

Cloquet Economic Development Authority MEETING AGENDA

Wednesday January 8, 2025 8:00AM CLOQUET CITY HALL

		ACTION TAKEN
1.	Call Meeting to Order	
2.	Announcements, Adjustments, Correspondence, and Other Comments	3
3.	Public Comments? Please give your name, and address. Visitors may share concerns on an not already on the agenda. The Chair reserves the right to limit an indipresentation if it becomes redundant, repetitive, irrelevant, or overly an comments will be taken under advisement by the Commission. No action this time. Public Comments will be limited to 10 minutes per topic or 3. The Commission may request an item be placed on a future agenda for as part of the regular meeting.	vidual's gumentative. All n will be taken at 0 minutes total.
4.	Approval EDA meeting minutes a. December 4, 2024	
5.	Monthly Financials a. November 2024	
6.	Action Items: a. Commissioner Input Roundtable i. Introduction to yourself personally and professionally in Clo ii. What are your business aspirations for the City of Cloquet? iii. What are your housing aspirations for the City of Cloquet? iv. How would you like to share your gifts and skills on the ED v. What goals and efforts do you think the EDA should focus of	A?
	 b. 2025 Goal Setting i. Cloquet EDA 2024 Highlights, 2024 goals for reference (zer reuse) ii. Discussion? iii. Prioritization voting (please consider the Cloquet EDA's role influence the issue) 	
7.	EDA Informational Updates	
8.	Adjourn	



CLOQUET ECONOMIC DEVELOPMENT AUTHORITY

101 14th St., Cloquet, MN 55720 December 4, 2024

MINUTES OF THE CLOQUET EDA MEETING

EDA Members Present: Lyz Jaakola, Lara Wilkinson, Steve Micke, John Riihiluoma, Sue Ryan, Dave Manderfeld (EDA Commissioners)

Ex-Officio Staff/Staff Members/Others Present: Brian Sorensen, ULF; Brad Brzezinski, DEED Northeast Region Representative, Tim Peterson, Katie Bloom, Holly Hansen (City); Jack Wilkinson; Ryan Pervenanze (Carlton County); Kelly Zink (Cloquet Area Chamber of Commerce)

EDA/Ex-Officio/Staff Members Absent: Mark Lanigan (EDA Commissioner)

1. CALL TO ORDER

The meeting was conducted in person offsite at Upper Lakes Foods Headquarters at 801 Industry Avenue in Cloquet and President Micke called the meeting to order at 8:05 a.m.

- 2. ANNOUNCEMENTS, ADJUSTMENTS, CORRESPONDENCE AND OTHER None.
 - 3. **PUBLIC COMMENTS None.**

4. APPROVAL EDA MEETING MINUTES

NOVEMBER

President Micke asked for any corrections, additions, or deletions to the November 6, 2024 Cloquet EDA Meeting Minutes. Hearing no other comments, he asked for a motion.

Motion: Commissioner Manderfeld moved, and Commissioner Jaakola seconded, that the EDA approve the November 6, 2024 Cloquet EDA Meeting Minutes. (Motion passed 6-0).

5. APPROVAL OF MONTHLY FINANCIALS

OCTOBER

There was a slight increase in fund balance reflected in Funds 201, 203, and 206 increasing, no change in fund balance in Fund 207, and decreases in Fund 202 due to loan satisfaction recording fees and legal fees for Hieb.

The total outstanding loan balance for City funds is \$1,457,944.15 (9 business loans, 1 residential small cities projects) with monthly repayments of \$9,333.26 with one loan deferral and two interest only short term housing loans. The building formerly owned by the City and sold to a developer in 2012 located at 1111 Cloquet Avenue has sold, however the City's loan



CLOQUET ECONOMIC DEVELOPMENT AUTHORITY

101 14th St., Cloquet, MN 55720 December 4, 2024

payment will continue under original ownership until the term is complete in 2027 per the original terms of that deal. The two City/EDA housing rehab/development projects with loans are interest only with a balloon at the end, therefore those totals remain unchanged as those developers are making interest only payments for 16 months. There is also a 16 month deferral for the Hotel Solem adaptive reuse project that is in place.

President Micke asked for any corrections or questions on the financials? Hearing no other comments, he asked for a motion.

Motion: Commissioner Riihiluoma moved, and Commissioner Ryan seconded, that the EDA approve the October Financials. (Motion passed 6-0).

6. ACTION ITEMS:

A) Minnesota Cities Participation Program (MCPP) Renewal 2025

MCPP is a program that the City of Cloquet has been part of for several years with the state. MCPP provides designated funding for first time homebuyer loans (Start-up and Step-up), and rehab loans (Fix-up), along with other programs for down payment and closing cost loans. Eligible MCPP loans must be located within Cloquet City limits and the borrower's income must be at or below 80% of area median income. Several local and regional lenders are registered program partners that can assist eligible homebuyers in Cloquet.

