

**SHORT-FORM
DEVELOPMENT AGREEMENT
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
STUDIO CAFÉ LLC**

THIS AGREEMENT entered into this ____ day of _____ 2024, by and between the DULUTH ECONOMIC DEVELOPMENT AUTHORITY a public body, corporate and politic and political subdivision, hereinafter referred to as "DEDA", and STUDIO CAFÉ LLC a limited liability company under the laws of the State of Minnesota, hereinafter referred to as "Developer".

WHEREAS, Developer is the owner of a building located at 22 W. First Street in Duluth, Minnesota; and;

WHEREAS, the building located at 22 W. First Street in Duluth, Minnesota is a contributing structure to the Duluth Commercial Historic District; and;

WHEREAS, Developer is creating four (4) full-time employee positions in the City of Duluth; and;

WHEREAS, Developer intends to make a minimum of \$50,000 private investment into the City of Duluth; and

WHEREAS, Developer has requested the assistance of DEDA in financing the costs of rehabilitation of the contributing structure; and

WHEREAS, DEDA has determined that there is significant public interest in the rehabilitation of the building and provide long term value to the development; and

WHEREAS, Developer has agreed to cause rehabilitation of the building if it receives the grant described herein;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

ARTICLE I

Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meaning clearly appears from the context:

- A. Approved by the Executive Director: shall mean the written approval of the Executive Director, or such person or persons to whom they may delegate such approval authority in writing, in the exercise of their sole discretion, provided that such approval shall not be unreasonably withheld.
- B. City: shall mean the City of Duluth, Minnesota.

- C. Developer Property: shall mean that property in St. Louis County, Minnesota, legally described in the attached **Exhibit A**.
- D. Eligible Costs: shall mean those costs of designing and constructing the Project which may be legally funded with DEDA assistance, as set forth in the attached **Exhibit B**.
- E. Project: shall mean the rehabilitation of at 22 W. First Street in Duluth, Minnesota.
- F. Plans: shall mean the plans and specifications, as prepared by Brick and Mortar Design LLC and submitted to the City of Duluth.

ARTICLE II

Ownership, Title and Control of Property

Developer hereby represents and warrants to DEDA that it owns the Property in fee simple absolute and that the Property is subject to no liens or encumbrances of any kind which would prevent or interfere in any way with Developer performing its obligations under this Agreement.

ARTICLE III

Preconditions to Construction of the Project

Prior to the commencement of the construction of the Project, but in no event later than November 15, 2025, Developer shall have presented the following documentation to DEDA with regard to the Project and shall have received the Executive Director's prior approval thereof in writing as hereinafter required:

- A. Construction Plans
Developer's Plans for the Project.
- B. Construction Contract
A copy of an executed contract between Developer and a contractor for the construction of the Project, certified by Developer to be a true and correct copy thereof.
- C. Financial Assurance
Evidence of Developer's ability to complete the Project, including copies of lien documents or other financing.
- D. Changes After Initial Approval
Developer shall have a continuing obligation to meet the pre-conditions during the Term of this Agreement. Any changes made to plans, the construction contract or financial assurance by Developer after initial approval of the Executive Director

deemed to be material or substantial shall be submitted to them for acceptance in the same manner provided for in Paragraph A-C above.

ARTICLE IV Construction

A. Construction of Developer Projects

Upon the fulfillment of the Preconditions to Construction provided for in Article III, but in no event later than November 15, 2025, Developer shall promptly commence construction of the Project in conformance with the Plans. Construction of the Project as herein defined shall be completed no later than December 31, 2026, except as hereinafter set forth in this Agreement. The Executive Director may, in the exercise of their discretion, extend the time for completion of the Project for up to nine (9) months. Any extension(s) granted by the Executive Director shall be in writing.

B. Developer to Bear All Costs of Project

Subject to the terms and conditions of this Agreement, Developer specifically guarantees and agrees to bear all costs related to the development, completion and operation of the Project and any modifications thereto.

C. Progress Reports

Until construction of the Project has been completed, Developer shall make reports in such detail and at such times as may be reasonably requested by DEDA as to the actual progress of construction with respect to the Project.

D. Certificate of Completion

Upon completion by Developer of the construction of the Project and furnishing of written evidence satisfactory to the Executive Director of such completion, and upon written request from Developer, DEDA shall furnish to Developer an appropriate certificate of completion. No such certification shall be issued until the Project has been completed. Such certification by DEDA shall constitute a conclusive determination of satisfaction of construction obligations of Developer undertaken pursuant to this Agreement.

