

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
Wednesday, January 28, 2015 - 5:15 p.m.  
COUNCIL CHAMBERS, THIRD FLOOR CITY HALL**

**MINUTES**

**Call To Order:** The January 28, 2015, meeting of DEDA was called to order by President Norr at 5:16 p.m.

**Present:** Nancy Aronson Norr, Jay Fosle, John Heino, Emily Larson, Tim McShane, Don Monaco

**Excused:** Linda Krug

**Others Present:** Bob Asleson, Joan Christensen, Christopher Eng, John Erickson, Alex Giuliani, Sandy Hoff, Bronwyn Lipinski, Tom Lund, Peter Passi, Mark Pilon, John Ramos, Kevin Scharnberg, Sonda Strom Larson, Heidi Timm-Bijold

**APPROVAL OF MINUTES:** December 17, 2014. Accept as written. Vote: Unanimous  
McShane/Monaco (5-0)

**RESOLUTIONS FOR APPROVAL**

**NEW BUSINESS**

1. **RESOLUTION 15D-01: RESOLUTION ELECTING OFFICERS FOR THE YEAR 2015**

**Discussion:** Monaco nominated Norr for President, McShane for Vice-President, Larson for Secretary and Fosle for Treasurer.

**Vote to Approve Resolution 15D-01:** Passed Unanimously Monaco/Larson (5-0)

*Heino arrives 5:19*

2. **RESOLUTION 15D-02: RESOLUTION ADOPTING A SCHEDULE OF REGULAR MEETING DATES FOR THE YEAR 2015**

**Vote to Approve Resolution 15D-02:** Passed Unanimously Monaco/Heino (6-0)

3. **RESOLUTION 15D-03: RESOLUTION AUTHORIZING AN AGREEMENT TO INSURE CERTAIN DEDA PROPERTY UNDER THE CITY OF DULUTH'S PROPERTY AND BOILER INSURANCE POLICIES IN AN AMOUNT NOT TO EXCEED \$16,480**

**Staff:** Eng explained that this is an annual insurance renewal for the MRO, NorShor Theatre and Temple opera building with a 3% increase from last year.

**Discussion:** Heino asked if anyone checks to make sure we are getting the best rates, and Eng said that Don Douglas from the City Attorney's office does make sure to get the best rates.

**Vote to Approve Resolution 15D-03:** Passed Unanimously Heino/Larson (6-0)

**4. RESOLUTION 15D-04: RESOLUTION AUTHORIZING EXECUTION OF A CONSENT AND ESTOPPEL CERTIFICATE AND A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH PIER B HOLDING, LLC**

**Staff:** Timm-Bijold explained a change in the terms of this amendment that includes personal guarantees from all 15 investors in the LLC at 125%. There is no fee to DEDA and it is an interest bearing account.

**Discussion:** President Norr asked that the three separate agreements within this resolution be voted on individually.

**Vote to Approve Resolution 15D-04:** Development Agreement Third Amendment Passed Heino/Fosle (5-0-1) McShane abstains

**Vote to Approve Resolution 15D-04:** Escrow and Disbursement Agreement Passed Monaco/Larson (5-0-1) McShane abstains

**Vote to Approve Resolution 15D-04:** Consent and Estoppel Agreement Passed Monaco/Fosle (5-0-1) McShane abstains

**5. RESOLUTION 15D-05: RESOLUTION AUTHORIZING A REDEVELOPMENT APPLICATION TO THE STATE OF MINNESOTA FOR THE HARBOR BAY (21<sup>ST</sup> AVENUE EAST & LONDON ROAD) PROJECT**

Eng requested that the 21st Avenue East & London Road Presentation occur before the resolution is discussed.

Eng gave an overview and timeline of the project. Developer Tom Lund added some details about the project which will start in May with the first residents arriving in June 2016. There will be 64 parking spots near London Road for residents and retail, and a 220 stall parking deck. They are looking at the possibility of Green Globes certification. Fosle asked Eng to send the project schedule and rents to the Council members.

**Staff:** Timm-Bijold explained that the redevelopment grant program through DEED can provide up to 50% of eligible costs of the project, which totals \$545,900. The eligible



costs will include rerouting of sanitary sewer, demolition of remaining structures on site, construction of curbs and sidewalks, and paving and resurfacing of London Road and 26<sup>th</sup> Avenue East; half of the project costs equals \$272,950.

**Vote to Approve Resolution 15D-05:** Passed Unanimously McShane/Larson (6-0)

## DISCUSSION

1. **21<sup>ST</sup> AVENUE EAST & LONDON ROAD PRESENTATION**

See notes above.

2. **DIRECTOR'S REPORT**

- A) Eng notified the Commissioners that a Special Meeting will be necessary regarding the NorShor project and asked about availability. A meeting will be scheduled very soon.

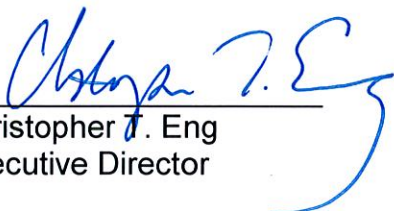
Monaco asked for a Playhouse update at the Special Meeting. Norr suggested that we ask them to join us at the meeting.

*McShane exits 6:07.*

Larson asked why the urgency of action next week. Eng said this requires double action tied to New Market Tax Credits for both the DEDA Board and the City Council.

**ADJOURNMENT:** President Norr adjourned the January 28, 2015 meeting of the DEDA at 6:11 p.m.

Respectfully submitted,

  
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Christopher T. Eng  
Executive Director

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