

# LOT D: THE WHARF



## 2024 BONDING REQUEST



Degraded seawall infrastructure threatens \$3.5M worth of Great Lakes Restoration Initiative funded contamination capping in adjacent slip.



### Opportunities in the restoration of the site for development include:

- Urgent need to address the erosion of seawall infrastructure and protection of remaining state-funded cleanup infrastructure as well as soil contamination.
- Opportunity of restoring industrial working waterfront area and address immediate need for sites for destination manufacturing and job creation.
- Activate a public gathering space offering access for residents and tourists to the water and views of the lake's active shipping harbor.
- Gaining critical residential housing units to meet shortage and future demand.
- The U of M is currently conducting a site needs assessment for LLO to identify potential locations for a new Large Lakes Observatory facility, which includes the study of Lot D and existing campus locations.





Project Costs and Funding:	
Project Cost Category	
Design Development (Inspections, Permits, Seawall)	\$ 1,225,000
Other Design Costs	\$ 2,480,458
Infrastructure/Road/Utilities	\$ 4,146,980
Site and Building	\$ 8,340,928
Construction Administration	\$ 582,024
Other Construction (General Conditions, Permits)	\$ 946,621
Construction Contingency	\$ 1,919,807
MMB Added Inflation	\$ 2,049,199
<b>Total Project Costs</b>	<b>\$ 21,691,017</b>
City of Duluth Match	\$ 10,845,509
<b>BONDING REQUEST</b>	<b>\$ 10,845,509</b>

# \$1.0M

INVESTMENT TO DATE  
BY FEDERAL, STATE,  
AND LOCAL AGENCIES

Project	Multifamily North	Multifamily South	Hotel A	Hotel B	Food Hall	Distillery/Brewery
Estimated New Construction Cost	\$ 71,750,000	\$ 64,500,000	\$ 29,340,000	\$ 29,340,000	\$ 1,600,000	\$ 10,000,000
<b>Total</b>						<b>\$206,530,000.00</b>

Market Value & Annual Tax Generation (Estimated as of 01/2024)			
Type		Market Value	Annual Prop. Tax Estimate
Multifamily	545 units @ \$200K/unit	\$ 109,000,000	\$ 1,700,000
Hotel	326 units @ \$139K/unit	\$ 45,314,000	\$ 1,133,000
Distillery/Food Hall	29,000 SF @ \$320K/SF	\$ 9,280,000	\$ 232,000

Market Value Creation	Annual Tax Generation
<b>\$ 163,594,000</b>	<b>\$ 3,065,000</b>

## REDEVELOPMENT OPPORTUNITY

Located in the Bayfront District, Lot D offers opportunity for **equitable public experiences** including view of the iconic Aerial Lift Bridge and the shipping harbor in one of the most visible and distinctive areas in the City of Duluth.

Investments in public spaces will include **dedicated parkland** for the extension of the Lakewalk and a public plaza directly on the waterfront.

**\$250-\$300 million in private investment** will include housing across income levels, freshwater research laboratory, food hall, hospitality, and a potential distillery.

