

FINANCE COMMITTEE

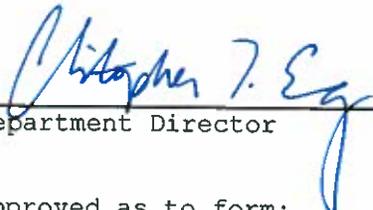
12-0614R

RESOLUTION APPROVING THE FISCAL YEAR JANUARY 1, 2013, TO
DECEMBER 31, 2013, BUDGETS OF THE DULUTH ECONOMIC
DEVELOPMENT AUTHORITY

CITY PROPOSAL:

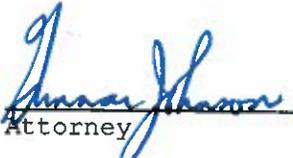
RESOLVED, that the DEDA operating fund, debt service fund, capital project
fund, storefront loan funds and NWA maintenance facility fund budgets on file in
the office of the city clerk as Public Document No. _____ are hereby
approved.

Approved:



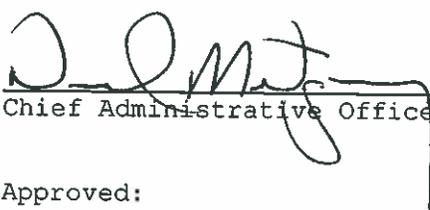
Department Director

Approved as to form:



Attorney

Approved for presentation to council:



Chief Administrative Officer

Approved:



Auditor

DEDA JC:bel 12/04/2012

STATEMENT OF PURPOSE: This resolution adopts the various DEDA budgets for fiscal
year 2013. The DEDA reviewed the DEDA budgets at its November 28, 2012, meeting.
DEDA presented its budget to the City Council at a Finance Committee meeting on
December 3, 2012.



2013 Proposed Budgets - 11/28/2012

Operating Fund

Debt Service Fund

Capital Projects Fund

NWA Maintenance Facility Fund

DEDA Loan Funds

Duluth Economic Development Authority

Executive Summary - DEDA Budgets 2013 Proposed Budgets (11-28-2012)

| | <u>Operating Fund 860</u> | <u>TIF Funds</u> | | <u>MRO Maint Facility Fund 866</u> | <u>Storefront Loan Funds 867/868 (Cash Budget)</u> |
|---|-------------------------------|----------------------------------|--------------------------------------|--|--|
| | | <u>Debt Service Fund 861</u> | <u>Capital Projects Fund 865</u> | | |
| Beginning Fund Balances | 266,799 | - | 5,054,214 | - | 1,717,002 |
| Revenues: | | | | | |
| Operating: Major Projects shown as Net Revenue/Expenditure | | 2,186,000 | 91,912 | 54,447 | 259,225 |
| Atlas (Net Revenue) | 38,000 | | | | |
| Bayfront (Net Revenue) | 595,000 | | | | |
| Parking (Net Revenue) | 143,384 | | | | |
| Norshor/Temple (Net Revenue) | 44,050 | | | | |
| Transfer from Debt Service | | | 1,083,422 | | |
| Transfer from Operating | | | | | |
| Expenditures: | | | | | |
| Debt Service: | | | | | |
| Bond Payments of Principal/Interest | | (97,175) | | | |
| Pay-As-You-Go Debt | | (531,669) | | | |
| Capital Projects: | | | | | |
| BID | | | - | | |
| HRA | | | (400,000) | | |
| Tech Village | | | (135,796) | | |
| West Duluth | | | (125,000) | | |
| Bayfront Infrastructure/Baywalk | | | (1,000,000) | | |
| NWA Maint Facility: | | | | | |
| Building Maintenance | | | | | |
| Loan Funds: | | | | | |
| Loans Funded | | | | | (1,041,777) |
| Other Operating Fund shown as net revenue/expenditure | 698,827 | | | | |
| Other Transfers / Expenditures | - | (473,734) | (225,860) | | |
| Transfer to Capital Projects | - | (1,083,422) | | | |
| Bridge Loans for Atlas Redevelopment | | | | | |
| Total Expenditures | <u>1,519,261</u> | <u>(2,186,000)</u> | <u>(1,886,656)</u> | <u>-</u> | <u>(1,041,777)</u> |
| Net Revenues / Expenditures | 1,519,261 | - | (711,322) | 54,447 | (782,552) |
| Ending Fund Balances | <u>1,786,060</u> | <u>-</u> | <u>4,342,892</u> | <u>54,447</u> | <u>934,450</u> |

