

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
WEDNESDAY, OCTOBER 23, 2019 - 5:15 P.M.  
COUNCIL CHAMBERS, THIRD FLOOR, CITY HALL  
AGENDA**

**CALL TO ORDER**

**PUBLIC TO ADDRESS THE COMMISSION**

**PUBLIC HEARINGS**

1. **RESOLUTION 19D-31:** RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$179,500
2. **RESOLUTION 19D-33:** RESOLUTION AUTHORIZING AGREEMENT TO ACQUIRE CERTAIN TAX FORFEIT PROPERTY FROM THE STATE OF MINNESOTA THROUGH ST. LOUIS COUNTY AND TO CONVEY IT TO SMDC MEDICAL CENTER FOR THE REGIONAL EXCHANGE DISTRICT PROJECT

**APPROVAL OF MINUTES:** September 25, 2019 Meeting Minutes

**APPROVAL OF CASH TRANSACTIONS** – September 1, 2019- September 30, 2019

**NEW BUSINESS**

**RESOLUTIONS FOR APPROVAL**

3. **RESOLUTION 19D-31:** RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$179,500
4. **RESOLUTION 19D-32:** RESOLUTION AUTHORIZING A MODIFICATION TO THE PARKING MANAGEMENT AGREEMENT DELETING THE IRVIN ANNEX LOT AS A PARKING FACILITY TO BE MANAGED BY INTERSTATE PARKING COMPANY OF MINNESOTA LLC
5. **RESOLUTION 19D-33:** RESOLUTION AUTHORIZING AGREEMENT TO ACQUIRE CERTAIN TAX FORFEIT PROPERTY FROM THE STATE OF MINNESOTA THROUGH ST. LOUIS COUNTY AND TO CONVEY IT TO SMDC MEDICAL CENTER FOR THE REGIONAL EXCHANGE DISTRICT PROJECT
6. **RESOLUTION 19D-34:** RESOLUTION APPROVING THE DEDA 2020 BUDGETS
7. **RESOLUTION 19D-35:** RESOLUTION AUTHORIZING A CONTRACT FOR ASBESTOS ABATEMENT FROM THE PASTORET TERRACE AND ROBESON BALLROOM BUILDINGS WITH ACCT INCORPORATED IN AN AMOUNT NOT TO EXCEED \$65,600

**DIRECTOR'S REPORT**

# Duluth Economic Development Authority

September, 2019 Cash Activity - all DEDA Funds

ACCUMULATED TRANSACTION LISTING, G/L Date Range 09/01/19 - 09/30/2019 (as of 10/14/2019)

G/L Date	Journal Number	Sub Ledg	Name	Beginning Balance	Net Amount	Description
<b>FUND 860 - OPERATING FUND</b>						
09/01/19	2019-00000529	GL	Cost Allocation - DEDA	(33,333.33)		September Cost Allocation to City
09/03/19	2019-00006931	AP	Arrowhead Printing Inc	(129.96)		Festival of Sales
09/03/19	2019-00006931	AP	LHB Engineers & Architects	(12,260.00)		PO 2019-515
09/03/19	2019-00006931	AP	Telephone Associates Inc	(88.39)		Temple Opera Utilities
09/03/19	2019-00006931	AP	Minnesota Power	(50.84)		201 E Superior St
09/03/19	2019-00006931	AP	Minnesota Power	(13.93)		Temple Opera 8 N 2nd Ave E
09/03/19	2019-00006931	AP	Ehlers and Associates Inc	(122.50)		TIF Consulting Board of Trade
09/03/19	2019-00006931	AP	Ehlers and Associates Inc	(295.00)		Flats at Lincoln Park
09/03/19	2019-00006931	AP	Ehlers and Associates Inc	(980.00)		Lake & First Project
09/03/19	2019-00006931	AP	Ehlers and Associates Inc	(1,170.00)		Lake & First Project
09/03/19	2019-00006931	AP	Ehlers and Associates Inc	(3,307.50)		Board of Trade
09/03/19	2019-00006931	AP	Duluth Airport Authority	(23,079.00)		Cirrus Lots 18 & 19
09/03/19	2019-00006931	AP	Beauty Lawn Care Service	(110.00)		5907 Grand Ave Lawn Care
09/04/19	2019-00007051	RA	PaygroupOReilly LLC	424.36		DEDA Lease Payment
09/12/19	2019-00007312	GL	Transfer to Reimburse General Fund for FedEx	(61.61)		Transfer to Reimburse General Fund for DEDA Federal Express shipment
09/13/19	2019-00007335	RA	One Roof Community Housing	3,000.00		DEDA payment Decker Dwellings Application Fee
09/16/19	2019-00007301	AP	Ehlers and Associates Inc	(735.00)		C19-860-902-Economic development and TIF professional services
09/16/19	2019-00007301	AP	Charter Communications	(10.33)		201 E Superior St Final Bill
09/16/19	2019-00007301	AP	Duluth Public Utilities - Comfort Systems	(46.00)		203 E Superior St 7/23-8/21
09/16/19	2019-00007301	AP	Duluth Public Utilities - Comfort Systems	(64.71)		8 N 2nd Ave E 7/23/19-8/21/19
09/16/19	2019-00007301	AP	Duluth Public Utilities - Comfort Systems	(49.85)		8 N 2nd Ave E 7/23/19-8/21/19
09/16/19	2019-00007301	AP	Duluth Public Utilities - Comfort Systems	(110.48)		8 N 2nd Ave E 7/23/19-8/21/19
09/16/19	2019-00007301	AP	Duluth Public Utilities - Comfort Systems	(46.00)		201 E Superior St 7/23/19-8/28/19
09/16/19	2019-00007301	AP	Minnesota Power	(276.12)		7/14/19-8/14/19
09/16/19	2019-00007301	AP	Minnesota Power	(13.93)		7/14/19-8/14/19
09/16/19	2019-00007368	RA	Red Wagon	1,443.85		Rent payment for August 2019
09/16/19	2019-00007368	RA	Rachel Development	295.00		Invoice #2019-00000241
09/17/19	2019-00007383	RA	Interstate Parking Services	105,770.12		Parking Ramp Revenue
09/25/19	2019-00007614	AP	Wells Fargo Bank	(89.95)		August 2019 P-card Purchases
09/27/19	2019-00007710	RA	Three D I, LLC	3,430.00		Invoice #2019-00000243
09/27/19	2019-00007710	RA	Red Wagon Popcorn LLC	50.00		Invoice #2019-00000268
09/30/19	2019-00007676	AP	Arrowhead Printing Inc	(125.00)		DEDA & AAR Banner
09/30/19	2019-00007676	AP	Beauty Lawn Care Service	(110.00)		5907 Grand Ave Lawn Care
09/30/19	2019-00007676	AP	Duluth Public Utilities - Comfort Systems	(829.35)		335 W Superior St 7/30-8/28/19
09/30/19	2019-00007676	AP	Ehlers and Associates Inc	(122.50)		C19-860-902-Economic development and TIF professional services
09/30/19	2019-00007676	AP	Northspan Group Inc	(580.00)		Professional Consulting Services-Personnel Hours
09/30/19	2019-00007758	GL	Investment Earnings for September	4,683.00		September Investment Earnings
<b>FUND 860 - OPERATING FUND</b>				<b>Ending Balance - 09-30-2019</b>	<b>2,835,440.07</b>	<b>TB</b>
<b>FUND 861 - DEBT SERVICE</b>						
09/30/19	2019-00007758	GL	Investment Earnings for September	1,286,825.37		September Investment Earnings
<b>FUND 861 - DEBT SERVICE</b>				<b>Ending Balance - 09-30-2019</b>	<b>1,288,994.37</b>	<b>TB</b>

