

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

Monday, Nov. 10, 2025

Meeting Information:

- Location: Hibbing City Hall Council Chambers
- Attendees: Present at roll call were President Shari Majkich Brock, Vice President Steve Jurenes, Mayor Pete Hydeuke, Member Celia Cameron and Member Mike Egan. Member Jennifer Hoffman Saccoman and Member John Schweiberger were absent. Also present were 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 p.m.

Approval of Agenda:

ADD: Department & Committee Reports #1g

The agenda for the meeting with the addition was approved with a motion by Mayor Hydeuke and supported by Member Egan. Motion Carried.

Approval of Minutes:

Member Egan supported by Vice President Jurenes moved to approve the minutes of the special meeting of the Hibbing Economic Development Authority for Oct. 28, 2025. Motion Carried.

V. CONSENT AGENDA:

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

1. Affirm the Economic Development Loan Fund account balance as of October 31, 2025, in the amount of \$1,499,744.72.

2. Approve disbursements for the month of October in the amount of \$311,315.75

1. Fund 250 (HEDA ED/Rev Ln Fd) - \$28,755.40
2. Fund 255 (HEDA General Fd) - \$55,914.32
3. Fund 392 (TIF#12 DS Fd) - \$442.50
4. Fund 418 (Downtown Capital Prjt Fd) - \$456.00
5. Fund 440 (Tax Abatement Prjt Fd) - \$0
6. Fund 422 (Deferred Loan Fund) - \$0

7. Fund 610 (HEDA – AMGS) - \$225,747.53

3. Set the next regular Hibbing Economic Development Authority Meeting for Monday, December 8, 2025, at 5 p.m. in the Hibbing City Council Chambers.

VI. PRESENTATIONS:

1. Parking & Traffic Study Presentation by TC2 (Lance Bernard)

The parking and traffic study underway is an evolution from the parking study completed in 2023 via a collaboration between the Hibbing Chamber of Commerce and the Hibbing Economic Development Authority. The study area is much bigger than past studies, extending beyond Howard Street to areas along First Avenue and includes traffic patterns in the downtown corridor. We're evaluating the parking needs within this area and also looking at some of the traffic needs and evaluating the intersections. Data collection revealed heavy use of on-street parking and underutilization of some off-street lots.

Solutions under consideration include reconfiguring on-street parking (angle/reverse angle), improved wayfinding, and evaluating traffic signal needs. Business and community engagement is ongoing, with listening sessions and an online survey.

The study aims to recommend low-cost, high-benefit solutions tailored to Hibbing, with preliminary recommendations expected in early 2026. A parking tool is being developed for future monitoring and development impact assessment. Enforcement and the impact of future developments, such as the 400 block redevelopment, were discussed.

2. Loan Request for 2012 First Avenue – Bulanja Investments

Aaron Bulanja requested a loan for roof repairs at a mixed-use building located at 2012 1st Ave. This loan request is eligible under guideline priorities one and two, investment in building renovations, particularly in the downtown district, energy efficiency upgrades and preservation of mixed-use commercial properties. The project aligns directly with the EDA Revolving Loan Fund objectives to retain existing business operations, improve the quality and safety of downtown structures, and promote reinvestment in Hibbing's Central Business District. This project will fund capital improvements to a mixed-use commercial and residential building. The property consists of 10 residential apartments and four commercial units, currently stabilized at approximately 90% occupancy. The proposed work includes roof and building envelope repairs necessary to preserve the building's long-term viability. The work will be performed by Range Cornice. The total project cost is \$122,757.

3. Subordination Request for 3920 13th Avenue East – Rich Lees

Request to subordinate the city's \$31,000 loan to a new \$250,000 Park State Bank loan for a building with recent improvements.

VII. DEPARTMENT AND COMMITTEE REPORTS:

1. Community Development Director Betsy Olivanti

A. Lease extension request from Hibbing Parents Nursery School for storage.

Request to extend storage lease at Jefferson School until contents are moved; utilities off, insurance maintained. Extension recommended through December 31, 2025, or sooner if contents are moved. Mayor Hyde supported by Member Cameron motioned to approve the lease extension through Dec. 31, 2025. Motion carried.

