2024 in general fund spending directed to the state's Border-to-Border Broadband Development Grant program, which provides 50% matching funds for broadband development costs for a qualifying project in unserved and underserved areas.*
- *\$60.703 million directed from the state's share of the federal Capital Projects Fund authorized by the American Rescue Plan Act to be used for broadband grants under the Border-to-Border Broadband Development Grant program, with the remaining \$50 million reserved for the Walz administration to spend on any other eligible expenditure withing the program's guidelines, including digital inclusion efforts.*



Cloquet Economic  
Development Authority

## AGENDA INFORMATIONAL UPDATES

5-28-22

- *All of the state's appropriation of at least \$100 million directed from the Broadband Equity, Access, and Deployment (BEAD) program, authorized by the Infrastructure Investment and Jobs Act, to be used for broadband infrastructure deployment under the Border-to-Border Broadband Development Grant program.*

*Broadband policy provisions in the bill include:*

- *Set aside of \$10 million from the Border-to-Border Broadband Development Grant program funding and \$30 million from the state's BEAD grant share for a lower population density pilot program to provide broadband service in areas of the state where a 50% match formula is not adequate to make a business case for broadband infrastructure deployment and allows up to 75% of the total project cost to be covered by Border-to-Border broadband grant funds.*
- *Set aside of \$15 million for a new Broadband Line Extension Program, which would fund smaller-scale broadband line extensions to individual homes and businesses that still lack access.*
- *Set aside of \$15 million from the state's BEAD grant share for comprehensive statewide broadband mapping efforts.*

*The additional resources for broadband deployment will set the state on track to address needs in the 8% of the state that still lacks access to reliable wireline broadband service.*

- The City Attorney has provided formal notice to property owners on approved City Council condemnation of the **Solem Hotel** and will hold the EDA's best property offer open for 60 days, the pleadings have been filed in court.
- Rethos, OACC and the City held the second grant round meeting for Artists on Mainstreet, **WEST END FLOURISH** applications are due May 31<sup>st</sup>.
- Boldt Construction teamed up with the City for a rescheduled **Cloquet Earth Day Clean-up** on May 7<sup>th</sup> we are very appreciative of their efforts.
- City Administrator Peterson spoke about the upcoming November Sales Tax for Pine Valley Facilities at the April 28<sup>th</sup> **Annual Chamber Meeting** and I spoke about the 2022 Cloquet EDA Work Plan.
- **Property closing has been scheduled for 14<sup>th</sup> Street Apartments Buildings 1 and 2** for May 23<sup>rd</sup>, the City Council approved an Assignment and Assumption Agreement of the Development Agreement and TIF Note at their May 3<sup>rd</sup> Council meeting.



Cloquet Economic  
Development Authority

# AGENDA INFORMATIONAL UPDATES 5-28-22



## EVENT SPONSOR

Hole • \$125 (staffed)  
\$225 (not-staffed)

Signage at hole with company logo  
Recognition in program

Golf Cart • \$350

Signage on golf carts used in event  
Recognition in program

Birdie • \$500

Hole Sponsor  
Cart Sponsor  
Recognition in program  
\*Your logo posted for 6 hours to a  
captive audience of decision makers\*

Eagle • \$1000

Hole Sponsor  
Cart Sponsor  
Team of 4  
Recognition in program  
Recognition in Chamber Newsletter



## CLOQUET CHAMBER GOLF OUTING

### Winning Opportunities

Hole In One: WIN \$5000  
Double your money on 18  
Skins/Mulligan Games  
Prizes for 1st, middle & 2nd to last place  
Raffle Prizes

### Raffle Prize Donation

Donate a raffle prize!  
Make note of your business name on  
the prize being donated and deliver to  
the Chamber Office by June 8.

