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Addendum 1
Solicitation 24-99811
RFP for Consultant Services for the 1200 Fund

This addendum serves to notify all bidders of the following changes to the solicitation documents:

Questions received below are answered in *italics*.

1. What is the total amount of the funding for this project? *The 1200 Fund does not have a dedicated amount allocated for financial consultant services. The most recent contract was awarded with a not-to-exceed amount of \$15,000.*
2. What are the expected number of loans to be reviewed on an annual basis? *Considering the upcoming announcement of the Storefront Loan program, 7-10 loans per year could be expected*
3. How many loans were done last year? *Two Advanced loans, and one General Loan were completed.*
4. Can you please forward the loan fund criteria and financing guidelines? *Loan criteria and Financing Guidelines are included in the attached Duluth 1200 Fund Bylaws.*

Please acknowledge receipt of this Addendum by including a copy of *this page* with your

proposal. Posted: **November 14, 2024**

Attachment: Duluth 1200 Fund Bylaws

**AMENDED AND RESTATED
BYLAWS OF
DULUTH 1200 FUND, INC.**

SEPTEMBER 22, 2016

**ARTICLE I
OFFICES**

The registered office of the corporation shall be that set forth in the Articles of Incorporation or in the most recent amendment of the Articles of Incorporation or statement of the Board of Directors filed with the Secretary of State of the State of Minnesota changing the registered office in the manner prescribed by law. The corporation may also have offices and places of business at such other locations as the Board of Directors may from time to time designate, or the business of the corporation may require.

**ARTICLE II
MEMBERS' MEETINGS**

Section 1. In General. The members of this corporation shall be appointed and removed by the Mayor of the City of Duluth, provided that said Mayor shall appoint as one such member a sitting member of the Duluth City Council. If such member shall cease to be a sitting member of the Duluth City Council, such member shall simultaneously therewith cease to be a member of this corporation. A list of the names and addresses of the members shall be maintained at the principal executive office of the corporation.

Section 2. Ex Officio Members. The Mayor of the City of Duluth or his or her designee shall be an ex officio member of the corporation. The ex officio members of the corporation shall have all of the rights and privileges of any other member of the corporation, except that he or she shall not be entitled to vote on matters presented to the members of the corporation.

Section 3. Time and Place of Meetings. Regular or special meetings of members shall be held on the date and at the time and place fixed by the President or the Board of Directors.

Section 4. Regular Meetings. Regular meetings of the members shall be held annually. Meetings of directors shall constitute meetings of members for the purpose of this section. Any business appropriate for action by the members may be transacted at a regular meeting.

Section 5. Special Meetings. Special meetings of the members held for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or three or more directors and shall be called by the President at the request in writing of three members. Such call shall state the purpose or purposes for the proposed special meeting.

Section 6. Notice of Meetings. Written notice of a meeting of the members stating the time and place thereof shall be mailed at least five (5) days but not more than thirty (30) days prior to the meeting to each member entitled to notice of and to vote thereat and to the ex officio members to the last known address of such member as the same appears upon the books of the corporation. Every notice of any special meeting shall state the purpose or purposes for which the meeting has been called, and the business transacted at all special meetings shall be confined to the purpose stated in the call, unless all of the members are present in person and none of them objects to consideration of a particular item of business.

Section 7. Waiver of Notice and Authorization Without Meeting. Notice of the time, place, and purpose of any meeting of members, whether required by statute, the Articles of Incorporation or these Bylaws, may be waived by any member. Such waiver may be given before or after the meeting, and may be given in writing, oral, or by attendance.

Any action which may be taken at a meeting of the members may be taken without a meeting, if authorized in writing or writings signed by all members who would be entitled to notice of a meeting for such purpose.

Section 8. Quorum. The presence at any meeting, in person of the holders of a majority of the members entitled to vote, shall constitute a quorum for the transaction of business. If, however, such majority shall not be present in person at any meeting of the members, those present shall have the power to adjourn the meeting from time to time, without notice other than by announcement at the meeting, until the requisite amount of members shall be present. At any such adjourned meeting at which the required number of members shall be present, any business may be transacted which might have been transacted at the meeting as originally noticed. When a quorum has been present at a meeting and members have withdrawn from the meeting so that less than a quorum remains, the members present may continue to transact business until adjournment.

Section 9. Voting. At all meetings of the members, each member present, except the ex officio members, shall be entitled to vote. Each member shall have one (1) vote. Upon the demand of any member, the vote for directors or the vote upon any question before the meeting shall be by secret ballot. All elections shall be had and all questions decided by a majority vote except as otherwise required by these Bylaws or statute. Cumulative voting shall not be allowed.

Section 10. Telephone Conference Meetings. A conference among members by any means of communication through which the participants may simultaneously hear each other during the conference shall constitute a meeting of the members, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a meeting by that means constitutes personal presence at the meeting.

