

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
WEDNESDAY NOVEMBER 19, 2025 – 5:15 P.M.
COUNCIL CHAMBERS-CITY HALL
MINUTES**

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

Absent: None

Others Present: Amanda Mangan, Tricia Hobbs, Ariana Dahlen, Sam Smith, Andrew Hilliker, Stuart Zadra, Ben VanTassel

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-41: RESOLUTION PROVIDING HOST APPROVAL TO THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS BY THE CITY OF RICE LAKE, MINNESOTA

No comments.

APPROVAL OF MEETING MINUTES

MINUTES FROM OCTOBER 22, 2025 MEETING

No comments.

Vote to approve October 22, 2025 Meeting Minutes: (Kennedy, Enemuoh) Vote: Passed (6-0)

APPROVAL OF CASH TRANSACTIONS

OCTOBER 1, 2025 TO OCTOBER 31, 2025

No comments.

Vote to approve Cash Transactions – October 1, 2025 to October 31, 2025: (Bailey, Randorf) Vote: Passed (6-0)

NEW BUSINESS

RESOLUTIONS FOR APPROVAL

******Commissioner Forsman arrived at 5:18 p.m.***

RESOLUTION 25D-41: RESOLUTION PROVIDING HOST APPROVAL TO THE ISSUANCE OF TAX-EXEMPT OBLIGATIONS BY THE CITY OF RICE LAKE, MINNESOTA

Director Hobbs explained that this item follows the board's approval at the last meeting to move forward with a public hearing. She noted that this is required host approval under statute; because the project is located in Duluth, both DEDA and the City Council must consent to confirm the project is within their jurisdiction. The bond itself will be issued by the City of Rice Lake in support of Stella Maris and its project.

Commissioner Kennedy asked about the lobbying process and how it works. Andrew Hilliker of Stella Maris explained that the City of Duluth had already exhausted its bonding capacity for the year, which required Stella Maris to partner with another municipality, ultimately the City of Rice Lake, to stay on schedule for their construction loan.

Vote to approve Resolution 25D-41: (Randorf, Markham) Vote: Passed (7-0)

RESOLUTION 25D-42: RESOLUTION APPROVING THE DEDA 2026 BUDGET

Director Hobbs stated this is reflective of the presentation given at the October DEDA meeting. Director Hobbs noted a change which makes budget available for Phase II of the Shopper's Ramp demolition project. Funds will be utilized from Fund 865 and include some small changes to a few line items.

Commissioner Kennedy asked if the future Housing Trust Fund transfer goes to city council for approval. Director Hobbs confirmed it will and will be brought before DEDA in December and to council in early January.

Vote to approve Resolution 25D-42: (Forsman, Kennedy) Vote: Passed (7-0)

RESOLUTION 25D-43: RESOLUTION AUTHORIZING A CHANGE ORDER TO CONSTRUCTION CONTRACT NO. 24 860 043 WITH CARLETON COMPANIES, INC. FOR DEMOLITION OF THE SHOPPER'S RAMP FOR A NEW TOTAL NOT TO EXCEED \$2,530,414.84

Director Hobbs explained that earlier this year, DEDA approved Phase I of the New Garrick/Shopper's Ramp project. Previously, the former Director presented a preliminary budget and project timeline. However, demolition was slowed due to hazardous conditions at the building adjacent to the ramp, which slowed the overall schedule. As a result, Phase II will now begin this winter. Phase II extends the existing contract with Carleton Companies, which was communicated during Phase I. The budget originally projected for Phase II in 2024 was determined to be insufficient and needs to be increased due to cold-weather contingencies and the complex nature of the structure.

Commissioner Randorf noted that Section 6 of the agreement references COVID-19 and asked whether that language should be updated. Director Hobbs responded that this may be standard language in Carleton Companies' contracts but will follow up to confirm.

Commissioner Kennedy asked whether there were amendments during Phase I and whether the project remains on budget and on schedule. Director Hobbs stated that this is the first amendment, aside from a small change order related to delays caused by the hazardous conditions at the neighboring building. When asked if Phase I is complete, she clarified that some remaining tasks and costs will be carried into Phase II due to the interconnected nature of the two phases.

Commissioner Forsman asked whether this represents the final scope of work for the project. Director Hobbs confirmed that it does. While a few minor expenses may arise, primarily for small rooftop components, the team is confident that with cold-weather contingencies included, the project will remain within the updated budget.

