

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

Jan. 6, 2026

Meeting Information:

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

CALL TO ORDER: Acting President Steve Jurenes called the meeting to order at 5:06 p.m.

Approval of Agenda:

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

2026 OFFICIAL APPOINTMENTS/DESIGNATIONS:

1. Appoint the President of the 2026 HEDA:

Jurenes was nominated by Hoffman Saccoman, seconded by Hyduke and passed unanimously.

2. Appoint the Vice President of the 2026 HEDA:

Cameron was nominated by Egan, seconded by Hyduke and passed unanimously.

3. Appoint Sheena Mulner as the Treasurer of the 2026 HEDA:

Schweiberger motioned for approval, seconded by Egan and passed unanimously.

4. Appoint Andy Borland of Sellman Borland Simon as Attorney of the 2026 HEDA:

Egan motioned for approval, seconded by Hoffman Saccoman and passed unanimously.

5. Appoint the Finance Committee of the 2026 HEDA. Per the HEDA bylaws - The Budget and Finance Committee shall be comprised of the HEDA Executive Director and city's Chief Financial officer, along with up to two other members appointed by the Authority.

Hyduke motioned to retain the current committee (Olivanti, Mulner, Hoffman

Saccoman, and Majkich Brock) and add Jurenes to learn the ropes as Majkich Brock will end her term in March, seconded by Cameron and passed unanimously.

6. Designate the Mesabi Tribune as the official newspaper of the 2026 HEDA:

Egan motioned for approval, seconded by Schweiberger and passed unanimously.

7. Designate the following Depositories for 2026: Park State Bank, US Bank, Wells Fargo Bank, Security State Bank, National Bank of Commerce, 4M Fund, Wells Fargo Advisors, US Bank Investment Services Inc., and Wells Fargo Investment Services

Hyduke motioned for approval, seconded by Egan and passed unanimously.

8. Approve the respective depositories designated safekeeping entities:

Egan motioned for approval, Schweiberger seconded and passed unanimously.

9. Set the Regular Meetings of HEDA for the 1st Tuesday of each month at 5:00 p.m. in the City Hall Council Chamber, with exceptions due to scheduling conflicts:

- January 6, 2026
- February 3, 2026
- March 3, 2026
- April 14, 2026 – to keep with the council meeting week April 15, 2026
- June 2, 2026
- July 14, 2026 – to keep with the council meeting week July 15, 2026
- September 1, 2026
- October 6, 2026
- November 17, 2026– to keep with the council meeting week and avoid general election date
- December 1, 2026

Hyduke motioned for approval, Cameron seconded and passed unanimously.

APPROVAL OF MINUTES:

Egan supported by Cameron moved to approve the minutes of the Hibbing Economic Development Authority Meeting of December 8, 2025. Motion carried.

CONSENT AGENDA:

Hoffman Saccoman supported by Hyduke moved to approve the consent agenda as read and published. Motion carried.

1. Affirm the Economic Development Loan Fund account balance as of December 31, 2025, in the amount of \$1,450,719.59.
2. Approve disbursements for the month of December in the amount of \$202,356.75
 1. Fund 250 (HEDA ED/Rev Ln Fd) - \$133,414.10
 2. Fund 255 (HEDA General Fd) - \$21,978.68
 3. Fund 392 (TIF#12 DS Fd) - \$0
 4. Fund 418 (Downtown Capital Prjt Fd) - \$33,500
 5. Fund 440 (Tax Abatement Prjt Fd) - \$5,280.67
 6. Fund 422 (Deferred Loan Fund) - \$6,138
 7. Fund 610 (HEDA – AMGS) - \$2,045.30
3. Authorize members to attend the Housing & the Future of the Iron Range event from 4 to 6 p.m. Jan. 8, 2026, at the Mineland Reclamation Building in Chisholm.
4. Set the next regular HEDA meeting for February 3, 2026, at 5 p.m. in the Hibbing City Council Chambers.

PRESENTATIONS:

Request to extend construction deadline - J. Carpenter

John Carpenter last appealed to HEDA in April of 2025 for an extension to develop the land at 1000 Greyhound Blvd (adjacent/north of Portable John's) in the North Hibbing Industrial Park that he purchased in 2012. He has now supplied the same paperwork and is asking for an extension of the deadline for another year to December 2026 to construct a building on the property for a tree service. The properties were purchased for \$1 with a timeline for construction. He also mentioned a potential partnership.

VII. DEPARTMENT AND COMMITTEE REPORTS:

1. Community Development Director Betsy Olivanti

A. Consider J. Carpenter Request

Three options were presented: 1. Approve the request as written. 2. Deny the request, because no further movement has been made since the prior extension was approved, which is the case. 3. Approve with conditions.

Hoffman Saccoman supported by Egan motioned to adopt Resolution 2026-01-01 authorizing extension of the time to develop the property with conditions. Conditions include: Carpenter provides proof of financing and a sworn construction statement by March 31, 2026; Carpenter commences actual construction before June 30, 2026, and a certificate of occupancy is issued on or before Dec. 31, 2026. Motion passed.

B. Approve Lease Amendment with AMGS for 1122 E 13th Street

Hyduke supported by Schweiberger motioned to approve the lease amendment with AMGS for 1122 E. 13th St. (this delays the first lease payment to July 1, 2026).

C. Approve revised HEDA Loan Guidelines

Egan supported by Cameron motioned to approve the revised HEDA Loan Guidelines. Changes were:

1. Any loan provided by HEDA to a local business that is over \$75,000 but less than \$150,000 will be declared a business subsidy through an agreement and that any loan over that \$150,000 or greater will also require a public hearing on that subsidy, in addition to the subsidy agreement.
2. Revised term for equipment lending from 10 years to 5-10 years depending upon the life of the equipment. We have reduced the loan concentration limit for additional scrutiny from 20% down to 10%.
3. The new guidelines clarify that the HEDA board prefers to be less than half of the overall lending for an entire project and equal to or less than other lenders participating in the financing of the project.
4. The procedure for loan approvals was revised to match the current process that's followed. Same with the loan servicing, monitoring, and loan filing.