A member may participate in a meeting of the members not described in the foregoing paragraph of this section by any means of communication through which he or she, other persons so participating and all other persons physically present at the meeting may simultaneously hear

each other during the meeting. Participation in a meeting by that means constitutes personal presence at the meeting.

ARTICLE III BOARD OF DIRECTORS

Section 1. Directors. The business and affairs of this corporation shall be managed by its Board of Directors. The members of this corporation shall constitute the Board of Directors of this corporation. Each of the directors shall hold office until he or she ceases to be a member of this corporation.

Section 2. Board Meetings; Place and Notice. Meetings of the Board of Directors may be held from time to time at any place within the City of Duluth that the Board of Directors may designate. In the absence of designation by the Board of Directors, Board meetings shall be held at the principal executive office of the corporation, except as may be otherwise unanimously agreed orally or in writing or by attendance. Any director may call a meeting of the Board of Directors by giving five (5) days' notice to all directors, including the ex officio directors, of the date and time of the meeting. The notice need not state the purpose of the meeting. Notice may be given by mail, telephone, telegram or in person. If a meeting schedule is adopted by the Board of Directors, or if the date and time of a Board of Directors meeting has been announced at a previous meeting, no notice is required.

Section 3. Waiver of Notice and Authorization Without Meeting. A director may waive notice of a meeting of the Board of Directors. A waiver of notice by a director is effective, whether given before, at, or after the meeting and whether given in writing, orally, or by attendance.

Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if authorized by a writing or writings signed by all of the directors.

Section 4. Quorum. At all meetings of the Board of Directors, a majority of the directors entitled to vote shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the directors entitled to vote who are present at any meeting at which a quorum is present shall be the act of the Board of Directors.

Section 5. Order of Business. The Board of Directors may from time to time determine the order of business at its meetings. The usual order of business shall be as follows:

- a. The meeting is called to order by the President.
- b. Roll call-quorum being present, the meeting proceeds with business.
- c. Reading by the Secretary of the minutes of the previous meeting and their consideration and approval.
- d. Report of officers.

- e. Report of committees.
- f. Consideration of communications.
- g. Unfinished business.
- h. New business.
- i. Motion to adjourn.

Section 6. Vacancies. If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the members, by a majority vote, shall choose a successor who shall hold office for the unexpired term in respect of which such vacancy occurred.

Section 7. Committees.

- a. Executive Committee. The Board of Directors may, by unanimous affirmative action of the entire Board, designate one (1) or more persons to constitute an Executive Committee which, to the extent determined by unanimous affirmative action of the entire Board of Directors, shall have and exercise all of the authority of the Board of Directors in the management of the business of the corporation. Any such Executive Committee shall act only in the interval between meetings of the Board of Directors, and shall be subject at all times to the control and direction of the Board of Directors.
- b. Loan Review Committee. The Board of Directors may designate one (1) or more persons to constitute a Loan Review Committee. Any Loan Review Committee that is formed shall be responsible for performing such duties as may be assigned to it by the Board of Directors.

Section 8. Disqualification. A director shall immediately cease to be a director of this corporation upon ceasing to be a member of the corporation.

Section 9. Resignation. A director or any member of any committee of this corporation may resign at any time by delivering a written resignation to the President or the Secretary of the corporation. Such resignation shall be effective as of the date such written resignation is received by the President or Secretary.

Section 10. Removal. A director may be removed with or without cause at any time by the affirmative vote of a majority of the members of the corporation present at a meeting of the members, the notice of which shall have specified the proposed removal.

Section 11. Compensation, Payment of Expenses. The directors of the corporation shall serve as such without salary, but the Board of Directors may authorize the payment by the corporation of the reasonable expenses incurred by the directors in the performance of their duties, provided that no expenses shall be paid by this corporation unless such expenses are approved by the Board of Directors before such expenses are incurred.

Section 12. Telephone Conference Meetings. A conference among directors by any means of communication through which the participants may simultaneously hear each other during the conference shall constitute a meeting of the directors, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at the meeting. Participation in a meeting by that means constitutes personal presence at the meeting.

A director may participate in a meeting of the directors not described in the foregoing paragraph of this section by any means of communication through which he or she, other persons so participating and all other persons physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by that means constitutes personal presence at the meeting.

Section 13. Ex Officio Directors. The Mayor of the City of Duluth or his or her designee shall be an ex officio member of the Board of Directors of the corporation. The ex officio members of the Board of Directors shall not be entitled to vote on matters before the Board of Directors. The ex officio members shall be entitled to all other rights and privileges of a director of the corporation, however.

ARTICLE IV OFFICERS

Section 1. Election of Officers. The Board of Directors shall, from time to time, elect a President, a Secretary and a Treasurer. The Board of Directors may, but shall not be required to, elect one (1) or more Vice Presidents, as they may determine, one of whom may be designated as an Executive Vice President. In addition, the Board of Directors may elect such other officers and agents as it may determine necessary, including Assistant Secretaries and Assistant Treasurers. Such officers shall exercise such powers and perform such duties as are prescribed by the Articles of Incorporation or the Bylaws or as may be otherwise determined from time to time by the Board of Directors. Any number of offices or functions of those officers may be held or exercised by the same person.