Vote to approve Resolution 25D-43: (Randorf, Markham) Vote: Passed (7-0)

RESOLUTION 25D-44: RESOLUTION AUTHORIZING A NINETH AMENDMENT TO DEVELOPMENT AGREEMENT WITH THE LAKEVIEW PROPERTIES LLC AND THE LAKEVIEW COMMERCIAL PROPERTIES LLC MODIFYING CERTAIN CONSTRUCTION AND PROJECT COMPLETION DEADLINES

Director Hobbs stated this amendment makes two changes which are to the project completion date as well as the TIF timeline. This allows proper time for a few finishing touches on this project. Delays have been experienced due to weather, permitting slowdowns, and complexities that came with the required skywalk addition.

Stuart Zadra with Landmark gave an overview of their request for a timeline extension and the final necessary elements of their project. Commissioner Kennedy asked if there were plans to include some kind of fresh food market in the remaining commercial space when the project is completed. Zadra stated that all commercial retail in the building will be open to the public and that conversations are being had regarding adding a grocer or market to their space.

Commissioner Forsman asked if there are any similarities in terms of city process that the board should be aware of, as this is one of two agenda items requesting a timeline extension. Director Hobbs stated that city inspectors are working closely with both projects and feel confident about the timelines put forth. This item is more impacted by the processes that staff have, especially given the large scale of the Lakeview project. Director Ben VanTassel stated that things were learned through the process of this project and has helped to open communication and streamline their process from one step to the next.

Commissioner Markham asked where the developer is targeting their occupancy. Zadra stated that they are finalizing their 2026 budget. They expect by March they will achieve 15-20% occupancy which they believe will ramp up over the summer. By the end of the year, they hope to be at a 90+% occupancy rate.

Vote to approve Resolution 25D-44: (Kennedy, Bailey) Vote: Passed (7-0)

RESOLUTION 25D-45: RESOLUTION AUTHORIZING A SETTLEMENT AGREEMENT WITH MERGE LLC AND ARCHITECTURE ADVANTAGE LLC FOR THE RESIDENCE PROJECT

******Commissioner Markham abstained from discussion and from voting on this item. As such, Commissioner Forsman acted as Secretary for the purpose of item 25D-45.***

Director Hobbs stated that this item will reclaim the property that was sold to Merge for the Residence project. The developer was unable to move forward with the project and will provide the land back to DEDA for future development.

Commissioner Kennedy asked if this land will necessarily be used for a housing project of some sort. Director Hobbs stated that DEDA would have the authority along with whatever zoning exists to determine what the future development may look like at the site. These potential units were also not included in the Maxfield Housing Study.

Vote to approve Resolution 25D-45: (Enemuoh, Randorf) Vote: Passed (6-0-1)

RESOLUTION 25D-46: RESOLUTION AUTHORIZING A FIRST AMENDMENT TO ADDENDUM TO DEVELOPMENT AGREEMENT WITH URBANE 218, LLC FOR THE DEVELOPMENT OF THE URBANE DULUTH PROJECT

******Commissioner Markham abstained from discussing and voting on this item. As such, Commissioner Forsman acted as Secretary for the purpose of item 25D-46.***

Director Hobbs stated this item is another request for extension due to issues with the contractor for their project. City Building Inspectors and staff feel confident on the March 31st deadline. As a note, staff will begin to look at development agreements and find ways to disincentive many extensions for projects to strike a balance between the complexities of development and realistic timeline expectations.

Commissioner Randolph asked if all contractor have been paid in a timely manner. Director Hobbs stated that staff does not receive updates with that information but will follow up.

Vote to approve Resolution 25D-46: (Kennedy, Bailey) Vote: Passed (6-0-1)

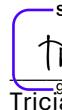
DISCUSSION

Senior Housing Developer Tom Church gave a presentation on some updates coming forward with the Housing Trust Fund. Church provided background on the fund, their partnership with LISC and One Roof, and program successes. The request coming before DEDA at a later meeting date will be in part going towards supporting a new dedicated affordable housing fund.

Commissioner Kennedy noted that in the past there were loans made to homeowners to provide funds for rehabs to properties and asked if that is still an active program. Church stated that everyone is welcome to apply for these loans, however they have not received any applications for that kind of project.

ADJOURN: President Randall adjourned the November 19, 2025, Meeting of DEDA at 6:01 p.m.

Respectfully submitted,



Tricia Hobbs

Tricia Hobbs - Executive Director