**FUND 865 - CAPITAL PROJECTS**

09/30/19 2019-00007758 GL

Beginning Balance 1,827,574.69  
Investment Earnings for September 3,081.00

September Investment Earnings

**FUND 865 - CAPITAL PROJECTS**

Ending Balance - 09-30-2019 1,830,655.69

TB

**FUND 866 - MRO FACILITY**

09/03/19 2019-00006931 AP Jamar Company  
09/03/19 2019-00006931 AP Sinnott Blacktop LLC  
09/04/19 2019-00007051 RA AAR Aircraft Services, Inc  
09/10/19 2019-00007194 RA AAR Aircraft Services, Inc  
09/16/19 2019-00007301 AP Jamar Company  
09/30/19 2019-00007758 GL Investment Earnings for September

Beginning Balance 809,061.14

(69,620.75)  
(37,963.00)  
36,510.76  
36,510.76  
(51,992.09)  
1,249.00

Contract to Repair East Wall, PO 2019-0216  
Contract to Repair Parking Lot, PO 2019-0379  
August 2019 - Building Rent/MRO Facility, Invoice #2019-00000213  
September 2019 -Building Rent/MRO Facility, Invoice #2019-00000253  
MRO Facility Roof Repair PO 2019-0247  
September Investment Earnings

Ending Balance - 09-30-2019 723,755.82

TB

**FUND 867 - STOREFRONT LOANS**

09/16/19 2019-00007368 RA Women in Construction  
09/18/19 2019-00007424 RA Alerus Financial-Old City Hall  
09/23/19 2019-00007537 RA Building for Women Partnership  
09/30/19 2019-00007758 GL Investment Earnings for September

Beginning Balance 167,849.85

657.29  
1,037.10  
215.13  
284.00

DEDA loan payment  
DEDA loan payment  
DEDA loan payment  
September Investment Earnings

Ending Balance - 09-30-2019 170,043.37

TB

**RESOLUTION 19D-31**

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY  
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$179,500.**

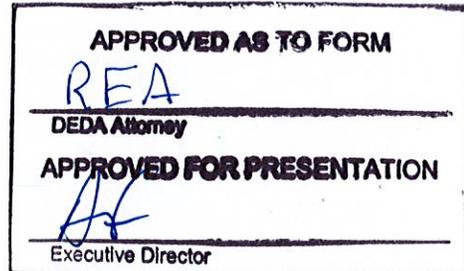
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The Property has an appraised fair market value of \$179,500.
4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$179,500, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 23<sup>rd</sup> day of October, 2019.

ATTEST:

\_\_\_\_\_  
Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to authorize DEDA to convey certain of its property in Lincoln Park to the MnDOT for its use in the redesign and reconstruction of the Twin Ports Interchange (the "can of worms").

The property in question is generally located between 23<sup>rd</sup> and 24<sup>th</sup> Avenues West and between the freeway and the buildings on the lower side of Michigan Street. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has no road access and therefore little development potential.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$180,000. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

# RIGHT OF WAY PARCEL LAYOUT



MINNESOTA DEPARTMENT OF TRANSPORTATION

Topographic Information required: Proposed R/W line & access taking.

Lot lines & dimensions.

Show north arrow.

Outline & location of buildings & improvements. Streets or highway frontage.

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

PARCEL NO. 321B

OWNER \_\_\_\_\_ DEDA

Scale 1" = 120 ft.



Layout sketch by L PEARSON

Date 07/01/19

Parcel No. 321B

**RESOLUTION 19D-32**

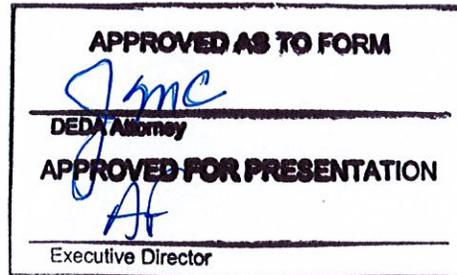
**RESOLUTION AUTHORIZING A MODIFICATION TO THE  
PARKING MANAGEMENT AGREEMENT DELETING THE  
IRVIN ANNEX LOT AS A PARKING FACILITY TO BE MANAGED  
BY INTERSTATE PARKING COMPANY OF MINNESOTA LLC**

RESOLVED, that the proper DEDA officials hereby authorize a modification to the Parking Management Agreement with Interstate Parking Company of Minnesota ("Interstate") and the City of Duluth, substantially in the form of that attached hereto (DEDA Contract No. 12 860 659<sup>(3)</sup>), deleting the Irvin Annex Lot as a parking facility to be managed by Interstate on behalf of DEDA.

Approved by the Duluth Economic Development Authority this 23th day of October, 2019.

