



ACTION TAKEN

1. **Call Meeting to Order**

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

- a. **Audio Reminder** to turn on your microphones for either the full meeting or speak directly into the microphone for the TV cameras to effectively hear.

3. **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. September 7, 2022

\_\_\_\_\_

\_\_\_\_\_

5. **Approval of Monthly Financials:**

- a. August 2022

\_\_\_\_\_

6. **Action Items:**

- a. **County Tax Forfeit Lot Purchase: Request for Housing Project**
- b. **Cloquet Business Park Lots Requested**

\_\_\_\_\_

\_\_\_\_\_

7. **EDA Informational Updates**

\_\_\_\_\_

8. **Motion to Close the Meeting for the Closed Meeting Session**

(End Swagit recording – thank you!)

**CLOSED MEETING SESSION TO DISCUSS THE SALE AND REDEVELOPMENT OF CITY PROPERTY AT 915 CLOQUET AVENUE (adjourn to rear conference room please)**

9. **Solem Hotel Discussion**

- a. Review Structural Inspection Report
- b. Feedback on Disposal of Surplus Equipment from Building Walk Through with Lots4bid
- c. Direction on Investigation Funding
- d. Draft Request for Proposals (Not public information until finalized)

10. **Motion to Reopen the Regular Cloquet EDA Meeting**

11. **Motion to Approve the Request for Proposals Request for Proposals for Adaptive Reuse / Redevelopment of the Solem Hotel**

\_\_\_\_\_

12. **Adjourn**

**CHAMBER**

- Calling all crafters for the **October Craft Show**, \$85 for the two-day event, see attached flyer.
- Candidate Forum on October 25 at City Hall at 6pm, see attached flyer.

**COUNTY**

- **Small Cities Development Program Commercial Project updates:**
  - 1208 Cloquet Avenue (Medicine Shoppe) closing is complete.
  - 128 Avenue C (former Robert's Home Furniture) roof repairs are complete.
  - 206 Avenue C (Northern Printery) bids were due September 15<sup>th</sup>, no bids were received.
  - 105 Arch ST (Historic City Hall Building) the owner has been notified that lead paint testing is required before bidding this component of his project or removing this work aspect from his scope of work.
  - 1403 Avenue C Union Lofts – work description has been prepared and was submitted to SHPO for approval.

**CITY**

- Pine Knot News' held "**September Celebration**" September 24<sup>th</sup> from 11a.m. to 4 p.m. in the West End Business District as part of a funded West End Flourish project. See event photos attached.
- Staff has been bi-monthly staff support for **Lil' Lumberjacks and Kids Corner** who collectively relocated to **Lumberjack Mall** and celebrated their ribbon cutting and public open house on September 22<sup>nd</sup>. As closure to this tech support project, Northland Foundation has invited them to apply for a \$30,000 support grant during October. Staff did a facility tour with the Directors on September 28<sup>th</sup>.
- **Cloquet Fall Harvest Job Fair** will be October 19<sup>th</sup> at CMH, flyer attached, more info here to sign up as an employer: <https://www.nemojt.org/employers/>
- **Thinking About Starting a Child Care Program?** See attached flyer, more info here: <https://www.childcarewayfinder.org/>
- Staff attended **Small Cities Development Program** required training in Walker. The City continues to await funding news if we have been awarded.
- The City assisted state staff in planning for the Governor's cabinet stop in Cloquet October 4<sup>th</sup> to tour Sappi and hold a government luncheon as part of the Northeast Minnesota **Build What Matters Tour**.
- Business visits were done September 26<sup>th</sup> for the Hidden Gems of Cloquet project.
- The Duluth Preservation Alliance has asked the City to set up a tour of historic adaptive reuse projects in Cloquet October 15<sup>th</sup>. A tour of Union Lofts will take place at 10am and another of Carlton Lofts at 11am. The visit will wrap up at noon.





Cloquet Area Chamber of Commerce  
**CRAFT, ART  
& VENDOR  
FAIR**



Friday &  
Saturday,

October 14-15, 2022  
10am-5pm

**Black Bear Casino Event Center**

Cloquet, Minnesota

**FREE PARKING & ADMISSION**

**125  
CRAFTING  
BOOTHS  
TO SHOP!**

For information,  
visit [www.cloquet.com](http://www.cloquet.com)  
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Cloquet Area  
Chamber of Commerce

2022

# CANDIDATE FORUM

## CITY & STATE ELECTION

**TUESDAY,  
OCTOBER 25**

**CLOQUET CITY HALL**  
101-14th Street, Cloquet

**6PM - 9:15PM**

CHAMBER@CLOQUET.COM



218.879.1551



PLEASE JOIN US FOR AN  
INFORMATIONAL FORUM TO  
LEARN MORE ABOUT THE  
CANDIDATES AND THEIR STANCE  
ON ISSUES IMPORTANT TO YOU!