Section 2. Terms of Office. The officers of the corporation shall hold office for such terms as shall be determined from time to time by the Board of Directors or until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed with or without cause by the affirmative vote of a majority of the whole Board of Directors.

Section 3. Compensation, Payment of Expenses. The officers of the corporation shall serve as such without salary but the Board of Directors may authorize the payment by the corporation of the reasonable expenses incurred by the officers in the performance of their duties, provided that no expenses shall be paid by this corporation unless such expenses are approved by the Board of Directors before such expenses are incurred.

Section 4. President. The President shall be the chief executive officer of the corporation, and shall have the general direction and control of the affairs of the corporation. He or she shall preside at all meetings of the members and of the Board of Directors. He or she shall direct general active management of the business of the corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect. He or she shall perform duties properly required of him or her by the Board of Directors and such other duties as are incident to his or her office, or imposed by statute which have not otherwise been lawfully delegated to other officers of this corporation.

Section 5. Vice Presidents. The Vice Presidents in the order designated by the Board of Directors shall perform the duties and exercise the powers of the President in his absence or incapacity. The Vice Presidents shall perform such other duties as the Board of Directors shall from time to time prescribe.

Section 6. Secretary and Assistant Secretaries. The Secretary shall attend all sessions of the Board of Directors and all meetings of the members, and record or cause to be recorded all votes and minutes of all proceedings in a book kept for that purpose, and shall perform like duties for the standing committees when required. He or she shall give or cause to be given notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President under whose supervision he or she shall be.

The Assistant Secretaries in the order designated by the Board of Directors shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as the Board of Directors shall prescribe.

Section 7. Treasurer and Assistant Treasurers. The Treasurer shall have the custody of the corporate funds and securities, and shall keep or cause to be kept at the registered office of the corporation full and accurate account of receipts and disbursements in books belonging to the corporation, and shall deposit or cause to be deposited all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated from time to time by the Board of Directors; he or she shall disburse or cause to be disbursed the funds of the corporation in discharge of corporate liabilities and obligations as may be ordered by the Board of Directors from time to time, taking the proper vouchers for such disbursements, and shall render or cause to be rendered to the President and the Board of Directors whenever they may require the same, an account of all of his or her transactions and of the financial condition of the corporation; he or she shall give the corporation a bond, if required by the Board of Directors, in such sum as the Board of Directors may by resolution determine; and with one (1) or more sureties satisfactory to the Board of Directors for the faithful performance of the duties of his or her office, and for the restoration to the corporation in case of death, resignation, retirement or removal from office of all books, vouchers, papers, money, and other property of whatsoever kind in his possession or under his or her control belonging to the corporation. The duties of the Treasurer specified above may be assigned and delegated to an employee of the City of Duluth by resolutions of the Board of Directors.

The Assistant Treasurers in the order designated by the Board of Directors shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties as the Board of Directors shall prescribe.

Section 8. Vacancies. If the office of any officer or agent becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the Board of Directors, by a majority vote, shall choose a successor or successors who shall hold office for the unexpired term in respect of which such vacancy occurred.

Section 9. Delegation of Authority. An officer elected or appointed by the Board of Directors may delegate some or all of the duties or powers of his or her office to other persons, provided that such delegation is in writing.

Section 10. Staff. The Board of Directors may authorize the employment of such agents or employees as it shall deem reasonable and necessary for the furtherance of the purposes of the corporation, including a professional financial advisor.

ARTICLE V RECORDS

There shall be maintained at the registered office of the corporation all financial books and records of account, all minutes of the Board of Directors' meetings, member meetings and the Executive Committee and other committee meetings of the corporation, the list of members and copies of all other material corporate records, books, documents and contracts. All such books, records, minutes, lists, documents and contracts shall be made available for inspection at any reasonable time during usual business hours (i) by any member of the corporation for any lawful and proper purpose, (ii) by any director of the corporation for any lawful purpose and (iii) by any duly authorized agent or employee of the City of Duluth. Upon leaving office, each officer or agent of the corporation shall turn over to his or her successor or the President, in good order, such corporate moneys, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in the custody of such officer or agent during his or her term of office.

ARTICLE VI DEPOSITS, CHECKS, LOANS, CONTRACTS

Section 1. Deposit of Funds. All funds of the corporation not otherwise employed shall be deposited in such banks, trust companies or other reliable depositories as the Board of Directors from time to time may determine.

Section 2. Checks, Etc. All checks, drafts, endorsements, notes and evidences of indebtedness of the corporation shall be signed by such officers or agents of the corporation and in such manner as the Board of Directors from time to time may determine. Endorsements for deposits to the credit of the corporation shall be made in such manner as the Board of Directors from time to time may determine.