Motion: Commissioner Manderfeld moved, and Commissioner Ryan seconded, that the EDA recommend approval to the Cloquet City Council renewal for 2025 in the Minnesota Cities Participation Program. (Motion passed 6-0).

B) Draft Purchase Agreement / Option Agreement - Collins Roofing

Mr. Collins has the goal of purchasing Lot 1, Block 5 and Lot 2, Block 5 for construction of an office/manufacturing facility for Collins Roofing, an estimated \$1.5 million investment which will bring approximately 12 jobs (and growing) into the City. In the future, Mr. Collins plans for additional facility construction plans, for which an Option Agreement has been structured with a three-year term.

Mr. Collins has been provided pricing information for the lots and has provided the city a copy of his committed primary letter prequalification letter. Pricing for each lot is included in the purchase and option agreements attached. The total purchase price for Lot 1, Block 5 and Lot 2, Block 5 is \$29,124.72. The Option Agreement has a three-year term and will require imminent construction plans for Lot 3, Block 5 to exercise the Option (\$17,484.48).

Motion: Commissioner Manderfeld moved, and Commissioner Jaakola seconded, that the EDA recommend approval to the Cloquet City Council the Purchase



CLOQUET ECONOMIC DEVELOPMENT AUTHORITY

101 14th St., Cloquet, MN 55720 December 4, 2024

Agreement for Lots 1 and 2, Block 5 and Option Agreement for Lot 3, Block 5. (Motion passed 6-0).

C) EDA Commissioner Appointments

The City of Cloquet is seeking two business community members professionally engaged in business operations in Cloquet, Minnesota (can reside elsewhere) or holds previous experience with community / economic development, to join the Cloquet Economic Development Authority (EDA) for a six-year term as one of seven Cloquet EDA Commissioners representing the City of Cloquet at-large. The Cloquet EDA meets the first Wednesday of every month at 8:00a.m. and these openings are available January 2025.

The City received two viable applications from Cloquet business professionals. The first is Aaron Peterson who grew up in Cloquet and he and his wife Holly Peterson own Up North Insurance, which is an independent insurance company located at 619 Sunnyside Drive where he has been proud to offer his clients excellent customer service, strong relationships, and competitive rates. Mr. Peterson has been an active member of the Cloquet Area Chamber of Commerce and various subcommittees (chamber), Business Networking International (BNI), has held volunteer positions for the Cloquet Public Schools, and has coached locally.

The second application received is from Jenny Blatchford, Senior Project Controls Manager for The Boldt Company and previous to this position she worked at the Cloquet Area Chamber of Commerce. Ms. Blatchford is a Cloquet resident and holds and has held several volunteer positions in Cloquet including being the current VP of Cloquet Education Foundation and board member for 3 1/2 years, Former charter board secretary of the National Association of Women in Construction (NAWIC) Twin Ports Iron Range chapter, Former Washington School PIE president, Former New Horizons Preschool Board Member, and Advisor on White Family Foundation.

7. EDA Informational Updates

Ryan Pervenanze from Carlton County EDA reported interests in using County SAHA funding to work with Habitat for Humanity to construct single family homes in the county.

President Micke asked for a motion.

Motion: Commissioner Manderfeld moved, and Commissioner Ryan seconded, that the EDA stand adjourned at 8:45a.m. (Motion passed 6-0).

8. Tour of Upper Lakes Foods (ULF) Freezer Expansion

Sue Ryan, President of Upper Lakes Foods (ULF) stated they have been pleased with the freezer expansion project constructed by Don Holm Construction regionally. The project will create eleven jobs.

Brad Brzezinski, DEED Northeast Region Representative, shared that it is nice to see investment in this region that is eligible for DEED program incentives such as the Job Creation Fund (JCF)



9. Adjourn

CLOQUET ECONOMIC DEVELOPMENT AUTHORITY

101 14th St., Cloquet, MN 55720 December 4, 2024

award that was provided to ULF with this project. The JCF program is essentially a 7.5% rebate program provided to the business for real estate improvements and job creation.

Brian Sorensen, third generation family member of Upper Lakes Foods prepared to provide the Cloquet EDA a facility tour including the new 7,000 square foot freezer expansion as such Steve Micke adjourned the meeting at 8:45a.m.

Respectfully submitted,
Holly Hansen, Community Development Director



Community Development Department

101 14th ST • Cloquet MN 55720 Phone: 218-879-2507 • Fax: 218-879-6555

To: City of Cloquet Economic Development Authority (EDA)

From: Holly Hansen, Community Development Director

Date: December 30, 2024

ITEM DESCRIPTION: EDA Review of Monthly Financial Statements (November

2024)

EDA Requested Action

The EDA is asked to approve the November 2024 EDA financials.