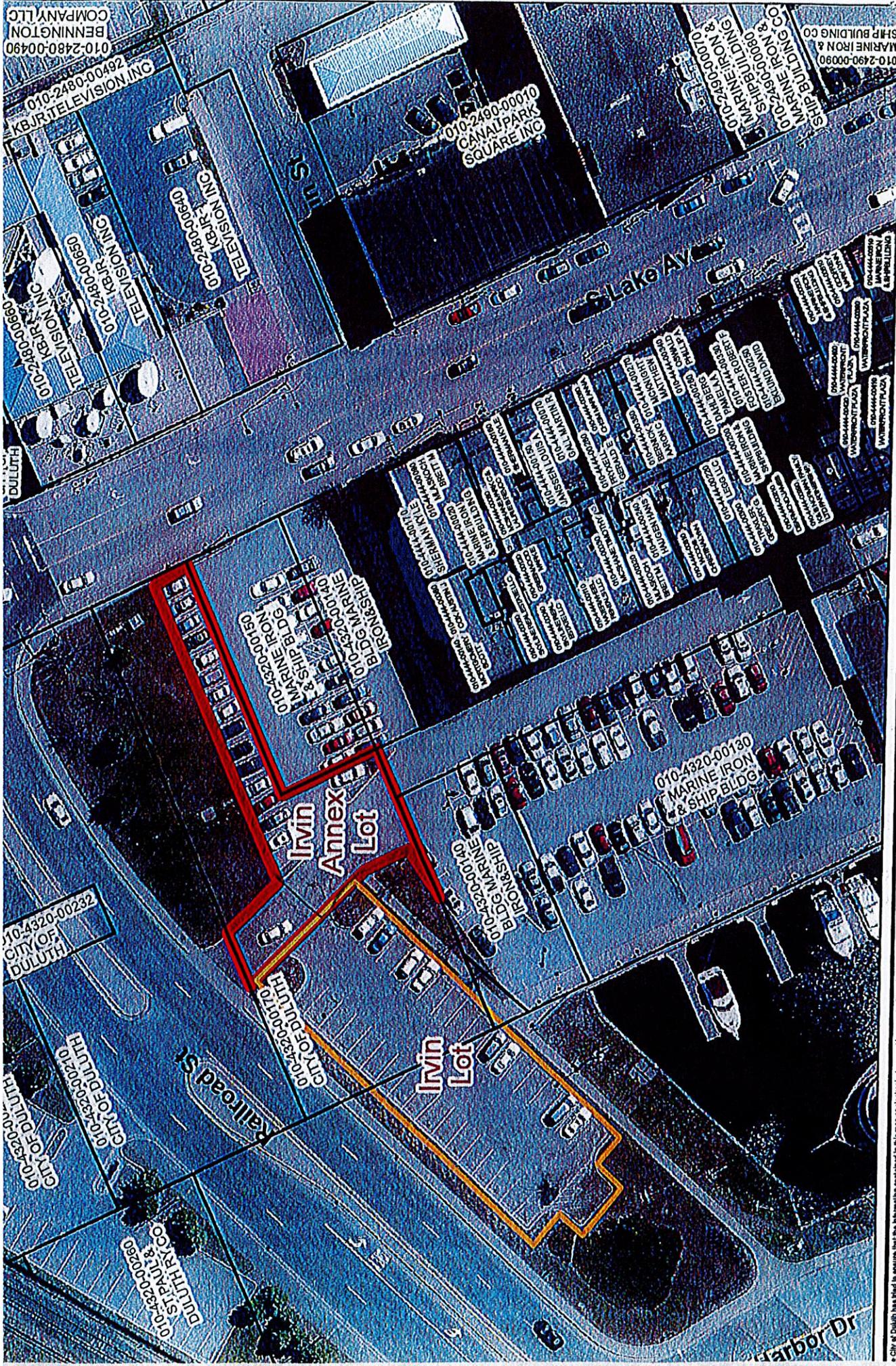
ATTEST:

\_\_\_\_\_  
Executive Director



STATEMENT OF PURPOSE: DEDA owns or controls certain parking facilities in the Canal Park Area, one of which was the Irvin Annex Lot which is owned by the City and controlled by DEDA. See attached. Since 2016, the Irvin Annex Lot has been managed by Interstate on behalf of DEDA.

Marine Iron & Ship Building Company recently entered into an agreement with the City resolving a dispute over a portion of property platted as the Minnesota Slip. Under the terms of the agreement, Marine Iron was conveyed an easement over the Irvin Annex Lot for parking purposes. Since DEDA no longer controls the lot, DEDA desires to have the Irvin Annex Lot deleted as a parking facility to be managed by Interstate on behalf of DEDA.



1:720  
1 inch = 60 feet  
0 30 60 Feet  
North arrow pointing up.

- Parcel Boundaries
- Irvin Annex Lot
- Irvin Lot

### City of Duluth Irvin Parking Lots

Prepared By:  
The City of Duluth GIS office  
Photo Date: May 2013 File Desc: 21772016

The City of Duluth has tried to ensure that the information contained in this map or electronic document is accurate. The City of Duluth does not warrant or guarantee the accuracy or reliability of this information. This information is neither a legal document nor a contract. The City of Duluth, County and State offices and others, in a compilation of records, information and data located in various systems shall not be liable for errors contained within this data provided or for any damages or inconvenience which be the use of this information contained within.

City of Duluth reserves the right to modify or be substituted to any party in whole or in part, including any derivative works of those generated by combining the data with other data, unless notified by the City of Duluth GIS office.



**Noah Schuchman**  
Chief Administrative Officer  
Room 418  
411 West First Street  
Duluth, Minnesota 55802

218-730-5039  
nrschuchman@duluthmn.gov

October 1, 2019

Mr. Paul Schnettler  
Interstate Parking Company  
710 N Plankinton Avenue, Suite 207  
Milwaukee, WI 53203

RE: Third Amendment to Parking Management Agreement (the "Agreement") by an among Interest Parking Company of Minnesota LLC ("Interstate"), the City of Duluth ("City"), and the Duluth Economic Development Authority ("DEDA")  
(City Contract # 21606 and DEDA Contract # 12 860 658)

Dear Mr. Schnettler:

As you have discussed with Parking Manager Mark Bauer, the City desires to modify the Agreement to delete the Irvin Annex Lot from the inventory of parking facilities to be managed by Interstate.

The parties agree to the following changes effective September 18, 2019:

1. Deletion of the Irvin Annex Lot to the Agreement with no change to the fees or operating budget.
2. Exhibit C is amended to reflect the deleted parking spaces in the Irvin Annex Lot and DEDA's total parking inventory.
3. Exhibit D is amended to reflect the deletion of the Irvin Annex Lot. Exhibit D-1 which depicts the Irvin Annex Lot is therefore deleted from the Agreement.

Please acknowledge your agreement to the terms of this letter by signing below and returning this letter to me.