Section 3. Loans. No loans or advances shall be contracted on behalf of the corporation, and no note or other evidence of indebtedness shall be issued in its name, unless and except as authorized by the Board of Directors. Any such authorization shall relate to specific transactions and may include authorization to pledge, as security for loans or advances so authorized, any and all securities and other personal property at any time held by the corporation.

Section 4. Contracts. The President, Vice President or any other officer specifically authorized by the Board of Directors may, in the name of and on behalf of the corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board of Directors. Without the express and specific authorization of the Board of Directors, no officer or other agent of the corporation may enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation.

Section 5. Investment of Funds. All funds of the corporation not otherwise employed shall be invested by the corporation in instruments, certificates or other investments in which municipalities may invest under the provisions of §475.66 of the Minnesota Statutes.

ARTICLE VII COMPENSATION OF AND CONTRACTS WITH DIRECTORS AND OFFICERS

Section 1. Compensation of Directors and Officers. The members, directors and officers of the corporation shall serve as such without salary, but the Board of Directors may authorize the payment by the corporation of the reasonable expenses incurred by them in the performance of their duties, provided that no expenses shall be paid by this corporation unless such expenses are approved by the Board of Directors before such expenses are incurred. The Board of Directors shall fix the salary or other compensation of any employees or agents of the corporation. No member, director or officer of the corporation shall receive, directly or indirectly, any salary, compensation or gift from the corporation.

Section 2. Loans to Directors and Officers. No loans shall be made by the corporation to its members, directors or officers. The directors of the corporation who vote for or assent to the making of a loan to a member, director or officer of the corporation, and any officer or officers participating in the making of such a loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

ARTICLE VIII LOAN REVIEW PROCESS

Section 1. Purpose of the Corporation. As is stated in the Articles of Incorporation of this corporation, one of the purposes of the corporation is to provide loans, other financial assistance or financial incentives to businesses located or to be located in the City of Duluth that are not otherwise able to obtain adequate or appropriate financing from other sources or that would be incented to create jobs in the City of Duluth. The procedures that will be followed by the corporation in connection with making any such loans, providing any such financial assistance or providing incentives are set forth in this Article VIII.

Section 2. Purpose of Loans or Other Financial Assistance. For small to medium-sized businesses in Duluth, private financing for fixed assets, equipment and working capital is often difficult to obtain. Business projects often cannot go forward because of insufficient financing, insufficient collateral or because projected profits are not sufficient to attract investors. Loans, other financial assistance and incentives that are proposed to be made or provided by this corporation are intended to fill these specific financing and economic, return or investment gaps. Loans, other financial assistance or incentives made or provided by this corporation are intended to create permanent private sector jobs, expand the tax base and increase economic productivity.

For the purposes of these Bylaws, the term "financial assistance" is to be construed in the broadest manner and recognize changes in the manner in which financial packages are assembled over time. Financial assistance may include (i) a guaranty of a loan, lease, letter of credit or other financial accommodation made to the party requesting assistance by another party; (ii) providing a forgivable loan; (iii) providing a letter of credit; (iv) providing a bridge loan to a governmental entity to provide upfront cash to a project that will receive tax increment or tax abatement proceeds over a period of time; and/or (v) providing cash incentives to induce the creation of jobs. Financial assistance described in this paragraph will be characterized for purposes of Section 3a of this Article VIII in accordance with the end result of such financial assistance. For example, a letter of credit that secures the purchase of equipment shall be characterized as an item described in Section 3a(ii) of this Article VIII.

Loans, other financial assistance or incentives made or provided by this corporation are intended to create the inducement necessary to allow a project to proceed from imagination to reality. Loans, other financial assistance or incentives made or provided by this corporation are intended to complement, not compete with, private lending institutions and conventional commercial institutions. Private sector involvement will be a key factor to the success of this corporation's activities. The combination of private sector financing and the loan, financial assistance or incentives provided by this corporation would give the business: (i) a lower down payment, (ii) a longer term on the entire financing package; (iii) a blended interest rate lower than the conventional commercial financing alone; (iv) or acceptable return on investment; and/or (v) the ability to satisfy other requirements of the private financier or investor.

Business incentives offered by other economic development agencies and public entities may, and are encouraged to, be complemented by loans, other financial assistance or incentives made or provided by this corporation.

