



Annual Report 2024 for the Community Development Department

The core functions of the Community Development Department are to provide building inspections and housing code compliance, planning, zoning, and subdivision review, and economic development services. This is the annual report reviewing the activities of the Community Development Department during the year 2024. As such, the below report is broken up into these service function areas.

Department staffing consists of three employees: one economic development staff (Holly Hansen, Community Development Director), one planning staff (Al Cottingham./John Kelley, City Planner / Zoning Administrator), and one building/housing code staff (Matt Munter, Building Official). In June 2024 Al Cottingham retired after 12 years of service with the city and was replaced by John Kelley who came from the City of Duluth. This year the department used the services of Northspan Group for business loan reviews, Ehlers as financial advisors, and Taft Law as Development Attorney/bond counsel. Periodically, the department utilizes the services of Pro-West and Associates to create GIS data layers unique to the city's regulatory information.

Staff maintains the following professional memberships:

- *Minnesota Chapter of the American Planning Association*
- *National American Planning Association (APA)*
- *Association of Minnesota Building Officials (AMBO)*
- *Economic Development Association of Minnesota (EDAM)*
- *Iron Range Economic Alliance (IREA)*

Building Code Administration

In 2024, the total Cloquet building permits issued were 507 (116 were new I&I inspection permits) compared to 616 permits in 2023. Large industry projects and new ownership multifamily project renovations led to increased revenues for 2024 in light of declines in residential permitting. Annual building values for 2024 totaled \$12,715,343 which was an uptick in building values from \$7,771,763 in 2023. A highly notable commercial project this year was USG pulling a permit for demolition and structural steel reinforcement preparatory work in advance of the January 2026 new dryer equipment installation. The valuation from this USG project alone represented 56% of the 2024 project valuation in the city while the building permit revenue represented 29% of total permit revenue for 2024. Other notable commercial projects included the expansion of Upper Lakes Foods headquarters adding 7,000 square feet in freezer space, renovations at Larson Commons estimated at \$44,000 per unit, and Hotel Solem rehabilitation of exterior and interior demolition in preparation for the adaptive reuse into 18 apartments. A certificate of occupancy was issued for the new 22,000 square foot



Al Cottingham retired in June 2024 after 12 years with the city.



John Kelley started in June 2024 with the city.



C&L Distributing facility in the Cloquet Business Park, a new business in the city. There were six new single-family homes constructed in 2024 compared to two in 2023.

The city continues to administer building permits and inspections for the City of Scanlon. Revenues generated from Scanlon for 2024 were \$2,855.33 which was down from \$6,403.30 in revenue in 2024. The city performs inspections for the FDL Reservation on a project request basis, revenues from FDL inspections in 2024 were \$1,020 down from \$1,820 in 2023. Various projects requesting inspections during 2024 included: Black Bear Casino event expansion, Cold storage building and pavilion at 960 Carey Road, Biofuel facility 8200 Bellich Road, and FDL Gas and Grocery Nahgahcwiwanong Adaaeweigamig dispensary remodel.

Housing & Building Code Enforcement

Chapter 10 of City Code outlines the building and housing code requirements. In 2024, the department placarded 16 properties for water/sewer shut offs or other lack of utilities (electric or heat), 5 of which were returned to service. Enforcement, via placarding properties, is done to communicate Housing Code requirements. Chapter 10 of City Code was updated this year to adopt the International Property Maintenance Code increasing abilities to enforce exterior property maintenance in the city.

Cloquet Riverfront Area Clean-up 2024

Boldt Construction planned, facilitated organization, and hosted an Earth Day Clean up with the Cloquet Parks Department on Saturday May 4th. The clean-up occurred along the riverfront and was a rainy but successful day. The event was sponsored by Boldt, B&B Market, Community Memorial Hospital, and Community Printing and is greatly appreciated by the city!



Members of Cloquet Area Young Life, from left, Emily Jones, Annabelle Skowlund, Hope Schmitz, Grace Miles, Ashelyn Parker and Brian Points, volunteer to pick up trash at Fauley Park. Jones serves as a leader and Points is the area director. Dan Williamson / Duluth Media Group

