

**THE MINUTES OF THE REGULAR AND WORKSHOP MEETING OF THE
HIBBING ECONOMIC DEVELOPMENT AUTHORITY**

Monday, Aug. 11, 2025

Meeting Information

- Location: Hibbing City Hall Council Chambers
- Attendees: Present at roll call, President Shari Majkich Brock, Vice President Steve Jurenes, Mayor Pete Hyduke, Member John Schweiberger, and Member Celia Cameron. Members Jennifer Hoffman Saccoman and Mike Egan were absent. Also present were City Administrator Greg Pruszinske, Attorney Andy Borland, Finance Director Sheena Mulner, and Community Development Director Betsy Olivanti.

CALL TO ORDER: President Shari Majkich Brock called the meeting to order at 5:02 p.m.

Approval of Agenda

The agenda for the meeting was approved with a motion by Mayor Hyduke and supported by Member Schweiberger. Motion Carried.

Approval of Minutes

Vice President Jurenes supported by Member Cameron moved to approve the minutes of the regular meeting of the Hibbing Economic Development Authority for July 29, 2025. Motion Carried.

CONSENT AGENDA

Mayor Hyduke supported by Member Cameron moved to approve the consent agenda as read and published. Motion Carried.

1. Approve disbursements for the month of July in the amount of \$1,057,187.37

1. Fund 250 (HEDA ED/Rev Ln Fd) - \$0
2. Fund 255 (HEDA General Fd) - \$73,619.76
3. Fund 392 (TIF#12 DS Fd) - \$0
4. Fund 418 (Downtown Capital Prjt Fd) - \$12,885.00
5. Fund 440 (Tax Abatement Prjt Fd) - \$19,438.25
6. Fund 422 (Deferred Loan Fund) - \$136,429.20
7. Fund 610 (HEDA – 1111 7th Ave E) - \$884,815.16

2. Affirm Economic Development Loan Fund as of July 31, 2025, in the amount of \$1,493,447.20

3. Set the next regular HEDA meeting for Monday, September 8, 2025, at 5 p.m. in the Hibbing City Council Chambers.

4. Authorize HEDA Board members to attend the City Works Golf Scramble on Aug. 18, 2025, at the Hibbing Municipal Golf Course.

Presentations:

HFD 400 Block Training Exercise - Captain Jake Woinarowicz

Woinarowicz, the training officer for the Hibbing Fire Department, presented a plan for a training exercise in the 400-block buildings scheduled for demolition. He emphasized the importance of this opportunity for lifelike training for both career and pay-on-call members, as well as mutual aid partners from Chisholm and Virginia, to manage future risks and improve performance in fires.

Hibbing Area Chamber of Commerce E3 Program Plan Update - Eliot Dixon, BR&E Committee Member

Dixon, a board member with the Hibbing Chamber of Commerce and a committee member with the Business Retention and Extension (BR&E) Committee, noted the EDA's \$5,000 commitment from last year's budget and requested additional funding. The program, which received matching funds from the Main Street America Equitable Entrepreneurial Ecosystem Pilot Program in 2024, conducted a survey identifying two key needs: youth entrepreneurship education and marketing/technical assistance for area businesses. The BR&E Committee has developed two initiatives to address these needs. The first is the Hibbing High School Entrepreneurship Club, designed to serve 15 to 20 high school students. It will provide curriculum, facilitate monthly lunch meetings, and feature presentations from local business owners. This initiative aims to develop the next generation of entrepreneurs. The second is a marketing and artificial intelligence technical assistance program, coordinated with the Northland Small Business Development Center and chamber staff, offering services like website creation/redesign, social media strategy, Google Ads optimization, marketing strategy, event production, operational analysis for AI, custom solutions, and generative AI training for existing local businesses on a first-come, first-served basis.

