

**MINUTES**  
**Eveleth City Council Workshop Meeting**  
**9:00 a.m., March 18, 2024**  
**Eveleth City Auditorium, 421 Jackson St, Eveleth, MN**

Councilor Jim Perpich, Present  
Councilor John Rauzi, Present (Councilor Rauzi left the meeting at 9:33 a.m.)  
Councilor Brian Lillis, Present  
Councilor Joseph Koivunen, Present  
Mayor Robert Vlasisavljevich, Present

Also present: City Clerk Administrator Jackie Monahan-Junek; Deputy City Clerk Stephanie Friebe; Public Works Director Jerry Rosati; Police Chief Jesse Linde; Consultant Bob Streetar

Mayor Vlasisavljevich called the meeting to order at 9:00 a.m.

## **1. Projects Update**

Consultant Streetar gave an update on City projects.

### **Development**

**408 Faval Avenue:** Streetar reminded the Council of the estimated development timeline for Brian Zadnikar to open a meat shop on the property. Zadnikar was to provide the City with the following so that the Council could approve an agreement on March 19, 2024:

- SBDC business plan
- Business description
- Conceptual building and site plan
- Project cost estimate
- Development timeline (from acquisition through business opening)

The City has not received any of this information to-date. Streetar informed the Council that in order to apply for the DEED and IRRRB grants, the final deadline for Zadnikar to provide the information to the City is April 2, 2024. Streetar provided Zadnikar a draft development agreement. If the information is received by April 2, 2024, the development agreement will be placed on the April 16, 2024 City Council Meeting.

Councilor Perpich said that if this opportunity with Zadnikar does not work, the City has a piece of property which needs to be addressed. Perpich said the building still has to come

down. Stretar said the estimate from NTS for demolition and remediation of the site is \$140,000.

Councilor Koivunen said the City needs to inform Zadnikar of the April 2<sup>nd</sup> deadline.

Councilor Rauzi reiterated that the City will have to remarket the property if Zadnikar has not made a decision by April 2<sup>nd</sup>.

Councilor Lillis questioned whether or not Scenic Rivers would be interested in this property if Zadnikar decides not to continue pursuing a new business at this location.

The Council concurred that the City will communicate to Zadnikar that in order to continue towards developing 408 Fayal Avenue for a meat market, he must provide the necessary information to the City by April 2, 2024. If that information is not provided, the City will need to move forward with other potential development opportunities for this site.

**School special area plan:** Stretar indicated the City will receive a second grant from the IRRRB for \$43,555. Councilor Koivunen asked about keeping the tennis courts as previously discussed. Councilor Perpich asked about keeping the recreational center of the school and looking for federal grants suggesting a daycare could utilize the building. Stretar said the issue is putting in a new heating system estimated at 2.5 million dollars. Maintenance of the building and demand for this type of facility are also concerns.

Councilor Lillis would like the contractors to keep all of their demolition equipment off of the tennis courts so that the equipment does not damage the courts. Public Works Director Rosati said there are catch basins and sewer lines that must be kept intact under the tennis courts.

The school district will allow the public to take bricks from the school as a commemorative.

City Clerk Administrator Monahan-Junek clarified the Council's consensus on keeping the tennis courts intact, removing the playground equipment for use at another park, and limiting the number of bricks made available to the public in order to prevent blight concerns.

**Jack Pine Business Park:** The estimate to complete the necessary site investigation is \$450,000. IRRRB is offering to provide the \$450,000 with no City match requirement.

**Scenic Rivers:** Scenic Rivers has expressed a strong interest to construct a new office in Eveleth. Stretar and Monahan-Junek will continue to work with Keith Harvey to consider potential locations and funding sources.

**Minnesota Power:** Minnesota Power is seeking a new 15-acre site for relocation.

**IGA:** Multiple attempts to contact the owners have been made to see how the City can assist their new business. The City has not yet received a response.

**Hwy 37 & 53:** Kwik Trip did not express interest in this area. Letters will be sent in early April to other convenience store/gas stations to determine their interest in the site.

**701 Hat Trick Avenue:** Phase 1 ESA must be complete. The next step will be to develop a marketing plan to focus on area retailers looking for opportunities to expand.

**Industrial park next to day care:** The title work and Phase 1 ESA must be finished.

**Bonding Bill:** Streetar referred to the list of bonding requests. The bill has now been introduced.

**Housing:** The IRRRB, St. Louis County and AEOA are working together to develop a program to rehabilitate and resell tax forfeited single family home properties.

**Planning:** Streetar estimated he would have a plan for the Junior High Parcel in 30 days to include: lot size, covenants, alley/stormwater, trees, sidewalks and landscaping. The plan for the entire school property redevelopment will be complete in July.

## **2. Junior Hockey Team**

Public Works Director Rosati said the Minnesota Wilderness Junior A Hockey team out of Cloquet, Minnesota, would like to relocate to Eveleth. They would need the Hippodrome to be open from late August or early September into April or May. Their organization is also showing interest to a tier 3 team which would need ice from September to April. Currently they are paying Cloquet \$33,000 to use their rink. The team may be able to help with a new humidifier, would pay for locker room changes and would want advertising on the boards. The Council is interested in holding a workshop meeting to discuss this further with the Minnesota Wilderness representatives.

The meeting adjourned at 10:25 A.M.