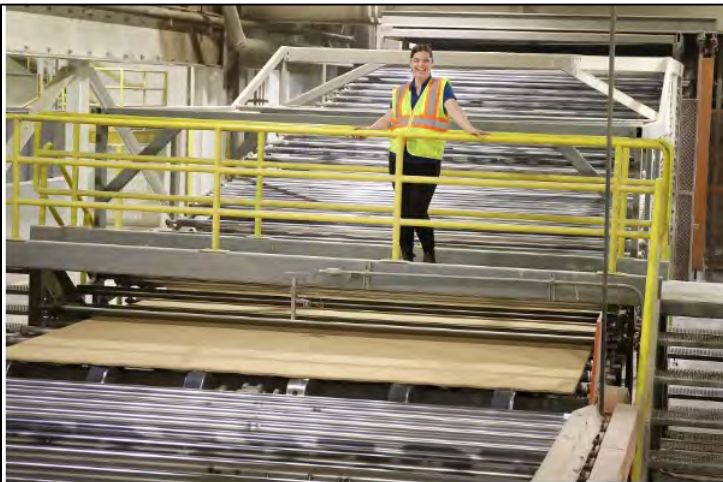


CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

2024 CONSTRUCTION HIGHLIGHTS

In February 2024, the city was notified that the Cloquet USG plant received a \$300,000 Minnesota Investment Fund (MIF) award from the State of Minnesota DEED in support of a proposed dryer replacement project that will include a heat recovery system and other design efficiencies that will reduce natural gas consumption by approximately 21 percent. **The Cloquet USG project investment is \$38.5 million in equipment and will retain 300 full-time employees.** The grant requires a minimum private investment; job creation or retention; and wages paid from the company. USG pulled the building permit with the city and began demolition and structural steel reinforcement preparatory work in advance of the January 2026 new dryer installation. The valuation from this project alone represented 56% of the 2024 project valuation in the city while the building permit revenue represented 29% of total permit revenue for 2024.

Photos: Cloquet Pine Journal photos from the June 15, 2023 article by Jess Waldbillig displaying dryer equipment within in the USG



USG plant manager Jenna Leger smiles as a piece of ceiling tile comes out of the dryer at the company in Cloquet on Wednesday, June 14. USG is preparing to replace the older dryer on site after which is 65 years old. Jed Carlson / Superior Telegram



A giant sheet of ceiling tile enters into the third level of the newer of two 400-foot long dryers on site at USG in Cloquet on Wednesday morning, June 14. Jed Carlson / Superior Telegram



USG operations manager Matt Boyer talks about the process of the moist tile board being shaped before going into the dryer during a tour of the business in Cloquet on Wednesday morning, June 14. Jed Carlson / Superior Telegram



USG operations manager Matt Boyer, right, talks to plant manager Jenna Leger next to the newer of two 400-foot dryers on site during a tour of the business in Cloquet on Wednesday morning, June 14. Jed Carlson / Superior Telegram



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

2024 CONSTRUCTION HIGHLIGHTS



In May 2024 a certificate of occupancy was issued to **C&L Distributing** in the Cloquet Business Park. On September 12, 2023 Dick Family Real Estate, LLC closed on the purchase of three commercial lots, totaling 3.77 acres in the Cloquet Business Park to construct a 22,000 square foot distribution and office facility for their business C & L Distributing. The company has been examining building sites in the Twin Ports region after recently purchasing the Minnesota distribution rights from Superior Beverages, LLC in Superior, Wisconsin. As a company, they only distribute in Minnesota and are looking to streamline operations and transportation logistics. They selected the Cloquet Business Park to construct a distribution warehouse.

Photo: Tom Dick, Owner of C&L Distributing with Cloquet Economic Development Authority, City Councilors, and Carlton County Commissioner in August 2024.



Renovations were initiated at 810 Cloquet Avenue, **Larson Commons**, an 85-unit rental apartment facility in downtown Cloquet after the Cloquet City Council partnered with new buyers Steele Larson Commons LLC to seek Minnesota Management and Budget mortgage-backed federal bonds for affordable housing retention. Once awarded for this project, Multifamily Tax-Exempt Mortgage-backed Bonds were issued by the City of Cloquet for the acquisition and renovation of Larson Commons by Steele Acquisitions IV. Their interior and exterior renovation costs are approximately \$3.74 million or \$44,000 per unit.

Photo: October 2024 roofing materials are placed on the roof at Larson Commons.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555

2024 CONSTRUCTION HIGHLIGHTS



The headquarters facility of **Upper Lakes Foods** at 801 Industry Avenue added a 7,000 square foot freezer addition during 2024. The City of Cloquet created a Tax Increment Financing District for the project and the State of Minnesota (DEED) issued a \$220,000 Job Creation Fund award (tax rebate program) for the project which will add 11 new jobs.



The **renovation of Hotel Solem** began in 2024 which will be adaptively reused into 18 apartments. The State of Minnesota (DEED) awarded the project a redevelopment grant for interior abatement of asbestos and mold while the city created a tax increment financing district and the Cloquet EDA issued a gap loan. During 2024 interior demolition and roof repairs were completed.

Photos: Exterior renovations are underway during December 2024 on the unstable east wall face along 10th Street. C&C Holdings of Cloquet purchased the building and is also constructing the improvements via Nordic Group, all divisions of AMI Engineering.