OR, WATCH VIA LIVESTREAM @  
CLOQUETMN.GOV



**CLOQUET MAYOR**  
6:00 PM



**CLOQUET CITY COUNCIL**  
6:00 PM



**CLOQUET SCHOOL BOARD**  
7:00 PM



**STATE REPRESENTATIVE DISTRICT 11A**  
8:30 PM



**STATE SENATOR DISTRICT 11**  
8:00PM

COLLABORATING  
WITH:

**Pine Knot**  
News



**CITY OF CLOQUET**  
-WATCH LIVE -  
CLOQUETMN.GOV

**PINE JOURNAL**

# Fall Harvest **JOB FAIR**

## Wednesday, October 19, 2022

**10 AM—2 PM**

**65+ EMPLOYERS!!**

**Community Memorial Hospital  
512 Skyline Blvd., Cloquet, MN**

**EMPLOYERS can register at:**  
**[www.nemojt.org/employers](http://www.nemojt.org/employers)**

Upon request, the information in this document can be made available in alternative formats for people with disabilities by contacting:

Teri at 218-623-5978



Equal Opportunity Employer and Program Providers.

# Child Care Wayfinder



A one-stop navigation network for **starting** and **growing** child care programs.



## Start A Program

Thinking about starting a family child care program or child care center? We can help guide you through the process.



## Sustain Your Program

We can connect you to resources to help increase enrollment, strengthen relationships with children and families, improve staff retention, and address educator burnout.



## Grow Your Program

If you operate an existing child care program, you might want to open more locations, increase licensed capacity, or change license type. We can help you explore your options.



# AGENDA INFORMATIONAL UPDATES 9-29-22

Cloquet Economic  
Development Authority

## SEPTEMBER CELEBRATION 9-24-22





Cloquet Economic  
Development Authority

## AGENDA INFORMATIONAL UPDATES 9-29-22

### SEPTEMBER CELEBRATION 9-24-22





**MINUTES OF THE CLOQUET EDA MEETING**

**DRAFT**

**EDA Members Present:** Mark Lanigan, Steve Micke, Lara Wilkinson, Lyz Jaakola, John Riihilouma (EDA Commissioners)

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

**EDA/Ex-Officio/Staff Members Absent:** Sue Ryan, Dave Manderfeld (EDA Commissioners), Kelly Zink (Chamber)

**1. CALL TO ORDER**

President Micke called the meeting to order at 8:00 a.m. The meeting was conducted in person at Cloquet City Hall.

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

None.

**3. PUBLIC COMMENTS**

None.

**4. APPROVAL EDA MEETING MINUTES FOR JUNE 2022 AND AUGUST 2022**

President Micke noted a typo in the June minutes that the meeting was not off-site. Hearing no other comments, he asked for a motion.

**Motion: Commissioner Lanigan moved, and Commissioner Wilkinson seconded, that the EDA approve both the June 1, 2022 and August 3, 2022 EDA Meeting Minutes. (Motion passed 5-0).**

**5. APPROVAL OF MONTHLY FINANCIALS FOR MAY, JUNE AND JULY 2022**

**MAY**

Ms. Hansen highlighted the cash balances for the EDA funds as increasing loan repayments into Fund 201, no changes in “Project Fund 201,” a reduction in Fund 202 due to legal costs related to the Solem Hotel (quarterly interest earnings into this fund as well), increasing loan repayments into Fund 203, and a large project payout from Fund 206 in grant and escrow dollars for Randy Flynn’s hvac project. For loan balances, she noted one business loan payment and one residential loan payment were not made during the month and contact made with the individual, the business was not followed up with as they had been double paying and recently paid off the loan in full.



