



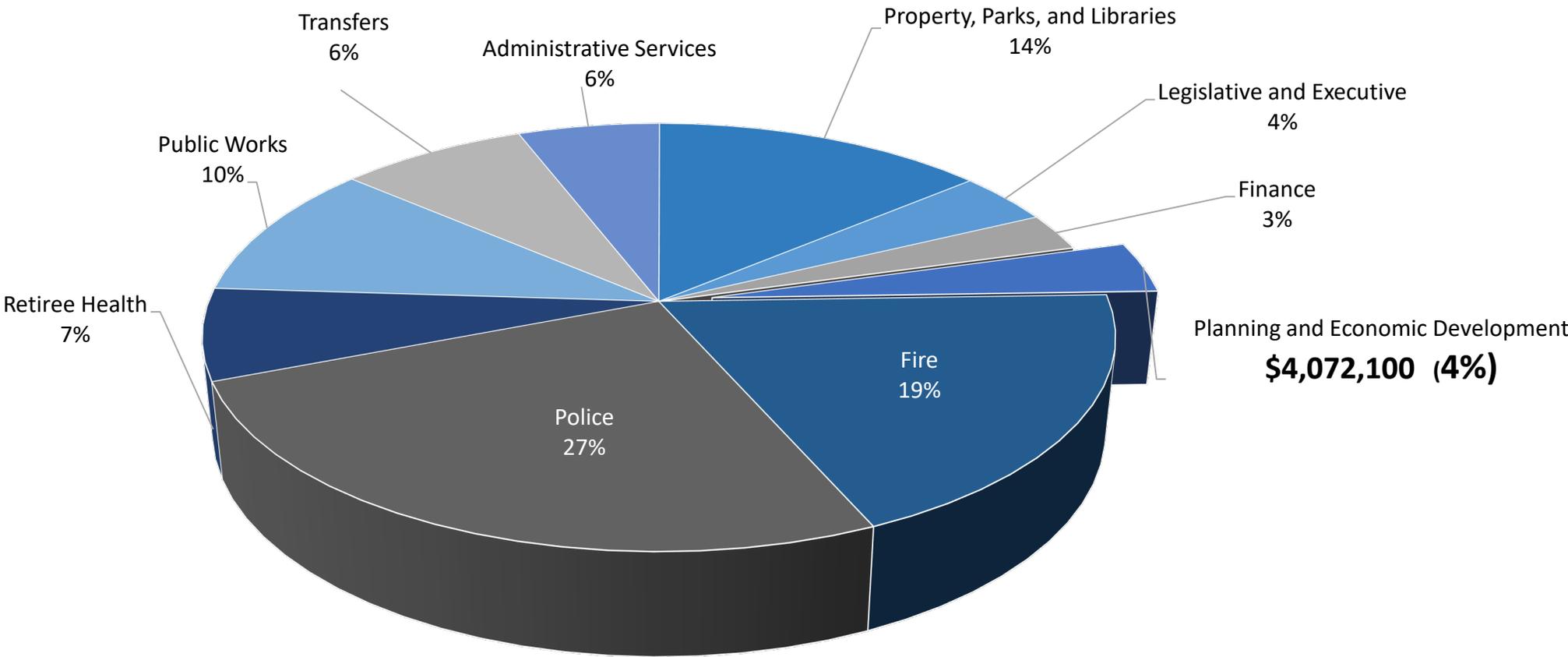
2023 Proposed Budget

Planning and Economic Development

October 10, 2022



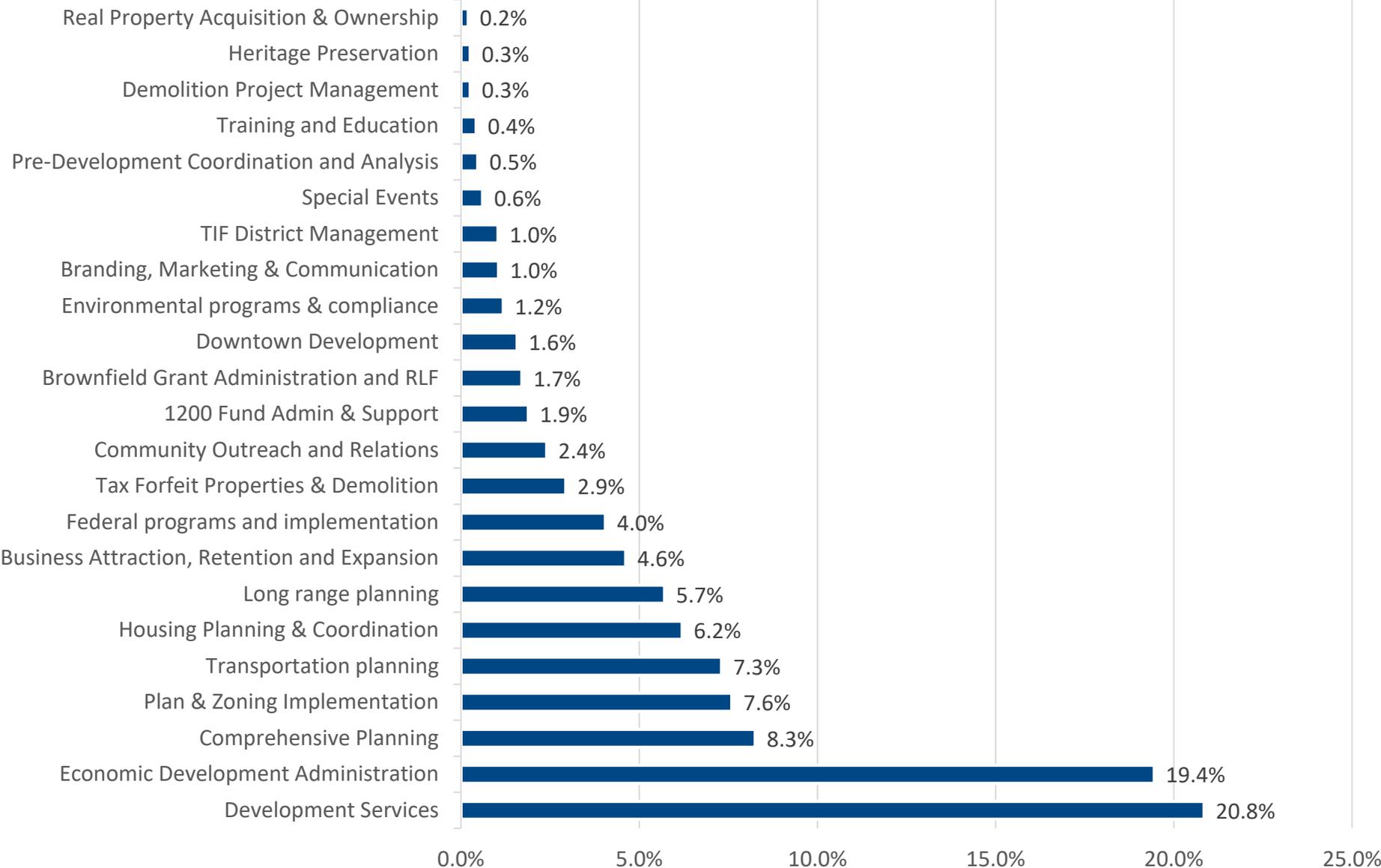
Department Overview



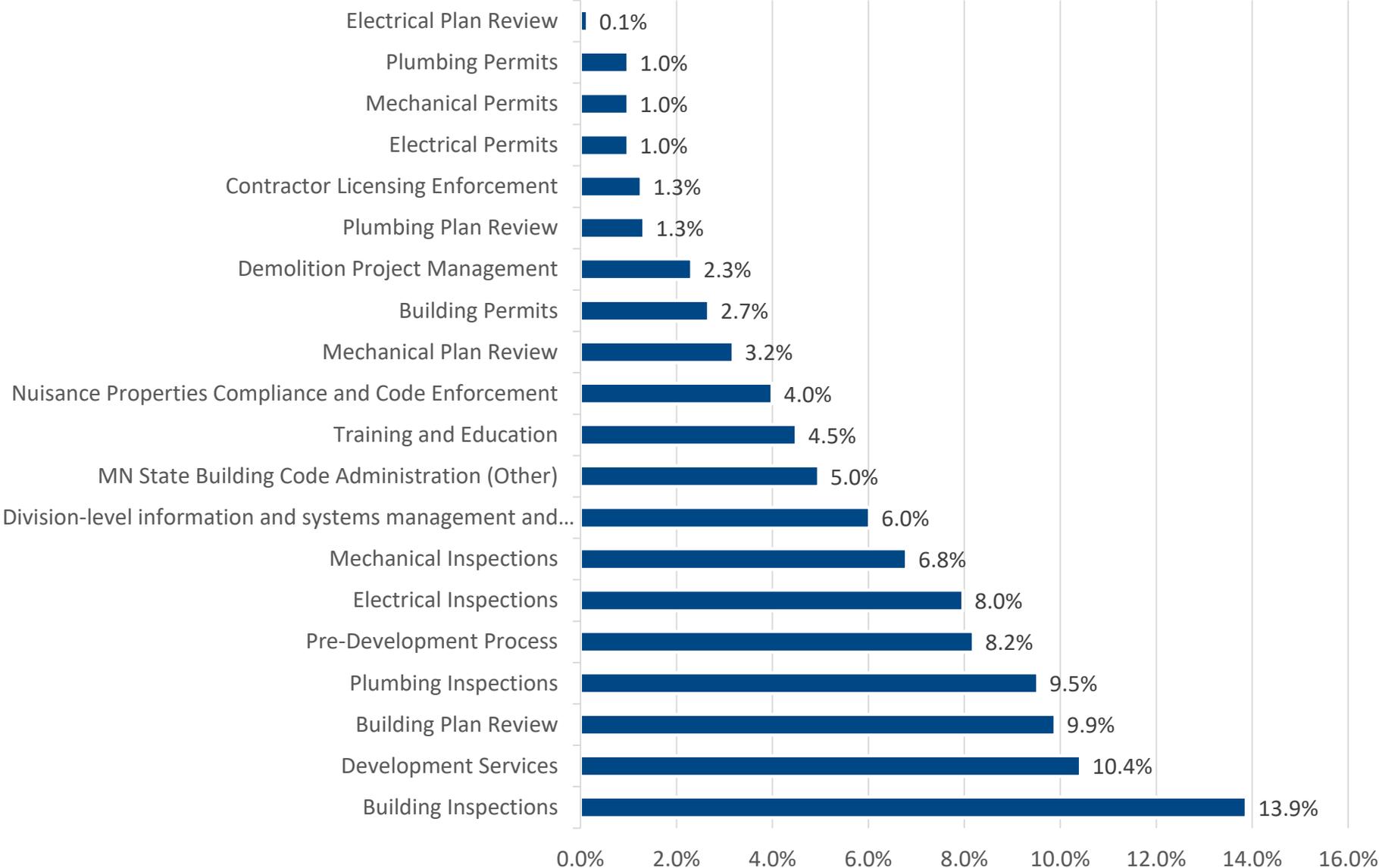
2023 Proposed General Fund Expenditures **\$106,249,800**



Services Inventory: Planning and Development



Services Inventory: Construction Services



2022 Budget vs 2023 Budget Expenditures

	2022	2023	Difference
Salaries	2,509,900	2,666,700	156,800
