

**THE MINUTES OF THE Workshop MEETING OF THE
HIBBING ECONOMIC DEVELOPMENT AUTHORITY
Monday, December 16, 2024**

Meeting Information

- Date & Time: 2024-12-16 6:09:07 pm
- Location: Hibbing City Hall Council Chambers
- Attendees: Present at roll call President Shari Majkich Brock, Vice President Steve Jurenes, Member Pete Hyduke, Member Roger Kivela, Member Jennifer Hoffman Saccoman, and Member John Schweiberger. Member Mike Egan was absent. Also present were City Administrator Greg Pruszinske, Attorney Andy Borland, Community Development Director Betsy Olivanti, and Finance Director-Treasurer Sheena Mulner.

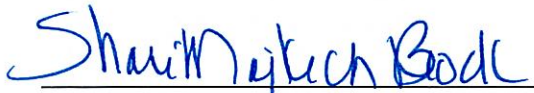
Discussion

1. **Tax Increment Financing (TIF) Overview**
Mikaela Hewitt from Baker Tilly presented an overview of Tax Increment Financing (TIF), explaining its purpose, eligible expenses, and its role in the 400 Block Redevelopment Project.
2. **400 Block Redevelopment Discussion**
The discussion focused on the pre-development work for the 400 block redevelopment, including the need for a substandard declaration for certain buildings and the potential inclusion of the Teske building, 402 E Howard Street, Hibbing, MN 55746.
3. **Financial Considerations and TIF Agreement**
The financial aspects of the redevelopment were discussed, including the developer's request for a 26-year TIF agreement, potential grants, and loans. The developer's financial gap and willingness to sign a minimum assessment agreement were also considered.
4. **Next Steps and Developer Requirements**
The committee discussed the next steps, including the need for more financial details from the developer by the January 27, 2025 HEDA Meeting and the potential restructuring of financing if the \$750,000 Mn DEED Mainstreet Revitalization grant is not awarded.

Next Steps

1. Further discussion is needed on the developer's financial statement, the identified gap and their willingness to sign a minimum assessment agreement, as this is crucial for moving forward with the project.

2. The project may face delays if the \$1,750,000 in grants are not awarded, necessitating a restructuring of financing options to ensure project continuity. This amount is applied for from the following organizations in the amounts as indicated:
 1. Mn DEED Mainstreet Revitalization Grant - \$750,000
 2. Mn Dept. of Iron Range Resources & Rehabilitation Housing Grant - \$500,000
 3. Mn Dept. of Iron Range Resources & Rehabilitation Downtown Commercial Infill Grant - \$500,000
3. Mikaela and Betsy will request more detailed financial information from the developer by January 27th to accurately assess the feasibility and financial viability of the project to include:
 1. Developer's financial statement
 2. Refined pro forma and sources/uses with financial gap and need for TIF
 3. Willingness to sign a minimum assessment agreement for the property



President Shari Majkich Brock



Community Development Director Betsy Olivanti