## REGISTER TODAY!

Cloquet Area Chamber  
Golf Outing

Name

Contact Number

Email Address

Company Name/Team Name

Team Members (4 per team)

For payment contact Chamber:  
218.879.1551 or  
chamber@cloquet.com



## EVENT INFO

### Event Place

Cloquet Country Club  
400 Country Club Drive  
Cloquet, MN 55720

### Time & Date

Monday - June 13, 2022  
B&B Lunch at 11:00AM  
Event Starts at 12:00PM  
Cocktail hour following  
Dinner at 6:00PM

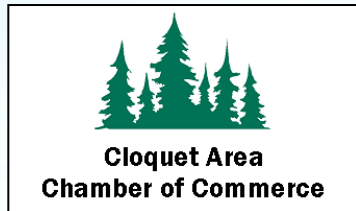
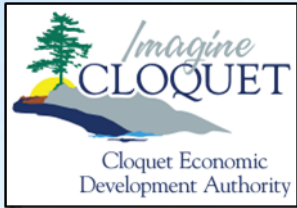
### Fees

\$70 - Country Club Members  
\$105 - Non-Country Club Members  
(carts included)



Cloquet Area Chamber

## GOLF OUTING



Hosted by Northspan, Cloquet Area Chamber of Commerce, Carlton County EDA & Cloquet EDA



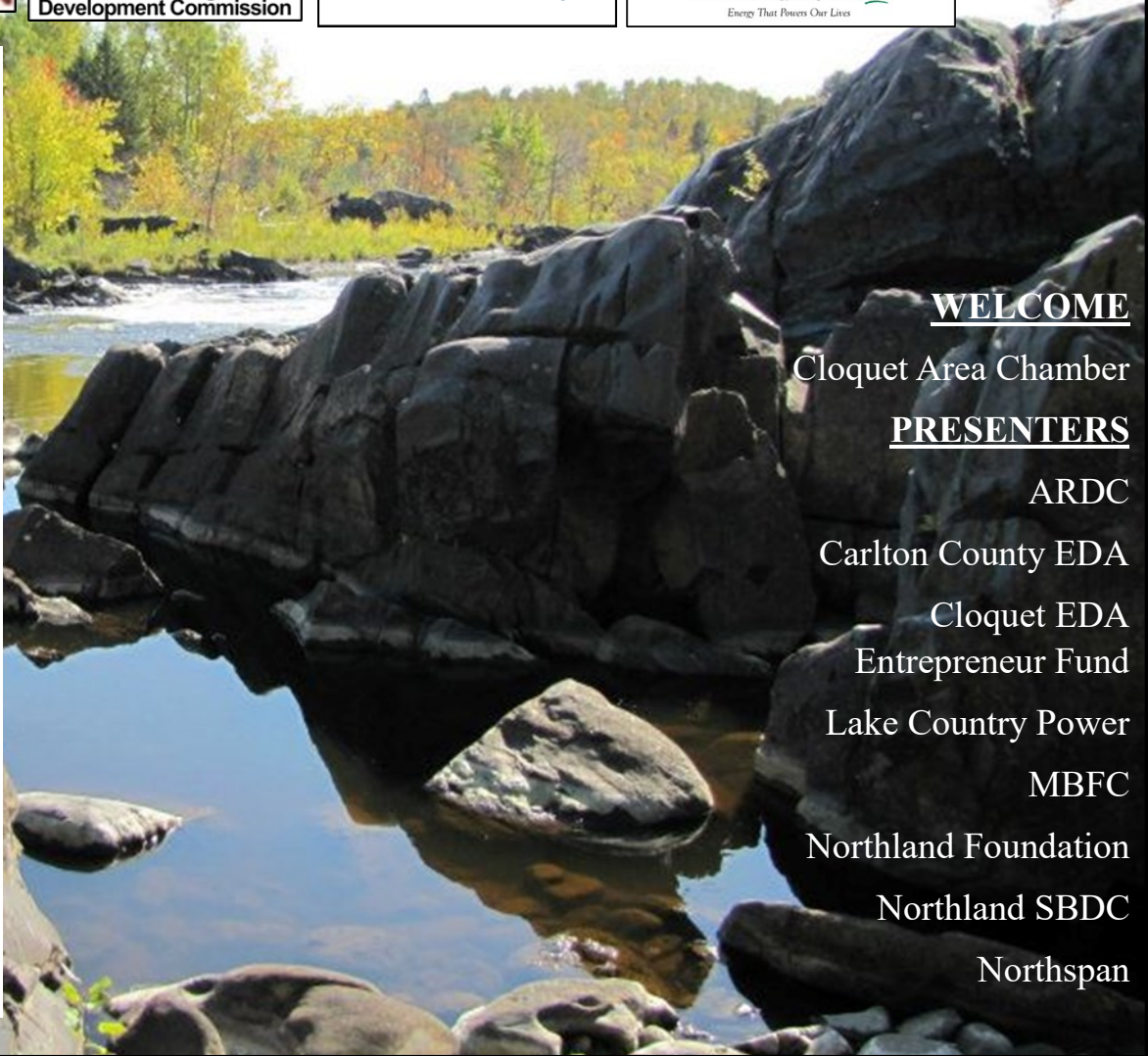
**Non-Traditional Lenders Forum**  
**Tuesday June 28<sup>th</sup>**  
**11:30 a.m. – 1 p.m.**  
**Cloquet City Hall 101 14<sup>th</sup> ST**

