



Memo

To: Planning Commission

From: Jenn Moses, Manager of Planning and Community Development

Date: August 11th, 2026

RE: Housing TIF District Conformance to Comprehensive Plan for Legacy Flats

In order to facilitate construction of 158 student housing units on Trinity Avenue adjacent to Lake Superior College, the Housing and Redevelopment Authority of Duluth needs to create a new Tax Increment Financing (TIF) Housing District. The role of the Planning Commission is to make sure the proposed development and its uses are consistent with the Comprehensive Plan and Unified Development Chapter (UDC). Tax Increment Financing (TIF) is a financing tool that uses the increase in property taxes generated from site improvements to pay for a portion of those improvements.

The Project will involve the construction of 158 student housing units. At least 20% of the units will be rented to households earning 50% of Area Median Income or less.

The future land-use designation of the development site is Institutional (INST). According to *Imagine Duluth 2035*, the city's Comprehensive Plan, Institutional areas apply to medical, university, college, public school, religious, or governmental campuses and can include adjacent areas that support them with related commercial or office uses, and residential uses in the fringe areas of the district. The proposed student housing development meets the intent of the future land use in this area.

The property is currently zoned MU-I (Mixed Use-Institutional). MU-I districts are intended to "provide for the unique development needs and impacts of major medical, educational and research institutional development. The intent is to give institutional landowners the flexibility to plan and develop their facilities while ensuring that surrounding neighborhoods are protected from adverse impacts." The proposed student housing development is an eligible and appropriate use in this area.

This project implements the following Comprehensive Plan principles:

Principle #4 Support economic growth sectors. Emerging and growing economic sectors add economic, cultural, and social diversity. These include higher education, medical, value-added manufacturing, commercial outdoor recreation, historic resources interpretation, arts and music, information technology and visitor services. Encourage and foster locally owned and entrepreneurial ventures to enhance the economic base.

Principle #8 Encourage mix of activities, uses, and densities. Cities have evolved as a mix of land uses, building

types, housing types, and activities. Accommodating choice while protecting investment is a balance to strike in land use regulation. Mixed uses provide opportunities for a diversity of activity that segregated, uniform uses do not provide.

Principle #11 Consider education systems in land use actions. There is a connection between land use patterns and all level of educational facilities. School locations and housing opportunities for students and families require consideration of impacts on transportation and infrastructure systems, housing densities, parking, and non-student uses.

City staff believe that the proposed development conforms to and implements the Comprehensive Plan principles. City staff ask that the Planning Commission review this item, and following discussion, make a finding that it conforms to the Imagine Duluth 2035 Comprehensive Plan.