

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
Tuesday, February 24, 2015 - 5:15 p.m.  
COUNCIL CHAMBERS, THIRD FLOOR CITY HALL**

**MINUTES**

- Call To Order:** The February 24, 2015, meeting of DEDA was called to order by President Norr at 5:15 p.m.
- Present:** Nancy Aronson Norr, Jay Fosle, Linda Krug, Tim McShane, Don Monaco
- Excused:** Emily Larson
- Absent:** John Heino
- Others Present:** Bob Asleson, Joan Christensen, Christopher Eng, Bill King, Bronwyn Lipinski, Peter Passi, Jim Philbin, John Ramos, Kevin Scharnberg, Sonda Strom Larson

**PUBLIC HEARINGS**

**1. CONVEYING PROPERTY TO LIFT BRIDGE PARTNERS LLC**

Eng explained that there is no corresponding resolution for this public hearing, but will continue the public hearing until the Special Meeting in March.

No public comment.

Vote to approve continuation of public hearing: Passed Fosle/Krug (5-0)

**APPROVAL OF MINUTES:** January 28, 2015. Accept as written. Vote: Unanimous  
McShane/Krug (5-0)

**RESOLUTIONS FOR APPROVAL**

**NEW BUSINESS**

**1. RESOLUTION 15D-06: RESOLUTION AUTHORIZING EXECUTION OF AN ASSIGNMENT OF GROUND LEASES AND CONSENTS RELATED TO CIRRUS DESIGN CORPORATION**

**Discussion:** Bill King explained that this action does not change any of the terms of the leases, but is a housecleaning action to put them all under one name. Norr added that the Duluth Airport Authority has already taken action on this item.

**Vote to Approve Resolution 15D-06:** Passed Monaco/Fosle (4-0-1) McShane abstains

## DISCUSSION

### 1. TIF #7 HOUSING PROJECTS

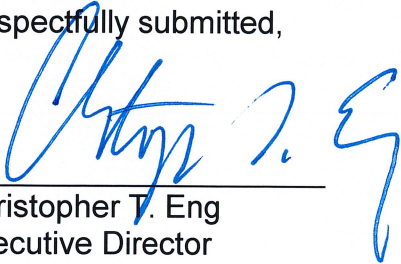
Eng explained that TIF District #7 is a redevelopment district in the Irving neighborhood to be decertified in December, so Staff plans to use the remaining \$1.1 million for market rate housing. Jim Philbin from 1Roof Housing said the MN Housing Finance Agency asked them to do some market rate housing projects with problem homes that need significant reinvestment and renovation, and they have funding for two units that will be sold to a homebuyer with a maximum annual income of \$85,000. Norr asked if the TIF funds would be essential to the project. Eng said that a total of \$70,000 (\$35,000 for each home) of TIF money would be used – the rest of the TIF funds are earmarked for Ken Talle’s project, and they will need to show the need, or gap in funding to meet the But For test. Philbin said there is a maximum 10% developer fee that goes back into the program. The homes will cost about \$200,000, but they will sell for about \$150,000, using the subsidy from MN Housing and others to fill the value gap.

### 2. DIRECTOR’S REPORT

- A) A Special Meeting will be held in March for the 21<sup>st</sup> Avenue East & London Road project.
- B) CN will be asking for a renewed license agreement in March for bridge work on DEDA land in Gary New-Duluth, but will now include a fee.
- C) DEDA is working with Cirrus on their expansion, and Staff will be at the Capitol tomorrow for Duluth and St. Louis County Days looking for some help from the legislature for this expansion.
- D) City Council has agreed to a resolution of intent to trade Canal park parking lots for the Bayfront Parking lot.
- E) Staff continues negotiations for the NorShor Theatre on a development agreement.

**ADJOURNMENT:** President Norr adjourned the February 24, 2015 meeting of the DEDA at 5:42 p.m.

Respectfully submitted,



Christopher T. Eng  
Executive Director

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