Benefits	1,025,100	1,184,400	159,300
Other Expenditures	211,600	221,000	9,400
Total	3,746,600	4,072,100	325,500



2022 Budget vs 2023 Budget Revenues

	2022	2023	Difference
Planning/Zoning Fees	85,000	87,500	2,500
Misc Fees, Sales & Services	40,900	40,900	-
Transfers In Special Revenue	-	100,000	100,000
Fill Permits	1,100	1,100	-
Zoning Appeals Fees	600	600	-
Use Permit - Flood & Wetlands	900	900	-
Building Inspection Fees	1,764,800	1,906,000	141,200
Plumbing Inspection Fees	182,200	238,300	56,100
Electric Inspection Fees	192,300	244,800	52,500
HVAC-R Inspection Fees	151,800	204,500	52,700
Signs Inspection Fees	10,600	11,100	500
House Moving Inspection Fee	9,100	9,500	400
Mobile Home Inspection Fees	1,900	2,000	100
CAF Administrative Fee	15,300	15,300	-
RZP Registration Fee	13,100	13,700	600
Assessments	51,100	-	(51,100)
Media Sales	3,400	2,000	(1,400)
Miscellaneous Sales	500	500	-
2% Retention Surtax	1,400	1,400	-
Total	2,526,000	2,880,100	354,100



