

DULUTH ECONOMIC DEVELOPMENT AUTHORITY

Tuesday, July 5, 2005

Meeting Minutes

MEMBERS PRESENT: Neill Atkins, Greg Gilbert, Laurie Johnson, Tim Little, Roger Reinert, Jim Stauber, Russ Stewart

MEMBERS ABSENT: Donny Ness, Russ Stover

OTHERS PRESENT: Tom Cotruvo, Robert Asleson, Heidi Timm-Bijold, Kathie Severson, Wayne Parsons, Kevin Scharnberg, David Ross, John Miller, Bill Burns, media

CALL TO ORDER

APPROVAL OF MINUTES - June 6, 2005

MOTION: (Stauber/Johnson) To approve minutes of June 6, 2005.
MOTION PASSES UNANIMOUSLY.

RESOLUTION FOR APPROVAL

05D-48 - RESOLUTION AUTHORIZING A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT WITH CNN PROPERTIES, LLC RELATING TO AN ASSISTED LIVING PROJECT IN THE IRVING NEIGHBORHOOD

Timm-Bijold said that this agreement was not ready for approval and requested that Commissioners table this Resolution.

MOTION: (Atkins/Stewart) To Table Resolution 05D-48.
MOTION PASSES UNANIMOUSLY.

05D-42 - RESOLUTION AUTHORIZING AGREEMENT WITH PRAXAIR, INC. AND THE CITY OF DULUTH FOR GRANTING OF EASEMENTS FOR TEMPORARY AND PERMANENT STREET CONSTRUCTION IN ONEOTA III

RESOLVED, by the Duluth Economic Development Authority (DEDA) that the proper DEDA officials are hereby authorized to enter into an agreement substantially in the form of that attached hereto as DEDA Agreement No. 05 865 _____ with Praxair Inc. and the City of Duluth granting a temporary easements over certain property in Oneota III for the temporary and permanent extension of a roadway connecting West Superior Street to West Michigan Street.

Timm-Bijold described this agreement pursuant to which the City will retain temporary and permanent easements over portions of property in Oneota III for a roadway connecting West Superior Street to Michigan Street.

MOTION: (Little/Johnson) To approve Resolution 05D-42.
MOTION PASSES UNANIMOUSLY.

05D-46 - RESOLUTION AUTHORIZING APPLICATION TO AMEND ZONING OF ONEOTA III TO IP

RESOLVED, by the Duluth Economic Development Authority (DEDA) that the proper DEDA officials are hereby authorized to do all things necessary to initiate and apply for the amendment of the zoning applicable to that area known as Oneota III from M-2 to IP and to pay all costs associated with said application, said sums to be paid from Fund 0865.

Timm-Bijold said the original R-2 zoning changed when Oneota Industrial Park and Oneota II were created and the property around 39th Avenue West was rezoned to M-2 to accommodate development adjacent to the freeway exit. The City and DEDA recommend the area be rezoned to IP (Industrial Park) to accommodate the most appropriate uses of the property in that area.

MOTION: (Little/Johnson) To approve Resolution 05D-46.
MOTION PASSES UNANIMOUSLY.

05D-47 - RESOLUTION AUTHORIZING AGREEMENT TO PURCHASE THE BOWCORP PROPERTY FOR THE FIRST STREET MEDICAL FACILITIES PARKING RAMP

RESOLVED, by the Duluth Economic Development Authority (DEDA), that the proper DEDA officials are hereby authorized to enter into an agreement (DEDA Contract No. _____) substantially in the form attached hereto with Bowcorp, Inc. or its related authorizing the purchase of the below-described property in St. Louis County, Minnesota for the sum of not to exceed \$792,500, payable from Fund 0865, Development District No. 22:

Lots 1-7 inclusive, Block 26, PORTLAND DIVISION

Cotruvo introduced this resolution saying that DEDA will purchase of property on Superior Street from Bowcorp Inc. for \$792,500 for use in the development of the First Street Medical Facility Parking Ramp. This cost is slightly higher than originally budgeted. Sherman is scheduled to close on the Bowcorp property on July 18, 2005, so DEDA's agreement is with Sherman. Burns gave a brief update on the hotel project schedule which will begin construction in the fall of 2005. The proposed parking ramp size is being reduced from 1,000 to 600 spaces. Cotruvo described the proposed changes to the parking lot.

MOTION: (Little/Stauber) To approve Resolution 05D-47.
MOTION PASSES UNANIMOUSLY.

05D-49 - RESOLUTION AUTHORIZING THE PURCHASE OF CERTAIN TAX-FORFEITED PROPERTY FROM THE STATE OF MINNESOTA THROUGH ST. LOUIS COUNTY SUBJECT TO A MUTUALLY ACCEPTABLE AGREEMENT BETWEEN DEDA AND SPIRIT VALLEY CITIZENS NEIGHBORHOOD DEVELOPMENT ASSOCIATION

RESOLVED, by the Duluth Economic Development Authority (DEDA), that the proper DEDA officials are hereby authorized to purchase the tax-forfeited property described below in St. Louis County, Minnesota from the State of Minnesota through St. Louis County subject to a mutually acceptable agreement between DEDA and Spirit Valley Citizens Neighborhood Development Association (SVCNDA) pursuant to which Developer agrees to pay all DEDA's costs in

**acquiring said tax-forfeited property from the State:
Lots 5, 6 and 7, Block 186, West Duluth Seventh Division**

Severson described this purchase.

MOTION: (Atkins/Johnson) To approve Resolution 05D-49.
MOTION PASSES UNANIMOUSLY.

05D-51 - RESOLUTION AUTHORIZING A FOURTH FEST AGREEMENT WITH LOU CAMPBELL, THE CITY OF DULUTH AND THE LAKE SUPERIOR CENTER AUTHORITY

RESOLVED, by the Duluth Economic Development Authority (DEDA) that the proper DEDA officials are hereby authorized to enter into an agreement (DEDA Contract No. _____), substantially in the form of that attached hereto, with Lou Campbell d/b/a Lou Campbell Productions (Contractor), the City of Duluth (City) and the Lake Superior Center Authority (LSCA) pursuant to which the Contractor agrees to produce, promote and manage three special events: the National Act, Tribute Weekend and Fourth Fest at Bayfront Festival Park at no cost to DEDA.

FURTHER RESOLVED, that proceeds of parking on certain DEDA lots west of Slip 2 shall be made available to and controlled by the Duluth Police Explorers (the Explorers).

MOTION: (Stewart/Johnson) To approve Resolution 05D-51.
MOTION PASSES UNANIMOUSLY.

05D-52 - RESOLUTION AUTHORIZING A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT WITH A&L DOWNTOWN HOUSING, LLC RELATING TO THE BRIDGEMAN-RUSSELL AND STRAND THEATRE PROJECT

RESOLVED, by the Duluth Economic Development Authority (DEDA) that the proper DEDA officials are hereby authorized to enter into a first amendment to development agreement (DEDA Contract No. _____), substantially in the form of that attached hereto, with A&L Downtown Housing, LLC (Developer) pursuant to which the Project will be separated into two phases.

Timm-Bijold indicated that this project will be divided into two phases. The Bridgeman/Russell will be completed in Phase I and the Strand Theatre will be completed in Phase II, which will consist of 18-21 units of market-rate housing. September 2006 is the deadline for the Strand Theatre portion of the project.

MOTION: (Stewart/Johnson) To approve Resolution 05D-52.
MOTION PASSES UNANIMOUSLY.

The meeting was adjourned.