Monthly Review

Attached the EDA members will find the November 2024 cash balances and loans for economic development.

CASH BALANCES

The summary of November 2024 financials which currently total \$796,289.41 are:

- <u>Fund 201 (LDO-Loan)</u>/ <u>Fund 201 (LDO-Project/Loan)</u> there is an **increase** in the fund balance due to business loan repayments.
- <u>Fund 202 (Fed CDBG)</u> there is a decrease due to SCDP loan satisfactions and project payouts on the Hieb Properties project at 905 Cloquet Avenue.
- <u>Fund 203 (ED)</u> there are no changes to the fund balance as the one business loan fund in this category missed payment this month.
- <u>Fund 206 (Revolved Phase 3 SCDP loan repayments)</u> there is a decrease due to project payouts for the Hieb project at 905 Cloquet Avenue.
- Fund 207 (Housing Trust Fund) there is no change to the fund balance.

LOAN STATUS

The total outstanding loan balance for City funds is \$1,456,593.85 (8 business loans) with monthly repayments of \$9,333.26 with one loan deferral and two interest only short term housing loans. There is on delinquent business loan this month and city staff are following up on this. The building formerly owned by the City and sold to a developer in 2012 located at 1111 Cloquet Avenue has sold, however the City's loan payment will continue under original ownership until the term is complete in 2027 per the original terms of that deal.



Community Development Department

101 14th ST • Cloquet MN 55720 Phone: 218-879-2507 • Fax: 218-879-6555

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 November 2024 EDA financial statements.

Supporting Documentation

• November 2024 Cash Balances; November 2024 Loan Balances

City of Cloquet Cash Balances November 2024

		Current Month	Previous Month
201	LDO Loan (EDA) - Loan	\$9,297.51 1	\$7,160.05
201	LDO Loan (EDA) - Project/Loan	\$0.00	\$0.00
202	Federal CDBG Loan (EDA)	\$328,993.61 2, 3 & 4	\$340,754.42
203	Economic Development Loan (City)	\$351,989.13	\$351,989.13
206	Revolving SCDP (EDA)	\$8,794.16 1, 3 & 4	\$18,349.15
207	Housing Trust Fund (City)	\$97,215.00	\$97,215.00
		\$796,289.41	\$815,467.75

206 Commercial Grant Awards:

\$10,000 Hieb Properties 905 Cloquet Avenue Grant (closed 8-19-24, underway)

Monthly change explanations:

- 1 Loan repayments
- 2 Legal fees & Recording fees
- 3 Hieb Properties payment to Belknap boiler & heating system
- 4 Hieb Properties payment to Bensen Electric/MN Power new service

Community Development Loan Balances November 2024

Loan	Loan Date	%		Loan Amount		Monthly Payment	Maturity Date	<u> </u>	Balance	*Exp. UCC or FF
Fund 201 (EDA LDO Fund)										
Boss Builders LLC	7/1/2024	4.00%	\$	155,000.00	\$	516.67	1/1/2026	\$	155,000.00	***
C&C Holdings LLC	7/24/2024	2.00%	\$	924,500.00	\$	6,250.00	7/24/2044	\$	924,500.00	**
Lagom Restoration LLC	12/21/2023	4.00%	\$	56,000.00	\$	186.67	6/25/2025	\$	56,000.00	***
			Fund	d 201	\$	6,953.34		\$	1,135,500.00	
Fund 202 (EDA CDBG Fund, all	loans are repaid	l into Fun	d 201	LDO to revolve i	restri	ctions once lo	oaned, interest ac	crues	into 202)	
C&C Holdings LLC	7/24/2024	2.00%	\$	211,500.00	\$	-	7/24/2044	\$	211,500.00	**
GCL Development Group LLC	6/12/2020	2.25%	\$	75,000.00	\$	388.36	7/1/2040	\$	61,276.45	
North Country Dental LLC	8/3/2020	2.00%	\$	20,000.00	\$	390.79	7/1/2025	\$	3,487.75	7/24/2025
Radoush Holdings LLC	10/13/2017	3.25%	\$	10,475.00	\$	139.59	11/15/2024	\$	-	Paid 10/1/24
WebMed, LLC	12/11/2020	2.00%	\$	20,000.00	\$	391.56	12/15/2025	\$	5,413.58	12/8/2025
Hieb Properties LLC	8/19/2024	4.00%	\$	20,434.00	\$	279.31	8/19/2031	\$	19,942.56	
			Fun	d 202 into 201	\$	1,589.61		\$	301,620.34	
Fund 203 (City)										
CMW Retail Properties	7/1/2012	1.00%	\$	100,000.00	\$	598.49	8/1/2027	\$	19,473.51	*Nov/Dec late
			Fund	d 203	\$	598.49		\$	19,473.51	
Fund 206 (EDA SCDP Fund no o	current funds fro	om 208 Ci	ty SCD	P)						
Mark & Rebecca Lambert	12/15/2016	3.00%	\$	7,395.00	\$	-	12/15/2023	\$	-	Paid 3/7/24
Billy Joe Wise	8/11/2017	3.00%	\$	7,493.00	\$	99.01	9/11/2024	\$	-	Paid 11/5/24
Tammy Randa	9/13/2017	3.00%	\$	7,024.00	\$	92.81	10/13/2024	\$	-	Paid 9/10/24
			Fun	d 208	\$	191.82		\$	-	
Total Community Developmen	t Loans Outstan	ding			\$	9,333.26		\$	1,456,593.85	