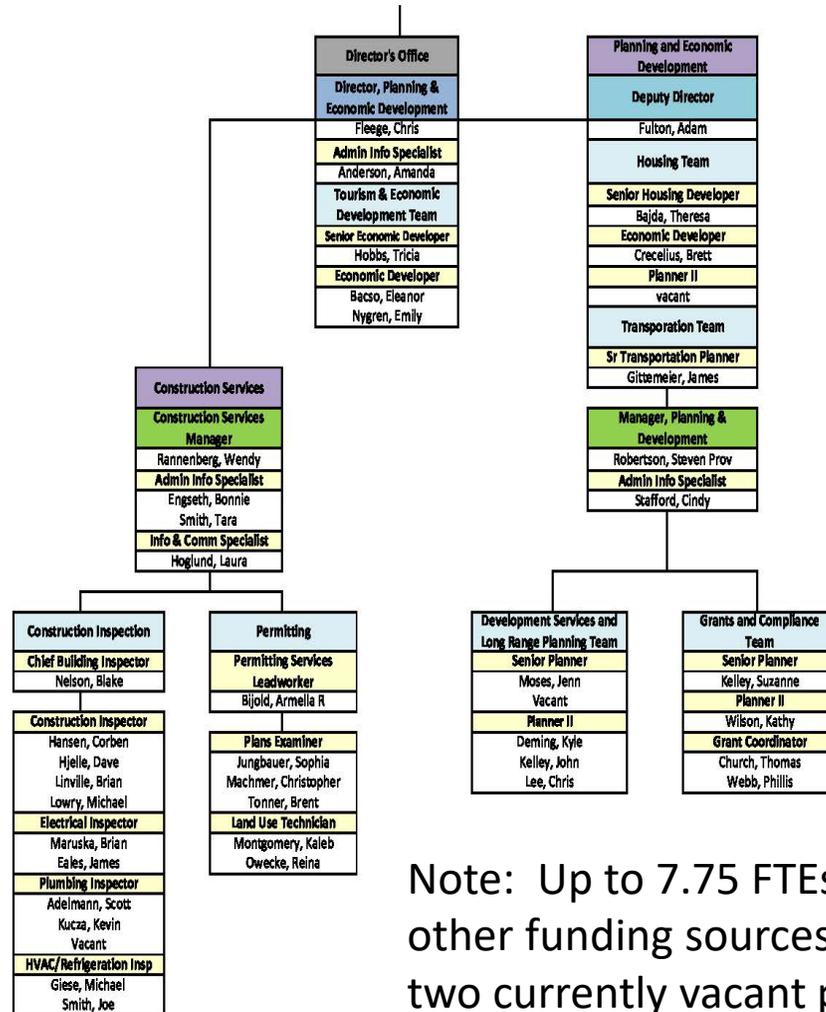
FTE's 2022 vs 2023

	2022	2023	Difference
Dir. Planning & Econ Dev.	1.00	1.00	-
Deputy Dir. Plng & Econ. Dev.	1.00	1.00	-
Mgr Planning & CD	0.50	0.50	-
Admin Info Specialist	1.25	1.25	-
Planner II	3.00	3.00	-
Economic Developer	2.25	2.25	-
Senior Planner	1.75	1.75	-
Senior Economic Developer/Tourism	-	1.00	1.00
Senior Housing Developer	0.50	0.50	-
Senior Transport Planner	1.00	1.00	-
Construction Svcs Mgr.	1.00	1.00	-
Land Use Technician	3.00	2.00	(1.00)
Plans Examiner	3.00	3.00	-
Construction Inspector	2.00	3.00	1.00
Electrical Inspector	2.00	2.00	-
HVAC Inspector	2.00	2.00	-
Plumbing Inspector	2.50	2.00	(0.50)
Combination Svcs Inspector	2.00	1.00	(1.00)
Permitting Svcs Leadworker	1.00	1.00	-
Chief Building Inspector	1.00	1.00	-
Admin. Info Spec.	-	2.00	2.00
Info & Comm Specialist	1.00	1.00	-
Total	32.75	34.25	1.50

Note: Up to 7.75 FTEs funded via other funding sources, including two currently vacant positions



Planning & Economic Development (PED) / Construction Services & Inspection (CSI) Overview



Note: Up to 7.75 FTEs funded via other funding sources, including two currently vacant positions.

