



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Master

File Number: 19-031-O

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Status: Passed

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**Agenda
Section:**

Committee: Planning and
Economic
Development

File Created: 06/14/2019

Subject:

Final Action: 07/08/2019

Title: AN ORDINANCE GRANTING ESSENTIA HEALTH A CONCURRENT USE PERMIT FOR A PRIVATE STRUCTURE CONSISTING OF AN INPATIENT TOWER AND MEDICAL CLINIC OVER THE PLATTED STREET RIGHT OF WAY OF EAST FIRST STREET ALLEY.

Internal Notes: Ordinance by Steven Robertson

Sponsors:

Enactment Date: 07/08/2019

Attachments: Attachment 1, Attachment 2

Enactment Number: 10631

Recommendation:

Hearing Date:

Drafter: cstafford@duluthmn.gov

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	06/24/2019	read for the first time				
1	City Council	07/08/2019	adopted				

Text of Legislative File 19-031-O

AN ORDINANCE GRANTING ESSENTIA HEALTH A CONCURRENT USE PERMIT FOR A PRIVATE STRUCTURE CONSISTING OF AN INPATIENT TOWER AND MEDICAL CLINIC OVER THE PLATTED STREET RIGHT OF WAY OF EAST FIRST STREET ALLEY.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. Under the authority of Section 100 of the 1912 Home Rule Charter of the city of Duluth, as amended, and subject to the conditions, limitations and restrictions hereinafter set forth, permission is granted to St. Mary's Duluth Clinic Health System, dba Essentia Health East, and its successor(s) in interests, referred to herein as the permittee,

to construct and maintain the following:

(a) An inpatient tower and medical clinic, as shown in the exhibit Attachment .

Section 2. Before this ordinance shall be effective for any purpose whatsoever, the permittee shall file with the planning division a certification of insurance approved by the city attorney evidencing that the permittee has in force a policy of insurance meeting the following requirements:

(a) Comprehensive general liability insurance in an amount not less than \$1,500,000 for bodily injuries and in an amount not less than \$500,000 for property damage or \$1,500,000 single limit coverage; and

(b) Insurance coverage shall include all permittee's activities occurring upon or within public right of way or easement occupied pursuant to this ordinance whether said activities are performed by the permittee or its agents or representatives; and

(c) The insurance policy shall contain a condition that it may not be canceled without 30 days written notice to the city of Duluth, directed to the attention of the director of planning and economic development; and

(d) The city of Duluth shall be named as an additional insured; and

(e) The certificate shall also reference this ordinance by its ordinance number.

Section 3. The permit granted by this ordinance may be terminated at any time by the city official exercising departmental authority of the public easement if the city of Duluth determines to use the area occupied by the permittee for any public purpose in accordance with the duly dedicated public easement or other lawful use.

Unless a shorter notice period is necessitated by emergency circumstances, or the violation of the conditions set forth in this ordinance, giving the permittee 60 days written notice delivered to the last known electronic address, facsimile number, or mailing address of the permittee shall be sufficient notice of termination.

Upon termination permittee shall cause all private improvements to be removed by the deadline provided in termination notice. Permittee shall be responsible for all costs incurred to remove the private improvements, including any costs associated with repairing damage caused to the public easement by the removal and without right to claim from the city of Duluth, or any of its officers, agents or servants, any compensation or reimbursement for damages of any kind whatsoever.

Section 4. By accepting the terms of this ordinance, the permittee agrees to hold harmless and defend and indemnify the city of Duluth against claims or demand which may arise against the city of Duluth by reason of the existence of private improvements, or any act or omission of the permittee, its employees, agents, and assigns. The permittee agrees that the city of Duluth shall not be liable for damage caused to the private improvements while the city engages in the repair and maintenance to, or replacement of, the public improvements or public utilities, including any snow removal operations. The permittee agrees to pay to the city of Duluth all extra costs of installation of any public improvements or public utilities made necessary by the presence of the private improvements.

Section 5. The permittee shall, at its expense, protect, support, temporarily disconnect, or remove from the public easement, the private improvements when required by city officials by reason of snow removal, traffic conditions, public safety, street vacation, freeway and street construction, change or establishment of street grade, sidewalks, installation of sewers, drains, water pipes, power lines, signal lines and tracks, the

installation or repair of any type of structures or improvements by governmental agencies, when acting in a governmental or proprietary capacity.

Section 6. Upon the sale or transfer of permittee's interest in the permit granted by this ordinance, the permittee shall provide written notice to the planning division within five days of such transfer. The permittee's successor in interest shall file with the planning division within ten days of such transfer a duly executed and acknowledged written acceptance of the terms of this ordinance and the certificate of insurance required in Section 2 above.

Section 7. The permit granted by this ordinance is subject to termination by the city of Duluth upon permittee's failure to comply with any of the terms and conditions of this permit. Ten days written notice, delivered as provided in Section 3 above shall be sufficient notice of termination. Upon termination, permittee shall remove the private improvements as provided in Section 3.

Section 8. The permittee shall observe the following conditions:

- (a) Permittee's use of the public right of way or easement shall be limited to the designated area described in Section 1 above and further shown on the exhibits; and
- (b) Permittee agrees that the private improvements shall be constructed and maintained in such a manner so as in no way interfere with or damage any portion of any public improvement, or other public utilities now or to hereinafter located in any part of said public easement; and
- (c) Permittee or subsequent owner of the private improvements shall relocate any improvements found to be in conflict with existing or future city utility or street projects; and
- (d) Permittee shall obtain all other permits as may be required by the city, other governmental agencies, and, including, but not limited to obstruction, excavation, electrical, stormwater, etc; and
- (e) Permittee must repair or replace at their expense any damage to anything in the right-of-way caused by the Permittee's permitted installation or operations to the city's reasonable satisfaction; and
- (f) The Permittee shall maintain the private improvements in a good and safe condition, and in compliance with all applicable fire, health, building or other codes or permits as applicable.

Section 9. The following events shall automatically cause the termination of the term of this ordinance:

- (a) The failure by the permittee to file the required insurance certificate as specified in Section 2 60 days after this ordinance takes effect, or to file the insurance certificates annually thereafter; or
- (b) The failure of the permittee to commence the improvements authorized by this ordinance within 180 days after this ordinance takes effect; or

Section 10. That this ordinance shall take effect and be in force 30 days from and after its passage and publication.

STATEMENT OF PURPOSE: This is one of three concurrent use permits allowing private obstructions in the public right of way, granted to Essentia Health East for the new Vision Northland project (replacement hospital bed tower, clinic space, and surgery suites).

PL 19-019, inpatient tower and replacement of a portion of existing clinic over the alley right of way between Superior Street and East First Street;

PL 19-021, inpatient tower and replacement of a portion of existing clinic over First Street and placement of new structural supports within right of way of East First Street,

PL 19-022, private utility work to provide electrical duct banks from the existing emergency generators within the right of way of North 5th Avenue East.

These three concurrent use permits are being reviewed in coordination with a MU-I Planning Review (PL 19-018) and an UDC Map Amendment to rezone (PL 19-023) in conformance with the City's Comprehensive Plan and future land use map.

On May 29, 2019, the Duluth city planning commission held a special public hearing on the proposal as described in Attachment 2, and voted 7 yeas, 0 nays, 0 abstentions, to recommend that the city council approve the request for a concurrent use of streets, with the condition that the applicant comply with all the conditions listed in the ordinance.

Petition received: May 8, 2019

Action deadline: September 5, 2019

Applicant: Essentia Health East

PL 19-019