Notes:

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

^{** 16-}month loan deferral through Nov 2025

^{***}Housing rehab/development short term loans making interest only payments with a balloon at the end of the term



Goal #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.

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), facilitating creative partnerships, and assistance in securing program funding and grant funding (e.g. infrastructure, SCDP) to assist with key community priorities/projects.
- 2. Support new single-family projects and housing subdivision projects for all age spectrums, especially those that will connect with public utilities. Work on unique opportunities to create higher finish level apartments for millennials such as downtown upper story loft apartments or downtown redevelopment projects.
- 3. Proactively tour housing developers and connect with state, federal, and other agencies on funding opportunities for Cloquet.
- 4. Initiate new Housing Study RFP for 2024.



Single-Family Ownership 2014-2023

80 Homes (Unmet, Goal 200 Units)

- (2023 2 Cloquet, 0 Scanlon)
- 3 Executive homes (2022 Cloquet)
- 2 Manufactured homes (2022 Cloquet)
- 3 Manufactured homes (2021 Cloquet).
- 7 Move-up/Move-down (2021: 5 Cloquet, 2 Scanlon)
- 2 Executive (2021: 1 Cloquet, 1 Scanlon)

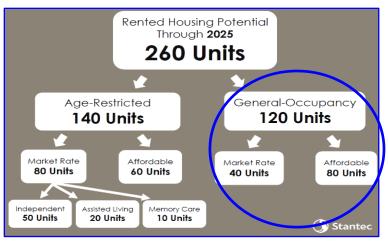
Two Tax-forfeit lots on 20th Street in the que for 2024

Multifamily Ownership 2014-2023 (e.g. Townhome, Condo, Loft)

12 Units (Unmet, Goal 40 Units)

- (2023: 2 Cloquet-Adams ST)
- (2022: 2 Cloquet)
- (2021: 6 Cloquet and 2 Scanlon)





General Occupancy Rental 2014-2023

142 Rental Units (Met, Goal 120 Units)

- ✓ 58 Market Rate Units (Union Lofts 11 units (2021); Carlton Lofts 11 Units; 14th ST III TIF, 8 Units <u>held</u> for income restricted occupants, rents not necessarily restricted)
- ✓ 56 Affordable Units Shallow Subsidy workforce housing (Carlton Lofts 39 Units, White Pine 17 Units rent & income restricted)
- ✓ 35 Affordable Units <u>Deep</u> Subsidy (White Pine 18 Units, Carlton Lofts 7 Units rent & income restricted)
- ✓ Conversions (2 Young, 1 Coleman)

Age-Restricted Rental 2014-2023

10 units (Unmet, 140 Units)

• Trails Edge Two - senior independent market/affordable

Goal #2 - 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.

Implementation Steps:

- 1. Continue to connect Child Care Facilities to regional and statewide resources to retain/expand childcare slots (e.g. Northland Foundation, First Children's Finance etc.).
- 2. Connect inquiries for daycare center facilities to buildings and sites for sale within the City.
- 3. Leverage local opportunities to use regional and state programs, loans, and grant opportunities to expand childcare.
- 4. Support partnership to expand programming for older children in the community as well.

Goal #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.

Implementation Steps:

- 1. Support business inquiries and leads interested in the business park.
- 2. Support existing businesses interested in expanding in the business park (as guided in the Zoning Code).
- 3. Market the business park using video and photos, along with City programs that can be utilized to accomplish development (online via the Cloquet EDA website, Facebook, LinkedIn etc.).



- 4. Conduct Business Retention and Expansion Visits to ensure City is aware of business real estate and workforce talent needs. Share information on City/EDA business programs, and other regional/state/federal programs. and to share information on Cloquet EDA programs and sites such as the Business Park.
- 5. Continue to build relationships to broaden the knowledge of local lenders on partnership programs on various gap financing programs.
- 6. Engage in business lead generation activity work with regional economic development partners such as DEED, APEX, MnPower, Carlton County etc.

