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NorShor financing plan takes shape

Heavy on public money, the package also has multiple layers of oversight, review

By RON BROCHU

With such a large amount of public money funding the NorShor Theater's restoration, how can taxpayers be assured the venture won't go the way of Technimar or Great Lakes Aquarium, forcing them to pay unanticipated costs?

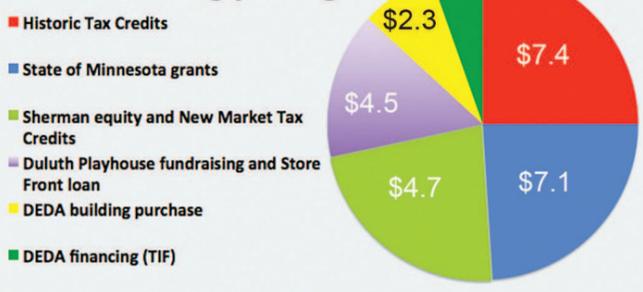
The key difference is experience, said Herbert Minke III, board chairman for the Duluth Playhouse, which will manage and produce shows for the historic entertainment venue.

"This is not a new venture. This is what we've done for 100 years," explained Minke, an MBA grad who earned CPA credentials early in his career. "I think we have a good plan and a very solid plan."

Estimated to cost \$29.6 million, the project has generated good and bad feedback around Duluth. Some people are staunch supporters while others fear tax increases. Another group thinks the money would be better spent on improving Duluth's streets. To address those concerns, city Chief Administrative Officer David Montgomery issued a news release Sept. 1 telling taxpayers not to worry about the funding package. He said there



Breakdown of the \$29.6 million financing package



will not be a local tax impact.

"None of the funding comes from homeowners' property taxes, and none of it takes money away from police protection, street repair or any other city services," he wrote in the statement, which most local media ran without posing questions.

His spin that funding was originating from sources outside of Duluth is correct, yet much of the money still will originate from

NorShor continues on page 4

Despite high risk, state signed off on Kestrel deal without proper review

CEO reiterates claim state lied about financing

By DANIELLE KAEDING
Wisconsin Public Radio

A top Wisconsin economic development official called a project to build an airplane manufacturing facility in Superior the



Kestrel photo

The Kestrel K-350 was to be constructed in Superior.

most risky investment the agency had ever funded through the federal New Market Tax Credit program. Still, the state gave taxpayer money and incentives to an aircraft company despite the risk and without proper review in an effort to create jobs that have yet to be realized.

In January 2012, Gov. Scott Walker visited Superior to announce what was billed as the city's largest job creation effort by a manufacturer since World War II. Superior Mayor Bruce Hagen said he had and still has high hopes for the project.

"Show me another place where there are 600 jobs that are potentially available with great growth opportunities similar to what Cirrus is in Du-

KESTREL continues on page 19

ACA insures more in Minnesota

Effects aren't all positive

By BETH BILY

When the Affordable Care Act was signed into law in 2010, proponents declared a new era in healthcare. More Americans than ever would have access to insurance and thus, healthcare, than ever before.

And, it appears that greater numbers than ever are, in fact, insured. By May 2014, 95 percent of Minnesotans had health insurance. The percentage of uninsured individuals fell by 40.6 percent from Sept. 30, 2013, to May 1, 2014, according to information from MNSure, Minnesota's healthcare exchange.

Karen Walter, a benefit outreach specialist with Community Action Duluth and MNSure navigator, said she's seeing a lot of people coming through her door who are paying less for insurance than before as well as a number of people who



have obtained health insurance for the first time.

Megan Helena, program director with Duluth-based Generations Health Care Initiatives – a private nonprofit that aims to promote increased access to healthcare, noted the ACA also has helped those who previously couldn't get insurance for non-financial reasons.

"I worked with one self-employed person whose wife had had cancer," she said. The ACA "was helpful because she couldn't be shut out" from insurance.

Navigators, or individuals who help others through the online healthcare exchange such as Walter and Helena, understand the ins and outs well. They've

successfully helped many sign up through the MNSure website, which can be difficult to navigate if one isn't familiar with the system.

Many of those Walter and Helena work with in Minnesota qualify for assistance through one of two public assistance programs – Medical Assistance or MinnesotaCare, both of which provide financial relief for low-income individuals and families. Others may still qualify for tax credit relief by signing up for a qualified health plan (QHP), available through MNSure to those who can't obtain insurance through their employer.

Through the MNSure exchange, a family of four could have an annual income of up to \$97,000 and still qualify for some tax credit. While it's financial relief for many, those middle class individuals and families who don't qualify for any tax credit or assistance can find both the premiums and the deductibles daunting.

"The deductibles are definitely high,"

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