

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
Wednesday, May 23, 2018 - 5:15 p.m.  
COUNCIL CHAMBERS, THIRD FLOOR CITY HALL**

**MINUTES**

- Call To Order:** The May 23, 2018 meeting of DEDA was called to order by Vice President Cartier at 5:15 p.m.
- Present:** Matt Cartier, Craig Chilcote, Elissa Hansen, Zack Filipovich, Barb Russ
- Others Present:** Ingrid Hornibrook, Heather Rand, Joan Christensen, Bob Asleson
- Absent:** Nancy Aronson Norr, Tim McShane

**PUBLIC TO ADDRESS THE COMMISSION**

**PUBLIC HEARINGS**

**APPROVAL OF MINUTES:** March 28, 2018 meeting

**Vote to approve the March 28, 2018 meeting minutes:** Unanimous Filipovich/Hansen (5-0)

**APPROVAL OF CASH TRANSACTIONS – March 01, 2018 to April 30, 2018**

**Vote to approve cash transactions:** Unanimous Filipovich/Chilcote (5-0)

Rand noted an accounting switch from debt services into capital projects that should have always been in debt services and gave an update on the AAR lease negotiation and funds available in the MRO facility. Rand recommended reserving those funds for building maintenance.

**NEW BUSINESS**

**RESOLUTIONS FOR APPROVAL**

- 1. RESOLUTION 18D-13: RESOLUTION AUTHORIZING A SECOND AMENDMENT TO LAND SALE AGREEMENT WITH DULUTH HEIGHTS, LLC**

**Staff:** Rand explained this resolution accommodates the Duluth Heights, LLC's accounting.

**Discussion:**

**Vote to Approve Resolution 18D-13:** Passed Unanimously (Chilcote/Filipovich 5-0)

2. **RESOLUTION 18D-14: RESOLUTION APPROVING A THIRD AMENDMENT TO THE AGREEMENT WITH ETOR PROPERTIES LIMITED LIABILITY COMPANY TO LEASE PROPERTY IN THE NORTHWEST IRON LOT FOR PUBLIC PARKING PURPOSES**

**Staff:** Rand explained this enables public parking to be provided in Canal Park.

**Discussion:**

**Vote to Approve Resolution 18D-14:** Passed Unanimously (Hansen/Chilcote 5-0)

3. **RESOLUTION 18D-15: RESOLUTION ADOPTING AN INDUSTRIAL DEVELOPMENT BOND POLICY**

**Staff:** Rand explained that the major change in DEDA's Industrial Bond Policy would be to lower the interest rate charged from 1% to .25%. Rand gave comparisons of similar cities to Duluth and noted their interest rate charge is closer to the recommended .25%. Christensen noted some changes to the language to make it more readable.

**Discussion:**

**Vote to Approve Resolution 18D-15:** Passed Unanimously (Filipovich/Chilcote 5-0)

4. **RESOLUTION 18D-16: RESOLUTION AUTHORIZING SECOND AMENDMENT TO THE DEDA CONTRACT NO.17 860 858 WITH SUPERIOR INDUSTRIAL LLC EXTENDING THE DATE FOR CLOSING, MODIFYING THE LEGAL DESCRIPTION AND SUBSTITUTING ATHE DEED FORM**

**Staff:** Asleson gave a history of the land uses regarding the parcel in question in this resolution. This amendment would clean up title work. 18D-17 grants a separate easement document to rededicate property so streets can be established and properly recorded. Asleson went over amended provisions in the development agreement.

**Discussion:**

**Vote to Approve Resolution 18D-16:** Passed Unanimously (Filipovich/Chilcote 5-0)

**5. RESOLUTION 18D-17: RESOLUTION AUTHORIZING GRANT OF EASEMENT FOR WEST SUPERIOR STREET AND 38<sup>TH</sup> AVENUE WEST TO CITY OF DULUTH**

**Staff:** See staff comments under Resolution 18D-16.

**Discussion:**

**Vote to Approve Resolution 18D-17:** Passed Unanimously (Filipovich/Chilcote 5-0)

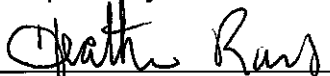
**DISCUSSION**

**DIRECTOR'S REPORT**

Rand reminded commissioners of studies and projects staff are involved in to spur further economic development such as traffic flow during super events at DECC in Canal Park, advocating to MnDOT for a new Twin Ports Interchange frontage road between Lincoln Park and Lot D, downtown parking study, Atlas business park geo-tech study, Pastoret Terrace EAW drafting, Waseca Industrial Park rail spur purchase negotiation potential, sale of small parcels next to Irving School, 2900 W Michigan street potential parcel sale to adjoining property owner. Other June agenda items may include revised DEDA budget, the acceptance of the annual audit, Lot D Memo of Understanding, extending the West Duluth Theater agreement, and Northforce financial support. Rand updated commissioners on continued work with Verso and the sale of the Temple Opera building. Chilcote requested an update on the lawsuit regarding the Pastoret. Rand advised commissioners to anticipate further lawsuits. Filipovich asked if the Pastoret demolition decision would go to the Historic Preservation Commission. Rand will get back to commissioners on the demolition process for the Pastoret. Filipovich asked what the Lot D financial gap is and Rand suggested she follow up with commissioners at a later date on Lot D.

**ADJOURNMENT:** Vice President Cartier adjourned the May 23, 2018 meeting of the DEDA at 6:01 p.m.

Respectfully submitted



Heather Rand  
Executive Director  
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