Goal #4 – Broadband: Improve Residential and Business Networks

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

Implementation Steps:

- 1. Continue to encourage broadband providers to expand in Cloquet utilizing state and federal expansion programs.
- 2. Continue communication and monitoring on construction bids and status of implementation timeframe with the City's partner, CTC, on their Border-to-Border grant funding from the state of Minnesota and pledged \$300,000 in Cloquet ARPA funding related to CTC's \$5 million award for several expansion projects, including the expansion of fiber into Northern Cloquet and northeastern Esko.

Goal #5 – 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.

Implementation Steps:

REVITALIZATION

- 1. Assist with real estate inquiries on downtown buildings and city programs.
- 2. Assist distressed properties with program opportunities and engage potential developers.
- 3. Improve downtown district aesthetics and connectivity to natural/recreational/historic/cultural/diversity amenities. Leverage and build upon completed Parks and Riverfront aesthetic and streetscaping investments bringing traffic past the West End and continue riverfront trail planning.
- 4. In the future, consider a Small Cities application to DEED for rehabilitation funding for commercial and residential properties identifying an administrative partner such as the County, Lakes and Pine, or AEOA.
- 5. Consider a Downtown Mainstreet Business Committee, as the City is a network member of Minnesota Mainstreet.



6. Work to implement the 2017 Downtown Cloquet Revitalization Strategy with detailed recommendations for the Cloquet Avenue and Historic West End Districts.

BUSINESS SUPPORT

- 7. Conduct Business Retention and Expansion Visits to ensure City is aware of business real estate and workforce talent needs.
- 8. Market Cloquet to positively promote the community.
- 9. Market City/EDA business programs, and other regional/state/federal programs.
- 10. Continue to maintain office, commercial, and industrial real estate sites for sale to direct business leads to within the City of Cloquet on Northland Connection.
- 11. Connect Talent to Business: Partner with regional agencies (e.g. APEX, Northspan, Cloquet CareerForce, Northforce, DEED etc.) on local business talent needs. Network with higher education institutions locally (FDLTCC) and regionally on training (upskill/reskill) and talent opportunities to to support Cloquet businesses. Network with ISD 94 on FabLab and other training and trades programs to support Cloquet businesses.
- 12. Participate in economic development network locally, regionally, and at the state/federal levels maintaining relationships. Bolster collaboration with the Fond Du Lac Reservation.

REDEVELOPMENT SUPPORT

13. Be an active participant on ARDC's EPA Brownfield Advisory Committee for redevelopment grant funding providing the opportunity to focus on potential contaminated sites with redevelopment opportunities in the City and options to leverage programs to support those.



AGENDA INFORMATIONAL UPDATES 12-30-24

CHAMBER

Development Authority

- Chamber Chat luncheon on Thursday January 9th at 11:30 a.m.
- Vegas Night Out Friday night February 7th at Pedros Event Space
- Home Show March 14th and 15th at Black Bear Casino and Resort

COUNTY

• Will be provided at the meeting.

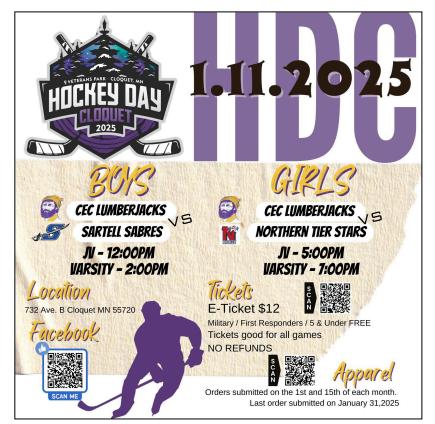
CITY

- Staff, Stantec, and the ARDC EPA Brownfield Redevelopment Grant team will continue to brainstorm sites in Cloquet to use remaining brownfield funds.
- On December 17th, the Council Approved the early **Decertification of Oakwood Estates** reaching the full payout in TIF District 2-1 and Terminated the Development Agreement.
- The Pine Knot News had a nice article in their December 20th issue on **City grants**. During December the City was also notified that Pine Valley Park will receive \$1.3 million in grant funding from the Greater Minnesota Regional Parks and Trails Commission. The grant funding will allow the city to repair the park's ski jumps, improve the cross-country ski trails and pave the parking lot.
- With the completion of the Upper Lakes Foods expansion, staff will work with the business to conduct a "Look Back" audit on costs and will then issue the TIF Note for the project to the business.
- Preparations are heating up for **Hockey Day Cloquet**, a planned outdoor hockey extravaganza that will take place in Veterans Park on and around Jan. 11, 2025 featuring an outdoor rink, shipping containers for locker rooms and Zamboni storage, plus fan-friendly seating and food trucks.
- On January 14th staff will have an onsite audit with DEED on the city's Small Cities Development Project award for West End streetlights.
- The City of Cloquet has **board positions open on the Planning Commission and Parks Commission**. Please help us spread the word in <u>YOUR</u> circles! To apply, click here:

 https://www.cloquetmn.gov/our-city/boards-and-commissions/boards-and-commissions-openings
- Staff conducted business visits during November and December. This week we heard that **Mainstream Boutique has decided to close the downtown Cloquet store** and consolidate with the Hermantown store.
- Childcare needs persist, for support starting a family childcare in your home, Carlton County can help. See the flyer and contact information.
- **FDLTCC Food for Thought** will be held Thursday January 16, 2025 from 4:30 pm 7:00 pm to fundraise for student scholarships, more info here: https://fdltcc.edu/event/food-for-thought-2025/



AGENDA INFORMATIONAL UPDATES 12-30-24





Vol. 7 No. 51

www.PineKnotNews.com Friday, December 20, 2024

This week in Carlton County's only independent, locally owned newspaper.