**CLOQUET ECONOMIC DEVELOPMENT  
AUTHORITY**

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

September 7, 2022

JUNE

Ms. Hansen highlighted the cash balances for the EDA funds as increasing loan repayments into Fund 201, no changes in “Project Fund 201,” a minor deduction in Fund 202, increasing loan repayments into Fund 203, and an increase in Fund 206 due to the sale of a commercial property with a SCDP grant lien therefore repayment was required and then monthly repayments into the fund. For loan balances, she reported that wires were not received for June from the Entrepreneur Fund, nor the same residential loan noted as late in the May financials. Follow up was done with both entities.

JULY

Ms. Hansen highlighted the cash balances for the EDA funds as increasing loan repayments into Fund 201, no changes in “Project Fund 201,” a reduction of \$8,000 in Fund 202 due to court payout for the appraised value for the Solem Hotel, increasing loan repayments into Fund 203, and an increase in Fund 206 of \$8,975 (correction to packet) due to an escrow deposit for North Harbor (128 Avenue C) roofing project. For loan balances, she noted one residential loan that remained late for the July payment, follow up was made for collection. President asked for any questions or concerns related to these three months of financials. Hearing none he asked for a motion.

**Motion: Commissioner Jaakola moved, and Commissioner Riihiluoma seconded, that the EDA approve the May, June, and July 2022 financials. (Motion passed 5-0).**

**6. ACTION ITEMS:**

**A) First Amendment to Development Agreement by and Between the City of Cloquet and Trail’s Edge, LLC**

This amendment shifts the required completion from June 17, 2022 to October 31, 2022, this was a carryover item from the August 3<sup>rd</sup> agenda (no quorum) which had been discussed with the with the developer during July. The developer has experienced personal health setbacks along with workforce and supply chain challenges. If approved, the EDA should pass EDA Resolution 22-02 and recommend approval to the City Council at their next meeting. President asked for any questions or concerns related to the amendment to the development agreement. Hearing none he asked for a motion.

**Motion: Commissioner Riihiluoma moved, and Commissioner Wilkinson seconded, that the EDA approve Resolution 22-02 and recommend approval of this Trail’s’ Edge LLC Development Agreement Amendment to the City Council at their next meeting. (Motion passed 5-0).**

**B) Small Cities Grant Award, Union Lofts \$5,500**

This item was also a carryover from the August 3<sup>rd</sup> agenda (no quorum). GCL Development is requesting the remaining amount from their original grant award. One year ago they decided to



**CLOQUET ECONOMIC DEVELOPMENT  
AUTHORITY**

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

September 7, 2022

reduce the scope of renovations and only use \$4,300 of their original \$10,000 award. The EDA approved the reduced scope project and awarded the additional funds to other applicants. GCL Development is now prepared to use the remaining funds requesting \$5,500 towards a new door for combined business suites 2 and 3. With repayments back into Fund 206 with the sale of 1618 Cloquet Avenue this request can be accommodated. Contractor estimates were provided supporting the request. If approved, GCL Development will be required to complete a grant application and provide that to the City’s grant administrator along with all project requirements. President Micke asked for any discussion. Hearing none he asked for a motion.

**Motion: Commissioner Jaakola moved, and Commissioner Lanigan seconded, that the EDA approve \$5,500 in SCDP grant funding for door upgrades at 1403 Avenue C. (Motion passed 5-0).**

**7. EDA INFORMATIONAL UPDATES**

Mary Finnegan provided updates on Carlton County noting the ground breaking for the jail project, concerns long-term over the need for their revolving county loan funds and if there are ways to better use those dollars, and then the staff time administering Cloquet’s SCDP when funds are expended the County will be done and doesn’t have the resources to support this, the 15% administration fee is not enough to cover the time required.

Ms. Hansen said updates have been made for the Cloquet Business Park portion of the website, that Cloquet and Carlton County coordinated the Innovate 218 entrepreneurial event at the Streetcar on August 24<sup>th</sup> and approximately ten people attended, Cloquet and Thomson Township combined support and finances for the CTC Border to Border application, the City is a finalist for a Blandin Boost Grant and will continue through that process, the EDA will begin discussing Solem Hotel directions now that ownership and the appraisal court hearing is done, and West End Flourish artist projects continue – note September Celebration is set for the 24<sup>th</sup>.

**8. Motion to Close the Regular EDA Meeting for the Closed Meeting Session (End Swagit recording – thank you – apologies for the mic not working)**

President Micke a motion to close the regular EDA meeting for the Closed Meeting Session 8:30 a.m.