ARTICLE V

DEDA Conditional Financial Assistance to Developer

In consideration of Developer's performance of its obligations under this Agreement, DEDA hereby agrees to reimburse Developer for the cost of the Project in the amount of up to One Hundred Forty Thousand Dollars (\$140,000) or the amount of documented Eligible Costs, whichever is less. The amount shall be payable upon (i) the issuance of the Certificate of Completion provided for in Paragraph D of Article IV above; (ii) the issuance of a Certificate of Occupancy by the City of Duluth Building Official; (iii) evidence of the condemnation order from Duluth Life Safety; (iv) evidence of an operational permit; (v) lien waivers from all contractors constructing the Project; and (vi) Developer submitting a written request for reimbursement of such costs incurred by Developer in constructing the Project, accompanied by evidence that such work has been performed and that the costs therefore

have been paid by Developer, together with such other documentation as the Executive Director shall reasonably request. As set forth in Article VI, paragraph E, below, this assistance is conditional upon Developer meeting certain job creation and retention requirements and, in the event of default, DEDA may, at its sole discretion, require Developer to repay DEDA all or a portion of the conditional assistance.

ARTICLE VI

Developer's Operating Covenant

Developer further covenants and agrees that in its operations and use of the Project and the Property, in accordance with industry standards, it will:

A. Maintenance

Operate and maintain the Project in a neat, orderly condition; maintain and preserve and keep in good repair, working order and condition said Project; and perform all necessary and proper repairs, renewals and replacements to the Project.

B. Living Wage

Abide by the requirements of Article CCVI, Chapter 2 of the Duluth City Code, 1959, as amended, and to require those construction works directly employed in the construction of the Project to be paid Prevailing Wage Rates, as that term is defined in Section 2-25 of the Duluth City Code.

C. Licenses and Permits

Preserve the existence of all of its licenses, permits and consents to the extent necessary and desirable to the operation of its business and affairs relating to the Project and to be qualified to do business in the State of Minnesota.

D. Obey All Laws

Conduct its affairs and carry on its business and operations with respect to the Project in such a manner as to comply with any and all applicable laws of the United States and the State of Minnesota.

E. Job Creation and Retention

As a condition of DEDA's assistance, Developer agrees to meet the job creation goal of no less than four (4) full-time equivalent (FTE) employee positions within the first two (2) years of operation at the Property. Developer further agrees to retain these positions at the Property for a three (3) year period.

Upon meeting the job creation goal of this section and no later than two years following the date Developer began operation at the Property, Developer shall provide the following information to DEDA. Until the expiration or termination of this Agreement, Developer shall update and resubmit the above information to DEDA on an annual basis and as otherwise requested by the Executive Director.

- (1) FTE positions created;
- (2) Job title of each position;
- (3) Date of hire of each new employee;

- (4) Hourly base wage paid;
- (5) List of Benefits provided;
- (6) Hourly value of Benefits paid;
- (7) Formal payroll reports verifying job information; and
- (8) Any other documents and information reasonably requested by the Executive Director to verify compliance with the job creation and retention goals of this section.

In the event Developer fails to meet the job creation or retention goals of this section, for each required FTE position that is not created or retained, Developer shall repay 25 percent of the total conditional financial assistance received under this Agreement to DEDA, in addition to any other payments required under this Agreement. Payment from Developer shall be due immediately upon receipt of a written demand from the Executive Director. For convenience, Developer's repayment obligations under this paragraph are summarized as follows:

- 0 FTEs created/retained:** 100 percent repayment
- 1 FTEs created/retained:** 75 percent repayment
- 2 FTEs created/retained:** 50 percent repayment
- 3 FTEs created/retained:** 25 percent repayment

ARTICLE VII

Indemnification By Developer

A. Generally

Developer will to the fullest extent permitted by law, protect, indemnify and save DEDA and the City of Duluth and their officers, agents, servants, employees and any person who controls DEDA within the meaning of Securities Act of 1933, harmless from and against all liabilities, losses, damages, costs, expenses, including attorneys' fees and expenses, causes of action, suits, claims demands and judgements of any nature arising from:

1. Any injury to or death of any person or damage to property in or upon the Project or the Property or growing out of or in connection with the use or non-use, condition or occupancy of the Project or the Property or any part thereof and the construction or installation of the Project on any portion of the Project and the Property. The foregoing indemnification shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefits payable by or for the Developer, customers, suppliers or affiliated organizations under any Workers' Compensation Act, Disability Benefit Acts or any other Employee Benefit Acts.
2. Any violation by Developer of any provision of this Agreement.
3. Any violation of any contract, agreement or restriction related to the Project which shall have existed at the commencement of the term of this Agreement or shall have been approved by the Developer.
4. Any violation of any law, ordinance, court order or regulation affecting the Project or the Property, or the ownership, occupancy or use thereof.

B. Environmental Indemnification

In addition to the generality of the foregoing above, Developer hereby agrees that for itself, its successors and assigns that it will indemnify and save DEDA and the City of Duluth and their officers, agents, servants and employees and any person who controls the DEDA or the City within the meaning of the Securities Act of 1933 harmless from and against all liabilities, losses, damages, costs, expenses, including reasonable attorneys' fees and expenses, causes of action, suits, claims, demands and judgments arising out of any condition created in the Project or the Property after the date of the signing of this Agreement which constitutes a violation of any environmental law or laws with regard to pollutants or hazardous or dangerous substances promulgated by the government of the United States or of the State of Minnesota or of any such duly promulgated rules and regulations of the United States Environmental Protection Agency or the Minnesota Pollution Control Agency or the presence in the Project or the Property of any element, compound, pollutant, contaminant, or toxic or hazardous substance, material or waste, or any mixture thereof, which otherwise causes injury or death to persons or damage to property and that indemnification granted hereby shall include all costs of clean-up, remediation, together with the costs incurred in proceedings before court of law or administrative agency including attorney's fees, expenses, the fees and expenses of persons providing technical expertise addressing such problems, including expert witnesses, the costs of preparing and securing approval of Response Action Plans as may be necessary to meet the requirements of the aforesaid agencies and any other costs and expenses of any kind whatsoever arising out of such conditions existing in the Project or on the Property.

C. Indemnification Procedures

Promptly after receipt by DEDA or the City of notice of the commencement of any action with respect to which the other party is required to indemnify the party receiving such notice under this Article, such indemnitee shall notify the indemnitor in writing of the commencement thereof, and, subject to the provisions as hereinafter stated, the indemnitor shall assume the defense of such action, including the employment of counsel satisfactory to the indemnitee and the payment of expenses. In so far as such action shall relate to any alleged liability of the indemnitee with respect to which indemnity may be sought against the indemnitor, the indemnitee shall have the right to employ separate counsel in any such action and to participate in the defense thereof, and the fees and expenses of such separate counsel shall be at the expense of the indemnitor.

ARTICLE VIII

Insurance During Term of Agreement

Developer shall procure and continuously maintain insurance covering all risks of injury to or death of persons or damage to the Project, the Property, and any other property permanently located or exclusively used at the Project site arising in any way out of or as a result of Developer's occupancy of or use of the Project or the Property, carried in the name of Developer, any subtenant and the DEDA as their respective interests may appear, as follows:

A. Property Insurance

Developer shall provide "All Risk" builders' risk insurance on all work on the Project, including foundations, permanent fixtures and attachments, machinery and equipment included in or installed under the construction contract, debris removal, engineers' fees, temporary structures, materials, equipment and supplies of all kinds located on the Project, to the full replacement value thereof, except that such policy may provide for a deductible amount not to exceed Fifty Thousand Dollars (\$50,000) per occurrence. Said insurance shall be endorsed to provide consent for occupancy of the Project. Such insurance shall be provided by Developer as set forth below and shall bear a payee clause in favor of the DEDA with loss proceeds under any property policies made payable to the DEDA, to the extent of its interest. Said insurance may be written in the name of Developer or may be provided by Developer's Contractor in which case it shall name both Developer, DEDA, and the City as additional insureds. The Developer shall be solely responsible for ensuring that such insurance is provided. Contractor, subcontractors, and suppliers and Developer shall waive all rights against the DEDA for damages caused by fire or insured perils, except such rights as are set forth hereunder to the proceeds of such insurance payable in the event of such loss.