Farm advice forthcoming Page 3



New coach, team striving Page 9



It's final days for church

INDEX

Weather2
News3
Opinion7
Obituaries8
Sports9
Santa letters11
Area events21
Classifieds22
Public notices 22
Faith24
Communities 25
Puzzles25

Xmas services....27

'TIS THE SEASON



Focus is not the mission of these Esko kindergarten students, who are between songs and dressed in their best Santa outfits for the Christmas program on Friday, Dec. 13. Soon enough they were singing their hearts out and all facing the same direction – toward an audience of adults who were thrilled with the performance. Students pictured with permission, but the school asked not to use names. Check out this year's Letters to Santa in the North Pole News, starting on Page 11. Photo by Jana Peterson / Pine Knot News

Grants help Cloquet get things done

Jana Peterson

news@PineKnotNews.com

During Cloquet's taxation and budget hearing on Dec. 3, frustrated resident Shannon Kesner asked city councilors to think outside the box rather than raising taxes, sharing that her property taxes have gone up over \$1,200 a year since she purchased her home in 2020.

"I know there's all kinds of funding sources out there," she said. "I implore you and others to take a look at all the different opportunities and see if something can help this."

There's good news for Kesner and other residents: City staff are tuned into grant opportunities and have had success finding funds to help with everything from affordable housing and broadband access to safer roads and water. Without the grant funding, projects either would not have been completed or would have pushed local taxes up even further.

According to records from city staff, over the past seven years the city of Cloquet has secured

Pine Knot



Cloquet community development director Holly Hansen, left, helped Consolidated Telephone Company (CTC) get a \$4.8 million grant that helped bring broadband to 246 Cloquet homes in north Cloquet. Contributed photo

over \$8.4 million in grant funding for public works projects, and \$5 million for the Lake Superior waterline in state bond funding to be repaid by the state. Other economic development projects have received grants for \$2.76 million since 2015.

The city also had a hand in more than \$500,000 in business assis-

tance grants in 2022-23, playing a direct role in obtaining state funds for projects at USG and Upper Lakes Foods. The city also supported — often acting as a conduit for outside funds — more than \$10 million in various state and federal housing aid awards since 2017.

Continued on Page 6

Get a bite of annual tradition

Organizers prepare for free meal on Christmas

Pine Knot News

The Carlton County Disabled American Veterans and its supporters are inviting everyone to enjoy a free Christmas dinner on Christmas Day Wednesday. No military service required, just a hungry belly and a heart for community. The annual Christmas meal will be served 11 a.m.-2 p.m. Dec. 25 at Zion Lutheran Church at 1000 Washington Ave. in Cloquet. The menu features a wide array of appetizers, salad, dessert, meatballs, ham, mashed potatoes and gravy, green beans, beverages and lots of company.

Both sit-down and carryout meals are available.

DAV community meal lead organizer Raffy Johnson said it's important to keep the tradition going for him and for all the people who enjoy having their Christmas meal together, recalling the days that his late father, Dave, organized the meal with other Zion members. The meal has been served at the Cloquet church for more than 30 years.

"Welcome to the public," Johnson said. "People don't have to call ahead ... just show up at the church and sit down or take your meal to go. We'll take care of you."

Volunteers are key to running a smooth operation. Those who wish to volunteer for the kitchen, serving line or cleanup crew should call Johnson at 218-590-4027.

Johnson said the DAV will continue to try to improve the annual event, which is also supported by area businesses, nonprofits and individual donors.



Volunteers are key to the annual free Christmas dinner at Zion Lutheran Church in Cloquet. Pine Knot News photo

Wishing you a joyous holiday season and a wonderful year ahead!

The Pine Knot News office will be closed the week of Christmas. We will not be publishing a paper on December 27.

Breaking news and obituaries will be posted online at www.PineKnotNews.com.

City grants ...

Continued from Page 1

Public works director Caleb Peterson and assistant city engineer John Anderson apply for many of the public works grants, often with help from Holly Hansen, who also pursues economic development and housing grants as community development director for the city.