Androy Ballroom Architectural Review Update - staff

An update was provided on the walkthrough of the Androy Ballroom's first floor, including kitchens, bathrooms, and bar space. An additional scope of review was identified to connect these spaces for potential dual events, increasing the architectural review cost from \$7,500 to \$12,500. IRRR staff have been contacted to amend the grant to include this additional cost, potentially allowing for a \$6,250 grant. It was clarified that Trellis, which focuses on housing renovation, cannot use its secured funds for the first-floor commercial spaces of the Androy Ballroom. The commercial tenant, Boomtown, may assist with finding funding and fundraising for the commercial renovation. Trellis is supportive of the project.

Neon Sign Rehabilitation: The neon sign for the Androy Ballroom is currently being rehabilitated by a vendor and is expected to be ready for the Spirit of the Unity parade. The intent is to turn it on at the Chamber event on November 24th, 2025, the Monday before Thanksgiving.

400 Block Redevelopment Project Update - staff

St. Louis County approached the city regarding the potential inclusion of the 507 East Howard Street building (Able Chiropractic) in the 400 block redevelopment project. This building, damaged in a 2016 fire, is beyond repair, and a structural report and a demolition estimate (around \$105,000) were completed.

Parking Needs for Redevelopment: A significant parking need has been identified in the 400 and 500 blocks by a parking study. The Androy is reviewing its need for additional parking for residential and commercial tenants. Additional parking is considered ideal for retail, commercial, and event spaces, especially if the first-floor ballroom is renovated for larger or dual events, as current parking is insufficient.

Development Agreement and Demolition Funding: Questions have been sent to Attorney Borland regarding drafting a development agreement for the conveyance of the 507 East Howard Street property from the county to the city. This agreement would include county funding assistance for demolition or environmental mitigation. Discussions are also needed with the adjacent landowner regarding the party wall and ownership transfer. The 507 East Howard Street property is part of the Tyler case, which has specific state statute requirements for conveyance or divestment. If not conveyed to the city for rehab or redevelopment, such properties must be put up for sale, but this particular building is not saleable.

Project Timeline and Risks: The goal is to avoid significant project delays past the end of 2025, with hopes for substantial progress by November. Hazardous material mitigation in the 400 block buildings will begin after the fire department training.

Hibbing Parents Nursery School Update - staff

The nursery school requested additional relocation funds and an extension of their lease through the end of September 2025. A code review with Widseth is expected to be finalized by the end of the week, which will determine any further renovations needed before contractors can begin work.

DEPARTMENT AND COMMITTEE REPORTS:

Community Development Director Betsy Olivanti

- a. Mayor Hyduke made the motion to approve, supported by Member Schweiberger, a \$6,695 service agreement with Miriam Kero Consulting for the North Hibbing Industrial Park Shovel Ready Grant. This agreement covers the compilation of quotes for various studies, including Boundary and Topo Survey, Phase 1 ESA, Geotech Barriers, Historical Review, Archaeological and Cultural Resources, threatened and endangered species, wetlands delineation codes, subdivision planning for an 8-to-9-acre site, and pre-design engineering for utility delivery (power, water, sewers, sanitary, broadband, and steam). The cost will be covered by the EDA's special project fund. Motion carried.
- b. Member Schweiberger made the motion to adopt, supported by Vice President Jurenes, RES-25-08-07 AUTHORIZING THE HIBBING ECONOMIC DEVELOPMENT AUTHORITY TO MAKE AN APPLICATION TO AND ACCEPT FUNDS FROM THE DEPARTMENT OF IRON RANGE RESOURCES AND REHABILITATION for the North Hibbing Industrial Site. Motion carried.
- c. Mayor Hyduke made the motion to adopt, supported by Member Cameron, RES-25-08-08 AUTHORIZING SUBMISSION OF A COMMERCIAL REDEVELOPMENT GRANT APPLICATION TO THE DEPT. OF IRRR FOR 402 EAST HOWARD STREET. Motion carried.