Join us for presentations from non-traditional lending sources sharing opportunities available for financing your project or business.

**Great opportunity for bankers, lenders, for-profit business owners & entrepreneurs**

**REGISTER HERE: <https://www.surveymonkey.com/r/Cloquet62822>**

**Free to attend, Lunch provided**  
 (Program to start at 11:30 a.m. so please arrive a bit early to grab food, dietary restrictions must be emailed to Amanda found in the above registration link)



**WELCOME**  
 Cloquet Area Chamber

**PRESENTERS**

- ARDC
- Carlton County EDA
- Cloquet EDA
- Entrepreneur Fund
- Lake Country Power
- MBFC
- Northland Foundation
- Northland SBDC
- Northspan



**MINUTES OF THE CLOQUET EDA MEETING**

**DRAFT**

**EDA Members Present:** Lyz Jaakola, Lara Wilkinson, Dave Manderfeld, Mark Lanigan, John Riihilouma,

**Ex-Officio Staff/Staff Members/Others Present:** Katie Bloom, Holly Hansen, Tim Peterson (City), Brenda Nyberg (County)

**EDA/Ex-Officio/Staff Members Absent:** Sue Ryan, Steve Micke (EDA Commissioners), Kelly Zink (Chamber), Mary Finnegan (Carlton County)

**1. CALL TO ORDER**

Vice President Manderfeld called the meeting to order at 8:01 a.m. The meeting was conducted in person, off site at 1403 Avenue C (Union Lofts).

**2. ANNOUNCEMENTS, ADJUSTMENTS, CORRESPONDENCE AND OTHER**

None.

**3. PUBLIC COMMENTS**

None.

**4. APPROVAL OF MONTHLY EDA MEETING MINUTES**

Vice President Manderfeld asked for any corrections or additions to the March 2, 2022, EDA Meeting Minutes or to the April 6, 2022 EDA Meeting Minutes? Hearing none he asked for a motion.

**Motion:** Commissioner Riihilouma moved, and Commissioner Wilkinson seconded, that the EDA approve the EDA Meeting Minutes from March 2, 2022 and April 6, 2022. (Motion passed 5-0).

**5. APPROVAL OF MONTHLY EDA FINANCIALS: FEBRUARY & MARCH 2022**

FEBRUARY 2022:

CASH BALANCES

Ms. Hansen reviewed the February 2022 cash balances and loans for the EDA. For the cash balances, she noted an increases in Funds 201 and 203, no change to Project Fund 201 or Fund 202, and a decrease to Fund 206 for payout completion of the Paradigm Therapy project.

LOAN BALANCES

Ms. Hansen noted that there was one missed loan payment this month and follow up has been initiated.



Cloquet Economic  
Development Authority

**CLOQUET ECONOMIC DEVELOPMENT  
AUTHORITY**

101 14<sup>th</sup> St., Cloquet, MN 55720

May 4, 2022

MARCH 2022:

**CASH BALANCES**

Ms. Hansen reviewed the March 2022 cash balances and loans for the EDA. For the cash balances, she noted an increases in Funds 201, 203, and 206, and no change to Project Fund 201 or Fund 202.