It's not easy money. "Everybody sees these announcements from politicians talking about all this money for infrastructure that they've passed," Peterson said. "It doesn't show up at our doorstep. We have to find a project that meets their criteria, one that's eligible for us to apply for in a competitive process. It's not like, 'Oh, here's an extra million dollars a year to do street projects.' That's not how it functions."

Ward 4 councilor Kerry Kolodge has been on the city council since April 2012. He said city staff members have gotten pretty darn good at tapping into grant money, which will often allow the city to do more with a planned project than it could have. The city's public works department has scored large and small state grant dollars from various state agencies, including the Minnesota Department of Transportation, Minnesota Department of Heath, Minnesota Pollution Control Agency and others.

"The downside is you don't get grants for daily operations: to pay for police department raises or buy a dump truck," Kolodge said.

Bigger and better

Grant funds can and do allow the city to stretch its own dollars.

Instead of a simple

mill and overlay on Cloquet Avenue in 2018, for example, a \$1 million grant from the MnDOT's Local Road Improvement Program in 2018 allowed the city to also upgrade the street lighting and other streetscaping, and also make the downtown safer for pedestrians. A 2022 Small Cities Development Program grant for \$483,649 paid to replace all the street lights in the city's historic West End, where not all the old lights worked anymore. Over \$407,000 is coming from the Minnesota Pollution Control Agency to search for new potable water sources. Another MnDOT grant will cover \$1.4 million out of a \$1.8 million project starting next year to fix Armory Road and its various intersections.

During Tuesday's Cloquet city council meeting, assistant public works director Ross Biebl



State funds paid to build a \$2.2 million roundabout in Cloquet in 2018 to make the intersection of Minnesota Highway 33, Interstate 35 and the frontage road safer for drivers. The process was kickstarted by a grant the city got to evaluate ways to "disconnect" the frontage road from the highway. *Contributed photo*

shared the news of yet another grant for the city of Cloquet: \$1.3 million in Legacy Funding for Pine Valley Recreation Area.

The Cloquet park was one of 14 across Greater Minnesota that was selected. With its ski jumps and lighted trails, Pine Valley was eligible for the funding because it was designated a "regionally significant" park a year ago.

"We have the only ski jumps in the area, and all kinds of different activities go on there: Nordic skiing, jumping, snowshoeing, biking, hiking, running," Biebl said last year, explaining why the Cloquet park made the cut.

It's money that — along with already approved sales tax dollars — will help ensure the ski jumps are safe for decades to come, fix the parking lot, and replace and extend the trail lighting to other parts of the park.

Add in the promised \$1 million donation from the Medich family for a new hybrid chalet-shelter building that will be constructed next to the parking lot, and Pine Valley will no longer be a "hidden" gem, Kolodge said.

"That park's going to get some much needed attention," Kolodge said. "It's an extra shot for us to not only take care of the things we have to take care of, but we'll have some money to take care of some of the amenities."

Peterson said the Pine Valley Legacy grant application included a 20-percent local match from the voter-approved sales tax dollars, which gave it a higher chance of success.

"The hope is to take the sales tax money as far as we can," Peterson said. "Honestly, the \$2 million in sales tax wouldn't go very far — this one project would eat up the whole thing. Now we can keep making future applications using the sales tax as the local match."

Grants beget grants

Many of the grants awarded to the city lay the groundwork for future work and/or future grant opportunities.

After the second fatal crash at the intersection of Interstate 35, the frontage road and Minnesota Highway 33, the city received a grant to explore options to disconnect the frontage road. That study led to the state getting involved and the city's first and largest roundabout.

"We had five serious crashes over a certain number of years, and MnDOT stepped up to the plate," said Hansen, who started the grant process with previous city engineer Jim Prusak. "They got the funding from central office — part of that was Department of Public Safety funding," she said, pointing out there were different "pots of money" used. "Ultimately it became a fully paid-for safety project with no city share. At \$2.2 million, it was a

really big deal."

Hansen said it's not just a roundabout.

"It's a correctly sized roundabout with flashing advanced notification off the bridge there, and it's sized well for semis. It's a really nice setup we've got down there, and it solved a lot of problems," she said.

Peterson was excited about another ground-work-laying grant that Anderson worked on, which garnered \$106,440 from the MPCA to do a citywide stormwater model and climate resiliency plan.

"Because we have this plan in place, it opens us up for future applications for infrastructure funding to address the issues that are cited in this plan," Peterson said.

The same goes for

\$427,500 the city got from the Minnesota Department of Natural Resources for its emerald ash borer response and tree inventory, and \$407,500 from the MPCA for potable water test well drilling and analysis.

"Hopefully we're able to identify some future sources for water to feed the system, which could address both capacity needs and or someday eliminate the need for treatment systems," Peterson said, explaining the

city received the MPCA grant because of the discovery of PFAS in one of its wells. "This is our first step. It's going to depend on what we find and not only what the quality is, but what the quantity of that water is."