**Motion: Commissioner Wilkinson moved, and Commissioner Riihilouma seconded, that the EDA Close the Regular EDA Meeting for the Closed Meeting Session. (Motion passed 5-0).**

CLOSED MEETING SESSION TO DISCUSS THE PRICE AND TERMS OF SALE AND REDEVELOPMENT OF CITY PROPERTY AT 915 CLOQUET AVENUE (adjourn to rear conference room please)



**CLOQUET ECONOMIC DEVELOPMENT  
AUTHORITY**

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

September 7, 2022

- a. Solem Hotel Discussion – Draft Request for Proposals will be handed out for review at the meeting (this is not public information until finalized)

**9. Motion to Reopen the Regular EDA Meeting**

At 9:08 a.m. President Micke asked for a motion to reopen the regular EDA meeting.

**Motion: Commissioner Wilkinson moved, and Commissioner Riihilouma seconded, that the EDA Reopen the Regular EDA Meeting. (Motion passed 5-0).**

**10. Motion to Adjourn**

At 9:09 a.m. President Micke asked for a motion to adjourn the Regular EDA meeting.

**Motion: Commissioner Wilkinson moved, and Commissioner Riihilouma seconded, that the EDA Adjourn the Regular EDA Meeting. (Motion passed 5-0).**

**ADJOURNED 9:09 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: September 12, 2022

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

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**EDA Requested Action**

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

**Monthly Review**

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

**CASH BALANCES**

The summary of August financials **which currently total \$1,936,383.93** 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** in the account balance for Solem Hotel costs (\$4,659.13 legal fees and \$919.01 City's portion of taxes owed).
- **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 \$239,384.74 (7 business loans, 6 residential small cities projects) with monthly repayments of \$4,090.05. This month one business loan was fully paid off and there were two residential SCDP loan payments not received, the City has contacted those owners for payment.



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**Policy Objectives**

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

**Financial Impacts**

None at this time.

**Staff Recommendation**

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

**Supporting Documentation**

- August 2022 Cash Balances; August 2022 Loan Balances

**City of Cloquet  
Cash Balances  
August 2022**

		Current Month	Previous Month
201	LDO Loan (EDA) - Loan	\$853,946.83 1	\$853,018.88
201	LDO Loan (EDA) - Project/Loan	\$139,006.21	\$139,006.21
202	Federal CDBG Loan (EDA)	\$579,244.42 2	\$584,822.56
203	Economic Development Loan (City)	\$309,299.70 1	\$308,340.81
206	Revolving SCDP	\$54,886.77 1	\$54,162.22
<u>206 Commercial Grant Awards:</u>		<u>\$1,936,383.93</u>	<u>\$1,939,350.68</u>
A. \$10,000 <i>Northeastern, 115 St. Louis Avenue (awnings) - PAID</i>			
B. \$10,000 <i>Shooting Stars Annex, 1404 Cloquet Avenue (exterior rehabilitation) - PAID</i>			
C. \$10,000 <i>Neighborhood Church of Cloquet, 612 Cloquet Avenue (re-roof) - PAID</i>			
D. \$4,359.46 <i>Former Labor Temple, 1403 Avenue C (awnings/doors) - PAID</i>			
E. \$10,000 <i>Paradigm Therapy, 1102 Cloquet Avenue (storefront windows, side door on 11th Street) - PAID</i>			
F. \$10,000 <i>Angel Nails/Northern Health Filtration at 1201 Cloquet Avenue (12th Street exterior siding) - PAID (MAY)</i>			
G. \$10,000 <i>128 Avenue C (roofing) - (BIDS RECEIVED)</i>			
H. \$10,000 <i>Medicine Shoppe 1208 Cloquet Avenue (awnings and doors) - (BIDS RECEIVED)</i>			
I. \$10,000 <i>Split Rock Financial (Historic City Hall) 105 Arch ST (exterior wood trim painting and brick tuck pointing)</i>			
J. \$10,000 <i>Northern Printery 206 Avenue C (windows and exterior brick repair)</i>			
K. \$10,000 <i>HOLD for potential West End Brewery Project</i>			

**Monthly change explanations:**

1 - Loan repayments

2 - Solem Hotel legal fees \$4,659.13; City's portion of taxes due for Solem \$919.01