Duluth Economic Development Authority

2013 Proposed Budgets – 11-28-2013

Operating Fund 860

The Operating Fund accounts for the Authority's operating and administrative expenses. In addition, expenditures on projects which are not TIF eligible or are not located in a specific TIF district may be accounted for in this fund. In the past this fund has been used as a conduit for DEED and MHFA grants, tax forfeited property acquisition and subsequent sales, and non-TIF district land development. The major Operating Fund revenues are a combination of IDB issuance and administrative fees, loan and lease payments, parking revenue collections, land sales, and State of MN grants.

A) With the board's approval last month, a 'loan' was extended to St. Lukes Hospital so the fee on the sale of their Industrial Development Bonds could be paid over time. DEDA is expecting to receive the issuer fees of \$815,950 in 2013.

A major portion of the Operating Fund is associated with the State of MN grant revenues and related cleanup and infrastructure costs for the Atlas and Bayfront projects.

B) The sale of the five acres of Atlas property that was originally expected to occur in 2012 has now been delayed to 2013. The infrastructure work has been under way for a couple of months now and is expected to be nearly completed in 2012.

C) DEDA has confirmed that they will be the co-recipient (with Pier B) of cleanup and infrastructure grants on the Pier B site, but the project has been given another extension and is expected to get underway in 2013. See also the related expenditure of the same amount showing a reimbursement for costs to Pier B.

D) A \$100,000 transfer from the Operating Fund to the MRO Facility Fund was made in 2012 to cover the expected costs of readying the MRO facility. It appears that most of the \$100,000 will be used up.

Debt Service Fund 861

The Debt Service Fund accounts for all tax increment received annually from the County and all annual debt obligations paid. The majority of the revenue for this fund is from tax increment revenues. Expenses are comprised of fixed bond payments, Pay-As-You-Go debt payments to developers, and transfers to the City for pledged debt and County admin fees. All annual increment received in excess of annual debt is transferred to the Capital Projects Fund.

Capital Projects Fund 865

The Capital Projects Fund finances and accounts for all of DEDA's TIF-related, district-specific, capital projects. The primary source of revenue for this fund is the transfer of excess tax increment from the Debt Service Fund. Expenditures paid from this fund must meet the requirements of each district's TIF plan and qualify as a TIF eligible expense.

A) Repairs on the Bayfront seawall located in District #4 are expected to be completed in 2013. In addition a new extension of the baywalk will be completed on the same property resulting in connectivity from the existing Baywalk in Canal Park to the new Bayfront development at the Lafarge site.

B) Back by popular demand, \$100,000 has been budgeted in the West Duluth Conditional Storefront Grant Program. The program was created at the end of 2008 but over the last few years there hasn't been a whole lot of interest shown. We will attempt to market this program in 2013 to the Merchants in the West Duluth district.

MRO Maintenance Facility Fund 866

Beginning in 2013, this fund will accumulate rent revenues received from AAR. Those accumulated revenues will be used for major capital maintenance expenditures that will be scheduled for the building in the future.