Sincerely,

Noah Schuchman  
Chief Administrative Officer

Attachments

CC: Adam Fulton  
Mark Bauer  
Terri Lehr  
Joan Christensen

Acknowledged and Agreed:

**Interstate Parking Company of Minnesota LLC Duluth Economic Development Authority**

By: \_\_\_\_\_  
Paul Schnettler  
Chief Operating Officer

By: \_\_\_\_\_  
Its President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Its Secretary

Date: \_\_\_\_\_

**Amendment Exhibit C**  
September 18, 2019

**DEDA Lots**

Ramp/Lot Name	Ramp/Lot Location	Number of Spaces	Equipment	Comments
Northwest Iron Lot	400 Block Canal Park	196	Three (3) T2 Systems Luke II Pay Stations	Subject to ETOR Contract
Lighthouse Lot	500 Block Canal Park	90	T2 Systems Luke II Pay Station	
Lake City Lot	300 Block Canal Park	76	T2 Systems Luke II Pay Station	Subject to St. Croix Contract; 12 Comfort Suites Spaces
Lincoln Lot	300 Block Upper Second Street	45	No Equipment	
Irvin Lot	Lower railroad Street/Front of SS Irvin	34	T2 Systems Luke II Pay Station	
Steam Plant Lot	Lower Railroad Street/Steam Plant	50	T2 Systems Luke II Pay Station	
Total		491		

**RESOLUTION 19D-33**

**RESOLUTION AUTHORIZING AGREEMENT TO ACQUIRE CERTAIN TAX FORFEIT PROPERTY FROM THE STATE OF MINNESOTA THROUGH ST. LOUIS COUNTY AND TO CONVEY IT TO SMDC MEDICAL CENTER FOR THE REGIONAL EXCHANGE DISTRICT PROJECT.**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the acquisition of certain tax forfeit property from the State of Minnesota through St. Louis County and its conveyance to SMDC Medical Center, a Minnesota nonprofit corporation for inclusion in the new approximately 1400 car parking ramp as part of the Regional Exchange District Project is a necessary element of the successful development of that Project and is therefore in the best interests of the City of Duluth and its people.

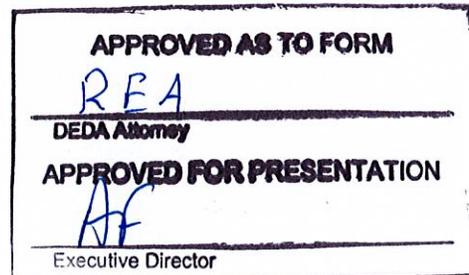
2. DEDA further finds that that the conveyance will further the general plan for economic development of the Medical District area, the City's East Hillside neighborhood and the entire City.

RESOLVED FURTHER, that the proper DEDA officials are hereby authorized to enter into an agreement in substantially the form of that attached hereto as Exhibit A with SMDC Medical Center, a Minnesota nonprofit corporation, pursuant to which DEDA will acquire certain tax forfeit property described therein from the State of Minnesota through St. Louis County for the value and costs established by St. Louis County and will convey said property to said corporation at DEDA's costs therefore plus a fee of \$500 for inclusion in the new approximately 1400 car parking ramp as part of the Regional Exchange District Project, funds to be paid from and paid to Fund 865.

Approved by the Duluth Economic Development Authority this 23<sup>rd</sup> day of October, 2019.

ATTEST:

\_\_\_\_\_  
Executive Director

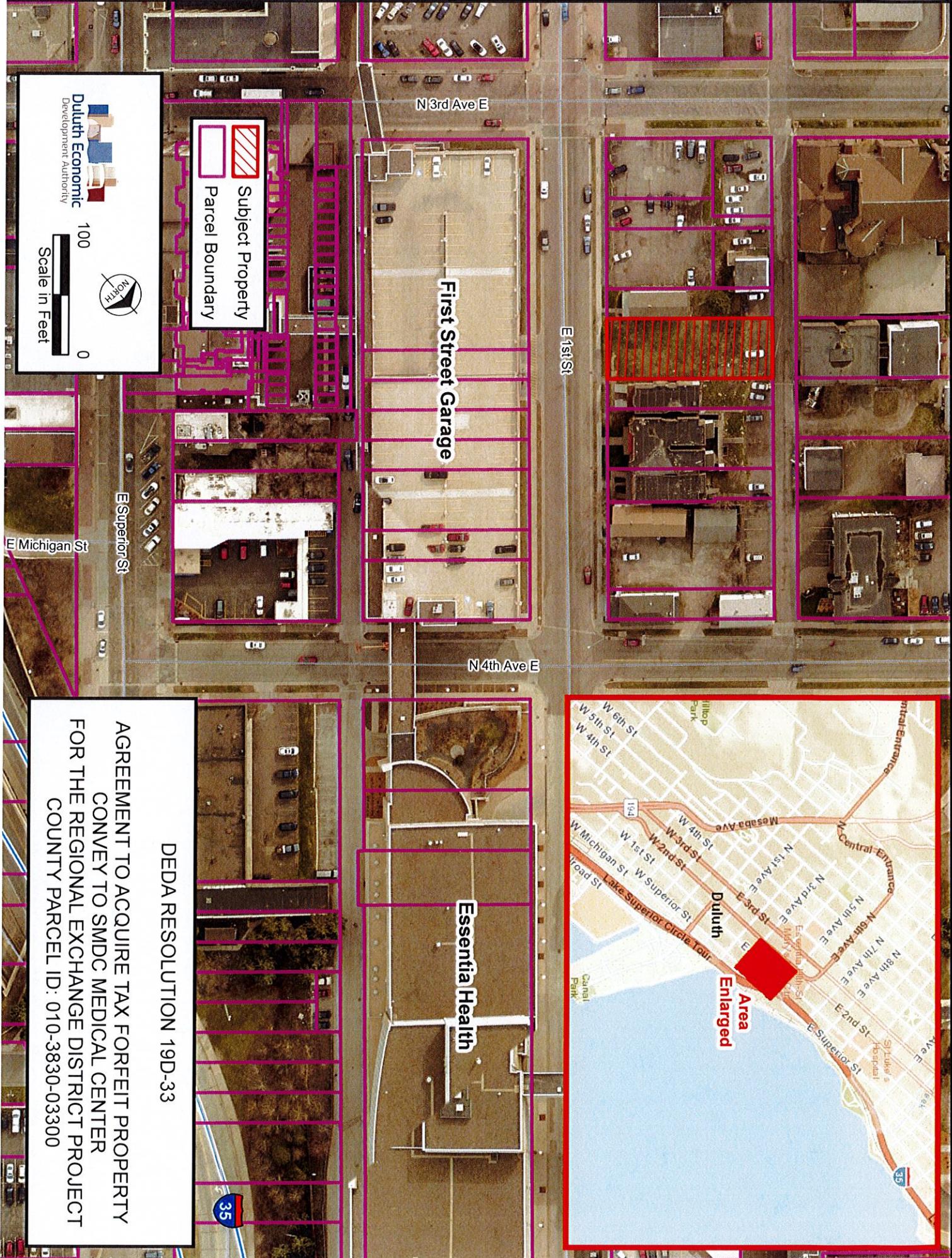


STATEMENT OF PURPOSE: The purpose of this resolution is to authorize DEDA to enter into an agreement to acquire a tax forfeit parcel of property, lying on the upper side of First Street between 3<sup>rd</sup> and 4<sup>th</sup> Avenues East, from the State and to convey it at cost to SMDC for the new, approximately 1400 car parking ramp that will serve the new

hospital development. The ramp is a key element of SMDC's \$800 Million development of its portion of the Regional Exchange District Project. The ramp is anticipated to encompass much of the entire block between 3<sup>rd</sup> and 4<sup>th</sup> Avenue East and between First and Second Streets.

When completed, the ramp, which will be funded largely through State grant funds, will be conveyed to the City for the City to operate as a public parking ramp but its proximity to the hospital development leads to the obvious conclusion that much of its use will be related to the hospital development.

The County has established the value and therefore the cost of the property itself as being \$27,400. With various required costs and fees, DEDA is expecting to pay \$28,429.42 for the property. SMDC will reimburse DEDA for all costs of acquisition and in addition will pay DEDA's standard fee for serving in a pass-through capacity for tax forfeit property of \$500.



First Street Garage

Essentia Health

N 3rd Ave E

N 4th Ave E

E 1st St

E Superior St

E Michigan St

 Subject Property  
 Parcel Boundary

  
 Duluth Economic Development Authority  
 100  
 0  
 Scale in Feet  




DEDA RESOLUTION 19D-33

AGREEMENT TO ACQUIRE TAX FORFEIT PROPERTY  
CONVEY TO SMDC MEDICAL CENTER  
FOR THE REGIONAL EXCHANGE DISTRICT PROJECT  
COUNTY PARCEL ID : 010-3830-03300



**RESOLUTION 19D-34**

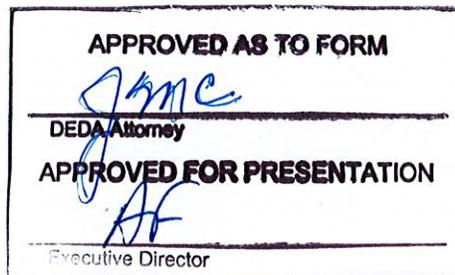
**RESOLUTION APPROVING THE  
DEDA 2020 BUDGETS**

BE IT RESOLVED, by the Duluth Economic Development Authority (DEDA) that the attached DEDA Operating Fund (860), Debt Service Fund (861), Capital Projects Fund (865), and MRO Maintenance Fund (866) budgets for the year 2020 are hereby approved.

Approved by the Duluth Economic Development Authority this 23rd day of October, 2019.

ATTEST:

\_\_\_\_\_  
Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to approve the DEDA budgets for 2020.

# Duluth Economic Development Authority

Highlighted aspects for the Proposed 2020 Budget (October 23, 2019)

## Operating Fund 860

The Operating Fund is a 'non-TIF' fund, meaning it does not have the statutory spending restrictions that are imposed on tax increment funding. Consequently, there is some discretion for spending this funding—examples include: administrative costs, projects located outside an existing TIF district, or non-TIF eligible costs. The budget for this fund can be amended during the calendar year as DEDA conducts business, including acceptance or spending of 'conduit-style' developer grants that are run through the fund.

Professional Services - 2019 projects included work on preparing for a Lincoln Park TIF district, continued redevelopment analysis for the downtown and canal park areas of the city, and evaluation of expansion of the skywalk system. 2020 projects remain under development, but may include medical district redevelopment, housing issues, and other downtown redevelopment.

Sale of Atlas Property – Continued marketing of the Atlas property has generated new interest in the site.

Pastoret Terrace Demolition – Progress continues on plans for site reuse. Abatement and demolition are anticipated in late 2019; if pushed to 2020, continued reimbursement from St. Louis County is an opportunity.

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Funds 861 and 865 are tax increment funds ... meaning they have strict statutory limitations on how, what, when, and why tax increment can be used.

## Debt Service Fund 861

Tax Increment – We now have a better idea of what we can expect in regard to tax increment that will be collected by the County. Collection (or lack thereof) on delinquent accounts will still minimally affect the amount of increment we receive. The new district (Voyageur Hotel) isn't expected to generate increment for another couple years. The increment that we receive has a trickle-down effect on the budget spreadsheet. The more increment we receive, the more is paid to the developer on their note, and lastly, the more increment that may be available to transfer to the Capital Projects Fund.

## Capital Projects Fund 865

The majority of the funding for this fund comes from the debt service fund transfer – the surplus increment remaining after current debt obligations have been fulfilled. In addition to the amounts of current (2020) money that we budgeted for skywalks, which were on the original 2019 budget, note that we've added back in designated, but unspent, funding from 2018/2019 for the skywalk in District 19 and 22 (also see the paragraph below that was included in the original budget). In addition there is a small balance in the DEDA/City demolition contract that remained unspent at the end of 2018.

There has been continued discussion regarding bridges and skywalks connecting the Downtown to the Medical District. As will become apparent, it will take more than DEDA funding to complete some of this construction. For the 2020 budget, the \$2,682,986 that we had budgeted (set aside) for the 2019 budget but did not spend, out of District 19 (\$2,473,211) and District 22 (\$209,775), will be carried forward for the 2020 budget. These monies will be used to construct the bridge next to the Tech Village over 1st Avenue East.

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**MRO Maintenance Facility Fund 866**

The primary purpose of this fund is to accumulate rent revenues for funding future repairs (the roof in particular) which is expected to need replacement at the end of its useful life. Rent rates now reflect the updated lease with AAR. The budget includes recommendations for continued maintenance of the building.