TABLE 1: 2024 BUILDING PERMITS – PERMITWORKS

CITY OF CLOQUET PERMITS	2024					
Type	Permits	Value	City Fee	City Plan Review	State Surcharge	Total Amount
ALL BUILDING PERMITS	272	\$12,715,343	\$84,725.40	\$20,731.79	\$4,757.32	\$110,214.51
INFLOW & INFILTRATION	116	0	\$9,700.00			\$9,700.00
MECHANICAL PERMIT	30	0	\$1,585.00		\$30.00	\$1,615.00
PLUMBING	43	0	\$2,570.00		\$43.00	\$2,613.00
ROW PERMIT	0	0				0
SHED/FENCE SITE LOCATE	46	0	\$1,000.00			\$1,000.00
TOTALS	507	\$12,715,343	\$99,580.40	\$20,731.79	\$4,830.32	\$125,142.51
<i>LESS CLOQUET STATE SURCHARGE</i>						\$4,830.32
CITY OF CLOQUET RETAINED						\$120,312.19
CITY OF SCANLON BUILDING PERMITS	22	\$76,660	\$2,563.00	\$40.00	\$49.33	\$2,652.33
CITY OF SCANLON MECHANICAL PERMITS	1		\$40.00		\$1.00	\$41.00
CITY OF SCANLON PLUMBING PERMITS	2		\$60.00		\$2.00	\$62.00
CITY OF SCANLON SHED/FENCE SITE LOCATE	4		\$100.00			\$100.00
TOTALS	29	\$76,660	\$2,763.00	\$40.00	\$52.33	\$2,855.33
<i>SCANLON STATE SURCHARGE</i>						\$52.33
CITY OF CLOQUET RETAINED FOR SERVICES						\$2,803.00
FDL RESERVATION INSPECTIONS	-					\$1,020
TOTAL BUILDING INSPECTION REVENUE						\$124,135.19



TABLE 2: 2024 SEWER CONNECTIONS (CAF)

TYPE	Total CAF Units
Capacity Availability Fee/Permits (Single Family)	1
Capacity Availability Fee/Permits (Townhome)	4
Capacity Availability Fee/Permits (Commercial/Industrial)	6
TOTAL	11

TABLE 3: 2024 ZONING AND SUBDIVISION APPLICATIONS PROCESSED

TYPE OF APPLICATION	NUMBER
Appeals	1
City Owned Land Requests	2
Conditional Use Permit Applications	6
Residential	4
Commercial/Industrial	2
House Moving Permit Applications	0
Gravel Extraction (new)	0
Gravel Extraction (renewals)	4
Other	0
Planned Developments	0
Residential	0
Commercial/Industrial	0
Site Plan Reviews (Development Standards)	1
Subdivision Plat	2
Subdivision Lot Splits or Consolidations (Administrative Review)	7
Variance Applications	2
Subdivision Regulations	0
Zoning Ordinance	2
Wetland Review	3
Zoning Amendment Applications	3
Map	2
Text	1
TOTAL	31



TABLE 4: 2024 FEES COLLECTED – CITY FINANCE REPORTING / ADJUSTMENTS

TYPE OF FEE	AMOUNT
Building Permits (retained by the City)	\$84,725.40
Cloquet Plan Review Fees	\$20,731.79
Mechanical Permits	\$1,585.00
Shed/Fence Site Locate	\$1,000.00
Excavation Permits & Right of Way	\$875.00
Grading Permits	-
Plumbing Permits	\$2,570.00
City Retained 4% WLSSD CAF Fees	\$451.20
Sign	\$706.00
I&I	\$9,700.00
<u>Zoning & Subdivision Fees</u>	<u>\$7,900.00</u>
All Cloquet Permits	\$130,244.39
Scanlon Building Permits only (retained by the City)	\$2,803.00
<u>FDL Reservation Inspection revenues</u>	<u>\$1,020.00</u>
Total Permit Revenues	\$ 134,067.39

ZONING AND SUBDIVISION ADMINISTRATION

There were 31 zoning and subdivision applications in 2024, compared with 25 in 2023. There were three Wetland Conservation Act (WCA) cases. The planning and zoning cases are facilitated by the City Planner John Kelley and the volunteer Planning Commission whose participation remains actively engaged with five members:

Cloquet Planning Commission 2024

- Terri Lyytinen, Chair
- Elizabeth Polling, Vice Chair
- Phil Demers
- Brittany Kuschel
- Michelle Wick

Notable Zoning Cases in 2024 included:

- Site Plan Review for Woods and Water Dental Clinic building in the Cloquet Business Park
- An addition to the County Seat Theatre building
- Three lot subdivision for TK Diamond (former Diamond Match property)
- Staff stayed busy assisting with zoning and development questions.

Zoning Code Enforcement 2024

Staff was involved with 10 zoning enforcement cases with successful clean-ups at two properties. One site was a long standing distressed property and fell into bank foreclosure on Moorhead Road and cleaned up was hired by the bank.



ECONOMIC DEVELOPMENT

Economic Development work for Cloquet is facilitated by Community Development Director Holly Hansen and led by the Cloquet Economic Development Authority (EDA), a seven-member volunteer commission who provide the platform for local economic discussion and decision making.

Cloquet EDA Commissioners 2024

- President Steve Micke, Reliable Insurance
- Vice President Dave Manderfeld, USG Interiors
- Mark Lanigan, Frandsen Bank
- Lara Wilkinson, MCCU / City Councilor
- Sue Ryan, Upper Lakes Foods
- Lyz Jaakola, FDLTCC / City Councilor
- John Riihiluoma, RRI Inc.

Goals for 2024

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.

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.

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.

4 – Broadband: Improve Residential and Business Networks

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

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.