Duluth Economic Development Authority

**DEDA Operating Fund 860
2013 Revised Budget (11-28-2012)**

| | 2012 Revised Budget 09/26/2012 | 2012 Actual thru 11/20/2012 | 2013 Proposed Budget 9/26/2012 | Norshor / Annex / Temple Opera | Parking Programs | Bayfront Redevelopment | Atlas Cement Plant | Other |
|---|--------------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|---------------------|---------------------------|-----------------------|------------------|
| BEGINNING FUND BALANCE | 420,274 | 420,274 | 266,799 | | | | | |
| Revenues | | | | | | | | |
| IDB Interest | 907,426 | 74,910 | 821,313 | | | | | |
| Investment Earnings | 300 | 386 | 300 | | | | | 821,313 |
| Augusta TIF Recapture | 3,355 | 3,355 | 3,595 | | | | | 300 |
| Sale of Phoenix Parking Ramp | - | - | 3,000 | | | | | 3,595 |
| DEDA's Parking Program | 251,216 | 260,218 | 318,016 | | 318,016 | | | 3,000 |
| Construction Assessments - Chadco | 15,000 | - | 15,000 | | | | | 15,000 |
| Project Development Fees / Services | 15,000 | 30,750 | 15,000 | | | | | 15,000 |
| TIF Admin Recovery | 178,616 | - | 205,860 | | | | | 205,860 |
| Sale of Soo Line bridge to State of MN | 21,800 | - | 21,800 | | | | | 21,800 |
| Sale of land - Rohlfing / Irving | 11,350 | 78,455 | - | | | | | - |
| Other reimbursements | 5,592 | 5,592 | - | | | | | - |
| DEED Atlas cleanup grant | 731,973 | - | 205,000 | | | | 205,000 | - |
| Projected Land Sales - Atlas Site | - | - | 150,000 | | | | 150,000 | - |
| DEDA's 2011 EPA Atlas Cleanup Grant | 165,900 | - | 100,000 | | | | 100,000 | - |
| City's DEED Atlas Infrastructure Grant | 500,000 | - | - | | | | - | - |
| Atlas-Storefront Bridge Loan - repayment by Land Sales | 370,000 | 370,000 | - | | | | - | - |
| Atlas-Storefront Bridge Loan - future repayment by DSPA | 188,000 | 188,000 | - | | | | - | - |
| Net Revenues - Temple Opera/Norshor Annex | 54,000 | - | 50,000 | 50,000 | | | | - |
| Bayfront Land Rent | 60,000 | - | 60,000 | | | | | - |
| Sale of Bayfront Lot C | 630,000 | 10,000 | 620,000 | | | 620,000 | | 60,000 |
| Bayfront EPA Cleanup Grant | 200,000 | - | 200,000 | | | 200,000 | | - |
| Bayfront (Pier B) Cleanup Grant | 999,000 | - | 999,000 | | | 999,000 | | - |
| Bayfront (Pier B) Redevelopment Grant - Infrastructure | 968,740 | - | 495,879 | | | 495,879 | | - |
| Bayfront - Pier B / Lot C Investigation | 14,450 | 14,450 | - | | | - | | - |
| Pier B - Bayfront option to purchase | - | - | - | | | - | | - |
| DEED RAP Grant/Bayfront - Lot D | 15,762 | - | - | | | - | | - |