PED - Staff of 21 FTE's

- 3 - Housing
- 5 - Planning Serv. & Long Rang. Plan
- 4 - Grants & Compliance
- 3 - Tourism & Economic Dev.
- 1 - Transportation
- 5 - Admin. & Leadership

CSI – Staff of 21 FTE's

- 6 - Permitting (LUT's, Plans Ex.)
- 11 - Construction Inspection
- 4 - Admin. & Leadership



Notable Changes in the 2023 Budget

- CSI Salary increase reflects 0.5 FTE addition. This is largely being funded by fee increases at beginning of 2022.
- Tourism position salary is primarily funded with a tourism tax revenue offset and was not included in the PED 2022 budget.



Budget and staff coordination

- Duluth HRA support:
 - \$25,000 annually to support completion of federal Environmental Reviews for housing projects and programs
 - Half the cost of the Senior Housing Developer position funded by Duluth HRA
- Duluth 1200 Fund support:
 - Staff services for Duluth 1200 Fund in Planning & Economic Development and Finance Departments: \$42,083.90 from 1200 Fund to the City
- Transportation planning coordination between PED, Engineering, Parks, and other agencies



2023 Proposed Budget

Duluth Economic Development Authority (DEDA)

Operating Fund 860 -

- 2023 Proposed Revenues: **\$1,094,153**
- 2023 Proposed Expenditures: **\$2,210,068***
*(*2023 expenditures exceeding 2023 revenues to be financed from \$1.16 million transferred from the City of Duluth to DEDA in FY 2022 for future housing projects.)*
- Anticipate improving parking revenue over 2022; evaluating options to improve parking revenue while supporting businesses.
- Goal for continued revenue from industrial revenue bonds

Debt Service Fund 861-

- Reimbursements to cover TIF commitments.
- Excess TIF transferred to the Capital Project Fund 865 for future TIF eligible capital projects and DEDA administration costs.

Capital Project Fund 865-

- Evaluating excess potential pooling TIF eligible projects for redevelopment and housing.

MRO Maintenance Facility Fund 866 -

- MRO Sold to Cirrus Aircraft in September 2022.
- MRO Fund to be closed at Fiscal Year End 2022. 2023's budget = \$0



Cirrus Aircraft Innovation Center

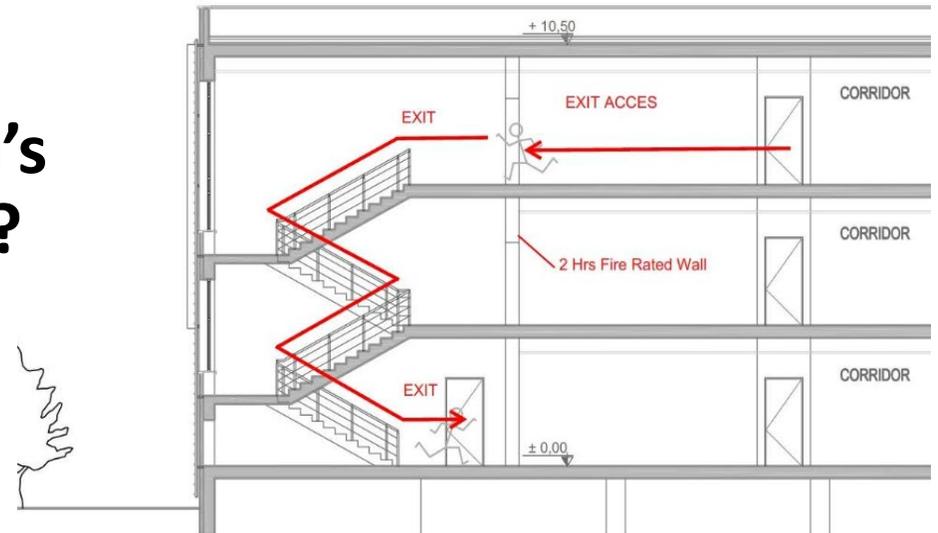


Fun Facts about our Department

What does Construction Services' administration of the state of Minnesota's building code provide to the community?

