

RESOLUTION 24D-39

**RESOLUTION APPROVING A GRANT AGREEMENT WITH THE
1200 FUND TO IMPLEMENT A STORE FRONT LOAN
PROGRAM IN THE AMOUNT OF \$500,000**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the proper DEDA officials are hereby authorized to enter into an agreement with the 1200 Fund, Inc. substantially in conformance with the attached Exhibit A to implement a Store Front Loan program, in the amount of \$500,000, payable from Fund 860.

Approved by the Duluth Economic Development Authority this 28th day of August, 2024.

ATTEST:

Interim Executive Director

STATEMENT OF PURPOSE:

The purpose of this resolution is to authorize an agreement with the 1200 Fund is to implement a store front loan program to drive investment in the City's physical building assets to achieve increased retail sales and traffic to generate more jobs, create additional interest in vacant commercial spaces in adjacent buildings, act as a catalyst for more improvements to surrounding properties, and increase the tax base by upgrading building stock.

The 1200 Fund will qualify reinvestment in this loan program which will provide the opportunity for capital investment in blighted and underserved neighborhoods including the Central Business District and Spirit Valley in Duluth.

As part of this agreement, the 1200 Fund is committing to matching DEDA's contribution with an additional \$500,000 to create a loan fund of \$1,000,000. The funds covered by this agreement will be loaned in accordance with the 1200 Fund's standard operating procedures and practices.