Working with a broadband provider, the city of Cloquet provided \$300,000 of federal Covid dollars, and helped the provider land a \$4.8 million grant to cover a large area in the region. Cloquet's portion amounted to \$1.8 million and made it possible to connect nearly 250 north Cloquet homes to high speed internet.

"We didn't do all of it, but we were certainly a player and a huge partner in the project and in the process," Hansen said.

Smaller grants can also lead to bigger future awards for needed actions, including numerous grants for studies spanning from transportation issues to housing. Hansen also cited "brownfield assessment grants" for \$6,910 from the federal EPA at Brenny Dahl and Hotel Solem.

"It's grant money to the owner of that business that helps them look at contamination that may or may not be present within their properties," she said.

Hansen also wrote a \$175,000 grant to help the Hotel Solem developers with getting asbestos and mold out of the historic downtown building, which is being redeveloped into market-rate apartments.

"We're actually leveraging state and federal programs to help fund development in the city," Hansen said.

The city doesn't have a paid grant writer: it's part

of the job, especially for Peterson, Anderson and Hansen, who often collaborate when they're writing grants. "We figure them out.

"We figure them out. And if, if it gets into transportation I lean into these guys," Hansen said.

Peterson said relying on grants is the world we live in now.

"Whether we like it or not, outside funding (99 percent of that is taxpayer funding, it's just not levied by property taxes) has become part of the job," he said. "If you don't actively go after it and monitor it, then the Cloquet residents won't benefit. It'll still get spent, it will just go to someone else."

Kolodge and other councilors appreciate the grant work.

"I'm really glad we've got the staff that's on top of these things," the Ward 4 councilor said. "The public should feel confident that we are looking, so everything doesn't always come back to the local taxpayers. I can't take the credit. It's the people that work for the city that have done all of it."



Whether you're ready to buy a home, start a business, or save for retirement, we're here to help make your dreams come true.

MEMBERSCCU.COM



Membership and Ioan approval required. Insured by NCUA. Equal Housing Opportunity.

HAVE YOU THOUGHT ABOUT STARTING
YOUR OWN FAMILY CHILD CARE
BUSINESS? SUPPORT IS AVAILABLE

CHILD CARE BUSINESSES NEEDED!



CARLTON COUNTY RESOURCES

- Grants and training are available to launch your business
- Support network and resources: access ongoing training, mentoring and resources to endure success and growth
- Child Care Wayfinder is available to help guide you through the process
- Guidance from the MN Department of Human Services <u>Guide</u> at https://edocs.dhs.state.mn.us/lfserver /Public/DHS-8013-ENG

Why choose Family Child Care?

- Independence: be your own boss, save on commute costs
- Quality Time: Care for your own children along with others,, avoiding childcare costs for your own kids.
- Income & Stability: build a reliable income with ongoing demand.
- Benefits of Home Business: tax benefits and deductions help increase profitability
- Fulfilling Work: make a difference by shaping young lives and supporting families.
- Community Impact: Play a vital role in providing trusted, quality care

TO REQUEST MORE INFORMATION

CALL/TEXT 218-451-6514

EMAIL JUMPSTART@CARLTONCOUNTYMN.GOV

Boards and Commission Openings

Join us in serving your community! Cloquet is a wonderful place to live and by working together we can make it an even better place. I strongly encourage you to become a stakeholder in our community by sharing your talents and helping build for the future.

Fulfilling your civic duty by serving on a City Board or Commission can be fun and rewarding and will make you feel good about being part of the process. The City of Cloquet currently has existing and future vacancies on the Boards/Commissions listed below:

2025 Openings

PARKS COMMISSION

Composed of seven (7) resident members of the community, this advisory commission is responsible for the oversight of all park operations including land acquisition, development, improvement and use, and maintenance. 3 Year Term – Meets the 1st Monday of each Month at 4:30.

Contact Ross Biebl, Assistant Director of Public Works, with any questions. (218) 590-6946; rbiebl@cloquetmn.gov

PLANNING COMMISSION

Composed of (5) five members, This is an advisory commission to the City Council concerning proposals to the City for amendments to the comprehensive plan, site plans, zoning ordinance changes, zoning map changes, conditional use permits, and subdivisions. The Planning Commission conducts public hearings on these requests as required, reviews these requests, and makes recommendations to the City Council. The Planning Commission also considers all requests for variances from the zoning ordinance and appeals of Zoning Administrator decisions.

3 Year Term - Meets the 2nd Tuesday of each month at 7:00 p.m.

Contact John Kelley, City Planner/Zoning Administrator, with any questions. (218) 879-3347; jkelley@cloquetmn.gov

If you are interested in any of the above Boards/Commissions, applications can be found at www.cloquetmn.gov under the Boards and Commissions tab. Submit application to: kstarnold@cloquetmn.gov or Cloquet City Hall, 101 14th Street.