**Duluth Economic Development Authority**

DEDA DEBT SERVICE FUND 861

2020 Proposed Budget

Presented to DEDA on 10/23/2019

2018	2019	2020	Washington Center	Tech Village	Garfield Expansion	Medical Dist	5th Street	Duluth	Bluestone	Pier B	Endi	Kenwood	Voyageur	Board of
FINAL	Revised Budget	Proposed Budget	dist. 16	dist. 19	dist. 21	dist. 22	dist. 23	dist. 24	dist. 25	dist. 27	dist. 28	Village dist. 29	Hotel dist. 31	Trade dist. 32
(10-23-2019)	(04-24-2019)	(10-23-2019)	(Decent 12/31/2020)	(Decent 12/31/2026)	(Decent 12/31/2027)	(Decent 12/31/2029)	(Decent 12/31/2026)	(Decent 12/31/2034)	(Decent 12/31/2040)	(Decent 12/31/2043)	(Decent 12/31/2043)	(Decent 12/31/2043)	New-TBD (Cert Date 7-21-19)	New-TBD (Cert Date 7-19-19)
8,621	7,480	6,770	710	600	560	1,355	555	620	715	563	542	550	-	-
9,246	-	15,900	-	-	-	-	-	-	-	-	-	-	-	-
2,770,948	3,166,864	2,977,667	46,480	492,126	78,325	925,175	28,050	184,900	403,950	273,985	288,165	177,650	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2,780,194</b>	<b>3,166,864</b>	<b>2,993,567</b>	<b>46,480</b>	<b>492,126</b>	<b>78,325</b>	<b>925,175</b>	<b>28,050</b>	<b>184,900</b>	<b>403,950</b>	<b>273,985</b>	<b>288,165</b>	<b>177,650</b>	-	-
2,788,815	3,174,344	3,000,337	47,190	492,726	78,885	926,530	28,605	185,520	404,665	274,548	288,707	178,200	-	-

**Revenues**

Investment Earnings	9,246	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax Increment	2,770,948	3,166,864	2,977,667	46,480	492,126	78,325	925,175	28,050	403,950	273,985	288,165	177,650	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>2,780,194</b>	<b>3,166,864</b>	<b>2,993,567</b>	<b>46,480</b>	<b>492,126</b>	<b>78,325</b>	<b>925,175</b>	<b>28,050</b>	<b>403,950</b>	<b>273,985</b>	<b>288,165</b>	<b>177,650</b>	-	-
<b>Total Available</b>	<b>2,788,815</b>	<b>3,174,344</b>	<b>3,000,337</b>	<b>47,190</b>	<b>492,726</b>	<b>78,885</b>	<b>926,530</b>	<b>28,605</b>	<b>404,665</b>	<b>274,548</b>	<b>288,707</b>	<b>178,200</b>	-	-

**Expenditures**

**DEVELOPER PAYMENTS (PAYG)**

Glen Place Apts (Augusta) TIF #13	55,872	75,053	70,686	70,686	-	-	-	-	-	-	-	-	-	-
Garfield Business Park TIF #21	21,627	25,444	21,873	21,873	21,873	-	-	-	-	-	-	-	-	-
Village Place Apartments	16,348	16,347	26,107	-	-	-	26,107	-	-	-	-	-	-	-
NorShor Theatre TIF #22	201,326	288,365	288,365	-	-	288,365	-	-	-	-	-	-	-	-
Sheraton Hotel & Condominiums TIF #22	151,837	210,648	210,648	-	-	210,648	-	-	-	-	-	-	-	-
Duluth Renaissance Project TIF #24	165,835	178,692	156,646	-	-	-	156,646	-	-	-	-	-	-	-
Bluestone Commons TIF #25	320,567	363,555	362,941	-	-	-	362,941	-	-	-	-	-	-	-
Pier B TIF #27	377,376	377,881	246,024	-	-	-	-	-	-	246,024	-	-	-	-
Harbor Bay (END) TIF #28	177,567	258,861	258,854	-	-	-	-	-	-	-	258,854	-	-	-
Kenwood Village TIF #29	126,598	159,891	159,384	-	-	-	-	-	-	-	-	159,384	-	-
Voyageur Hotel TIF #31	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Board of Trade TIF #32	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**OTHER**

Transfer to City's Debt Service Fund	406,214	422,175	422,175	-	-	422,175	-	-	-	-	-	-	-	-
Transfer to Other Districts/Funds	17,515	15,384	3,835	3,835	-	-	-	-	-	-	-	-	-	-
Excess TIF returned to County	-	-	-	-	-	-	-	-	-	-	-	-	-	-
County Admin Fees/other admin expenses	7,264	7,280	6,991	505	552	1,355	552	620	615	563	494	500	-	-
<b>Total Expenditures</b>	<b>2,045,946</b>	<b>2,399,576</b>	<b>2,234,527</b>	<b>75,026</b>	<b>547</b>	<b>922,543</b>	<b>26,659</b>	<b>157,266</b>	<b>363,556</b>	<b>246,586</b>	<b>259,348</b>	<b>159,884</b>	-	-

Fund Balance before transfer	742,869	774,768	765,810	3,835	46,502	56,460	3,987	1,946	41,109	27,962	29,359	18,316	-	-
<b>Less: Transfer @ Y/E to Capital Projects</b>	<b>735,389</b>	<b>767,988</b>	<b>739,054</b>	<b>-</b>	<b>45,813</b>	<b>55,908</b>	<b>2,631</b>	<b>860</b>	<b>40,494</b>	<b>27,399</b>	<b>28,864</b>	<b>17,817</b>	-	-

<b>Ending Fund Balance</b>	<b>7,480</b>	<b>6,770</b>	<b>26,756</b>	<b>3,835</b>	<b>547</b>	<b>552</b>	<b>1,355</b>	<b>620</b>	<b>615</b>	<b>563</b>	<b>494</b>	<b>500</b>	-	-
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Anticipated Decertification Dates

	2020	2021	2026	2027	2030	2031	2034	2040	2042	2043	2043	2043	25 yrs AFRI	25 yrs AFRI
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**Duluth Economic Development Authority**

