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SUBJECT: Fully funded with no impact on Duluthians' property taxes, final NorShor Theatre details ready for DEDA and City Council approvals in September

BY: Pakou Ly, Public Information Coordinator

Fully funded with no impact on Duluthians' property taxes, final NorShor Theatre details ready for DEDA and City Council approvals in September

[Duluth, MN] - The long-anticipated restoration and revitalization of Downtown Duluth's historic NorShor Theatre can begin in late 2015, with a grand reopening to be about 20 months later, now that the project has finalized its funding sources with no impact on Duluthians' property taxes.

David Montgomery, the City of Duluth Chief Administrative Officer, shared details with the City Council during its Monday Committee of the Whole meeting.

"Finalization of the NorShor's complex funding has been a long time in coming, because we wanted to make sure we identified and secured every possible resource out there," said Montgomery. "None of the funding comes from homeowners' property taxes, and none of it takes money away from police protection, street repair or any other City services."

The final, major piece of funding came a few days ago when the Local Initiatives Support Corporation's (LISC) national organization committed \$1.65 million in New Market Tax credits to the project, citing the ability of the NorShor to further transform the downtown. "LISC is admired around the country for thoroughly doing its homework before investing its money in communities," said Montgomery. "The fact that LISC is making such a major statement with its investment in the NorShor further highlights the importance of this project."

Montgomery outlined for the City Council how the project's \$29.6 million renovation costs will be funded:

\$ 7.1 million	State of Minnesota Grants
\$ 7.4 million	Historic Tax Credits
\$ 2.3 million	DEDA Building purchase
\$ 1.6 million	DEDA Financing
\$ 4.5 million	Duluth Playhouse Fundraising & Store Front Loan
\$ 6.7 million	Sherman equity and New Market Tax Credits

Final agreements will be brought to the Duluth Economic Development Authority (DEDA) for approval on September 23, 2015 followed by a City Council vote on September 28.

Restoration of the NorShor Theatre, which originally opened as the Orpheum Theater vaudeville house in 1910, will be managed by Sherman Associates, a respected Minnesota real estate developer, and will include renovating the 750 seat theater, new utilities systems, accessible elevator and stairwell, a skywalk connection, and a new stage. The 101-year-old Duluth Playhouse will operate the completed facility, which will host performances by the Minnesota Ballet, Duluth Superior Symphony Orchestra and other local organizations, as well as national acts.

The new NorShor is expected to draw tens of thousands of people downtown on about 200 nights a year for entertainment, dining, shopping, lodging and more.

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