**Community Development  
Loan Balances  
August 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	\$ 68,469.60	
North Country Dental LLC	8/3/2020	2%	\$ 20,000.00	\$ 390.79	7/1/2025	\$ 13,642.55	7/24/2025 August payment not made
Pine & Pearls, LLC	7/21/2021	2.25%	\$ 70,000.00	\$ 362.47	7/21/1941	\$ 66,121.54	
Radoush Holdings LLC	10/13/2017	3.25%	\$ 10,475.00	\$ 139.59	11/15/2024	\$ 3,500.00	
WebMed, LLC	12/11/2020	2%	\$ 20,000.00	\$ 391.56	12/15/2025	\$ 15,503.85	12/8/2025 August payment not made
				<b>Fund 201</b>	<b>\$ 1,672.77</b>	<b>\$ 167,237.54</b>	
<b>Fund 201 from 204 (EDA)</b>							
Pioneer Recovery	6/21/2013	2.25%	\$ 95,500.00	\$ 889.46	7/15/2023	\$ -	8/2/2023
				<b>Fund 201</b>	<b>\$ 889.46</b>	<b>\$ -</b>	
<b>Fund 203 (City)</b>							
Wood City Lights	4/1/2014	2.50%	\$ 54,050.00	\$ 360.40	4/1/2029	\$ 27,140.27	
				<b>Fund 203</b>	<b>\$ 360.40</b>	<b>\$ 27,140.27</b>	
<b>Fund 203 from Fund 207 (City)</b>							
CMW Retail Properties	7/1/2012	1%	\$ 100,000.00	\$ 598.49	8/1/2027	\$ 33,873.65	6/25/2022
				<b>Fund 203</b>	<b>\$ 598.49</b>	<b>\$ 33,873.65</b>	
<b>Fund 206 from 208 (EDA)</b>							
Janet Chalberg	8/23/2016	3%	\$ 7,017.00	\$ 92.72	8/23/2023	\$ 1,363.35	
Diane Mullen	7/17/2017	3%	\$ 6,274.00	\$ 87.62	2/17/2024	\$ 1,504.95	August payment not made
Mark & Rebecca Lambert	12/15/2016	3%	\$ 7,395.00	\$ 97.67	12/15/2023	\$ 1,800.40	
Jamie Lund	12/15/2016	3%	\$ 7,500.00	\$ 99.10	12/15/2023	\$ 1,549.23	
Billy Joe Wise	8/11/2017	3%	\$ 7,493.00	\$ 99.01	9/11/2024	\$ 2,581.86	
Tammy Randa	9/13/2017	3%	\$ 7,024.00	\$ 92.81	10/13/2024	\$ 2,333.49	August payment not made
				<b>Fund 208</b>	<b>\$ 568.93</b>	<b>\$ 11,133.28</b>	
<b>Total Community Development Loans Outstanding</b>				<b>\$ 4,090.05</b>		<b>\$ 239,384.74</b>	

**Notes:**

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



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

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To: Cloquet Economic Development Authority  
From: Holly Hansen, Community Development Director  
Date: September 13, 2022

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**ITEM DESCRIPTION: RECOMMEND TO COUNCIL APPROVING A TRANSFER OF A SINGLE FAMILY RESIDENTIAL LOT AT 333 20<sup>TH</sup> STREET FROM THE CITY OF CLOQUET TO GCL DEVELOPMENT GROUP LLC**

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**Request**

The EDA is asked to review the request from GCL Development Group LLC and recommend to City Council to approve a resolution to transfer a single-family residential lot at 333 20<sup>th</sup> Street from the City of Cloquet to GCL Development Group LLC for housing development.

**Background**

GCL Development Group LLC recently purchased the home at 1417 Avenue C to expand their property. The home is in good shape and has the potential to be relocated. As such, GCL Development Group LLC contacted the City to inquire about tax forfeit lot opportunities on which they could examine relocating this home or constructing a new spec home. City staff conducted that review and directed them to a few empty lots, one of which was a County tax forfeit lot. After reviewing those options, GCL Development Group LLC responded stating they had interest in working with the City to obtain this tax forfeit lot for a housing project, please find that letter attached.



*Photo of 1417 Avenue C*

In order for the City to record the deed, a formal resolution is required to be issued by the City Council. Carlton County is the local governmental entity in charge of tax forfeit parcels acting on behalf of the state of Minnesota and this property has become duly forfeited to the State of Minnesota for the nonpayment of taxes. Carlton County has agreed to work with the City of Cloquet to transact this parcel for city goals related to housing and has accepted the offer from GCL Development Group LLC and issued a County Resolution for this transaction. Carlton County ordered the preparation of a deed for this parcel that has now been issued from the State of Minnesota to the City of Cloquet. The City of Cloquet will now prepare a deed to GCL



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Development Group LLC if approved by the City Council at the recommendation of the Cloquet EDA for housing development.