**Capital Projects Fund 865**

**2020 Proposed Budget**

Presented to DEDA on 10/23/2019

**ADD IN CARRY-FORWARDS / ADJUST INTERDISTRICT LOANS**

	2018	2019 Revised Budget 04-24-2019	2020 Proposed Budget (10-23-2019)	West Duluth Housing dist 7	Washington dist 16	Tech Village dist 19	Garfield dist 21	Medical Dist dist 22	Village Place dist 23	Renaissance dist 24	Bluestone dist 25	Pier B dist 27	Endl dist 28	Kenwood Village dist 29	Voyageur Hotel dist 31	
<b>REVENUES</b>																
BEGINNING FUND BALANCE	1,946,351	2,528,271	2,528,271	16,310	188,311	1,991,122	164,694	205,472	7	33,517	5,870	(36,744)	(17,215)	(17,658)	(5,415)	
Investment Earnings	32,787	25,000	25,000	-	2,000	18,300	2,000	2,000	-	700	-	-	-	-	-	
Transfer from Debt Service	735,389	767,999	767,999	-	45,770	503,763	28,541	42,130	860	19,854	39,681	41,424	28,761	17,215	-	
Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL REVENUES/TRANSFER</b>	768,176	792,999	792,999	-	47,770	522,063	30,541	44,130	860	20,554	39,681	41,424	28,761	17,215	-	
<b>TOTAL AVAILABLE</b>	2,714,527	3,321,270	3,321,270	16,310	236,081	2,513,185	195,235	249,602	867	54,071	45,551	4,680	11,546	(443)	(5,415)	
<b>EXPENDITURES</b>																
District 19 Bridge / District 22 Skywalk Housing Rehab - City	26,819	2,682,986	2,682,986	16,310	-	2,473,211	-	209,775	-	-	-	-	-	-	-	
TIF Admin Cost Allocation	108,806	100,860	100,860	-	5,000	5,000	-	25,000	860	5,000	20,000	20,000	10,000	10,000	-	
West Duluth Theatre	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	631	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	186,256	2,800,156	2,800,156	16,310	5,000	2,478,211	-	234,775	860	5,000	20,000	20,000	10,000	10,000	-	
<b>ENDING FUND BALANCE</b>	2,528,271	521,114	521,114	-	231,081	34,974	195,235	14,827	7	49,071	25,551	(15,320)	1,546	(10,443)	(5,415)	

Anticipated Decertification Dates

2015 2021 2026 2027 2030 2031 2034 2040 2042 2043 2043 25 yrs AFRTI

- 1) The Skywalk/Bridge budget for District 19 includes \$700,000 in new money and a carryforward from 2018 of \$1,773,211.
- 2) The Skywalk/Bridge budget for District 22 includes \$75,000 in new money and a carryforward from 2018 of \$134,775.
- 3) Balance of the City Demo contract remaining unused as of 12-31-2018.

**Inter-District Loan Balances (CASH)**

	Washington dist 16	Tech Village dist 19	Garfield dist 21	Medical Dist dist 22	Village Place dist 23	Renaissance dist 24	Bluestone dist 25	Pier B dist 27	21st Ave E dist 28	Kenwood Village dist 29	Voyageur Hotel dist 31
Actual 2015	(704)						704				
Actual 2016	(65,039)						29,388	30,281	5,370		
Actual 2017	65,743		(90,382)				(12,062)	15,563	10,541	10,597	
Actual 2018			24,334				(18,030)	(7,403)	542	557	
Actual 2019			65,787				-	(38,441)	(16,453)	(11,154)	261
Anticipated 2019			(5,500)				-	-	-	-	5,500
Anticipated Inter-District Loan Balances @ 12-31-2019			(5,761)				-	-	-	-	5,761

**Duluth Economic Development Authority**

**DEDA Operating Fund 860  
2020 Proposed Budget**

Presented to DEDA on 10/23/2019

GL# per TB	2018		2019		2020		Atlas Cement Plant	Other Operating
	FINAL	Revised Budget 8/2/2019	Proposed Budget 10/23/2019	Various Land Sales/ Acquisitions	Parking Programs	2020		
<b>Revenues</b>								
4308 IDB Fees	1,688,715	2,442	15,000					15,000
4601-01 Investment Earnings	22,807	40,000	50,000					50,000
4601-02 Investment Earnings - Change in Fair Value Investments	(20,007)	-	-					-
4324 Augusta TIF Recapture	3,835	3,835	3,835					3,835
4371 DEDA's Parking Program	583,459	600,000	600,000		600,000			
4260 SLC Pastore/Grand Ave demo contribution	-	325,000	-					-
4644 Project Development Fees / Services	8,601	15,000	15,000					15,000
4324 TIF Admin Recovery	108,806	100,860	110,000					110,000
4640 Sale of Soo Line bridge to State of MN	1,640,813	-	40,000					40,000
4220-02 DEED Redevelopment Grant - No/Short (Playhouse sub-grant)	113,837	10,404	10,404					10,404
4640 Tax Forfeited Land Purchase/Re-Sale	113,837	7,786	5,000					5,000
4654 Other Revenues	210,000	-	-					-
4640 Land Sale - AET Property	421	350,000	52,500				52,500	-
4640 Sale of Temple Opera Bldg	51,393	-	-					-
4622 Temple Opera Building Rent	105,577	27,240	20,000					20,000
4220-02 Conduitt Grants - Harbor Bay / Grand Avenue Estates / IPS Cranes	9,982	-	-					-
4654 Cirrus Abatement - County & City / Expansion TIF	-	-	-					-
5441 Other	-	-	-					-
<b>TOTAL REVENUES</b>	<b>4,516,025</b>	<b>1,479,781</b>	<b>921,739</b>	<b>600,000</b>	<b>325,000</b>	<b>52,500</b>	<b>269,239</b>	
<b>EXPENDITURES</b>								
5301 Auditing Services	4,048	4,015	4,500					4,500
5307 Administrative Fees (Cost Allocation)	365,000	400,000	400,000					400,000
5318 APEX - Marketing Program	11,218	10,000	10,000					10,000
5319 Northland Connection (Northspan)	15,000	15,000	15,000					15,000
5319 Northforce (Northspan)	30,338	25,500	25,500					25,500
5319 Other Professional Services	88,487	72,000	110,500					110,500
5405 DEDA's Parking Program	302,895	325,000	325,000		325,000			
5443 Meeting Expenses	2,913	3,500	3,500					3,500
5433 Dues & memberships	1,420	2,000	2,000					2,000
5340 Marketing	4,790	10,000	10,000					10,000
5309 Website Development / Maintenance	8,523	7,165	6,290					6,290
5331 Travel & Training	9,207	10,000	10,000					10,000
5355 Advertising/Promotion/Printing/Copying/Postage	7,422	1,000	1,000					1,000
5441 Other Services & Charges	10,754	5,000	5,000					5,000
5361 Liability Insurance	8,196	7,350	7,350					7,350
5362 Property Insurance	-	-	1,000					1,000
5453 Temple Opera relocation benefits / Carrying Costs	23,298	330,000	-					-
5362 Stormwater/Street Lights & Maintenance Assessments	10,017	10,500	10,500					10,500
5510 Tax Forfeited Land Purchase/Re-Sale - SLC & other	113,837	10,000	21,000					21,000
5481 Property Taxes/Street Assessments on Land Held for Resale	31,341	3,084	3,084					3,084
5319 Atlas Cement Plant Cleanup / Carrying Expenses	38,910	10,000	10,000				10,000	
5319 Moline sanitary line replacement	-	125,000	-					-
5319 Professional Services - Bayfront - Lot D Cleanup / Carrying Costs	688	70,600	-					-
5310 Temple Opera Carrying Costs / boiler replacement	105,478	-	-					-
5458 DEED Redevelopment Grant - No/Short (Playhouse sub-grant)	1,640,813	13,000	-					-
5481 Temple Opera R.E. Taxes	11,571	-	-					-
5441 Temple Opera relocation benefits	19,000	-	-					-
5458 DEED Redevelopment Grant - Harbor Bay / Grand Avenue Estates / IPS Cranes	105,577	27,240	27,240					27,240
5340 Sale of Soo Line bridge to State of MN	-	7,000	115,000					-
5405 Parking Lot Repair-Lighthouse	-	1,500,000	40,000					-
5510 Land Acquisitions	2,970,741	3,003,964	1,163,474		325,000	155,000	10,000	673,474
<b>TOTAL EXPENDITURES</b>	<b>2,970,741</b>	<b>3,003,964</b>	<b>1,163,474</b>	<b>325,000</b>	<b>155,000</b>	<b>10,000</b>	<b>673,474</b>	
<b>Net Revenue/Expenses</b>	<b>1,545,283</b>	<b>(1,524,183)</b>	<b>(241,735)</b>	<b>275,000</b>	<b>(155,000)</b>	<b>42,500</b>	<b>(404,235)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>722,659</b>	<b>2,267,942</b>	<b>743,759</b>					
<b>ENDING FUND BALANCE</b>	<b>2,267,942</b>	<b>743,759</b>	<b>502,024</b>					