| Cirrus Abatement - County & City / Expansion TIF | 48,803 | 8,958 | 48,803 | | | - | | 48,803 |
| TOTAL REVENUES | 6,356,283 | 1,045,074 | 4,332,566 | 50,000 | 318,016 | 2,314,879 | 455,000 | 1,194,671 |
| EXPENDITURES | | | | | | | | |
| Northland Connection | 15,000 | 15,000 | 15,000 | | | | | 15,000 |
| Auditing Services | 3,500 | 3,399 | 3,500 | | | | | 3,500 |
| Administrative Fees | 365,000 | 365,000 | 365,000 | | | | | 365,000 |
| Other Professional Services | 11,401 | 1,215 | 10,000 | | | | | 10,000 |
| DEDA's Parking Program | 69,902 | 110,807 | 171,132 | | 171,132 | | | |
| Canal Park Business Assn grant | 3,500 | - | 3,500 | | 3,500 | | | |
| Meeting Expenses | 3,500 | 2,872 | 3,500 | | | | | 3,500 |
| Telephone | 960 | 378 | 960 | | | | | 960 |
| Dues & memberships | 2,000 | 2,000 | 2,000 | | | | | 2,000 |
| Marketing | 30,000 | 2,473 | 15,000 | | | | | 15,000 |
| Travel & Training | 3,100 | 3,100 | 2,500 | | | | | 2,500 |
| Advertising/Promotion/Printing/Copying/Postage | 600 | 528 | 500 | | | | | 500 |
| Other Services & Charges | 1,000 | 672 | 1,000 | | | | | 1,000 |
| Self-insurance | 6,500 | 6,500 | 6,500 | | | | | 6,500 |
| Land purchase | - | 3,255 | - | | | | | - |
| Stormwater Assessments | 12,300 | 6,552 | 9,684 | | | | | 9,684 |
| Property Taxes/Street Assessments on land held | 10,000 | 10,701 | 10,700 | | | | | 10,700 |
| Atlas Cement Plant Cleanup | 1,047,900 | 248,640 | 305,000 | | | | 305,000 | |
| Atlas Infrastructure | 1,058,000 | 357,543 | 62,000 | | | | 62,000 | |
| Atlas contingency | 50,000 | - | 50,000 | | | | 50,000 | |
| Bayfront Master Plan, other consulting | 50,000 | 22,465 | 25,000 | | | 25,000 | | |
| Professional Services - Bayfront - Lot D Cleanup | 200,000 | - | 200,000 | | | 200,000 | | |
| Bayfront (Pier B) Cleanup Grant | 999,000 | - | 999,000 | | | 999,000 | | |
| Bayfront (Pier B) Redevelopment Grant - Infrastructure | 968,740 | - | 495,879 | | | 495,879 | | |
| NorShore Operating | 5,905 | 5,905 | 5,950 | 5,950 | | | | |
| NorShore Capital Improvements | 6,000 | 5,870 | - | | | | | |
| Transfer to MRO for AAR building readiness | 100,000 | 100,000 | - | | | | | |
| Duluth Economic Development Strategic Plan (DEDA share) | 50,000 | - | 50,000 | | | | | 50,000 |
| TOTAL EXPENDITURES | 6,073,808 | 1,274,873 | 2,813,305 | 5,950 | 174,632 | 1,719,879 | 417,000 | 495,844 |
| Net Revenue/Expenses | 1,282,475 | (229,799) | 1,519,261 | 44,050 | 143,384 | 595,000 | 38,000 | 698,827 |
| ENDING FUND BALANCE / PROJECT BALANCES | 1,702,749 | 190,475 | 1,786,060 | | | | | |