Safe and Secure Community

- Construction and design of buildings for prevention and mitigation of fire
- Protection of building occupants and first responders in fire or other emergencies



Challenges

- Escalating construction costs and higher inflation rates have increased labor and material cost, resulting in supply chain delays that are impacting project schedules.
- Unprecedented federal & state funding opportunities. Need to remain vigilant & focused on grant opportunities that do not exceed staff capacity to apply and administer.
- Lack of childcare availability (for community as well as for City staff).
- Housing shortage across all segments, affordable, worker, senior, single family, multi-family, market rate, etc. Remains consistent messaging from all business sectors.
- Balancing staff remote work schedules with goal to provide customer service excellence.
- Recruitment and retention of qualified staff.

Challenges

- CSI's four customer-facing team members are handling around **1,500** unique inquiries or project related communications ***each week.***
- Supply chain and manufacturing issues continue to impact construction projects.
- CSI has been flexible w/ permittee's (when possible), allowing occupancy before projects are entirely finished due to delays in equipment and materials.
- This creates more demand on staff resources as we need to track and often reinspect multiple times to accommodate project sequencing delays.



Accomplishments

Blight removal support

- Coordination and 2022 funding to Duluth Fire Department's office of Life Safety
- Addition of Blight Specialist
- Coordination with the PED housing team for site identification, required blight removal process, and site re-use plan and implementation



FIRE DEPARTMENT
Home / Fire / Blight Complaint

Fire

About Us *

Community Programs *

Licenses and Permits

Fire Protection Systems Permit and Plan Review

Fire Prevention, Safety and Preparedness *

Report or Request

Leave a Complaint or Concern

Complaints

FAQ and Answers

Blight Complaint

Due to an increased amount of complaints, all blight and abandoned vehicle complaints will be added to our list and will be inspected in the order we received them. Please note, we will not be contacting every person who submits a blight complaint, we will only contact you if we have questions.

We are unable to address illegal dumping on privately owned property. I.e. If someone dumped something on your property, we will not be able to remove it for you, it is the property owners responsibility. If you have a way to identify the person who dumped the items on your property, we encourage you to call Duluth Police Department.

We do not enforce lawn mowing.

Want to improve your neighborhood? Check out [Love Your Block](#) to start or join a project. Grant funding available for Lincoln Park and Central Hillside residents in 2022.

If you need to report an abandoned vehicle, blight, illegal dumping, hoarding or other complaints please fill out our online form:

All complaint information is confidential. To ensure there is no confusion with the location of the complaint, we may need to contact you. Without contact information, we may not be able to address the concerns.

Full Name

CONTACT

Fire Department
Business: 218-730-4394
Stations: 218-730-4400
Life Safety: 218-730-4380
Fire Marshal: 218-730-4398

EMAIL

NORTHLAND ALERT

St. Louis County • Duluth • Hibbing
Hammonton • Virginia

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Accomplishments

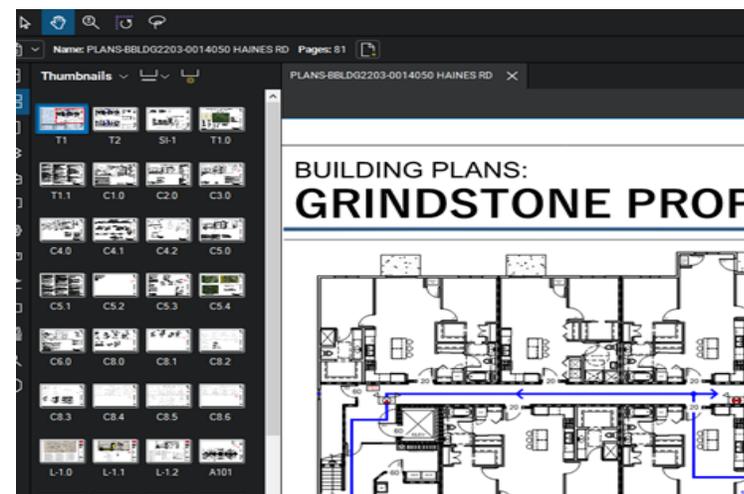
Essentia Vision Northland (VNL)