B. Public Liability Insurance

Public Liability Insurance written on an "occurrence" basis under Comprehensive General Liability Insurance and Automobile Liability Insurance Form with "Broad Form" property damage liability coverage in limits of not less than \$2,000,000 per occurrence and in the aggregate for personal injury, bodily injury and death, and limits of \$2,000,000 for property damage liability. If per person limits are specified, they shall be for not less than \$2,000,000 per person and be for the same coverages. The insurance requirements of this subparagraph may be met by augmenting an industry-standard liability policy with an "umbrella" policy, the combined limits of which meet those requirements. The City and DEDA shall be named as additional insureds on the Comprehensive General Liability and Automobile Liability insurance policies against losses caused by the negligent act or omission of Developer. The Contractor shall also require such liability coverage of its contractors and subcontractors unless they are insured under the contractor's policies. The contractors' and subcontractors' liability coverages shall include:

1. Contractors' public liability--premises and operations;
2. Independent contractors' vicarious liability;
3. Personal injury;
4. Owned, non-owned, and hired vehicles;
5. Contractual liability covering customary construction contract and subcontract indemnify provisions; and
6. Workers' Compensation coverage in required statutory limits. Policy shall carry an "all states" endorsement.

ARTICLE IX

Defaults and Remedies Therefore

A. Developer General Defaults and Remedies

1. General Events of Default

The following shall be deemed to be general events of default by Developer under the terms and conditions of this Agreement to which the remedies set forth in Subparagraph 2 below shall be applicable except as otherwise set forth in this Agreement.

- a. Failure to pay real estate taxes as and when due and payable.
- b. Developer shall fail to observe or perform any of the terms, conditions, covenants or agreements required to be observed or performed by it or any successor or assigns of Developer pursuant to this Agreement and such failure shall continue for a period of thirty (30) calendar days after DEDA has, pursuant to the provisions of this Agreement, given written notice to Developer of such default or, in the event that such default shall be incapable of cure during said thirty (30) day period, shall have failed to commence to cure said default within thirty (30) days of the date of said notice and to diligently pursue the same to completion.
- c. Developer fails to complete its obligations under Articles III or IV as set forth above on or before December 31, 2026.

2. General Remedies

Except as otherwise set forth in this Agreement, DEDA shall have the following remedies in the event of a default by Developer:

- a. Seek and be entitled to injunctive or declaratory relief as is necessary to prevent Developer's violation of the terms and conditions of this Agreement or to compel Developer's performance of its obligations hereunder.
- b. Seek such other legal or equitable relief as a court of competent jurisdiction may determine is available to DEDA.
- c. Be entitled to reimbursement for its reasonable attorney's fees and costs and otherwise for its costs and disbursements occasioned in successfully enforcing its rights hereunder.
- d. Terminate this Agreement.
- e. Withhold performance or payment.

B. DEDA Defaults and Remedies

1. General Events of Default

The following shall be deemed to be general events of default by DEDA under the terms and conditions of this Agreement to which the remedies set forth in Subparagraph 2 below shall be applicable except as otherwise set forth in this Agreement.

- a. DEDA shall fail to observe or perform any of the terms, conditions, covenants or agreements required to be observed or performed by it pursuant to this Agreement and such failure shall continue for a period of thirty (30) calendar days after Developer has, pursuant to the provisions of this Agreement, given written notice to DEDA of such default or, in the event that such default shall be incapable of cure during said thirty (30) day period, shall have failed to commence to cure said default within thirty (30) days of the date of said notice and to diligently pursue the same to completion.

- b. The failure of DEDA to abide by any of the terms and conditions of the Lease which, when taken together pursuant to those documents, constitute obligations of DEDA.

C. Non-Waiver

The waiver by either party of any default on the part of the other party or the failure of said party to declare default on the part of the other party of any of its obligations pursuant to this Agreement shall not be deemed to be a waiver of any subsequent event of default on the part of the defaulting party of the same or of any other obligation of the defaulting party hereunder. And, to be effective, any waiver of any default by the defaulting party hereunder shall be in writing by the non-defaulting party.

D. Remedies Cumulative

Except as specifically set forth herein, the remedies provided under this Agreement shall be deemed to be cumulative and non-exclusive and the election of one remedy shall not be deemed to be the waiver of any other remedy with regard to any occasion of default hereunder.

