

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
WEDNESDAY, DECEMBER 16, 2020 – 5:15 P.M.  
VIA ELECTRONIC MEANS PURSUANT TO MINNESOTA STATUTES  
SECTION 13D.021**

**MINUTES**

Please take notice that the Duluth Economic Development Authority will hold a public hearing by other electronic means pursuant to Minnesota Statutes Section 13D.021 on Wednesday, December 16, 2020, at 5:15 p.m. All persons interested may monitor and participate in the hearing by visiting: <http://dulutheda.org/live-meeting> promptly at 5:15 p.m. on Wednesday, December 16, 2020, and written comments may be submitted to DEDA in advance of the meeting via the DEDA's web site at <http://dulutheda.org/contact-us/> or via email at [cfleege@duluthmn.gov](mailto:cfleege@duluthmn.gov), and DEDA will decide if the conveyance is advisable.

The regular meeting place of DEDA is the Duluth City Council Chambers at City Hall, 411 West First Street, in Duluth, Minnesota. At this time board members of DEDA do not intend to attend the meeting in person; due to continually evolving restrictions and guidance from state and federal officials and agencies, the board members of DEDA will attend the meeting remotely via telephone or other electronic means pursuant to Minnesota Statutes Section 13D.021.

**1. CALL TO ORDER:** The December 16, 2020 meeting of DEDA was called to order by President Cartier at 5:18 pm.

**Present:** Matt Cartier, Zack Filipovich, ChaQuana McEntyre, Tim McShane, Derek Medved, Roz Randorf

**Others Present:** Chris Fleege, Robert Asleson, Theresa Bajda, Amanda Anderson, Chad Ronchetti, Adam Fulton, Elissa Hansen, Deb DeLuca, Kate Ferguson, Anna Tanksi, Peter Passi, John Ramos

**Absent:** N/A

**2. PUBLIC TO ADDRESS THE COMMISSION**

No Comments

**3. PUBLIC HEARINGS**

**4. APPROVAL OF MINUTES**

**[MEETING MINUTES FROM NOVEMBER 18, 2020](#)**

**Vote to approve the November 18, 2020 meeting minutes** (Roll call vote: Cartier, McEntyre, Filipovich, McShane, Medved, Randorf) (Filipovich, Medved) Passed unanimously 6-0

**5. APPROVAL OF CASH TRANSACTIONS  
NOVEMBER 1, 2020 TO NOVEMBER 30, 2020**

**Vote to approve the November 1 - 30, 2020 cash transactions** (Roll call vote: Cartier, McEntyre, Filipovich, McShane, Medved, Randorf) (Medved, Filipovich) Passed unanimously 6-0

**6. NEW BUSINESS**

**7. RESOLUTIONS FOR APPROVAL**

**RESOLUTION 20D-77: RESOLUTION ADOPTING A SCHEDULE OF REGULAR MEETING DATES FOR THE YEAR 2021**

**Staff:** N/A

**Discussion:** N/A

**Vote to approve resolution 20D-77:** (Roll call vote: Cartier, McEntyre, Filipovich, McShane, Medved, Randorf) (Filipovich, McShane) Passed unanimously 6-0

**RESOLUTION 20D-78: RESOLUTION AGREEING TO REIMBURSE DSPA FOR ONE-HALF OF THE COST OF DESIGN SERVICES RELATED TO THE PROPOSED USCBP FACILITY AT THE DECC UP TO \$20,000**

**Staff:** Director Chris Fleege indicated this project started years ago in partnership with DSPA, Visit Duluth, and the DECC to investigate opportunities for our port in Duluth to accommodate larger cruise ships. Stated that in August of 2020, City staff submitted a grant to the EDA for funding to reconstruct the seawall behind the DECC. Indicated the City received notification that it has moved forward in the selection process for up to \$2.6 million in funding. Introduced Executive Director of the Port Authority, Deb DeLuca to explain the purpose of this reimbursement request.

Deb DeLuca stated this reimbursement would allow them to issue a contract with a consultant to begin design of a port and customs facility to accommodate large cruise ships in the Duluth port. Confirmed this contract does not include funding for actual construction of the facility, just the design and preparation of bid documents for said construction.

**Discussion:** Commissioner Randorf thanked partners for all their hard work and questioned

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who would manage the customs facility long term.

Deb DeLuca confirmed that Customs and Borders Protection would take over the facility after construction to clear cruise ship customers.

Commissioner Filipovich questioned what the timeline would be to complete the design work and complete construction of said facility.

Deb DeLuca stated the contract would start immediately after approval, as ships are scheduled for 2022 arrival. Anticipate design work to be complete in spring or summer 2021.

Commissioner Filipovich stated the importance of acting on this quickly to move things along for meeting the 2022 deadline.

