

11/22/15

To, City Council
From, George A. Ruetschi

How is the size of a Tax Increment Financing district determined and who determines it?

Is a 60-40 affordable housing mix a requirement in order to obtain T.I.F.

Does 51% of housing in a T.I.F. district have to be substandard in order to receive T.I.F. and who determines the standard?

When ruling on a zoning change why does the planning commission decision process involve the availability of T.I.F.

How come only 15 minutes is allotted to the public at a zoning hearing?

Why is no urban planning required when a major development is ruled on?

Morgan Park is over 50% rentals, 18% sec. eight, its infrastructure is 100 years old, it's a small community geographically isolated from the larger urban area of Duluth, by any measure a project of this size will have a major impact on the community. Can the residents of Morgan Park request that an urban impact study and an infrastructure impact report be made before any development is implanted?

Has the council been provided with 2011 planning commission report?

How come the same level of outreach generated in 2011 by city agencies wasn't duplicated in regard to this development?

Does the council have all the E-mails in their copy of the staff report as well as those received after the staff report of the planning commission?

Why will the new rules for townhomes and duplexes development not have any effect on this development according to Keith Hamre? This development has been touted as a townhome and duplex development since day one, how can it suddenly be dressed up as something else in order to get around the new infill requirements?

Has the council been provided with a project plan or a review of projected infrastructure costs?

If not how can an informed judgement be made?

Would that not be a case of putting the cart before the horse?

November 18, 2015

City Council Members

Re: Morgan Park Development

Ms. President and Council Members,

My name is Lois Dzuck and I am a senior citizen who owns a single-family home in Morgan Park. My family and I moved from Superior, Wisconsin to Morgan Park when my husband worked at the steel plant. He wanted to be able to walk to work.

He passed away several years ago and I remain in Morgan Park due to the caring neighborhood atmosphere. One neighbor assists with my lawn, another helps with groceries, another with snow removal and one with leaf removal.

I am very concerned and disappointed that the City may allow changes in the zoning established for the Morgan Park School area without a real deal/plan on the table. I attended a Community Club meeting where no details from the developer were disclosed. He stated that he bought the property and something was going to happen at the Morgan Park site. When he was asked why he would purchase this property without neighborhood approval and not the other school. His response was this was a better deal for the money and that neighborhood did not want the development. The St. Louis County tax statement has the value of this property as \$5,714,400.00 and he was allowed to purchase for \$100,000.00. Why? What do you know that I do not?

I subscribe to the paper and stay current on the affairs of our City. Whatever happened to the West Wood Height Development near Morgan Park? The City voted for that zoning change and to date nothing has happened. The reasons stated for that change approval was that the development would not create material adverse impacts on nearby properties as the site was relatively isolated.

The Council is responsible to vote this rezoning down as it is not isolated and most definitely will create a material adverse impact on nearby properties. Please do not gamble with my Home.

Local Realtors have already disclosed that bad news to residents adjacent to the development.

Thanking you in advance for your "NO" vote on this rezoning proposal.

Lois Dzuck

A very concerned citizen of Morgan Park

Dixon Bastie

From: Dadojunior551@aol.com
Sent: Sunday, November 22, 2015 3:02 PM
To: Dixon Bastie
Subject: Fwd: (no subject)

EMAIL TO
MAJEWSKI
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HIS
"REPLY"
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From: bsmajewski@aol.com
To: Dadojunior551@aol.com
Sent: 9/2/2015 10:49:45 P.M. Central Daylight Time
Subj: Re: (no subject)

Dixon

I expected more from you. It is to bad you and your family don't contribute anything to the community/neighborhood. I will continue to try to have a positive impact in the area despite criticism from "those who are perfect".

Bill

On Sep 2, 2015 8:11 PM, Dadojunior551@aol.com wrote:

Chairman Majewski -

I have some comments and observations regarding what I heard at last night's Community Club meeting regarding the proposed redevelopment of the Morgan Park School property.

First, I am appalled by Mr. Schweiger's lack of professionalism in preparing for what was the first and extremely significant presentation of his plans to the residents of the community. Comments were made in reference to "rumors" and misinformation widely circulating concerning what, exactly, the "plan" is, may be, or won't be. Media coverage to date has been vague and, in my opinion, deliberately crafted to provide as little information as possible. This meeting was his golden opportunity to be candid and honest, and I feel he instead chose to be evasive and very elusive when answering the few questions from the audience he chose to respond to. The lack of some sort of graphic representing what the plan was at the time you convened the meeting, is inexcusable, and cannot be explained away as a technical glitch, or blamed on a City department's lack of action. Your advisory request that the meeting be conducted with respect and decorum was well-founded, however, Mr. Schweiger forfeited any expectation of civility when it became obvious to the audience that he was unprepared, evasive, or downright dishonest in his responses to their questions and concerns. I found him to be arrogant, self-serving,

and insulting - particularly when making reference to "rust belt mentality" several times. It is unfortunate that most individuals in the room did not have the privilege of growing up in East End and graduating from East High School as he did, but that in no way makes them or their views, opinions, or concerns less valuable. His attitude effectively dissolved any possibility of civil discourse.