# Duluth Economic Development Authority

## DEDA MRO Maintenance Facility Fund 866

### 2020 Proposed Budget

Presented to DEDA on 10/23/2019

	2018	2019	2020
	<u>FINAL</u>	Proposed Budget 9/26/2018	Proposed Budget 10/23/2019
<b>BEGINNING FUND BALANCE</b>	345,161	708,376	1,070,116
<b><u>Revenues</u></b>			
Investment Earnings	9,704	12,000	12,000
Building Rent (2020 Budget Includes 4th Bay Occupied & Leased whole year.)	428,786	441,540	535,089
<b>TOTAL REVENUES</b>	438,490	453,540	547,089
<b>TOTAL AVAILABLE</b>	783,651	1,161,916	1,617,205
<b><u>EXPENDITURES</u></b>			
Repairs/Maintenance (roof repair)	58,896	75,000	25,621
Repairs/Maintenance (2020 Budget includes-Fire Supression Audit & Upgrades			200,000
Long-Term MRO Maintenance Planning	-	-	-
Capital Replacement (wall repair)	-	-	-
Property Insurance	16,379	16,800	16,800
Other Services and Charges (WFD, Contingency, Misc.)			82,000
<b>TOTAL EXPENDITURES</b>	75,275	91,800	324,421
<b>ENDING FUND BALANCE</b>	708,376	1,070,116	1,292,784

RESOLUTION 19D-35

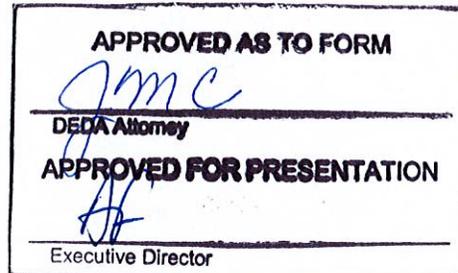
**RESOLUTION AUTHORIZING A CONTRACT FOR  
ASBESTOS ABATEMENT FROM THE PASTORET TERRACE  
AND ROBESON BALLROOM BUILDINGS WITH ACCT INCORPORATED  
IN AN AMOUNT NOT TO EXCEED \$65,600**

RESOLVED, by the Duluth Economic Development Authority (“DEDA”), that the DEDA Executive Director is hereby authorized to enter into a contract for asbestos abatement from the Pastoret Terrace and Robeson Ballroom Buildings with ACCT Incorporated in conformance with their attached low competitive quote in an amount not to exceed \$65,500, payable from Fund 860-860-8640-5453 – DEDA KOZY.

Approved by the Duluth Economic Development Authority this 23<sup>rd</sup> day of October, 2019.

ATTEST:

\_\_\_\_\_  
Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the Executive Director to enter into a contract for abating asbestos containing materials and regulated waste in the Pastoret Terrace and Robeson Ballroom Buildings. Abatement of asbestos containing materials and regulated waste will be completed for items identified in the Hazardous Materials Survey finalized in November 2018. DEDA staff and City Purchasing obtained three competitive quotes, one of did not meet all criteria; the low competitive quote was made by ACCT Incorporated in the amount of \$65,500. The proposed abatement work will not impact the final disposition of the structure and is necessary whether the structure is rehabilitated or demolished.

# ACCT

INCORPORATED

Asbestos Control &  
Consulting Team

230 HWY 33 N, CLOQUET, MN 55720  
Telephone (218) 879-2241 \* Fax (218) 879-6194

## Proposal

TO: Chad Ronchetti

EMAIL: cronchetti@duluthmn.gov

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City of Duluth

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DATE: August 26, 2019

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FROM: Dave Rice

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# OF PAGES: 1 (including cover sheet)

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RE: Removal of asbestos materials from Pastoret Terrace, Kozy Bar and  
Ballroom, Duluth, MN

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We propose to furnish the material, labor, & equipment to remove  
asbestos materials at the above locations as identified by Twin Ports  
Testing dated November 29, 2019..... \$28,000.00

- Above price includes notification to MPCA, MDH and 3<sup>rd</sup> party air monitoring.
- Add \$37,500.00 for removal of regulated waste.
- The above price does not include any hazardous waste, such as chemicals, that will require an EPA number to dispose of.

Thank you for the opportunity of submitting this quote. If you have any  
questions please give me a call at 218-213-3474.

Sincerely,

Dave Rice