- d. Vice President Jurenes made the motion to approve, supported by Member Cameron, the Hibbing Chamber of Commerce Request for support of E3 program in the amount of \$5,000. Motion carried.
- e. Mayor Hyduke made the motion to approve, supported by Member Cameron, the amended scope for Androy Ballroom Architectural Review with Widseth. This increases the EDA's contribution from the original \$3,750 to up to \$8,750, depending on whether additional IRRR funding of \$6,250 can be secured. Motion carried.
- f. Member Cameron made the motion to approve, supported by Mayor Hyduke, the request for bids for the 400 Block Redevelopment demolition, including a bid alternate for 507 E Howard Street, Hibbing, MN in collaboration with St. Louis County. The bid structure will allow for proposals to do all demolitions, including 507, or only the 400 block portion, with 507 as a separate alternate, to assess cost differences. The preference is for one contractor to handle all demolitions. Motion carried.
- g. Mayor Hyduke made the motion to adopt, supported by Vice President Jurenes, RES-25-08-09 APPROVING A PRELIMINARY DEVELOPMENT AGREEMENT with Rebound Partners, LLC for the 400 Block Redevelopment Project. Motion carried.
- h. Member Schweiberger made the motion to approve, supported by Member Cameron, the lease extension and additional uniform relocation costs requested by Hibbing Parents Nursery School. Motion carried.

Finance Director-Treasurer Sheena Mulner

a. HEDA loans

The Treasurer's report on loan balances as of August 11, 2025, indicated that a majority of loans are current. Updates included ongoing phone calls regarding consigned items at Arrowhead Motorcycle, Andy's office working on Moxie's delinquent loan, Iron Range Management having drawn \$25,000 on an interest-only loan with new loan documents for just over \$50,000 pending, Mike's Pub utilities still not current but making payments, and Sunrise Bakery and Howard Park Properties having drawn the full amounts on their deferred loans. Revolving fund balances were reported as: Fund 250 with \$1,193,671.84 cash on hand (\$119,3139 committed, balance over \$1,000,000 without the new \$50,000 loan), Fund 420 (storefront renovation) with approximately \$215,000, and the deferred loan program with about \$87,000 remaining.

b. 2024 TIF #12 Reports

A report on TIF District 12 (for the Hampton Hotel redevelopment) noted that annual reports to the Office of the State Auditor (due August 1) were completed by Ehlers, and the summary report would be published in the newspaper on August 13. The TIF plans were approved in 2012, with the first tax increment received in 2015. \$830,000 in TIF bonds were issued, with a required decertification date of December 1, 2040, and a final bond maturity date of February 1, 2036. Concerns were raised that administrative costs were trending high at 16.4% (above the 10% statutory limit), but projections show it will be under 10% (around 9.6%) by the end of the district's period, with approximately \$78,000 received annually in TIF.

c. Business Subsidy Update

An update was provided on catching up with business subsidy reporting to DEED. The DEED portal login was created, and the AMGS business subsidy agreement was approved, with all goals reported as met. The Midwest Partners/Red Rock Hotel and Suites project was added to the portal, but reporting is not due until April 2026, as they have two years to meet job creation criteria. Iron Range Management's business subsidy agreement will be executed and submitted to the DEED portal for approval.

- **City Attorney Andy Borland**

Borland provided updates:

- MOXIE's loan balance was correct, and once served, a 20-day schedule would be set.
- For T&B Automotive, a registered land survey was conducted to verify the proper legal description for the land they are acquiring from PETA, as they are operating outside their purchased scope. The plan is to record the survey, then a deed matching the new legal description, ensuring correct land transfer. A restriction will be placed on the deed, stating that if the business is sold within five years, the property (roughly one to two acres) reverts back to the EDA, as per economic loan authority requirements.

VIII. ADJOURNMENT:

Adjournment

There being no further items on the agenda, a motion to adjourn was made by Mayor Hyde and supported by Member Schweiberger. Motion carried and the meeting was adjourned at 5:31 p.m.



President Shari Majklich Brock



Community Dev. Dir. Betsy Olivanti