Duluth Economic Development Authority
DEDA DEBT SERVICE FUND 861

2013 Proposed Budget (11-28-2012)

| | 2011 Final | 2012 Revised Budget (09-26-2012) | 2013 Proposed Budget (11-28-2012) | West Duluth Housing dist 7 | Augusta dist 13 | NWA dist 14 | Cirrus I dist 15 | Washington Center dist 16 | Tech Village dist 19 | United Health Care dist 20 | Garfield dist 21 | Medical Dist Expansion dist 22 | 5th Street Village Place dist 23 | Duluth Renaissance dist 24 |
|---|------------------|--|---|----------------------------------|--------------------|----------------|---------------------|---------------------------------|-------------------------|----------------------------------|---------------------|--------------------------------------|--|----------------------------------|
| Actual Beginning Fund Balance | 128,875 | 107,240 | - | - | - | - | - | - | - | - | - | - | - | - |
| Revenues | | | | | | | | | | | | | | |
| Investment Earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Tax Increment | 2,036,842 | 2,142,175 | 2,186,000 | 630,000 | 28,600 | - | 51,600 | 44,100 | 240,600 | 246,700 | 52,500 | 730,800 | 26,100 | 135,000 |
| Cirrus Reimbursement | 7,387 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Revenue | 392 | 326,749 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Revenues | 2,044,621 | 2,468,924 | 2,186,000 | 630,000 | 28,600 | - | 51,600 | 44,100 | 240,600 | 246,700 | 52,500 | 730,800 | 26,100 | 135,000 |
| Total Available | 2,173,496 | 2,576,164 | 2,186,000 | 630,000 | 28,600 | - | 51,600 | 44,100 | 240,600 | 246,700 | 52,500 | 730,800 | 26,100 | 135,000 |
| Expenditures | | | | | | | | | | | | | | |
| BOND/NOTE PAYMENTS | | | | | | | | | | | | | | |
| Cirrus Bond | 50,400 | 46,800 | - | - | - | - | - | - | - | - | - | - | - | - |
| Fremont | 59,418 | 51,425 | - | - | - | - | - | - | - | - | - | - | - | - |
| Tech Village Bond | 92,950 | 95,150 | 97,175 | - | - | - | - | - | - | - | - | - | - | - |
| Total Fixed Payments | 202,768 | 193,375 | 97,175 | - | - | - | - | - | 97,175 | - | - | - | - | - |
| DEVELOPER PAYMENTS (PAYG) | | | | | | | | | | | | | | |
| Spirit Bay Development | 13,035 | 13,200 | 13,200 | 13,200 | - | - | - | - | - | - | - | - | - | - |
| United Cerebral Palsy | 5,554 | 5,600 | 5,600 | 5,600 | - | - | - | - | - | - | - | - | - | - |
| Augusta | 25,799 | 24,845 | 24,974 | - | 24,974 | - | - | - | - | - | - | - | - | - |
| Washington Center (Artspace) | 38,534 | 43,029 | 43,390 | - | - | - | - | 43,390 | - | - | - | - | - | - |
| Garfield Business Park | 16,731 | 16,740 | 16,740 | - | - | - | - | - | - | - | - | - | - | - |
| Village Place Apartments | 101,562 | 96,347 | 96,347 | 80,000 | - | - | - | - | - | - | 16,740 | - | - | - |
| Ramsey Townhome Project | 60,108 | 60,400 | 60,400 | 60,400 | - | - | - | - | - | - | - | - | 16,347 | - |
| Sheraton Hotel & Condominiums | 133,818 | 144,986 | 150,000 | - | - | - | - | - | - | - | - | - | - | - |
| Duluth Renaissance Project | 89,131 | 88,259 | 121,019 | - | - | - | - | - | - | - | - | 150,000 | - | 121,019 |
| OTHER | | | | | | | | | | | | | | |
| Transfer to City's Debt Service Fund (2025) | 376,634 | 400,931 | 401,000 | - | - | - | - | - | - | - | - | 401,000 | - | - |
| Transfer to Other Districts/Funds | 3,116 | 393,956 | 62,534 | - | 3,116 | - | 51,085 | - | - | - | - | - | - | - |
| Excess TIF returned to County | - | - | - | - | - | - | - | - | - | - | - | - | 8,333 | - |
| County Administrative Fee/other admin expenses | 10,594 | 10,700 | 10,200 | 4,300 | 510 | - | 515 | 710 | 600 | 560 | 560 | 1,350 | 560 | 535 |
| Total Expenditures | 1,077,384 | 1,492,368 | 1,102,579 | 163,500 | 28,600 | - | 51,600 | 44,100 | 97,775 | 560 | 17,300 | 552,350 | 25,240 | 121,554 |
| Fund Balance before transfer | 1,096,112 | 1,083,796 | 1,083,422 | 466,500 | - | - | - | - | 142,825 | 246,140 | 35,200 | 178,450 | 860 | 13,447 |
| Less: Transfer @ Y/e to Capital Projects | 988,872 | 1,083,796 | 1,083,422 | 466,500 | - | - | - | - | 142,825 | 246,140 | 35,200 | 178,450 | 860 | 13,447 |
| Ending Fund Balance | 107,240 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Anticipated Decertification Dates | | | | 2015 | 2020 | 2027 | 2020 | 2021 | 2026 | 2016 | 2027 | 2029 | 2031 | 2034 |