B. Lease agreement with Yoder Building Supplies Inc. for 1111 7th Avenue East, Hibbing, MN 55746

Request for the commercial lease with JT Ventures LLC for the full 31,054 square foot premises at 1111 7th Avenue East. This is the interim solution to the federal government shutdown delaying the approval of an SBA loan. Payments that they make toward the rent would go to decrease the building purchase price, plus interest. Member Egan supported by Mayor Hyde motioned to approve the lease agreement. Motion carried.

C. Loan request from Bulanja Investments for 2012 First Avenue, Hibbing, MN 55746

Aaron Bulanja requested a loan for roof repairs at a mixed-use building (10 apartments, 4 commercial units, 90% occupied). Total project cost: \$122,757; funding sources include HEDA (\$40,919), AEOA's BER program (\$25,000 grant), Northland Foundation loan (\$40,919 requested), and owner equity (~\$16,000). Loan terms: 3% fixed interest over 10 years, interest-only payments for 6 months, secured by mortgage and personal guarantee. Approval contingent on confirmation of other funding and insurance. Vice President Jurenes supported by Member Cameron motioned to approve the loan request. Motion carried.

D. Request for subordination from Park State Bank for Rich & Sherri Lees for 3920 13th Avenue East, Hibbing, MN 55746

Member Egan supported by Mayor Hyde motioned to approve the request for subordination. Motion carried.

E. 400 Block Demolition Project Update – staff report

Dore & Associates renewed asbestos contractor license; contracts being finalized. Project to start within 10 days of contract signing to meet funding deadlines before end of 2025. City engineer to manage project. Hibbing Fire Department conducted training in the building, with participation from multiple departments. Press release being prepared to highlight training value. Recent five- to six-week training program was highly valued; Training officer, Captain Woinarowicz praised for leadership. Proposal for future training at Jefferson School is expected. No action taken.

F. Approve agreement with AMGS to secure equipment for expansion project funded by \$500,000 of IRRR Building loan.

Mayor Hyde supported by Vice President Jurenes motioned to approve agreement with \$544,211.31 remaining, after AMGS invoice payment. Funds set aside for repair, maintenance, and future office build-out. Motion carried.

G. Approve the Legal Services Agreement between the Hibbing Economic Development Authority and Sellman Borland & Simon PLLC primarily Attorney Andy Borland for 2026.

Member Egan supported by Member Cameron motioned to approve the legal services agreement for 2026. Attorney Borland's services praised as essential. Motion carried.

2. Finance Director-Treasurer Sheena Mulner

A. HEDA Loans Balances - Most loans current; specific updates:

- Moxie: Court scheduling in progress.
- Yoder Building Supplies: Previous loan paid off; new \$250,000 loan for building purchase.
- Advanced Machine Guarding Solutions: Interest-only payments through year-end.
- Arrowhead Motorcycle: Inventory sold, payment applied to COVID loan; remaining balance to be processed through legal.
- Wicked Apothecary: Two ACH payments returned NSF; follow-up in progress.
- Iron Range Management LLC: New draw, balance \$64,814.56.
- Hibbing Heating and Air Conditioning signed both of their loans
- Deferred loan agreements signed: Rich and Sherri Lees, Andrew Hanegmon

Revolving Loan Fund and Cash Balances

- Fund 250: \$1.3 million cash, \$871,558 available to lend.
- Fund 420 renovation fund: \$217,252.55 cash.

B. Deferred Loan Program – staff report

- All funds committed, expected to be expended soon.
- \$515,060 invested in 11 downtown projects, leveraging \$2,638,283.39 in private investment (5x public funds).
- Program performing well; revisions for Deferred Loan Program 2.0 under consideration.

3. City Attorney Andy Borland

Preparing documents for default judgment and demand letters for delinquent loans (Arrowhead Motorcycle, Wicked Apothecary).

X. ADJOURNMENT:

There being no further items on the agenda, a motion was made by Mayor Hyde and supported by Member Egan to adjourn the meeting at 5:50 p.m. Motion carried.



President Shari Majkich Brock



Community Development Dir. Betsy Olivanti