

Council Agenda Item 26-0348R



MEETING DATE: April 27, 2026

SUBJECT/TITLE: RESOLUTION APPROVING DEDA RESOLUTION 26D-08 AUTHORIZING AN AGREEMENT WITH EHLERS AND ASSOCIATES, INC. FOR 2026-2028 FINANCIAL CONSULTING IN A YEARLY AMOUNT OF \$100,000 FOR A TOTAL AMOUNT NOT TO EXCEED \$300,000.

SUBMITTED BY: Tricia Hobbs – Manager, Economic Development & DEDA; Executive Director, DEDA

RECOMMENDATION: Approve Resolution

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: Duluth Economic Development Authority recommends approval.

PREVIOUS COUNCIL ACTION: In 2023, the City Council approved DEDA’s three-year agreement with Ehlers and Associates, Inc. to provide public finance consulting services for development and TIF-related projects. The contract allowed up to \$75,000 annually, not to exceed \$225,000 total, funded through DEDA Fund 860. This was followed by an amendment to the agreement in 2025 to increase the DEDA contract amount total to \$300,000.

BACKGROUND: This resolution seeks City Council approval of DEDA resolution 26D-08, authorizing a three-year agreement with Ehlers and Associates, Inc. to provide public finance consulting services for development and redevelopment projects, including TIF district work, at a cost not to exceed \$100,000 annually and \$300,000 total. Ehlers has long supported DEDA, and this agreement allows those services to continue. While DEDA initially covers costs for project analysis, many expenses are later reimbursed by developers, and the agreement ensures coverage for upfront and outstanding service costs through the end of 2028.

BUDGET/FISCAL IMPACT: The agreement allows for up to \$100,000 annually, not to exceed \$300,000 total over the three year term, from Fund 860 for consulting services. While DEDA covers upfront costs, a significant portion is expected to be reimbursed by developers, reducing the overall fiscal impact.

OPTIONS: Approve or deny the resolution.

NECESSARY ACTION: Approve the resolution.

ATTACHMENTS: Agreement with Ehlers and Associates, Inc. with Exhibit A attachment from Ehlers.