The graphics he offered - by his own admission - were not relevant to this project, and should have been left in the file from which he extracted them. He underestimated his audience by putting on his version of a wild west snake oil sale, and no one bought it. Dale Lewis, stepping in to save his hide and become his guardian angel was a journey into hypocrisy considering her ownership of Park State Bank arguably having been a long-term cash cow for her, and when she decided she had extracted all she could from this neighborhood, sold out. Now, she represents an out state lender which stands to accrue a healthy profit from the interest on the financing it is contributing to the project. That irony was identified and called out by an audience member who questioned her motive for leaving the community, but still banging the drum of "build it and they will come."

I also found it distasteful that Schweiger repeatedly stated "they" would determine what is the best fit for the community, and did so after responding to a question from the floor if residents would have any input on the design of the project. Who the hell is he to have suddenly become an expert on the history, culture, and aesthetic preferences of the community simply because he has read studies and has discussed these components with a group of architectural grad students. His time would have been better spent driving the streets and noting how many "For Rent" signs are visible, and that may have kept him from ingesting both feet with his "shortage of housing units" comments. He is living in a divergent universe. Regarding the "fair market" concept, exactly where in Morgan Park can you find rental properties in the \$1000 to \$1400 range? I had a market appraisal done on my ten room, fully finished, updated, with spacious corner treed lot overlooking the St. Louis River home, and found the maximum I could expect was between \$900 and \$1000 per month - if lucky. In addition, the realtor told me it is difficult to convince "high-end" tenants to rent in the Morgan Park/Gary/Fond du Lac areas because they feel the communities are too far away from mainstream business and entertainment venues.

My opinion is the entire "deal" clumsily crafted by the Duluth School Board from the outset, then skillfully manipulated by Schweiger's group to divest themselves of the Rock Ridge property, and then to offer the \$100,000 bid for Morgan Park all played neatly into the hands of the developer because the School Board is desperate to rid itself of the vacant buildings at any cost or result. I also am convinced everyone knows "Section 8" *will never* be established in the "Rock Ridge" area, but could very well be expanded in Morgan Park when the realities of the situation show his units will not rent. His assertions that Duluth is growing and the job market is booming are laughable unless you consider minimum wage burger flipping, bar waitressing, and convenience store clerking high return jobs. People making \$75 to \$90,000 annual salaries at Enbridge and Cirrus are not likely to locate in a twelve building glorified row house setting - in Morgan Park.

I moved to Morgan Park in 1957, my family built two homes here, and have been solid community members since then, with a strong sense of community "ownership". What Mr. Schweiger's arrogance failed to take into account is the fact most people who were in the audience have much the same history here, and feel the same loyalty despite economic reversals, societal changes, and the passing of older generations who instilled that community ownership in their children. It saddened me to hear that many Morgan Park residents - near the project site, and other parts of the community - have either already placed their homes for sale, or are now seriously contemplating doing so before this apparent debacle reduces their property values to a point they are forced to give their homes away - which I and three of my neighbors are seriously considering as well. Political correctness would have us all adopt a "Pollyanna" outlook in which the development would be a sort of "Shangri-La", but you and I both know that isn't rational to believe. The graphic so lovingly carried around the room by Ms. Lewis (which by Schweiger's own admission may not be any more representative of the final iteration than the garbage slides he showed) looks much like the one at the top of Mesaba Avenue, formerly known as "The Projects", and the one in Hermantown at the corner of Maple Grove and Stebner Roads. The former being - yes, "Section 8" - and the latter, a bland and crowded eyesore which has been plagued by substandard construction and mismanagement since it was thrown together in the early 1990s.

Prior to the meeting, I had grave reservations regarding the way the project was revealed, convoluted, and cloaked in secrecy, but remained open minded to the extent I wanted to hear something - *anything* - of substance from the developer. Instead, I left feeling deceived, misled, insulted and talked down to by an individual who, despite his bloviations about just how good this is for Morgan Park, is only out to make money, to the detriment of the community. He has no ties to the community, and doesn't give a damn about what happens after his group makes their money, and that was obvious in his comments and attitude. I have no idea what the official position of the Community Club is on this issue, but can speculate. My advice to you and your fellow officers is to take heed of the sentiment of the people *you represent* instead of coddling this charlatan, and hold him and his group's feet to the fire to obtain real and factual answers to difficult and significant questions before it is too late to reverse or modify the process, and the community suffers the consequences.