Section 3. Mandatory Requirements for Loans or Other Financial Assistance or Incentives. No loan or other financial assistance or incentives may be made by this corporation to any person, corporation, partnership or other entity unless the Board of Directors determines that all of the following are met:

- a. The proceeds of any loan shall be used only for:
 - (i) Fixed assets, including land and building purchases, building construction and leasehold improvements and renovations; and/or

- (ii) Acquisition or renovation of machinery and equipment; and/or
 - (iii) Working capital; and/or
- b. The term of any loan shall not exceed the following:
 - (i) For a loan described in part (i) of paragraph a above, seventeen (17) years;
 - (ii) For a loan described in part (ii) of paragraph a above, seven (7) years;
 - (iii) For a loan described in part (iii) of paragraph a above, five (5) years;
- c. The business to be conducted by the recipient of such loan, other financial assistance or incentives will be located within the city limits of the City of Duluth.
- d. The maximum amount of any loan, other financial assistance or incentives that may be made or given in connection with any one development project shall be Five Hundred Thousand and No/100ths Dollars (\$500,000.00).
- e. The "Other Funds Invested In The Project" required by Section 10a(ii) of this Article VIII hereof have been unconditionally committed to the development project.
- f. The recipient of the loan, other financial assistance or incentives from this corporation has strong management personnel and has personnel with the technical expertise and experience necessary to implement the development project for which a loan, other financial assistance or incentives is requested.
- g. The recipient of the loan, other financial assistance or incentives demonstrates that the business for which the loan, other financial assistance or incentives is sought will experience real growth in the production of goods and services after adjustments are made for inflation.
- h. Any loan, other financial assistance or incentives made by this corporation shall be subject to whatever agreements and documents as are reasonably necessary to insure that the purpose and intent of this corporation are met in the providing of such other financial assistance or incentives to any recipient.
- i. No loan, other financial assistance or incentives may be made to refinance existing debt.
- j. The recipient of such loan, other financial assistance or incentives is credit worthy and has the ability to perform its obligations under any agreements to be entered into with this corporation.

k. Benefits will be realized by the citizens of the City of Duluth in the form of increased jobs and tax base, or by this corporation's realizing a return on investment for future economic development assistance.

1. Any loan agreement between this corporation and a borrower and any other agreement between this corporation and the recipient of any other financial assistance from this corporation shall contain a provision that requires this corporation to review the operations of the borrower or recipient of any other financial assistance on an annual or more frequent basis to determine compliance with the terms and provisions of any agreement between the corporation and such borrower or recipient of any other financial assistance and to determine the extent to which such loan, other financial assistance or incentives furthered the purposes of this corporation.

NOTHING HEREIN SHALL REQUIRE THIS CORPORATION TO MAKE A LOAN OR PROVIDE OTHER FINANCIAL ASSISTANCE OR INCENTIVES TO A BUSINESS THAT MEETS THE REQUIREMENTS OF THIS SECTION 3 OF THIS ARTICLE VIII. THIS CORPORATION NEED NOT MAKE A LOAN, PROVIDE OTHER FINANCIAL ASSISTANCE OR INCENTIVES TO A BUSINESS THAT MEETS ALL OF THE REQUIREMENTS OF THIS SECTION 3 UNLESS THE BOARD OF DIRECTORS IN ITS SOLE DISCRETION DETERMINES THAT IT IS IN THE BEST INTERESTS OF THE CORPORATION TO MAKE SUCH LOAN, PROVIDE SUCH OTHER FINANCIAL ASSISTANCE OR INCENTIVES.

Section 4. Loan Program. No loan may be made by the corporation to any person, corporation, partnership or other entity unless the Board of Directors determines that all of the following are met:

- a. All of the items set forth in Section 3 of this Article VIII.
- b. Any working capital loan shall be made by purchasing a participation interest in a loan made by an institutional lender (i.e., a commercial bank, insurance company, governmental entity or other similar such lender).
- c. The loan shall be secured by collateral as approved by the Board. Working capital loans shall be secured by a security interest with equal priority with a security interest granted to the institutional lender that makes the loan in which this Corporation participates.
- d. The amount of any loan shall not exceed fifty percent (50%) of the aggregate amount of all loan(s) and equity contributed by the business for the project for which the loan is sought.
- e. Any loan made by this corporation to a borrower with less than ten (10) owners shall be personally guaranteed by the principal owners of the borrower. Any loan made by this corporation to a borrower with more than ten (10) owners but with one owner who owns more than fifty percent (50%) of such borrowers outstanding voting control shall be personally guaranteed by the owner who owns more than fifty percent (50% of the outstanding voting

control of such borrower. Notwithstanding the foregoing, no guarantee shall be required to be given by a publicly held corporation or by a wholly owned subsidiary of a publicly held corporation. The provisions of this Section 4e of this Article VIII may be waived by the Board of Directors for an applicant where the bank providing the loan in which this Corporation participates does not require that such loan be personally guaranteed. The Board of Directors shall consider the availability of such personal guarantee in setting the interest rate and other terms of the loan in which this Corporation is participating.

f. Any loan or other financial assistance or incentive this corporation shall be subject to an agreement between this corporation and the recipient of any such loan, other financial assistance or incentive that contains such terms and provisions as are reasonably necessary to insure that the purpose and intent of this corporation is met in the making of such loan or providing such other financial assistance or incentive.

g. The loan documents of the institutional lender related to a working capital loan provide that a default under the loan documents between this corporation and any recipient of any loan from this corporation shall be a default under the loan documents of the institutional lender and that this corporation may require the institutional lender to exercise its remedies in such loan documents upon such default.