**LOAN BALANCES**

Ms. Hansen noted that there were missed payments this month and the City has provided notice to three parties (residential loans).

Vice President Manderfeld asked for a motion to approve the February and March 2022 Financials.

**Motion: Commissioner Wilkinson moved, and Commissioner Jaakola seconded, that the EDA February and March 2022 financials be approved. (Motion passed 5-0).**

**6. ADJOURNED FORMAL MEETING FOR BUILDING TOUR / OPEN HOUSE OF  
UNION LOFTS (1403 Avenue C)**

Louise and Clyde Sherman provided the Cloquet EDA a tour of the upper-level apartments and main level business suites. Apartments will lease June 1<sup>st</sup>.

**ADJOURNED 8:04 a.m.**

Respectfully submitted,

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Holly Hansen, Community Development Director



Community Development Department  
101 14<sup>th</sup> ST • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555

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To: City of Cloquet Economic Development Authority (EDA)  
From: Holly Hansen, Community Development Director  
Date: May 25, 2022

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**ITEM DESCRIPTION: EDA Review of Monthly Financial Statements (April 2022)**

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**EDA Requested Action**

The EDA is asked to approve the April 2022 EDA financials.

**Monthly Review**

Attached the EDA members will find the April 2022 cash balances and loans for economic development.

**CASH BALANCES**

The summary of April financials **which currently total \$1,937,179.49** are:

- **Fund 201 (LDO-Loan)** there is an **increase** in Fund 201 due to loan repayments.
- **Fund 201 (LDO-Project/Loan)** **no change** (state (DEED) MIF One Time Exception participation by the City of Cloquet EDA closig out the EDA's MIF fund and returning 20% of these funds to DEED while the City retained 80% for a future project of the EDA/or other loan funding opportunities with flexible funding criteria. Funds generated from EDA projects deposited here e.g. Adams Street).
- **Fund 202 (Fed CDBG)** there is a **decrease** due to legal fees for the Solem Hotel project and SCDP satisfaction filing.
- **Fund 203 (ED)** there is a **increase** from loan repayments into this fund.
- **Fund 206 (Revolved Phase 3 SCDP loan repayments)** there is an **increase** in Fund 206 due to loan repayments.

**LOAN STATUS**

The total outstanding loan balance for City funds is \$254,041.52 (8 business loans, 6 residential small cities projects) with monthly repayments of \$4,090.05. This month two loan payments were not made and the City has initiated follow-up.

**Policy Objectives**

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



**Community Development Department**  
101 14<sup>th</sup> ST • Cloquet MN 55720  
Phone: 218-879-2507 • Fax: 218-879-6555

**Financial Impacts**

None at this time.

**Staff Recommendation**

Staff recommends that the EDA move to approve the April 2022 EDA financial statements.

**Supporting Documentation**

- April 2022 Cash Balances; April 2022 Loan Balances

**City of Cloquet**  
**Cash Balances**  
**April 2022**

		Current Month	Previous Month
201	LDO Loan (EDA) - Loan	\$843,754.89 <sup>1</sup>	\$842,864.47
201	LDO Loan (EDA) - Project/Loan	\$139,006.21	\$139,006.21
202	Federal CDBG Loan (EDA)	\$594,384.99 <sup>2</sup>	\$595,476.63
203	Economic Development Loan (City)	\$305,464.14 <sup>1</sup>	\$304,505.25
206	Revolving SCDP	\$54,569.26 <sup>1</sup>	\$53,948.99
<b>206 Commercial Grant Awards:</b>		<u>\$1,937,179.49</u>	<u>\$1,935,801.55</u>