Accomplishments

Accomplishments by the Cloquet EDA for 2024 include:

POLICY PROJECTS

- The Cloquet EDA created **Fund 207 the Housing Trust Fund** creating loan funding policies for the construction of affordable ownership and rental housing and demolition to prepare for those projects. Fund 207 will be the location where the city will pool Statewide Affordable Housing Aide.
- The Cloquet EDA issued a Request for Proposals for **loan underwriting services** ultimately hiring local Members Cooperative Credit Union (MCCU) for the work beginning in 2025.
- The Cloquet EDA recommended to Council the renewal in the Minnesota Cities Participation Program offering **first time homebuyer funding for eligible Cloquet applicants along with renovation program loans and downpayment and closing cost loans.**
- The Cloquet EDA selected consultant Stantec to initiate the **Cloquet/Scanlon Housing Study 2024** holding a workshop during July with the Cloquet HRA, City of Scanlon, and Cloquet EDA members to review findings.

BUSINESS RETENTION

- In February 2024 the city was notified that **United States Gypsum (USG) received a \$300,000 Minnesota Investment Fund (MIF) award from the State of Minnesota DEED** in support of the proposed dryer replacement project that will include a heat recovery system and other design efficiencies that will reduce natural gas consumption by approximately 21 percent. The city and USG finalized grant paperwork in support of the \$38.5 million which will retain 300 full-time employees. The grants require a minimum private investment; job creation or retention; and wages paid from the company.
- The headquarters facility of **Upper Lakes Foods (ULF) at 801 Industry Avenue added a 7,000 square foot building addition for a freezer** during 2024. The City of Cloquet created a Tax Increment Financing District for the project and the State of Minnesota (DEED) issued a \$220,000 Job Creation Fund award (tax rebate program) for the project which will add 11 new jobs. The project began in the spring of 2024 and was completed in late fall 2024. The Cloquet EDA toured the facility during their December 2024 meeting.



BUSINESS ATTRACTION

- In May 2024 a certificate of occupancy was issued to **C&L Distributing** in the Cloquet Business Park. On September 12, 2023 Dick Family Real Estate, LLC closed on the purchase of three commercial lots, totaling 3.77 acres in the Cloquet Business Park to construct a 22,000 square foot distribution and office facility for their business C & L Distributing. The company had been examining building sites in the Twin Ports region after purchasing the Minnesota distribution rights from Superior Beverages, LLC in Superior, Wisconsin. As a company, they only distribute in Minnesota and are looking to streamline operations and transportation logistics. This is a new business to Cloquet and the region, and their eighth facility in Minnesota. Established in 1980, C & L Distributing is one of the largest beer distributors in Minnesota providing service to 28 counties and supply 1,968 retailers operating out of six distribution locations across the state. They currently supply various retailers with alcoholic and non-alcoholic beverages in Cloquet and throughout the Twin Ports region. They distribute Anheuser-Busch products in addition to a portfolio of local, regional, and national craft beers, imports, non-alcoholic beverages, wine, and spirits. They are a family-owned company rooted in central Minnesota and are heavily involved in the operations. They currently employ over 225 full, and part-time, staff. The Cloquet EDA toured the facility during their August 2024 meeting, welcome to the city.

- **Fairchild Equipment**, headquartered in Green Bay, Wisconsin, offers a wide array of services including sales, service, parts, rental, fleet management, training, and engineered storage systems. Their clientele spans Wisconsin, Minnesota, North Dakota, Michigan's Upper Peninsula, and northern Illinois. The company also specializes in construction equipment distribution, warehouse layout and design, contractor rentals, docks and doors, and battery distribution. They purchased the former Wear-A-Knit facility on 18th Street which spans 20,300 square feet and features high ceilings, a drive-in door, and a loading dock—ideal for their operational needs. Having outgrown their West Duluth facility, Fairchild Equipment decided to consolidate their Duluth and Grand Rapids locations into a single, larger facility in Cloquet. This new location allows them to stock parts, maintain rental inventory, and offer open shop service space, all while being centrally located for their major customers. The company invested significant “sweat equity” into renovating the Cloquet facility, temporarily operating without a location for a year during the transition. The new facility currently supports 18 staff members, with plans to expand to 35 by adding more field-based technicians and parts representatives. Fairchild Equipment is committed to offering paid training, particularly for those with a background in construction equipment or automotive, and a technical college degree. Welcome new business Fairchild Equipment to Cloquet.

- **Parsons Electric, An ArchKey Solutions Company** purchased the former Ray



Riihiluoma Construction Inc. building at 1405 Hwy 33 South which officially relocated their Duluth-based operations. This move is a strategic consolidation years in the making, aimed at enhancing the company's ability to serve their clients and efficiently manage resources. The Cloquet facility, with its increased space and enhanced accessibility, has enabled ArchKey/Parsons Electric to streamline operations, allowing them to place their Wrenshall storage facility up for sale and consolidate operations under one roof. The Cloquet facility will accommodate 16 office staff and between 80 to 100 field personnel. This renovation signifies an investment in the local community and an expansion of ArchKey/Parsons Electric's commitment to supporting growth in the Cloquet region. The company's service offerings are extensive, including maintenance contracts, new installations, and a fleet of vans dedicated to their servicing division. They provide end-to-end electrical solutions, from project design using state-of-the-art visualization tools to preconstruction planning, construction management, and long-term maintenance. The Cloquet community is thrilled to welcome ArchKey/Parsons Electric's presence and looks forward to the firm's contributions to the local economy and community development.