Duluth Economic Development Authority

Capital Projects Fund 865

2013 Proposed Budget (11-28-2012)

(25/3012)

| | 2012 Revised Budget (09-26-2012) | 2013 Proposed Budget (11-28-2012) | Proposed 2013 W.Duluth-3 | Proposed 2013 Waterfront-4 | Proposed 2013 W. Duluth-7 | Proposed 2013 Jefferson-10 | Proposed 2013 Wash Ctr-16 | Proposed 2013 Tech VIII-19 | Proposed 2013 U.H. Care-20 | Proposed 2013 Garfield-21 | Proposed 2013 MedDist-22 | Proposed 2013 VII Plac-23 | Proposed 2013 Renaiss-24 | Proposed 2013 Bluestone-25 | Proposed 2013 Corp Twr-26 | Proposed 2013 Pier B-27 |
|---|--|---|--------------------------------|----------------------------------|---------------------------------|----------------------------------|---------------------------------|----------------------------------|----------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|----------------------------------|---------------------------------|-------------------------------|
| Revenues | | | | | | | | | | | | | | | | |
| BEGINNING FUND BALANCE | 6,236,388 | 5,054,214 | 2,065,464 | 1,059,073 | 944,059 | 7,000 | 292,583 | 296,438 | 139,396 | 30,410 | 216,523 | - | 3,168 | - | - | - |
| Investment Earnings | 1,000 | 1,000 | 400 | 300 | 200 | - | 100 | - | - | - | - | - | - | - | - | - |
| ASI Redruth Loan Repay | 9,996 | 9,996 | - | - | 9,996 | - | - | - | - | - | - | - | - | - | - | - |
| Technology Village rent/CAM reimb | 75,136 | 37,526 | - | - | - | - | - | 37,526 | - | - | - | - | - | - | - | - |
| Transfer from Debt Service | 1,083,796 | 1,083,422 | - | - | - | - | - | 142,825 | 246,140 | 35,200 | 178,450 | 860 | 13,447 | - | - | - |
| Washington School Loan Repay | 43,029 | 43,390 | - | - | 466,500 | - | 43,390 | - | - | - | - | - | - | - | - | - |
| Other - Interdistrict Loans | - | - | - | - | - | - | - | - | - | (50,000) | - | - | - | - | - | - |
| TOTAL REVENUES/TRANSFER | 1,212,957 | 1,175,334 | 400 | 300 | 476,696 | - | 43,490 | 180,351 | 246,140 | (14,800) | 178,450 | 860 | 13,447 | - | 25,000 | 25,000 |
| TOTAL AVAILABLE | 7,449,345 | 6,229,548 | 2,065,864 | 1,059,373 | 1,420,755 | 7,000 | 336,173 | 476,789 | 385,536 | 15,610 | 394,973 | 860 | 16,615 | - | 25,000 | 25,000 |
| Expenditures | | | | | | | | | | | | | | | | |
| Bayfront | - | 890,000 | - | 890,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Seawall Infrastructure Repairs | - | 110,000 | - | 110,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Baywalk Extension | - | 100,000 | 100,000 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| West Duluth Storefront Grant Program | 18,910 | 25,000 | 25,000 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Spirit Valley title registration | 1,491,083 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| BID (Building in Duluth) | 175,284 | 205,860 | 30,000 | 20,000 | 30,000 | 5,000 | 10,000 | 5,000 | 20,000 | 15,000 | 30,000 | 860 | 10,000 | - | 15,000 | 15,000 |
| TIF Admin Cost Allocation | 565,921 | 400,000 | - | - | 400,000 | - | - | - | - | - | - | - | - | - | - | - |
| HRA Acquisition/Demolition | 143,933 | 135,798 | - | - | - | - | - | 135,798 | - | - | - | - | - | - | - | - |
| Tech. Village Project/CAM Charges/Lease | - | 20,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES | 2,395,131 | 1,886,656 | 155,000 | 1,020,000 | 430,000 | 5,000 | 10,000 | 140,796 | 20,000 | 15,000 | 30,000 | 860 | 10,000 | - | 25,000 | 10,000 |
| ENDING FUND BALANCE | 5,054,214 | 4,342,892 | 1,910,864 | 39,373 | 990,755 | 2,000 | 326,173 | 335,993 | 365,536 | 610 | 364,973 | - | 6,615 | - | - | - |
| Committed / Unavailable | (188,716) | (106,212) | - | - | (27,087) | - | - | (79,125) | - | - | - | - | - | - | - | - |
| ENDING AVAILABLE FUND BALANCE | 4,865,498 | 4,236,680 | 1,910,864 | 39,373 | 963,668 | 2,000 | 326,173 | 256,868 | 365,536 | 610 | 364,973 | - | 6,615 | - | - | - |
| | | Decertification Dates | Decertified 2007 | Decertified 2009 | 2015 | Decertified 2009 | 2021 | 2026 | 2016 | 2027 | 2030 | 2031 | 2034 | 25 yrs AFRTI | 25 yrs AFRTI | 25 yrs AFRTI |

