

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
Wednesday, May 28, 2014 - 5:15 p.m.  
COUNCIL CHAMBERS, THIRD FLOOR CITY HALL**

**MINUTES**

**CALL TO ORDER:** The May 28, 2014, meeting of DEDA was called to order by President Norr at 5:15 p.m.

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

**Others Present:** Bob Asleson, Joan Christensen, Christopher Eng, Brian Hanson, Randy Lasky, Chris Maddy, Mike Matteucci, Kevin Scharnberg, Sonda Strom-Larson, Anna Tennis, Heidi Timm-Bijold, Patrick Waldron

**PUBLIC HEARINGS**

1. **RESOLUTION 14D-22: RESOLUTION AUTHORIZING THE PURCHASE OF CERTAIN TAX-FORFEITED PROPERTY FROM THE STATE OF MINNESOTA THROUGH ST. LOUIS COUNTY AND AUTHORIZING THE SALE OF SAID PROPERTY TO WISCONSIN CENTRAL LTD.**

*No public comment.*

2. **RESOLUTION 14D-23: RESOLUTION AUTHORIZING A LAND SALE AGREEMENT WITH WISCONSIN CENTRAL LTD. IN THE AMOUNT OF \$18,500 RELATED TO PROPERTY AT THE FORMER ATLAS CEMENT PLANT SITE**

*No public comment.*

**APPROVAL OF MINUTES:** April 23, 2014 Accept as written. Vote: Unanimous Krug/Larson (7-0)

**RESOLUTIONS FOR APPROVAL**

**NEW BUSINESS**

1. **RESOLUTION 14D-22: RESOLUTION AUTHORIZING THE PURCHASE OF CERTAIN TAX-FORFEITED PROPERTY FROM THE STATE OF MINNESOTA THROUGH ST. LOUIS COUNTY AND AUTHORIZING THE SALE OF SAID PROPERTY TO WISCONSIN CENTRAL LTD.**

**Staff:** Eng explained that DEDA will acquire the land from the county then sell it to CN,

acting as a pass-through, to correct a bottle-neck area of the CN track.

**Vote to Approve Resolution 14D-22:** Passed Unanimously Fosle/Larson (7-0)

2. **RESOLUTION 14D-23: RESOLUTION AUTHORIZING A LAND SALE AGREEMENT WITH WISCONSIN CENTRAL LTD. IN THE AMOUNT OF \$18,500 RELATED TO PROPERTY AT THE FORMER ATLAS CEMENT PLANT SITE**

**Vote to Approve Resolution 14D-23:** Passed Unanimously Fosle/McShane (7-0)

3. **RESOLUTION 14D-28: RESOLUTION AUTHORIZING A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH IKONICS CORPORATION RELATING TO FORMER CEMENT PLANT SITE**

**Staff:** Timm-Bijold explained that the CN may need to trench an area in the Ikonics option area which caused the need for this amendment.

**Discussion:** Fosle asked about the contamination of site, and Timm-Bijold said it was cleaned to industrial standards. Because of a soil management area where capped contaminated soil is stored on the Ikonics portion of land, the CN will have to work with the MPCA when building the new track. Norr asked how Ikonics is supporting this issue. Christensen responded that both Ikonics and DEDA are waiving their rights to the slivers of land being sold the CN.

**Vote to Approve Resolution 14D-28:** Passed Unanimously Krug/Larson (7-0)

4. **RESOLUTION 14D-24: RESOLUTION AUTHORIZING A LICENSE AGREEMENT WITH GRANDMA'S MARATHON-DULUTH, INC. FOR THE USE OF DEDA PARKING LOTS IN YEARS 2014, 2015, AND 2016**

**Staff:** Eng reported that staff negotiated some marketing recognition during the race and in race materials, including promotion of the Northforce.org website.

**Vote to Approve Resolution 14D-24:** Passed Unanimously Monaco/Heino (7-0)

5. **RESOLUTION 14D-25: RESOLUTION AMENDING AND APPROVING THE 2014 DEDA BUDGETS**

**Staff:** Scharnberg reviewed the main changes in this amended budget.

**Discussion:** Monaco asked about the bottom line for fund 860, and other ways to increase revenue. Eng said that revenue bonds and parking revenues are the main revenues to DEDA, and noted that the future strategic planning meeting would be a good time for the board to discuss more ways to increase DEDA revenues.

**Vote to Approve Resolution 14D-25:** Passed Unanimously Larson/McShane (7-0)

**6. RESOLUTION 14D-26: RESOLUTION APPROVING AN AMENDMENT TO A LICENSE AGREEMENT WITH THE CITY OF DULUTH FOR BAYFRONT PARKING LICENSE AGREEMENT WITH THE CITY OF DULUTH FOR BAYFRONT PARKING**

**Staff:** This amendment will remove Lot C from the license agreement with the City for parking, because Lot C will soon be sold to Pier B. This will reduce parking revenues by approximately \$5,000 a year.

**Discussion:** Fosle asked what Pier B will be paying for Lot C and Eng answered \$650,000.

**Vote to Approve Resolution 14D-26:** Passed Unanimously Fosle/Krug (7-0)

A presentation on the Northforce website was given by Hanson, Lasky and Tennis.

**7. RESOLUTION 14D-29: RESOLUTION AUTHORIZING AN AGREEMENT WITH NORTHSPAN GROUP INC. PERTAINING TO THE NORTHFORCE.ORG WEBSITE AND TALENT COMMUNITY DATABASE IN THE AMOUNT OF \$33,334**

**Discussion:** The Board held a lengthy discussion about the presentation and website.

**Vote to Approve Resolution 14D-29:** Passed Unanimously Fosle/Heino (7-0)

**8. RESOLUTION 14D-30: RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH AREA PARTNERSHIP FOR ECONOMIC EXPANSION (APEX) FOR MARKETING THE NORTHFORCE TALENT COMMUNITY DATABASE**

**Discussion:** The Board held a lengthy discussion about the presentation and website.

**Vote to Approve Resolution 14D-30:** Passed Unanimously Fosle/Krug (7-0)

**9. RESOLUTION 14D-31: RESOLUTION AUTHORIZING FIRST AMENDMENT TO LOAN AGREEMENT WITH THE DULUTH HOUSING AND REDEVELOPMENT AUTHORITY IN THE AMOUNT OF \$230,000 PERTAINING TO THE SEAWAY HOTEL PROJECT**

**Staff:** Eng explained that the HRA has secured funding for this project but needs a 30 day extension for the closing. All other details remain the same.

**Vote to Approve Resolution 14D-31:** Passed Heino/McShane (6-1) Fosle

## DISCUSSION

### 1. NORTHFORCE WEBSITE

### 2. DIRECTOR'S REPORT

- A) The Delta Sky magazine issue is out with the 17 page article of Duluth.
- B) Outside Magazine is running a contest for Best City in the U.S. with Duluth in the running.
- C) A Special meeting is scheduled in one week for Pier B.
- D) The NorShor \$6.9 million in state bond assistance is cash versus bonds.
- E) Golden Valley conference for Duluth will be in July to market and hopefully to bring developers to Duluth.
- F) Next month a \$4.5 M bond for Benedictine Health Center will be on the agenda.

**ADJOURNMENT:** President Norr adjourned the May 28, 2014 meeting of the DEDA at 6:50 p.m.

Respectfully submitted,

  
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Christopher T. Eng  
Executive Director

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