Motion carried.

2. Finance Director-Treasurer Sheena Mulner

A. HEDA Loan Balances:

- Loan Statuses as of Jan. 2:
 - Wicked Apothecary - was drafted this month. Did not receive the payment to catch up the loan but drafted it because we had received a voicemail that there was money added in the account. Have not yet seen anything come back that it was returned.
 - Iron Range Management did make a draw on their loan of \$4,914.10, so that check will be going out after council approval of the disbursement register tomorrow night. He's still paying interest only on his drafts.
 - Iron Range Makerspace fully drew on their deferred loan.
 - Mike's Pub met the criteria to have the one-fifth of her Deferred Loan written off, so that balance is now \$20,800.
 - Rudy's Pizza met the criteria to have one-fifth of that deferred loan written off, so now the balance is now \$32,000.

- The Andrew Mason Lees Building deferred loan also met the criteria to have one-fifth of the deferred loan written off. That brings that balance down to \$60,000.
- The interest-only period for AMGS ended at the end of December, so he was drafted this month for principal and interest.
- Fund Balances:
 - Fund 250 (Revolving Fund): Has cash balance of \$1,237,609.02 with \$829,196.83 available to lend.
 - Fund 420 (Storefront Renovation Fund): Has cash of \$218,988.97, and there's no commitments in there.

B. Hyduke supported by Egan motioned to adopt Resolution No. 26-01-02 authorizing applying found money to outstanding obligation of Arrowhead Motorcycle Apparel & Supplies LLC. Motion carried.

3. City Attorney Andy Borland – Update on court proceedings relative to Arrowhead Motorcycle Apparel & Supplies and Moxie

LOAN REQUESTS: None

DISCUSSION ITEMS:

1. 1111 7th Ave E Purchase Update – Sheena Mulner

Purchase was finalized in December. Now owned by Yoder. Reviewed Fund 610 (heating a building fund), which has a balance of \$713,112.40. HEDA had done an interfund loan of \$500,000 from its Revolving Loan Fund. After repaying that back plus paying the land acquisition fund, net proceeds from the sale were \$150,306.64. This would leave a remaining fund balance in the fund of \$62,805.786. We have a few expenses that were from December on the new building that we can draw on our second loan from the IRRB of \$9,998.50. The balance would be the maintenance fund request that we have for \$534,213.71. That would bring us to that full amount available to draw on that \$9 million loan. And then we would have cash reserves in that fund of \$607,017.97.

2. 400 Block Redevelopment Project Update

The change order for Building 507 was fully executed, and that scope is now under the agreement with Doran Associates. Pay app number one for \$28,500 was submitted on Dec. 12. That was then submitted to DEED down at the state for the demo grant. DEED came back and said they will only pay for certain specific items under that full project, which that first pay app did not qualify for, but offered an extension. Olivanti provided them the schedule for demolition and the extension was approved. Thus, all continues to be in order for the DEED grant for this project.

Universal waste is commencing and special disposal will begin the week of Jan. 19. Asbestos abatement is scheduled to begin at the end of January, runoff in February. Fencing will be installed at the end of February and prior to the actual demolition of the buildings, set to start March 2.

Update on the Iron Exchange at 400: an increase in the number of units from 56 to a total of 60 units. Attachments provided show how the building will sit on the current 400 block site and then a sample floor plan that gets them to those 60 units on the current building site. Parking plans will also be altered to reflect change in the number of units (two parking stalls are required per unit, per ordinance) and will work with consultant doing the parking study.

Hoffman Saccoman noted that Widseth was initially involved in the plan and thanked them for the work.

3. HRA of Hibbing Local Housing Trust Fund Application

First monies placed in the fund were state-appropriated housing aid the city was awarded by the 2023 Legislature for about \$133,000-\$134,000 for 2023 and 2024. The 2025 payment was reduced by half. Going forward, that is expected to be between \$30,000 to \$35,000.

HEDA oversees this Fund, and the local housing authority will need to access funds for the upcoming Cobb Cook Place project. To access this Fund, the HRA will fill out an application to come before HEDA in February or March. For the funds from the Mineral Amendment, the HRA would apply to and go before the city council.

Also, the grant applied for through the state of \$150,000 was approved and will be added to the Local Housing Trust Fund. With the dedicated HEDA funds, there will be \$300,000 in this pot and allow the three eligible applicants (according to current policy) to apply. They include HRA of Hibbing, AEOA's owner occupied rehab program and Habitat for Humanity. Olivanti sent a request for application to all three. HEDA could opt to work with all three if plans are applicable.

Bottom line, the program is ready to be rolled out.

4. E3 Collaboration with Hibbing Chamber of Commerce Project Update


Seven of 14 spots have been claimed. If businesses do not use their full 18 hours of allotted time, other slots for those remaining hours will open. Being offered at no charge; funded through HEDA, Northland SBDC and the E3 grant through Main Streets of America (through Hibbing Chamber). Have a mix of industries with three manufacturers, one brick and mortar downtown retailer, and one primarily business-to-business retailer, one professional service, and one healthcare-related company. Thus, the program appears valuable to our longstanding businesses in Hibbing. Seems to be a success right out of the gate.

X. ADJOURNMENT:

There being no further items on the agenda, a motion was made by Hyduke and supported by Egan to adjourn the meeting at 5:51 p.m. Motion carried.



President Steven Jurenes



Community Development Dir. Betsy Olivanti