Section 5. Equity Risk Capital Fund. This corporation may provide financial assistance to businesses through means other than loans. No such other financial assistance may be made by this corporation to any person, corporation, partnership or other entity unless the Board of Directors determines that all of the following are met:

a. All of the items set forth in Section 3 a, c, d, g, h, i, j and k of this Article VIII.

b. No financial assistance shall be made pursuant to this Section 5 of this Article VIII to any retail or commercial orientated service business.

c. This corporation shall provide no more than twenty percent (20%) of the financial assistance required for the project for which the financial assistance is sought.

d. The financial assistance made by this corporation shall have equal rights in all respects with the rights held by the other party(ies)/entity(ies) that invest in the project.

e. This corporation must obtain an equity interest in applicant in the form of preferred stock, common stock, conversion rights, other equity interest in the applicant.

f. Any other financial assistance made by this corporation shall be subject to agreements between this corporation and the recipient of any such financial assistance, and the owners of such recipient, that contains such terms and provisions as are reasonably necessary to insure that the purpose and intent of this corporation is met in the making of such financial assistance.

g. Each application for other assistance will be considered without regard to any prior other financial assistance made by this corporation. No transaction shall be deemed to nor shall it be a precedent for a subsequent transaction.

Section 6. Job Retention Loans. This corporation may provide loans to businesses that meet all of the requirements of Section 3a, b, c, d, e, f, h, i, j, k and l of this Article VIII and the Board of Directors determines that all of the following are met:

a. This corporation shall have no more than \$250,000.00 in loans made pursuant to this Section 6 outstanding at any time.

b. The recipient of the loan demonstrates that the business for which the loan is sought will be able to retain the employees currently employed by it as a result of the loan being provided to it by corporation.

c. Benefits will be realized by the citizens of the City of Duluth in the form of retained jobs.

d. The provisions of Section 10a(i) of this Article VIII with regard to jobs is satisfied.

e. No such financial assistance shall be made pursuant to this Section 6 to any retail or consumer orientated business.

f. The administrative staff of this corporation shall provide the appropriate reporting forms to determine if the job retention goals for which the loan or financial assistance provided by this corporation have been met.

Section 7. Loans for Retail. This corporation may provide loans to businesses that meet all of the requirements of Section 3a, b, c, d, e, f, g, h, i, j, k and l of this Article VIII and the Board of Directors determines that all of the following are met:

a. This corporation shall have no more than \$350,000.00 in loans made pursuant to this Section 7 outstanding at any time.

b. The recipient of the loan demonstrates that the business for which the loan is sought will sell products that would attract visitors to Duluth for the purpose of purchasing such products and that will generate sales tax revenue for the City.

c. The maximum amount of any loan that may be made or given in connection with any Project under this Section 7 shall be One Hundred Thousand and No/100 Dollars (\$100,000.00).

d. The provisions of Section 10a(i) of this Article VIII with regard to jobs is satisfied.

- e. The provisions of Section 10b are not applicable to loans under this Section 7.

Section 8. **Advance West Pilot Loan Program.** This Corporation may provide loans, other financial assistance or incentives to businesses located in the 55806 and 55807 zip code districts if the Board of Directions determines that all of the following are met:

- a. All of the items set forth in Section 3 a, b, c, e, f, g, h, i, j, k and l.
- b. The business to be conducted by the recipient of such loan, other financial assistance or incentives will be located in the 55806 and 55807 zip code district.
- c. This corporation shall have no more than \$400,000.00 in loans, other financial assistance or incentives made pursuant to this Section 8 at any time.
- d. The provisions of Section 10a(i) of this Article VIII with regard to jobs is satisfied.
- e. The loans, financial assistance or incentives may be made to a retail or consumer oriented business.
- f. The primary purpose of the loans, other financial assistance or incentives are to assist the business with the acquisition of commercial property where the buildings located on such property require significant capital investment/capital improvements to become commercially viable and there exists a loan value disparity because the acquisition cost of the commercial property plus the cost of needed repairs and upgrades exceeds the private sector loans that may be available and the equity available to the business.
- g. The maximum amount of any individual loan, other financial assistance or incentives is \$50,000.00.
- h. The commercial property must be owned by a small business defined as having fewer than fifty (50) employees.
- i. The principal amount of the loan may be forgiven as follows:
 - (i) if two (2) or more full time (2,080 hours annually) jobs are created, then \$7,500.00 for each full time job created in the building, or the commercial property and maintained for two (2) years up to a maximum of 50% of the original principal amount of the loan.
- j. The administrative staff of this corporation shall provide the appropriate reporting forms to determine if the job creation goals for which the loans, other financial assistance or incentives provided by this Corporation have been met and if the principal amount of the loan may be forgiven.