- **Woods and Water Family Dental** will be a new business in Cloquet under construction during 2025. Dr. Wendy Peterson will hire the construction of a 3,245 square-foot dental office with 25 parking spaces on Lot 10, Block 5 in the Cloquet Business Park. Woods & Water Family Dental will be designed to create a comfortable inviting atmosphere with quality patient care and will create more health care job opportunities for Cloquet such as dental assistants, dental hygienists and administrative team members. Woods and Water Family Dental will offer complete oral health care including preventative care, emergency care, and restorative services. Welcome to Cloquet and we look forward to working with you on this project.
- Revolved Small Cities Development Program grant funds were provided to **Glow Getter Aesthetics** business owner Bree Hieb, operating in downtown Cloquet at 905 Cloquet Avenue. The building had been for sale at least two years before being purchased, largely due to outdated electrical and an inconsistent heat source. Years ago the building had oil heat and then moved to space heaters. In 2023, Bree Hieb purchased 905 Cloquet Avenue knowing that these building improvements needed to be addressed. She inquired with the city and during 2024 staff worked with her to structure a \$10,000 grant, \$20,500 Cloquet EDA loan, and owner cash to pull this project together. Benson Electric Company, Belknap Plumbing, Heating, and Cooling, and Minnesota Power were project partners. Thank you for your investment and we welcome your new business to Cloquet!

BUSINESS SUPPORT

- The City of Cloquet is a Network Member of **Minnesota Mainstreets** focused on activating downtowns across the State of Minnesota. The city



supported the first downtown **Sidewalk Days and Get Downtown Week** in decades during August with 25 businesses signed up and then in November, Cloquet's **Small Business Saturday** was a huge success with 31 businesses signed up.

- Staff continued business retention visits and local business promotions on social media as part of the Hidden Gems of Cloquet spreading positivity about local businesses and their sales and employment offerings.
- The City of Cloquet supported Fourth of July and Labor Day events and the Pine Knot News hosted the 4th annual West End Celebration in Cloquet's Historic West End. Santa's Home for the Holidays is a multi-day event put on by the community and businesses.

HOUSING

Ownership opportunities:

- The tax forfeit home sale at **217 3rd Street** and gap loan were completed by Lagom Restoration. An open house was held with the Cloquet EDA during October 2024 and the property was listed for sale shortly thereafter.
- In July 2024 the EDA provided a gap loan for the construction of a town home at **333 20th Street** by Boss Builders. An open house was held with the Cloquet EDA during November 2024 and the property was listed for sale shortly thereafter.
- The EDA issued a Request for Proposals for **316 20th Street** for single family home redevelopment. Andrew Genereau Construction and Weets Brothers were selected as the team and the property was sold in May 2024. Construction began in late 2024 on this project and is underway.

Market rate rental opportunities:

- The EDA worked closely with AMI Engineering on a viable project proforma for the challenging \$3.975 million adaptive reuse of the **Hotel Solem** into 18 market rate apartments. In January 2024 the city submitted a grant application to the State of Minnesota (DEED) for a redevelopment grant for the project, which was awarded in April 2024. The city fully approved the project in April 2024 including the creation of a TIF District, sale of the property for redevelopment, and issuance of a gap loan from the Cloquet EDA. With high primary lending interest rates, the EDA increased their gap loan during a special meeting in July and then later that month closed on the sale of the property and issuance of the project gap loan. The EDA will stripe the municipal parking lot during the summer of 2025.



Retention and Renovation of Affordable Age and Rent Restricted Housing:

- In January 2024 the city was notified of tax-exempt bonding authority approval by Minnesota Management and Budget (MMB) supporting Steele Larson Commons LLC purchase of Cloquet's downtown Larson Commons facility. These bonding authority funds in the amount of \$9,370,000 from Minnesota Housing Finance Agency (MHFA) award a 4% low-income housing tax credits (LIHTC) for the developer to purchase, renovate, and preserve the 100% senior income and rent restricted (Section 8) building in Cloquet. Their interior and exterior renovation costs are approximately \$3.74 million (\$44,000/unit), and the remaining funds will be used to retain affordability (income and rent restricted units) and operations. The approved housing will provide the developer annual cashflow in the form of a tax credit of \$633,000 annually for 10 years. The new ownership will continue to target the same population, low-income elderly and disabled residents. The property is currently fully leased with a strong waiting list in Cloquet.

