

MOTION TO AMEND RESOLUTION 25-0393R

BY COUNCILOR DURRWACHTER:

I move to amend Section I of Exhibit A of Resolution 25-0393R as follows (proposed amendment in red):

I. GENERAL POLICY

The purpose of this policy is to establish guidelines and procedures for the provision of development incentives to private entities. The fundamental purpose of providing development incentives is to encourage development that advances the City's interest and would not otherwise occur "but for" the assistance provided. The City of Duluth will comply with all requirements of the Minnesota Tax Increment Financing Act, as amended. The City will undertake a rigorous analysis to ensure that the proposed project satisfies the "but for" test embodied within the Tax Increment Financing Act.

In addition, this Tax Increment Financing ("TIF") Policy has been approved by the Duluth City Council for the following purposes:

- To guide staff in forming recommendations regarding the use of TIF and negotiating contract terms with developers;
- To provide a framework within which the City Council and Administration can evaluate and compare proposed uses of TIF; and
- To inform the public of the City's position on the use of TIF and the process through which decisions regarding the use of the tool are made.

TIF may be provided when the City believes that a desired development would not occur without municipal involvement and that the development will meet important City goals regarding economic development, infrastructure, or public amenities. Projects should leverage the maximum private investment possible. The City reserves the sole right to accept or reject proposals for development assistance, taking into account the degree to which they adhere to

the intent of this policy and any other factors the City Council or City Administration may wish to consider.

This policy provides guidance to developers, property owners, staff, and the community at large regarding Duluth's use of TIF as a public finance tool to attract and support high quality development that contributes to a strong property tax base and to the high quality of life in Duluth.

For the purpose of this policy, the "City" shall also mean the Duluth Economic Development Authority which assists in a variety of redevelopment and economic development activities for the City of Duluth. For policies and information related to housing districts, proposers may also reach out to the Duluth Housing and Redevelopment Authority.