Duluth Economic Development Authority

DEDA MRO Maintenance Facility Fund 866

2013 Proposed Budget (11-28-2012) w/2012 Budget to Actual Comparison thru 11-20-2012

Revenues

EXPENDITURES

| | 2012 Revised Budget <u>09-26-2012</u> | 2012 Actual thru <u>11-20-2012</u> | 2013 Proposed Budget <u>11-28-2012</u> |
|-------------------------------|---|--|--|
| BEGINNING FUND BALANCE | 51,829 | 51,829 | - |
| Investment Earnings | - | 4 | - |
| Building Rent | 9,000 | 9,000 | 54,447 |
| Transfer from Debt Service | 324,000 | 324,000 | - |
| Transfer from Operating Fund | 100,000 | 100,000 | - |
| TOTAL REVENUES | 433,000 | 433,004 | 54,447 |
| TOTAL AVAILABLE | 484,829 | 484,833 | 54,447 |
| Contract Management | 14,400 | 14,400 | - |
| Other Professional Services | 2,025 | 2,025 | - |
| Repairs/Maintenance | 76,673 | 45,396 | - |
| Electrical | 32,833 | 32,833 | - |
| Heating/Water/Sewage | 16,670 | 16,670 | - |
| Telephone/Security | 2,531 | 2,531 | - |
| Other Services/Supplies | 2,882 | 660 | - |
| Insurance | 9,349 | 9,349 | - |
| Marketing Program | 3,466 | 3,869 | - |
| BID Project w/AAR | 324,000 | - | - |
| TOTAL EXPENDITURES | 484,829 | 127,733 | - |
| ENDING FUND BALANCE | - | 357,100 | 54,447 |

Duluth Economic Development Authority

Storefront Loan Funds

'Cash' Budgets

Proposed 2013 Budget

|----- Fund 867 -----|

| | <u>Storefront Loans *</u> | | |
|---|-----------------------------------|--------------------------------------|-----------------------------------|
| | Actual 2011 <u>Activity</u> | Projected 2012 <u>Activity</u> | Proposed 2013 <u>Budget</u> |
| Cash Balance - January 1st | 1,091,658 | 1,970,237 | 1,717,002 |
| Revenues: | | | |
| Investment Earnings | 797 | 960 | 875 |
| Repayments on Outstanding Loans | 772,632 | 303,805 | 258,350 |
| Transfer from District-Specific Loan Fund | 105,196 | - | - |
| Misc. Services | - | - | - |
| Total Revenues | 878,625 | 304,765 | 259,225 |
| Total Available | 1,970,283 | 2,275,002 | 1,976,227 |
| Expenditures: | | | |
| Grants/Awards | - | - | - |
| Other Services & Charges | 46 | - | - |
| Loans: | | | |
| Downtown | - | - | 541,777 |
| East Downtown | - | - | 250,000 |
| Lincoln Park | - | - | 250,000 |
| Hillside | - | - | - |
| Bridge Loan - Fund 860 - for Atlas Infrastructure | - | 370,000 | - |
| Bridge Loan - DSPA to repay | - | 188,000 | - |
| Total Expenditures | 46 | 558,000 | 1,041,777 |
| Cash Balance - December 31st | 1,970,237 | 1,717,002 | 934,450 |

* - \$1,000,000 has been made available for Upstairs Housing projects in the downtown area.

- Upstairs Housing loans will be tracked separately and remain in the Storefront Loan Fund. The amount available for Upstairs Loans can be calculated at any time by subtracting the sum of the outstanding Upstairs Housing loan balances from \$1,000,000.
- Amounts will be offered to qualified borrowers at a zero interest rate, payable over 7 years.