GRANT PROJECTS

- In July 2024 a celebratory ribbon cutting ceremony was held with spiritual leaders from the Fond du Lac Band for the implementation of the **Cultural Riverfront Signage project** which was grant funded by the Blandin Foundation. A community Advisory Panel collaborated on the bilingual sign messaging during 2023, a process that was facilitated by consultants 106 Group, and Full Circle Planning and Design. The fabrication and installation by city public works staff were completed during 2024.
- The **Northern Cloquet Broadband Expansion Project** was implemented during 2022 after years of work with the Cloquet Broadband Committee and technical support grants from the Blandin Foundation who crafted the vision for expansion. The Cloquet broadband vision is, "To ensure access to affordable, reliable, high-speed fiber internet delivered by a committed capable community partner skilled in maintaining and operating a successful broadband network." In December 2022, it was announced that the City of Cloquet, in partnership with Consolidated Telephone Company (CTC), secured funding from the Border-to-Border Broadband program, which is administered by the Department of Employment and Economic Development (DEED)'s Office of Broadband Development. "We're incredibly excited about this partnership. This project will be instrumental for families and businesses as well as for future economic growth in these communities. We look forward to providing everyone with fast, reliable internet and top-notch local customer service for years to come," said Joe Buttweiler, CTC Chief Strategy Officer.



The grant of \$4.8 million supports the “CTC Woods to Waters Broadband Initiative,” a “last mile project” designed to deliver fiber-to-the-premise service with symmetrical 1 gigabit speeds to underserved areas in rural central and northeastern Minnesota. Northern Cloquet broadband expansion project highlights include:

- The network will provide service to 246 homes
 - Include 22 miles of mainline fiber and 11 miles of drop fiber
 - Estimated total project cost is \$1.8 million
 - Construction is underway and is expected to be completed during late fall 2024 into 2025.
 - Splicing will take place during fall 2024/winter 2025
 - Installations are planned to begin in winter 2025 or early spring 2025
- In November 2022, the City of Cloquet was awarded \$483,649 in State of Minnesota DEED **Small Cities Development Program (SCDP) Public Infrastructure grant funding for replacing streetlights in the city’s West End historic district.** The City Council adopted grant policies, received clearance to access the funds, and planned and prepared construction bid packets. The project was installed during 2024 by ArchKey / Parsons Electric. We want to thank project partners for their contributions into the district including a business district sign made by USG, installation by city public works staff, and contributions of street banners from Artists on Mainstreet funding from Rethos, Springboard for the Arts, and Bush Foundation. The project installed 24 streetlights and a new park sign at Wentworth Park.

RECOGNITION

- Long standing members of the EDA and lifelong Cloquet residents Steve Micke (owner of Reliable Insurance Agency in Cloquet) and John Riihiluoma (owner of Ray Riihiluoma Inc. in Cloquet) both ended their terms during December 2024. Thank you for your leadership and service to your community!

This concludes the 2024 Annual report for the City of Cloquet Community Development Department.



CITY OF CLOQUET / CLOQUET EDA ACCOMPLISHMENTS 2024

Cloquet, Minnesota Housing Trust Fund
 August 2024

OVERVIEW
 The purpose of this fund is to develop and preserve affordable rental and affordable ownership housing within the City of Cloquet and to help bridge the housing needs gap for those experiencing homelessness and housing insecurity. The Cloquet Housing Trust Fund was created in 2006 by the Cloquet City Council as a fund to support the City of a Housing Affordability Initiative grant. The fund is managed by the City of Cloquet. The fund is used to provide financial assistance to eligible applicants for the purchase, construction, and rehabilitation of affordable housing units. The fund is also used to provide financial assistance for the purchase, construction, and rehabilitation of affordable housing units.

ELIGIBLE APPLICANTS
 Applicants should be present (owner/contractor, applicant, borrower) and able to provide all required documentation for the project.

USE OF PROCEEDS
 Eligible activities for assistance include:
HOUSING PRODUCTION
 • Homeownership projects: New building construction or building renovation projects for buyers at or below 115% of area median income.
 • Rental housing projects: New building construction or building renovation projects for rental at or below 80% of area median income. Projects using the fund must be selling to at least three (3) rental units.
 • Rehabilitation of existing structures: Cloquet fund may be used for the construction of housing to be owned by persons/income at or below 115% of area median income or rental to persons/income at or below 80% of area median income.
HOUSING ASSISTANCE
 • Emergency rental assistance for households earning less than 80% of area median income. This request should come through the Cloquet HFA.
 • Financial support for nonprofit affordable housing providers in their mission to provide safe, dignified, affordable and supportive housing.
INELIGIBLE USE OF PROCEEDS
 • Market rate housing projects.

LOAN TERMS AND CONDITIONS
Loan Terms
 • Loan term maximum is determined by agreement between the participating lender and City (in a loan to own loan).
 • Interest rate shall generally be the best market interest rate (not to exceed an APR of 5.00%) plus 1.00% (not to exceed an APR of 6.00%) plus the amount of any applicable fees and charges.
 • Terms shall generally be 30 years on new construction projects and 15 years on existing structures.
Loan Conditions/Amount
 • This loan shall not provide greater than 100% financing of the total project cost and shall include funding for interest with interest.
 • Minimum equity participation shall be 10%.
 • Quarterly payments shall be made until the agreement ends with the final payment. The City shall be responsible for the interest on the loan.
Loan Security/Collateral
 Loans must be secured by collateral sufficient enough to assure repayment. Acceptable collateral includes a mortgage or deed of trust on the property, and a reserve assignment of accounts receivable. A portion of the loan may be guaranteed by the City as a second lien. It is the responsibility of the lender to verify the City's ability to provide the collateral.
Origination and Closing Costs
 An agreement shall be made prior to the start of construction. There shall be no prepayment penalties. The borrower shall pay all loan administration and closing costs, and the City shall pay all other closing costs.