In closing, I had contemplated asking for the floor to ask Schweiger one simple and non-combative question, that being, "Sir, can you tell me - a lifelong resident of this community - in one clear and truthful statement, exactly why I should support this project?" I refrained from doing so because in my opinion, he couldn't possibly answer the question to my satisfaction. As a result of the spectacle I suffered through last night, I will tell you that I will now expend my energy to vocally and vigorously oppose this proposed project using whatever venues and forums I deem effective, and I hope the opposition petition gains traction and validation sufficient enough to force a moratorium in the short term, and if suitable facts are not provided, cause the project to be terminated.

Thank you for the expenditure of time you spent reading this email, and I do not request or expect a reply.

Dixon R. Bastie

1204 Hilton Street

218-626-2611

Dixon Bastie

From: Dadojunior551@aol.com
Sent: Sunday, November 22, 2015 3:01 PM
To: Dixon Bastie
Subject: Fwd: Proposed Rezoning of Former Mrogan Park School site

LETTER TO
CITY

COUNCIL

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From: Dadojunior551@aol.com
To: jcox@duluthmn.gov
Sent: 10/8/2015 11:19:22 P.M. Central Daylight Time
Subj: Proposed Rezoning of Former Mrogan Park School site

Dear Mr. Cox -

I hereby submit this letter outlining my position as a resident of Morgan Park relative to the 10-12-15 agenda item (15-079-0), as respectfully request it be added to Monday's meeting for consideration by the Council.

Duluth City Councilors :

By copy of this letter, I wish to formally declare my opposition to the proposed rezoning of the Morgan Park School site to accommodate the redevelopment plan proposed by Aaron Schweiger and the group he represents.

My family moved to Morgan Park in 1957, constructed two new homes in the period from 1957 to 1965, and has a long history of community involvement. I have owned the newer of the two homes since 1991, and currently reside in it. Having grown up in Morgan Park, I am well aware of the history and the changes the decades have brought.

First, I am troubled by the one-sided spin proponents of the rezoning/redevelopment plan have projected regarding the sentiment of residents of the community. There is a strong and vocal opposition to the plan, but it has been minimized as insignificant in the media and local opinion forums. The informational meeting sponsored by the Community Club some weeks ago was met with a large and interested audience of residents who were forced to take in a presentation by the developer which was inadequate, unprofessional, not at all representative of what - if anything - would be built on the site, and devoid of any representative graphics showing the final configuration.

I find it insulting that individuals who have little or no historical reference or loyalty to the community, or acknowledgment of the fact a large number of its residents have decades-long "ownership" there, can be so arrogant as to lecture the residents on what "they" think is in the community's best interests. Statements have been made suggesting the exodus from the neighborhood is the result of the lack of suitable housing, when in fact, the loss of the U.S. Steel Duluth Works and Universal Atlas Cement Plant as primary employers initiated the migration out. Since that time, the City has done little or nothing to attract new industries or businesses

which would employ a substantial work force to fill the voids left by the closing of the U.S. Steel operations. Some proponents believe elderly residents would leave the homes which are now too large to manage to move into "market rate" apartments. I suggest when they make the decision to leave their family homes, they also have made the decision to relocate in a warmer geographical area and/or to be near family members who have found employment in other localities. We have been told there is a sudden influx of new and high-paying jobs in Duluth which will rather coincidentally create a market for the proposed housing units. What are these jobs, and who are these employers? The idea of an elderly person shouldering a \$1200 - \$1400 monthly rent obligation on fixed income makes little or no practical sense.

The project is being heralded as a boon to retail business resulting from the twenty or so construction jobs predicted, and the new residents of the project. These jobs, like the transitory residency of rental tenants, are temporary in nature, and certainly do not promote long-term investment in the community.

I view the proposed rezoning/redevelopment plan as a classic example of "wishing well logic" whereby an impractical plan is forced into place with only the hope it will be a success. It is sad to learn that many established residents of Morgan Park are either contemplating or have already put their homes on the market to avoid what they fear is the coming decline in property values, and general negative effect this project may have on the community as a whole.

I respectfully request the Council take a long and deliberative look at all of the aspects of this proposed project, separate "wishing well logic" from practical common sense, and reject the rezoning plan until such time another project and use for the property which has a clear and demographic-sensitive orientation surfaces, and that said, formally declare my strong opposition to the plan presented by Mr. Schweiger and the group he represents.

Thank you for your consideration of my comments.

Respectfully submitted,

Dixon R. and Tammera A. Bastie
1204 Hilton Street
Duluth, MN 55808