Section 9. **Incentive Plan.** This Corporation may forgive portions of loans to businesses to induce the creation of manufacturing and high tech jobs that pay a starting wage in excess of

\$50,000.00 per year plus state and federal mandated benefits. If the Board determines that all of the following are met:

a. All of the requirements for the loan made to the business contained in this Article VIII are satisfied.

b. The amount of the loan that is eligible to be forgiven is (i) \$5,000.00 for each job created by the business in the City of Duluth after the loan is made by the 1200 Fund; and (ii) that each such job provides a salary in excess of \$50,000.00 per year plus state and federal mandated benefits; and (iii) eight (8) or more of such jobs are created; and (iv) the eight (8) or more jobs are maintained for five years.

c. The administrative staff of this Corporation shall provide the appropriate reporting forms to determine if the business is eligible for principal forgiveness pursuant to this Section 9.

Section 10. Discretionary Requirements For Loans or Other Financial Assistance. Subject to the provisions of Section 3 of this Article VIII, in making any loan or providing any financial assistance to any person, corporation, partnership, or other entity the Board of Directors shall give due consideration to the following:

a. It is desired that the maximum amount of any loan, other financial assistance or incentives that may be made or given in connection with any one development project shall be the lesser of:

(i) The maximum amount of the loan, other financial assistance or incentives provided to a business relative to job creation or job retention needs to be flexible, but the following are guidelines that the administrative staff of this corporation are to use in considering applications:

1. If the jobs created or retained provide a pay rate, including all benefits, of less than \$15.00 per hour, then the maximum loan amount shall be \$10,000.00 per job created or retained.

2. If the jobs created or retained provide a pay rate, including all benefits of more than \$15.00 per hour, but less than \$20.00 per hour, then the maximum loan amount shall be \$15,000.00 per job created or retained.

3. If the jobs created or retained provide a pay rate, including all benefits, of more than \$20.00 per hour, then the maximum loan amount shall be \$20,000.00 per job created or retained.

If a variety of jobs are created or retained, then the number of jobs in each category will be determined and the maximum amount of the loan, other financial assistance or incentives will be calculated by adding the results from all categories.

The pay rates set forth in subparagraphs 1, 2 and 3 above shall be increased, but not decreased, by the percentage increase in the Average Hourly Earnings of All Employees in Duluth MSA from August 1, 2015 to the date an application for a loan or other formal assistance is made to this corporation. This index can be found at: <https://research.stlouisfed.org/fred2/series/SMU27202600500000003>.

(ii) An amount so that the ratio of the total of "Other Funds Invested In The Project to the amount of the loan, other financial assistance or incentives to be made or given by this corporation is 1:1. For purposes of these Bylaws, "Other Funds Invested In The Project shall include funds obtained by the recipient of the loan, other financial assistance or incentives from this corporation through loans from conventional commercial lenders, loans or grants from public sources, or loans, grants or equity funds from private sources, provided, however, that funds expended for feasibility studies, business plans, or for time spent by or on behalf of the recipient of such loan, other financial assistance or incentives prior to the start of business of the development project shall not be considered "Other Funds Invested In The Project."

b. It is desired that the interest rate charged by this corporation on loans made by it, after giving due consideration to the matters set forth in the preceding paragraph of this Article, be tailored to the business seeking such loan and that such interest rates may be fixed or floating.

Section 11. Loan or Other Financial Assistance Review Process.

a. Pre-Application Process. It is intended that this corporation shall work with other persons and entities, public or private, non-profit and profit, in developing an awareness of the availability of loans and other financial assistance from this corporation and in connection with the development and preparation of an application for a loan, other financial assistance or incentives for this corporation.

b. Coordination with Other Entities. When considering an application for a loan, other financial assistance or incentives the administrative staff of this Corporation shall coordinate consideration of the application with other entities, such as the Northland Foundation, ARDC Revolving Loan Fund, MN DEED, MIF and MN DEED JCF that provide loans, other financial assistance or incentives to businesses.

c. Initial Review of Application. All applications for loan, other financial assistance or incentives from this corporation shall be submitted to the Office of Business Development of the City of Duluth and be initially reviewed by its staff. The staff of the Office of Business Development of the City of Duluth will preliminarily determine the ability of the applicant for a loan, other financial assistance or incentives to comply with the requirements of this Article VIII of these Bylaws. If such staff reasonably believes that such applicant will be able to comply with such requirements, then the application for a loan, other financial assistance or incentives shall be presented to the Board of Directors.

d. Board of Directors Review. The Board of Directors shall review all applications for loan, other financial assistance or incentives. After such review, the Board of Directors shall make findings and recommendations with respect to the application for such loan, other financial assistance or incentives as required by Sections 3, 4, 5, 6, 7, 8, 9 and 10 of this Article VIII and shall approve or deny such application.

e. Review Guidelines. The Board of Directors of this corporation shall give due consideration to the need for this corporation to take reasonable business risks in order for it to further its job creation or job retention purpose, even if potential losses might be experienced.