CONTACT
 Additional information and application may be obtained online at www.housingtrustfund.com
 City of Cloquet, Community Development Director
 101 14th St Cloquet MN 55720
 Tel: 218-879-2507 ext. 412 Fax: 218-879-6555

Cloquet/Scanlon Housing Study

Stantec
 August 2024

Policy and study initiatives during 2024 included the creation of Fund 207 the **Housing Trust Fund** and completion of the **Cloquet/Scanlon Housing Study 2024** by consultant Stantec which was adopted in October 2024.



Upper Lakes Foods completed a freezer addition with help from the City of Cloquet with a tax increment financing district and Job Creation Fund award from the State of Minnesota DEED. The Cloquet EDA toured the building addition project during December 2024.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555



C&L Distributing completed the construction of a 22,000 square foot distribution facility in the Cloquet Business Park during 2024. The Cloquet EDA toured the facility during August 2024.



Fairchild Equipment purchased and renovated 1306 18th Street and held a ribbon cutting on May 16, 2024. Right: Product Support Representative Justin Cheever and President Van Clarkson were interviewed for a Hidden Gems of Cloquet business feature on Fairchild Equipment.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555



Parsons Electric, An ArchKey Solutions Company purchased the former Ray Riihiluoma Construction Inc. building at 1405 Hwy 33 South which officially relocated their Duluth-based operations and will allow them to place their Wrenshall storage facility up for sale and consolidate operations under one roof. The Cloquet facility will accommodate 16 office staff and between 80 to 100 field personnel.



Woods and Water Family Dental purchased Lot 10, Block 5 in the Cloquet Business Park in 2024. Dr. Wendy Peterson will hire the construction of a 3,245 SF dental office with 25 parking spaces in the Cloquet Business Park.



CITY OF CLOQUET
Community Development Department
 101 14TH ST • Cloquet MN 55720
 Phone: 218-879-2507 • Fax: 218-879-6555

Glow Getter Aesthetics business owner Bree Hieb, operating in downtown Cloquet at 905 Cloquet Avenue. The building had been for sale at least two years before being purchased, largely due to outdated electrical and an inconsistent heat source. She inquired with the city and during 2024 staff worked with her to structure a \$10,000 grant, \$20,500 Cloquet EDA loan, and owner cash to pull this project together. Benson Electric Company, Belknap Plumbing, Heating, and Cooling, and Minnesota Power were project partners. Below: business support included Sidewalk Days, Small Business Saturday, Cloquet business features, and city support for holiday parade celebrations.



& Get downtown cloquet week!
AUGUST 5TH-10TH, 2024
 For up to date participating businesses and sales promos see the Cloquet MN Community Development Facebook Page (<https://www.facebook.com/cloquetcommunitydevelopment>) and City of Cloquet website (<https://www.cloquetmn.gov>)

Small Business Saturday (SBS) CITY OF CLOQUET November 30, 2024			
216 TAPHOUSE 9th - 10th St Offer up to 50% off on all food and beverage items with every \$20 purchase. Valid 11am-10pm.	ABUNDANT BABY... MORE THAN JUST BABY 427 1/2 2nd St SW 50% off on all baby items.	AFTER GLOW TANNING & BEAUTY BAR 207 1/2 2nd St SW 20% off on all tanning services.	B&B MARKET 102 1/2 1st St SW 10% off on all groceries.
BEARBOO COFFEE 200 1st St SW Free medium 16 oz with every \$20 coffee purchase.	BURGER SHOES 1001 1st St SW 25% off on all shoes.	CARLTON COUNTY HISTORICAL SOCIETY 100 1st St SW 10% off on all museum tickets.	CARMENS 102 1/2 1st St SW 10% off on all clothing.
CLOQUET NATURAL FOODS 100 1st St SW 10% off on all groceries.	COMMUNITY MEMORIAL HOSPITAL GIFT SHOP 100 1st St SW 10% off on all gifts.	COLD ONE LIQUOR 100 1st St SW 10% off on all liquor.	CROWNED SALON 100 1st St SW 10% off on all hair services.
DAUGHTERY APPLIANCE & MATTRESS GALLERY 100 1st St SW 10% off on all appliances.	DAVE'S CLOQUET MATTRESS & FURNITURE 100 1st St SW 10% off on all mattresses.	EPIC NUTRITION 100 1st St SW 10% off on all supplements.	ESSENTIAL HEALING WORKS 100 1st St SW 10% off on all wellness products.
FIG TREE 100 1st St SW 10% off on all clothing.	GARDEN ISLE BATH AND BODY 100 1st St SW 10% off on all bath products.	GRACEFUL STRIDES THRIFT STORE 100 1st St SW 10% off on all thrift items.	HOLY SMOKES COFFEEHOUSE & BBO 100 1st St SW 10% off on all coffee.
MAINSTREAM BOUTIQUE 100 1st St SW 10% off on all clothing.	MIRROR MIRROR ESTHETICS BY RACHEL 100 1st St SW 10% off on all beauty services.	NDGNS BEADS 100 1st St SW 10% off on all beads.	OUTDOOR ADVANTAGE 100 1st St SW 10% off on all outdoor gear.
PACK & MAIL STATION 100 1st St SW 10% off on all shipping services.	PREMIERE THEATRES 100 1st St SW 10% off on all movie tickets.	QUILTED DOG QUILT SHOP 100 1st St SW 10% off on all quilts.	SHOP ON THE CORNER 100 1st St SW 10% off on all groceries.
SKUTEVIK'S FLORAL 100 1st St SW 10% off on all floral arrangements.	THE JACK 100 1st St SW 10% off on all clothing.	THE SASS BOUTIQUE 100 1st St SW 10% off on all clothing.	