During August, staff and the Carlton County Land Department staff, toured pending and current residential tax forfeit properties. GCL Development Group LLC is interested in housing projects in Cloquet and is in need of a vacant buildable lot with interests in relocating the home at 1417 Avenue C or building a new spec home.

### **Policy Objectives**

Carlton County has reviewed the letter from GCL Development Group LLC and has agreed to transfer this lot to the City who would transfer this lot to GCL Development Group LLC for the purpose of housing development. The City would as customary, structure a simple Development Agreement to document the terms and expectations for development under this sale.

Both the 2014 Cloquet Housing Study and Cloquet/Scanlon Housing Task Force recommendations highlight the need for housing development in Cloquet across all financial spectrums. This in-fill housing lot provides a unique opportunity and incentivizes this opportunity to transact for this purpose.

- 2014 Cloquet Housing Study Recommendations for Single Family Powerpoint summary: <https://www.cloqueteda.com/home/showpublisheddocument/2236/636697831346630000>  
And full Housing Study: <https://www.cloqueteda.com/home/showpublisheddocument/2228/636697796355200000>

### **Financial Impacts**

Ultimately the property will be returned to the tax rolls and the County will receive some payment towards recouping a portion of their demolition costs. The County will offer the lot to the City for \$1,000 for a housing project. The buyers will pay the \$1,000 plus appropriate city property conveyance costs.

#### **Direct County Costs**

*There will be costs associated with this property transfer and preparation of closing documents by the County (from the state of MN to the City of Cloquet) and then secondly the transfer from the City to GCL Development Group LLC (Purchase Price, State Deed, Deed Tax, County Recording, Assurance Fund, and eCRV).*

#### **Direct City Costs**

*The City then needs to have a Deed prepared by the City of Cloquet Attorney to transfer from the City to GCL Development LLC the Deed, Deed Tax, County Recording, and closing.*

### **Supporting Documentation**

- New Build Design Concept from GCL Development Group LLC
- Letter from GCL Development Group LLC

# New Construction Proposal



333 - 20th Street  
Cloquet, MN 55720



## Features:

1,144 SQUARE FEET  
2 BEDROOM, 1 BATHROOM  
2 CAR GARAGE

- Main floor living with large windows to let in light
- Open layout with 9' ceilings
- Kitchen includes modern appliances with an island for informal dining.
- The master bedroom features a walk-in closet and convenient laundry closet ready to serve both bedrooms.
- A two car garage and an unfinished basement completes this home.

Designed as an affordable home for a wide range of buyers, from a first time homebuyer to someone looking for 1 level living. Also designed with equity building potential by finishing the basement.



1403 Avenue C - Suite 6  
Cloquet, MN 55720  
Ph: 218-940-0578  
Email: [office@gcldevelopmentgroup.com](mailto:office@gcldevelopmentgroup.com)

Dear Holly,

Thank you for bringing to our attention the property at 333 20th Street in Cloquet.

As you know, Clyde and I started a development company in 2020 after 25+ years in commercial and residential construction. Our first project was to redevelop the Labor Temple Building into commercial and residential units. We are at the end stages of this project and are looking forward to a couple of options for our future endeavors. We have loved working in and with the City of Cloquet and would like to continue to focus our work in this city.

We would like to propose two options for redeveloping this available lot.

Option A - We have acquired a home on an adjacent property to the Union Lofts for future commercial development. Our plan would be to relocate the home to this lot, contingent on structural inspection for integrity, instead of demolishing.

OR

Option B - Build a 1,600 to 2,000 square foot single family starter home that would serve as a template for a possible future housing development.

We look forward to working with you on this project.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Louise Sherman', is written above the printed name.

