



## Legislation Text

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**File #:** 21-0493R, **Version:** 1

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**RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY AND PORTLAND LAND CO., LLC AND CORRESPONDING FINANCING FOR THE REDEVELOPMENT OF THE 627 E 4<sup>TH</sup> STREET RESIDENTIAL REDEVELOPMENT PROJECT**

**CITY PROPOSAL:**

Resolved, that, City Council of the City of Duluth does hereby approve the development agreement between the Duluth Economic Development Authority (“DEDA”) and Portland Land Co., LLC (“Developer”), substantially in the form attached hereto as Exhibit A, related to the multi-family residential redevelopment (the “Project”) located at 627 E 4<sup>th</sup> Street in Duluth, Minnesota.

**STATEMENT OF PURPOSE:** The purpose of this resolution is to obtain the City Council’s approval of the Development Agreement between DEDA and Portland Land Co., LLC and corresponding financing in an amount not to exceed \$126,000 from existing redevelopment district pooled funds for the residential development on property located at 627 E 4<sup>th</sup> Street. The Development Agreement provides for the repair, restoration, and reconstruction of the existing residential building on the property into not less than 16 apartment units, 100% of which will be set at a rate affordable to those earning an income at or below 80% of the area median income. The project includes at-grade parking stalls, together with related utilities, landscaping, and other amenities at a total development cost of approximately \$1,083,000. DEDA will provide up to \$126,000 in funds from existing redevelopment district pooled funds. DEDA approved the agreement at its June 23, 2021 meeting via resolution 21D-22, attached hereto as Exhibit B.