Anna Tanski expressed gratitude for the partnerships that are making this project come to life. Confirmed Viking Ship is scheduled to arrive in the Duluth port in May 2022. Explained that Visit Duluth has worked closely with Viking for arrivals on Mondays into early fall to provide an influx of visitors during normally slow times. Confirmed Viking's commitment to Duluth and Great Lakes Cruising and expressed the good it brings to Duluth due to Viking's strong marketing ability. Stated they are working with Viking to put together itineraries that highlight Duluth and the region. Indicated this facility would make it possible for anywhere from six to eight cruise links to visit the Duluth port.

**Vote to approve resolution 20D-78:** (Roll call vote: Cartier, McEntyre, Filipovich, Medved, Randorf) (Filipovich, Randorf) Passed unanimously 6-0

**RESOLUTION 20D-79: RESOLUTION AUTHORIZING SECOND AMENDMENT TO AGREEMENT WITH BAKER TILLY MUNICIPAL ADVISERS LLC PERTAINING TO THE UPGRADING AND CONVERSION OF THE DULUTH PAPER MILL AND RECYCLE FIBER PLANT, INCREASING THE AMOUNT PAYABLE THEREUNDER BY \$40,000**

**Staff:** Director Chris Fleege stated Baker Tilly was the firm DEDA authorized to help identify incentives and prepare various exhibits that could be used in marketing of New Market Tax Credits and potential sale of the Verso plant. Indicated that as time has moved on, the need for additional services to pursue the potential buyer and come to a successful outcome is important. Confirmed he will provide future updates on the sale as it becomes public information.

**Discussion:** Commissioner Medved asked for more information on their work scope.

Director Fleege stated they are heavily involved in the sale process and public need assessment to determine what makes sense for potential buyers and their financial situations. Confirmed they do not anticipate needing additional funding after this.

**Vote to approve resolution 20D-79:** (Roll call vote: Cartier, McEntyre, Filipovich, Medved, Randorf) (Randorf, Filipovich) Passed unanimously 6-0

**RESOLUTION 20D-80: RESOLUTION APPROVING A FIFTH AMENDMENT TO THE AGREEMENT WITH STAR NW LLC FOR DEDA TO LEASE PROPERTY IN THE NORTHWEST IRON LOT FOR PUBLIC PARKING PURPOSES**

**Staff:** Director Chris Fleege stated the existing contract expired and this amendment provides a three-month extension to the lease of public parking in the lot between Little Angie's and Grandma's.

Robert Asleson indicated that Star NW LLC has other issues and this three-month extension allows staff to work through their change and ownership prior to the existing lease expiring.

**Discussion:** N/A

**Vote to approve resolution 20D-80:** (Roll call vote: Cartier, McEntyre, Filipovich, Medved, Randorf) (McEntyre, Filipovich) Passed unanimously 6-0

**RESOLUTION 20D-81: RESOLUTION AUTHORIZING AN AGREEMENT WITH NORTHSPAN GROUP INC. PERTAINING TO THE NORTHFORCE.ORG WEBSITE AND TALENT COMMUNITY DATABASE IN THE AMOUNT UP TO \$45,000**

**Staff:** Director Chris Fleege indicated this is a contract DEDA has held for many years with Northspan Group for services related to workforce development. Introduced Executive Director Elissa Hansen.

Elissa Hansen stated that Northspan Group is the organization overseeing Northforce in seven Minnesota counties and areas of Wisconsin. Indicated the investment will help fund staff and consultants in the Twin Ports area to create partnerships for workforce development in the area and maintain their websites and outreach efforts.

**Discussion:** Commissioner Filipovich thanked Elissa Hansen and reiterated the partnerships and good they have done across the region. Expressed importance of the work during this difficult

economic time.

**Vote to approve resolution 20D-81:** (Roll call vote: Cartier, McEntyre, Filipovich, Medved, Randorf) (Filipovich, Randorf) Passed unanimously 6-0

**8. DISCUSSION**  
**DIRECTORS REPORT**

Director Chris Fleege notified Commissioners that the Department of Defense did not select Boresight for the F16 bid and indicated this will require DEDA to terminate the existing lease with them for the MRO facility. Stated that staff will reach out with potential special meeting dates between now and the end of the year. Confirmed a small business funding package was authorized and will flow to the County for allowances to small business owners affected by the pandemic. Indicated the City will provide support as necessary to the county for the disbursement of said funds. Shared that a new DEDA Commissioners will go before City Council on December 21 for approval and likely join the January meeting.

Commissioner McShane expressed thanks to Director Fleege on sharing County dollars. Stated that it may be a good time to look into unrestricted cash and how DEDA could assist in stimulating the local economy as businesses around town are struggling.

**9. ADJOURNMENT:** President Cartier adjourned the December 16, 2020 meeting of DEDA at 6:07 p.m.

Respectfully submitted,

DocuSigned by:  
  
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Chris Fleege  
Executive Director