

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
WEDNESDAY JULY 23, 2025 – 5:15 P.M.
COUNCIL CHAMBERS-CITY HALL
MINUTES**

******During the time of this meeting, Commissioner Arik Forsman was performing the duties of the acting mayor and for purposes of roll was not called.***

Present: Anna Bailey, Chiamaka Enemuoh, Janet Kennedy, Dan Markham, Connor Randall, Roz Randorf

Absent: None

Others Present: Amanda Mangan, Tricia Hobbs, Ariana Dahlen, Sam Smith, Tom Church, Angie Stier, Bill Burns, Luzy Ostreicher, Arik Forsman, Dakota Sol, Matt Baumgartner, Arik Forsman

CALL TO ORDER: This meeting was called to order at 5:15 p.m.

PUBLIC TO ADDRESS THE COMMISSION

No comments.

PUBLIC HEARINGS

RESOLUTION 25D-31: RESOLUTION AUTHORIZING DEVELOPMENT AGREEMENT WITH ONE ROOF COMMUNITY HOUSING AND BRAE VIEW LLLP FOR THE DEVELOPMENT OF THE BRAE VIEW PROJECT

No comments.

APPROVAL OF MEETING MINUTES

MINUTES FROM JUNE 25, 2025 MEETING

No comments.

Vote to approve June 25, 2025 Meeting Minutes: (Randorf, Enemuoh) Vote: Passed (6-0)

MINUTES FROM JUNE 30, 2025 SPECIAL MEETING

No comments.

Vote to approve June 30, 2025 Special Meeting Minutes: (Kennedy, Bailey) Vote: Passed (6-0)

APPROVAL OF CASH TRANSACTIONS

JUNE 1, 2025 TO JUNE 30, 2025

No comments.

Vote to approve Cash Transactions – June 1, 2025, to June 30, 2025: (Randorf, Kennedy) Vote: Passed (6-0)

NEW BUSINESS

RESOLUTIONS FOR APPROVAL

RESOLUTION 25D-31: RESOLUTION AUTHORIZING DEVELOPMENT AGREEMENT WITH ONE ROOF COMMUNITY HOUSING AND BRAE VIEW LLLP FOR THE DEVELOPMENT OF THE BRAE VIEW PROJECT

Tom Church, Senior Housing Developer, provided an overview of this project. The project includes 72 units of affordable housing for seniors in Downtown and a childcare facility with space for approximately 110 children.

Dakota Sol from One Roof added that the project has been in development for several years. They plan to close on financing in early 2026 and break ground in March 2026. Essentia will own and operate the childcare facility.

Vote to approve Resolution 25D-31: (Markham, Randorf) Vote: Passed (6-0)

RESOLUTION 25D-32: RESOLUTION AUTHORIZING AN AGREEMENT WITH NORTHSPAN GROUP INC. PERTAINING TO THE DAWN PROGRAM IN THE AMOUNT UP TO \$25,000

Director Hobbs stated that this item is a follow up from the presentation the board received the previous month from Northspan.

Vote to approve Resolution 25D-32: (Randorf, Enemuoh) Vote: Passed (6-0)

RESOLUTION 25D-33: RESOLUTION TO RATIFY THE ACTIONS OF THE EXECUTIVE DIRECTOR

Bill Burns, legal counsel for the developer, addressed the commission regarding the termination of the Incline Village development agreement. Burns submitted a formal letter and prior correspondence with DEDA staff to the commissioners. Burns explained that Stearns Bank could not provide the required letter of credit, leaving the project without financing. He requested a 120-day extension to secure a new lender.

Commissioner Markham asked about the status of the TIF District. Burns stated that while the district would remain, the project-specific TIF allocation would no longer be available if the agreement is terminated.

Commissioner Randorf stated the agreement was breached due to unmet terms but noted the developer could pursue a new agreement if financing is secured. Burns stated an extension was requested prior to the meeting. Director Hobbs said the extension was denied, noting the developer had already received four deadline waivers and had not provided required documentation to support an additional extension. Burns expressed concern that any future agreement might be less favorable.

Commissioner Kennedy stated this could be an opportunity to reset the project and emphasized that the community still supports its goals.

Director Hobbs stated the agreement was automatically terminated on June 18th, 2025 following a June 2nd, 2025 breach notice, and that the board was now being asked to ratify that action.

Luzy Ostreicher, the project developer, shared that the project would benefit the community and that they had a backup financing plan following the withdrawal of the original lender.

Commissioner Randorf expressed disappointment but underscored the importance of adhering to contract terms. She clarified that no TIF funds were generated and no public dollars were spent. She also expressed appreciation to the development team and their efforts.

Commissioner Markham acknowledged the uniqueness of the situation since the property is privately owned. Markham asked whether DEDA should be voting on the matter and whether it falls within the board's purview. He noted that some breaches had been addressed and that this could lead to a new agreement in the future. Commissioner Markham stated he would abstain from voting, as he does not believe this action falls within the commission's role.

Commissioner Randorf asked for clarification on Commissioner Markham's decision to abstain. Attorney Mangan responded that the board is within its authority to act on this item, and that the development agreement provides DEDA, not just the Executive Director, with the authority to pursue remedies, including termination

*****Commissioner Markham abstained from voting on this item.**

Vote to approve Resolution 25D-33: (Randorf, Kennedy) Vote: Passed (5-0-1)

DISCUSSION

Angie Stier, Economic Developer, gave an overview of the Tall Ship-Boat Loads of Fun Event that was hosted by DEDA staff earlier in the month.

ADJOURN: President Randall adjourned the July 23, 2025 Meeting of DEDA at 6:05 p.m.

Respectfully submitted,

Signed by:

Tricia Hobbs

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Tricia Hobbs - Executive Director