- Over the entire project, CSI has completed approx. **1,000** inspections.
- At any given time during the work week, there is almost always a CSI inspector in the VNL building.
- Completion of the VNL project is planned for Spring 2023.
- Final inspections underway in certain areas of the building.

Accomplishments

- CSI continues to use Bluebeam for digital plan review and allows for digital submittal of all documents related to permitting projects.
- Enhances convenience for permit customers and design professionals.
- Aligns with design/construction industry who have moved to digital almost exclusively.



Equity and Inclusion



- Ensures buildings and structures are inclusive and equitable through:
 - Access to places and services for people of all physical abilities.
 - Mitigating climate change impacts by administering the Minnesota Energy Code.

Equity and Inclusion

- Supported establishment of BIPOC Business Directory
- Provided start up support for BIPOC businesses via 1200 Fund with partners at Northland Foundation (SBDC) and Entrepreneur Fund programs.
- 1200 Fund provided funding for incubator Pop-Up shop program in 2022.
- Staff actively participate in Equity Action Team.
- Staff Provide ongoing support for many of the underrepresented Commissions and Advisory Boards



Accomplishments

- Digital Access Master Plan - Broadband presented to Council in 2022.
- Dig once policy adopted to support broadband deployment in City of Duluth
- Child care programs / implementation (1200 Fund Support)
- DEDA sold property to SIAI Motor Freight for development of an operations facility at the Atlas site in Gary/New Duluth



Accomplishments

- Implementation of CARES Act funding through CDBG / HOME / ESG programs - approx. **\$3.4 M** - 2022.
- ST Paper project – “Start-up” targeted for **Dec. 2022**. As of Sept., ST Paper had hired 44 of the 80 FTE positions. Industrial reinvestment in the Irving neighborhood of more than **\$25 M**.
- Secured a RAISE Grant for **\$25 M** reinvestment of approx. 1.6 miles of full reconstruction of Superior Street in Lincoln Park Craft District.
- Secured EPA **\$1.0 M** for Brownfield Revolving Loan Funds (RLF) in 2022.



Accomplishments

- Cirrus purchased DEDA's MRO Facility in Sept. 2022 – Plans to convert the former MRO facility to new Innovation Center making up to **\$15 M** of capital investment and creating not less than **80** new positions.
- Lot D RFI was completed development public/ private partnership is in process.



Accomplishments

- Construction underway on the Historic Old Central High School – approx. 125 new housing units
- Other Housings Projects in Duluth: Fairmont Cottage Homes, St. Louis County Jail (Leijona), Kami
- ARPA - Housing RFP completed for allocation of **\$19.2 M** of affordable housing investment and some of the projects are underway.



Opportunities

- New software implementation – Tyler Technologies EPL (Enforcement, Permitting, and Licensing) is underway and is expected to be implemented by end of Q2, 2023.
- This software will be used by multiple departments and will provide: enhanced access to data, transparency, streamlined work flows, and an improved customer portal for citizens.
- Provides a platform that allows for a transition to an electronic plan review integrated with the permitting software.

Opportunities

Great Lakes Cruising

- Viking Cruise Lines hosted 8 port of call visits in Duluth in 2022.
- Viking anticipates making 4 “turn-around” visits in 2023 and up to 6 in 2024.
- Additional Cruise lines anticipate making calls to Duluth following the Seawall reconstruction near the DECC.



Opportunities

- Top of Hill Central site purchase will likely close (on the land purchased from ISD 709) in Q1, 2023 with developer looking at developing market rate and workforce housing.
- Urbane – Former Esmond moving forward.
- New Model Housing is likely moving forward to address those that need high levels of supportive care.



Questions?



SITE CONCEPT PLAN