- A. \$10,000 *Northeastern, 115 St. Louis Avenue (awnings) - PAID*
- B. \$10,000 *Shooting Stars Annex, 1404 Cloquet Avenue (exterior rehabilitation) - PAID*
- C. \$10,000 *Neighborhood Church of Cloquet, 612 Cloquet Avenue (re-roof) - PAID*
- D. \$4,359.46 *Former Labor Temple, 1403 Avenue C (awnings/doors) - PAID*
- E. \$10,000 *Paradigm Therapy, 1102 Cloquet Avenue (storefront windows, side door on 11th Street) - PAID*
- F. \$10,000 *Angel Nails/Northern Health Filtration at 1201 Cloquet Avenue (12th Street exterior siding) - PAID (MAY)*
- G. \$10,000 *128 Avenue C (roofing) - (BIDS RECEIVED)*
- H. \$10,000 *Medicine Shoppe 1208 Cloquet Avenue (awnings and doors) - (BIDS RECEIVED)*
- I. \$10,000 *Split Rock Financial (Historic City Hall) 105 Arch ST (exterior wood trim painting and brick tuck pointing)*
- J. \$10,000 *Northern Printery 206 Avenue C (windows and exterior brick repair)*
- K. \$10,000 *HOLD for potential West End Brewery Project*

**Monthly change explanations:**

- 1 - Loan repayments
- 2 - Solem Property legal of \$878.50 & postage of \$59.04/\$46.00 Trettel mortgage satisfaction recording and

**Community Development  
Loan Balances  
April 2022**

Loan	Loan Date	%	Loan Amount	Monthly Payment	Maturity Date	Balance	*Exp. UCC or FF
<b>Fund 201 from 202 (EDA)</b>							
GCL Development Group LLC	6/12/2020	2.25%	\$ 75,000.00	\$ 388.36	7/1/2040	\$ 69,504.64	
North Country Dental LLC	8/3/2020	2%	\$ 20,000.00	\$ 390.79	7/1/2025	\$ 15,108.36	7/24/2025 No April payment
Pine & Pearls, LLC	7/21/2021	2.25%	\$ 70,000.00	\$ 362.47	7/21/1941	\$ 67,220.45	
Radoush Holdings LLC	10/13/2017	3.25%	\$ 10,475.00	\$ 139.59	11/15/2024	\$ 4,016.95	
WebMed, LLC	12/11/2020	2%	\$ 20,000.00	\$ 391.56	12/15/2025	\$ 16,960.34	12/8/2025 No April payment
				Fund 201	\$ 1,672.77	\$ 172,810.74	
<b>Fund 201 from 204 (EDA)</b>							
Pioneer Recovery	6/21/2013	2.25%	\$ 95,500.00	\$ 889.46	7/15/2023	\$ 3,166.54	8/2/2023 April payment made May 2nd
				Fund 201	\$ 889.46	\$ 3,166.54	
<b>Fund 203 (City)</b>							
Wood City Lights	4/1/2014	2.50%	\$ 54,050.00	\$ 360.40	4/1/2029	\$ 28,349.41	
				Fund 203	\$ 360.40	\$ 28,349.41	
<b>Fund 203 from Fund 207 (City)</b>							
CMW Retail Properties	7/1/2012	1%	\$ 100,000.00	\$ 598.49	8/1/2027	\$ 36,149.97	6/25/2022
				Fund 203	\$ 598.49	\$ 36,149.97	
<b>Fund 206 from 208 (EDA)</b>							
Janet Chalberg	8/23/2016	3%	\$ 7,017.00	\$ 92.72	8/23/2023	\$ 1,718.36	
Diane Mullen	7/17/2017	3%	\$ 6,274.00	\$ 87.62	2/17/2024	\$ 1,755.24	
Mark & Rebecca Lambert	12/15/2016	3%	\$ 7,395.00	\$ 97.67	12/15/2023	\$ 2,354.55	March & April payments not made
Jamie Lund	12/15/2016	3%	\$ 7,500.00	\$ 99.10	12/15/2023	\$ 2,021.81	April payment made May 2nd
Billy Joe Wise	8/11/2017	3%	\$ 7,493.00	\$ 99.01	9/11/2024	\$ 2,949.77	
Tammy Randa	9/13/2017	3%	\$ 7,024.00	\$ 92.81	10/13/2024	\$ 2,765.13	April payment made May 9th
				Fund 208	\$ 568.93	\$ 13,564.86	
Total Community Development Loans Outstanding				\$ 4,090.05		\$ 254,041.52	

**Notes:**

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