Louise Sherman



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To: City of Cloquet Economic Development Authority (EDA)  
From: Holly Hansen, Community Development Director  
Date: October 7, 2022

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**ITEM DESCRIPTION:** Preliminary Review – Cloquet Business Park Lots Requested

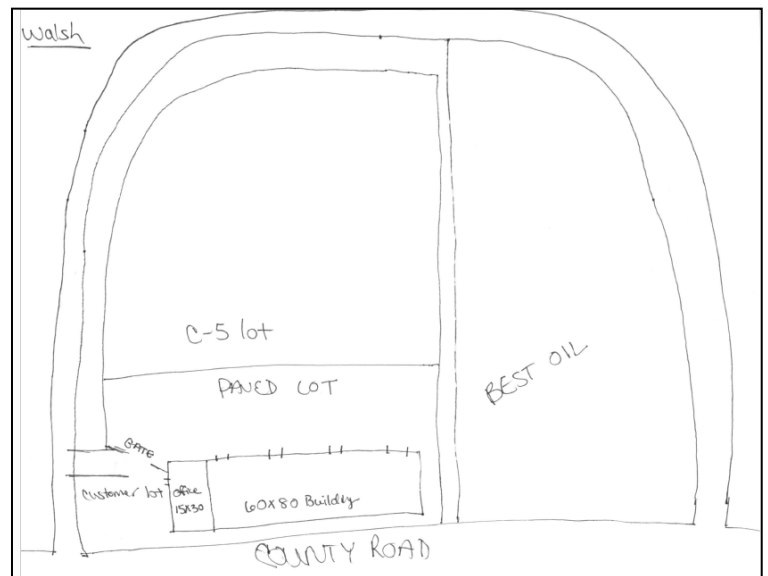
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**EDA Requested Action**

Please review the attached request and provide any comments of concern about locating in the park at the meeting.

**Background**

Laura Walsh, owner of Advanced Services Inc. (ASI) has inquired about the purchase of Lots 1 and 2 in Block 4 of the Cloquet Business (behind the Best Oil lots) to construct a small office and store product for their business. ASI is a portable restroom service and rental business, learn more here: <https://advancedservicesmn.com/>. The business is currently located on Hwy 2 and the proposed project would add a 5,250SF office/warehouse and would fence and screen stored product to the north, please see the diagram provided by Ms. Walsh.



The EDA is the entity that reviews and recommends to Council the sale of land in the Cloquet Business Park while the Planning Commission reviews the Site Plan details and recommends to Council. When projects for the Business Park are fully ready, staff bring both the Site Plan Approval forward to Council along with purchase and development agreements synonomously. Once approved by Council, the land closing is scheduled and the business works with the Building Official on plan review and building permits for construction.



Community Development Department  
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Before Ms. Walsh engages with professionally developed Site Plan and other requirements for the City Planner, she asks that you review her request and provide staff any feedback of concerns. If there are no concerns, she will begin working on Site Plan requirements with the City Planner and will return in the future when that is ready to proceed with purchase and development agreements. The project is compliant with zoning land uses, screening is required for outdoor storage.

### Policy Objectives

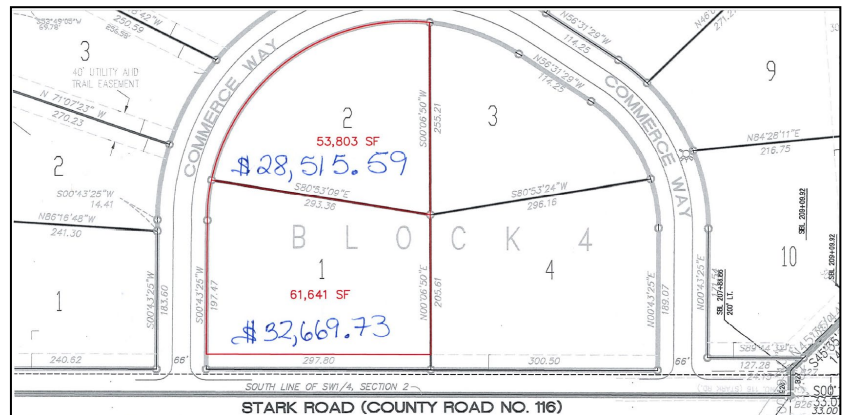
The mission of the Cloquet Economic Development Authority (EDA) is to take an active role in attracting new businesses to the community, retaining existing businesses, assisting businesses with expansion, and enabling rehabilitation and/or redevelopment of areas within the community. The goal of work activities by the EDA is to grow the local economy through focused efforts that stimulate economic investment and grow prosperity in the Cloquet region.

### Financial/Budget/Grant Considerations

In the future, if the applicant proceeds with purchase of the land, this map has been provided for pricing per square foot (land is \$22,900/per acre) and closing costs would be incurred by parties.

### Supporting Documents Attached

N/A



**CLOSED EDA SESSION  
MATERIALS**