



Board: Downtown Development Authority
Agenda Date: April 28, 2026
Presenter: Patricia West

Staff Report

Agenda Item Title:

Additional North Shore Payment Discussion

Background:

This discussion was postponed in the March DDA meeting pending additional information on our average return on investments provided by the City Treasurer. The Treasurer is closing out the 2025-2026 fiscal year, and has asked to postpone this discussion to June.

During the February 2026 DDA Regular Meeting, the Board discussed the possibility of making an additional payment toward the North Shore loan at the end of the current fiscal year, given the anticipated contribution to the DDA fund balance.

Annual loan payments are made each December, and the loan is structured with a 15-year term. Payments began in December 2022 and are scheduled to conclude in December 2036.

At the close of the fiscal year on March 31, 2026, the DDA is projected to contribute approximately \$55,000 to the fund balance. With this contribution, the fund balance is expected to exceed \$300,000.

Insights with a March 2026 Payment:

- \$25,000 – Loan paid off in 2036 with ~\$8300 saved in interest
- \$50,000 – Loan paid off one year earlier with ~\$16,500 saved in interest
- \$75,000 – Loan paid off one year earlier with ~\$24,000 saved in interest

These estimates assume the regular annual payment schedule remains unchanged.

Fiscal Effect:

The current annual loan payment is \$61,245.24, including principal and interest. The fiscal impact of an additional payment would depend on the amount authorized by the Board.

Supporting Documentation:

North Shore Loan Repayment Schedule Options

Recommendation:

Discuss whether making an additional payment toward the North Shore loan is advisable currently and, if so, determine an appropriate payment amount.