ARTICLE X

Force Majeure

Under the terms of this Agreement, neither the DEDA nor Developer shall be considered in default or in breach of any of the terms with respect to the performance to their respective obligations under this Agreement in the event of enforced delay in the performance of its obligations due to unforeseeable causes beyond its control and without its fault or negligence, including but not limited to acts of God, acts of a public enemy, acts of the federal government, acts of another party, fire, floods, epidemics, strikes or embargoes, or for delays of subcontractors due to such causes. In the event of any such delay, any time for completion or delivery under this Agreement shall be extended for the period of any such delay upon written notice from the party seeking the extension to the other party.

ARTICLE XI

Representations by DEDA

DEDA represents and warrants that as of the date hereof:

- A. It is a lawfully constituted economic development authority under the laws of the State of Minnesota, it is not a material violation of any provisions of State law and that it has full power and authority to enter into this Agreement and perform its obligations hereunder.
- B. There are not actions, suits or proceedings pending, or to the knowledge of DEDA, threatened against DEDA or any property of DEDA in any court or before any Federal, State, municipal or governmental agency which, if decided adversely to DEDA, would have a material adverse effect upon DEDA or any business or property of DEDA or the DEDA Portion and DEDA is not in default with respect to any order of any court or government agency.

- C. DEDA has investigated and has no knowledge that the DEDA Executive Director or other member, official, or employee of DEDA is directly or indirectly financially interested in this Agreement or in any transactions concluded in connection with this Agreement.
- D. DEDA shall do such things as are necessary to cause any information, document, certificate, statement in writing, or report required under this Agreement or otherwise delivered to any third parties under this Agreement to be true, correct and complete in all material respects.

ARTICLE XII

Developer's Representations and Warranties

Developer represents and warrants that as of the date hereof:

- A. It is a lawfully constituted limited liability company under the laws of the State of Minnesota, is not in material violation of any provisions of State law and that it has full power and authority to enter into this Agreement and to perform its obligations hereunder.
- B. It is fully competent to acquire and own the Property and to construct and equip the Project thereon under all laws, rulings, regulations and ordinances of any governmental authority having jurisdiction.
- C. There are no actions, suits or proceedings pending or, to the knowledge of Developer, threatened against Developer or any property of Developer in any court or before any Federal, State or municipal or other governmental agency which, if decided adversely to Developer could have a material adverse effect upon Developer or the Property and the Project, and that Developer is not in default of any order of any court or governmental agency.
- D. It is not in default of the payment of principal of or interest on any indebtedness for borrowed money or in default under any instrument or agreement pursuant to which the indebtedness has been occurred.
- E. That Developer has investigated and has no knowledge that any officer, director, agent or employee of Developer is directly or indirectly financially interested in this Agreement or in any transactions concluded in connection with this Agreement.
- F. Developer shall do such things as are necessary to cause any information, document, certificate, statement in writing, or report required under this Agreement delivered to any third party under this Agreement to be true, correct and complete in all material and respects. If necessary Developer agrees to perform any survey work prior to construction and all descriptions and exhibits hereto and definitions herein shall be subject to such revisions as are necessary after completion of any survey.

ARTICLE XIII

Term

The term of this Agreement shall run from the date first above shown until the Job Creation and Retention requirements set forth in Paragraph E of Article VI have been fully satisfied, unless this Agreement is otherwise terminated as herein before provided for. Termination shall not terminate any indemnification provisions or any other provisions which by their

nature survive termination and shall not terminate any other rights or remedies arising under this Agreement due to any event of default which occurred prior to such termination.

ARTICLE XIV

Runs With the Land

This Agreement shall be deemed to run with the land and shall be binding upon and inure to the benefit of the parties hereto and to their successors and assigns.

ARTICLE XV

Notices

Any notice, demand or other communication under this Agreement by either party to the other shall be deemed to be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid to:

In the case of the DEDA:

DEDA
Attn: Executive Director
402 City Hall
411 West First Street
Duluth, MN 55802

In the case of Developer:

STUDIO CAFÉ LLC
ADDRESS
ADDRESS
ADDRESS

ARTICLE XVI

Audits

The DEDA and its representatives shall have the right at all reasonable times, upon reasonable notice, to inspect, examine and copy all books and records of Developer relating to the Project and Developer's job creation and retention obligations during the term of this Agreement as provided in Article XIII, above, and for a period of six (6) years following the expiration or earlier termination of this Agreement. Such records of Developer shall be kept and maintained by Developer during the term of this Agreement as provided in Article XIII, above, and for a period of six (6) years following the expiration or earlier termination of this Agreement.