The Hidden Gems of Cloquet

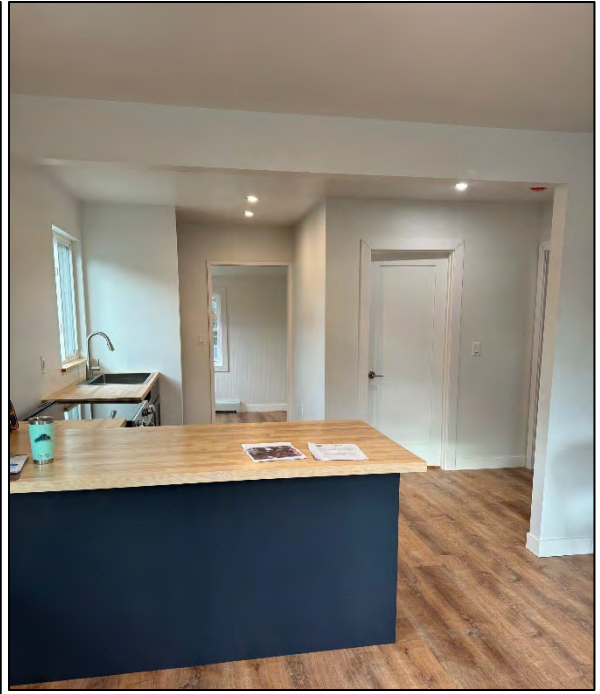
www.thehiddengemsofcloquet.com

Talking Business.

Shelly Peterson

Super One Foods

Holly



Lagom Restoration acquired a tax forfeit home at 217 - 3rd Street and renovated the entire home with a gap loan from the Cloquet EDA. The home was listed for sale late fall 2024. Right: interior open floor plan post remodeling.



Boss Builders purchased a tax forfeit loan and in July 2024 and obtained a gap loan from the Cloquet EDA to construct a townhome. The project was completed late fall and each unit was listed for ownership sale.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555



Weets Brothers purchased 316 20th Street to construct a new infill single family home for ownership sale. **Andrew Genereau Construction** has partnered on the project which got underway in November 2024. Right: Mayor Maki and the Weets Brothers.

In 2024 the **Hotel Solem Redevelopment** project was awarded a redevelopment grant from the State of Minnesota for asbestos and mold abatement, the city created a tax increment financing district, and the Cloquet EDA issued a gap loan. C&C Holdings of Cloquet a business entity of AMI Engineering purchased Hotel Solem from the city and began abatement, demolition, and rehabilitation on the structure. Below AMI Engineering owners Craig Jouppi and Chad Scott with Community Development Director Holly Hansen.





CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555



The city hired the 106 Group to facilitate and implement the Cultural Riverfront Signage project, grant funding which was provided from the Blandin Foundation. The Advisory Panel was comprised of Fond du Lac Band and Cloquet community members. 106 Group held workshops and prepared design concepts for fabrication which were installed by the City in 2024. Right: Councilor Lyz Jaakola, committee member by one of the bilingual signs prepared with assistance from the Fond du Lac Band's Language program.



Northern Cloquet Broadband Expansion project with CTC, "CTC Woods to Waters Broadband Initiative," a "last mile project" designed to deliver fiber-to-the-premise service with symmetrical 1 gigabit speeds to underserved areas in rural central and northeastern Minnesota. The Cloquet portion of the project is \$1.8 million. Pictured are Joe Buttweiler, CTC Chief Strategy Officer and several members of the Cloquet Broadband Committee.



CITY OF CLOQUET
Community Development Department
101 14TH ST • Cloquet MN 55720
Phone: 218-879-2507 • Fax: 218-879-6555



Small Cities Development Program Infrastructure Grant for West End Streetlights. The project installed 24 streetlights and a new park sign at Wentworth Park. Project leverage included a business district sign made by USG staff. Jenna Leger, USG Plant Manager said, “USG was happy to play a part in the success of this project. Our team is very proud of this sign and honored to play a role in designing and fabricating it as a gift to the City to improve the aesthetic entry into the Historic West End Business District where our manufacturing plant is located.” Photo: USG staff Jenna Leger, Dan Rahman, David Manderfeld, Scott Johnson, and Jim Millet. City public works staff installing the sign.

Farewell to President Steve Micke and EDA Commissioner John Riihiluoma after many years of service, thank you!