

**MEETING OF THE  
DULUTH ECONOMIC DEVELOPMENT AUTHORITY  
WEDNESDAY, AUGUST, 2021 – 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, August 25, 2021, 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, August 25, 2021, 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.

**Present:** Matt Cartier, Zack Filipovich, Ellie Just, ChaQuana McEntyre, Roz Randorf

**Others Present:** Chris Fleege, Theresa Bajda, Jason Hale, Robert Asleson, Sean Dixon, Candace Turk, John Ramos, Eric Monson, Lori Davey

**Absent:** Tim McShane, Derek Medved

**1. CALL TO ORDER:** The August 25, 2021 meeting of DEDA was called to order by President Cartier at 5:17 p.m.

**2. PUBLIC TO ADDRESS THE COMMISSION**

No comment at the meeting.

**3. PUBLIC HEARINGS**

**4. APPROVAL OF MINUTES**

**- MEETING MINUTES FROM JUNE 23, 2021 REGULAR MEETING**

**Vote to approve the June 23, 2021 meeting minutes** (Randorf/Filipovich) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

**- MEETING MINUTES FROM JULY 12, 2021 SPECIAL MEETING**

**Vote to approve the July 12, 2021 meeting minutes** (Filipovich/ McEntyre) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

**5. APPROVAL OF CASH TRANSACTIONS  
JULY 1, 2021 TO JULY 31, 2021**

**Vote to approve the July 2, 2021 to July 31, 2021 cash transactions** (Randorf /Just) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

Director Fleege indicated Benedictine Health Services is roughly 2/3rds of the way by way of bond revenues which appeared on July cash transactions.

**6. NEW BUSINESS**

**7. RESOLUTIONS FOR APPROVAL**

**RESOLUTION 21D-30: RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE LAND SALE AGREEMENT WITH SIMPLY TINY DEVELOPMENT, LLC RELATED TO THE REBUILD DULUTH PROGRAM.**

**Staff:** Director Fleege indicated the amendment provides an extension for the Developer due to construction challenges.

Jason Hale indicated Developer is at the meeting and acknowledged their commitment to Duluth and the project; soon to be the first tiny home development in Duluth.

**Discussion:** Commissioner Filipovich thanked Developer for their commitment to Duluth.

**Vote to approve resolution 21D-30:** (Filipovich/Randorf) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

**RESOLUTION 21D-31: RESOLUTION AUTHORIZING A REDEVELOPMENT GRANT APPLICATION IN AN AMOUNT NOT EXCEED \$167,514 TO THE MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT RELATING TO PROPERTY LOCATED AT 521 WEST 2ND STREET AND COMMITTING A MATCH OF NOT LESS THAN FIFTY PERCENT OF THE AWARDED AMOUNT.**

**Staff:** Director Fleege indicated this is for the Burnham Apartments project at the former SLC Jail building. Stated that in addition to Tax Increment Financing, approval of this application would provide additional project support.

Jason Hale indicated a first-round application was submitted in February 2021 but was not

awarded. Stated that DEED provided good feedback and this application is now for a more narrowed scope of work and reduced ask.

**Discussion:** Commissioner Filipovich emphasized the importance of this project for Duluth and the Historic Civic Center which this building is a part of. Acknowledged the complex building design and structural details and thanked the Developer for their attempt at redevelopment. Thankful for DEED and their ability to assist projects of this nature.

**Vote to approve resolution 21D-31:** (Randorf/McEntyre) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

**RESOLUTION 21D-33: RESOLUTION APPROVING A SIXTH AMENDMENT TO THE AGREEMENT WITH STAR NW LIMITED LIABILITY COMPANY FOR DEDA TO LEASE PROPERTY IN THE NORTHWEST IRON LOT FOR PUBLIC PARKING PURPOSES**

**Staff:** Director Fleege indicated this is the lot next to Little Angie's and Grandmas in Canal Park. Confirmed that soil borings and the first level of environmental assessment was completed, but this amendment allows for continuation of current operation of the lot.

**Discussion:** Commissioner Filipovich questioned when environmental sampling would be complete.

Director Fleege indicated the study work was completed and the consultant is now completing high-level estimating as we pursue options for potential redevelopment to ensure a higher purpose for the lot in the future.

Commissioner Cartier questioned if Star NW would be the future Developer or if DEDA would just work in conjunction on future use.

Commissioner Fleege indicated it would likely be a partnership guiding what future use looks like, in tandem with boardwalk renovation behind DECC for future cruise ship docking.

Commissioner Filipovich requested emailed copy of what soil borings exposed and environmental contaminants so the Commission can better understand future remediation requirements and how different uses would impact the level of remediation required for highest and best use in the Canal Park area.

**Vote to approve resolution 21D-33:** (Filipovich/Just) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

**RESOLUTION 21D-34: RESOLUTION AUTHORIZING A LICENSE AGREEMENT FOR BAYFRONT PROPERTY BETWEEN DEDA AND CITY OF DULUTH RELATED TO VEHICULAR PARKING AND BAYFRONT PARK RELATED PURPOSES**

**Staff:** N/A

**Discussion:** N/A

**Vote to approve resolution 21D-34:** (Randorf/Filipovich) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

**RESOLUTION 21D-35: RESOLUTION AUTHORIZING A SHORT TERM LEASE AGREEMENT WITH LAKE SUPERIOR HELICOPTERS LLC FOR USE OF THE MRO.**

**Staff:** Director Fleege indicated we had existing lease for 1,000 square feet and this extends the agreement to 2,400 square feet, allowing for more staff and slow expansion.

**Discussion:** Eric Monson with Lake Superior Helicopters thanked Commissioners for the incubator space and opportunity to strategically grow. Stated the space has allowed them to take steps to open up a dedicated maintenance department and start working on multiple people's aircraft. Indicated the goal was couple mechanics and they are now at three full time mechanics, one being a full-time intern with Lake Superior College. Shared they will bring on an individual for full time marketing to assist the organization as a whole. Confirmed the additional space allows for additional staff offices and the ability to continue a calculated and controlled grown of their maintenance department and organization as a whole.

Commissioner Cartier thanked Mr. Monson.

**Vote to approve resolution 21D-35:** Filipovich/Randorf) (Roll call vote: Cartier, Filipovich, Just, McEntyre, Randorf) Passed (5-0).

## **8. DISCUSSION**

### **DIRECTORS REPORT**

- NorthForce** : Will support Northforce again this year with a financial commitment.
- Northland Connection:** Planners and staff use this tool to facilitate businesses to expand or move to Duluth and DEDA will continue contracting.
- Northland SBDC-\$25K:** Previously sponsored by UMD and provides assistance to entrepreneurs.
- Entrypoint-\$25K:** DEDA will assist in funding to Entrypoint as they research broadband implementation in Duluth.

**-Lot D:** RFI will go out for lot D in next week or two to solicit for potential respondents. Lots of work around housing.

**9. ADJOURNMENT:** President Cartier adjourned the August 25, 2021 meeting of DEDA at 5:51 p.m.

Respectfully submitted,

DocuSigned by:

*Christopher E. Fleege*

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Chris Fleege

9/23/2021

Executive Director