ARTICLE XVII

Disclaimer of Relationships

Developer acknowledges that nothing contained in this Agreement nor any act by the DEDA or Developer shall be deemed or construed by Developer or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between the DEDA and Developer, and/or a third party.

ARTICLE XVIII

Recordation

Immediately upon execution of this Agreement, Developer agrees to record this Development Agreement in the office of the St. Louis County Recorder and/or Registrar of Titles and to pay all costs associated therewith. Upon recordation, Developer shall immediately submit to the DEDA an executed original of the Development Agreement showing the date and document numbers of record, or a certified copy of the filed original.

ARTICLE XIX

Applicable Law

This Agreement together with all of its Articles, sections, paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Duluth, Minnesota.

ARTICLE XX

Title of Articles

Any title, Articles, section and paragraphs in this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

ARTICLE XXI

Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provision shall continue in full force and effect and shall be binding upon the parties to this Agreement.

ARTICLE XXII

Entire Agreement

It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations

between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

ARTICLE XXIII

Counterparts

This Agreement may be executed, acknowledged and delivered in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[Remainder of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date first above shown.

DULUTH ECONOMIC DEVELOPMENT
AUTHORITY

Its Secretary

By: _____
Its President

STUDIO CAFÉ LLC

ATTEST:

By: _____

By: _____

Name: _____

Its: _____

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this _____ day of October, 2024, by _____ and _____, the President and Secretary of the Duluth Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 459, on behalf of the authority.

Notary Public

STATE OF MINNESOTA)
) SS
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this _____ day of October, 2024, by _____, the _____ of the and Studio Café LLC, a Minnesota limited liability company, on behalf of the company

Notary Public

Drafted by:
Amanda M. Mangan
Assistant City Attorney
Attorney for the Duluth Economic Development Authority
411 West First Street, Room 410
Duluth, MN 55802

EXHIBIT A
Property Legal Description

Property located in St. Louis County, Minnesota legally described as follows:

Northerly 49.5 feet of the E1/2 of Lot 12 West First Street DULUTH PROPER FIRST
DIVISION

Exhibit B
Eligible Project Costs

Studio Cafe - 22 W 1st St Renovation - 3-story + Basement ~4,400SF

SOURCES

Total Development Cost from Development Costs Table: \$894,000

PERMANENT CAPITAL SOURCES OF FUNDING			
Name of Source	Term	Amount	Notes
Duluth 1200 Fund Advanced	17 Yr	50,000	Brick Facade (completed)
Duluth Economic Development Authority		140,000	Building Renovation!
Entrepreneur Fund	25 yr	630,000	
Owner Equity		54,000	Building Purchase (completed)
Owner Equity		20,000	Building Renovation
SOURCES TOTAL		894,000	
FINANCE TOTAL		680,000	Duluth 1200 + EF

USES / DEVELOPMENT COSTS

	Total Costs	Comments
CONSTRUCTION	(672,280)	
Exterior		
Storefront	26,000	Replacement of existing deteriorated storefront windows;
Windows	28,380	Replacement of existing windows with energy efficient double pane
Structural		

Demolition	25,200	Demo to prep for joist replacement
Joist replacement + Stairwell & Wall Framing	108,400	Joist reinforcement / replacement based on NCE recommendations to accommodate 100psf; based on cost of 138 20' 11 ¾ x 1 1 ¾ LVL + labor
Brick + Masonry Wall Replacement	50,000	Completed June 2024 by Bedrock Flint Inc
Infrastructure		
Mechanical	100,000	
Electrical	76,000	
Plumbing	93,600	
General Construction		
Insulation + Drywall	116,700	
Finish Work	48,000	
PROFESSIONAL FEES	(104,000)	
Architectural Services	52,000	Tiersa Wodash; Brick & Mortar Design
Structural Engineering	13,000	Mark Udd; Northland Consulting Engineers
Mechanical Engineering	39,000	Otto Mackie; The Design Group
CONSTRUCTION CONTINGENCY	63,720	~10% of remaining project cost (cost minus building, equipment, masonry, professional services) for contingencies
BUILDING COST	54,000	
TOTAL DEVELOPMENT COST	894,000	