NOTHING HEREIN SHALL REQUIRE THIS CORPORATION TO MAKE A LOAN, PROVIDE OTHER FINANCIAL ASSISTANCE OR INCENTIVES TO A BUSINESS THAT MEETS THE REQUIREMENTS OF THIS ARTICLE VIII. THIS CORPORATION NEED NOT MAKE A LOAN, PROVIDE OTHER FINANCIAL ASSISTANCE OR INCENTIVES TO A BUSINESS THAT MEETS ALL OF THE REQUIREMENTS OF THIS ARTICLE VIII UNLESS THE BOARD OF DIRECTORS IN ITS SOLE DISCRETION DETERMINES THAT IT IS IN THE BEST INTERESTS OF THIS CORPORATION TO MAKE SUCH LOAN, PROVIDE SUCH OTHER FINANCIAL ASSISTANCE OR INCENTIVES.

ARTICLE IX MISCELLANEOUS

Section 1. Corporate Seal. This corporation shall have no seal.

Section 2. Fiscal Year. The fiscal year of this corporation shall be as determined by resolution of the Board of Directors.

Section 3. Annual Audit. At the end of each fiscal year, the books and records of this corporation shall be audited by independent certified public accountants or the City Auditor of the City of Duluth.

Section 4. Budget. The Board of Directors of the corporation shall prepare an annual budget for its operators. Such budget shall be provided to the City of Duluth within five (5) days after its adoption.

ARTICLE X INDEMNIFICATION

Each member, director and officer, past or present, of the corporation, and each person who serves or may have served at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, and their respective heirs, administrators and personal representatives, shall be indemnified by the corporation in accordance with, and to the fullest extent provided in §300.083 of the Minnesota Statutes, as it now exists and may be amended from time to time. Whenever there has been a finding, as provided in said §300.083, subd.2, that the prerequisites for indemnification have been met, such indemnification shall be mandatory by the corporation. This corporation shall

purchase and maintain insurance on behalf of any person who is required to be indemnified pursuant to this Article X or otherwise by contract insure any person who is required to be indemnified pursuant to this Article X.

ARTICLE XI
PUBLIC STATEMENTS,
NEGOTIATION OF CONTRACTS AND AGREEMENTS

The President or such person as the President shall designate, is hereby designated to act as the spokesman for the Corporation. No other officer, director or member of this Corporation shall make statements setting forth the position of this Corporation on any issue.

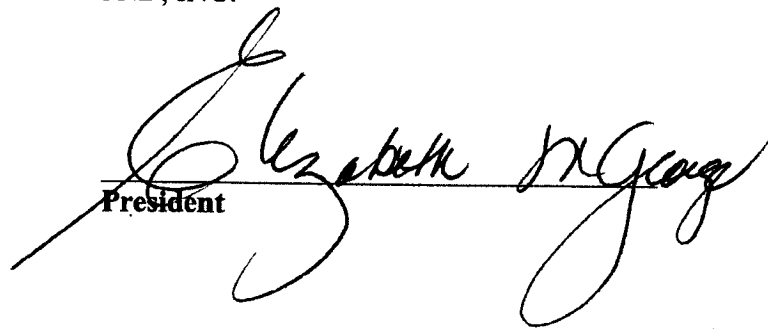
The staff of this Corporation shall have the responsibility for negotiating the terms of contracts and agreements to be entered into by the Corporation with respect to loans and other financial assistance provided by the Corporation pursuant to these Bylaws. To the extent possible, the officers, directors and members of this Corporation shall refer all matters and inquiries involving loans and other financial assistance to the staff of this Corporation.

ARTICLE XII
EDA MATCHING GRANT

This Corporation may provide a grant to a local or regional governmental entity to provide matching funds for a grant to such governmental entity from the Federal Economic Development Administration to provide loans, grants, or other forms of financial assistance to businesses in or whose property will benefit the City of Duluth. No such grant may be made by this Corporation unless the Board of Directors determines that all of the following are met:

- a. The lifetime aggregate total amount of all grants made pursuant to this Article XII shall not exceed \$200,000.00.
- b. The grant shall be made subject to agreements between this Corporation and the recipient of such grant that contains such terms and provisions as are reasonably necessary to insure that the principal and interest of this corporation is met in the making of such grant.
- c. Each application for a grant pursuant to this Article XII will be considered without regard to any prior grants or financial assistance made by this Corporation pursuant to this Article XII or otherwise. No action by this Corporation shall be a precedent for any subsequent application pursuant to this Article XII.

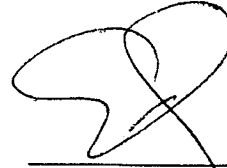
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AND AMENDED AND RESTATED ON THE 20TH DAY OF JULY, 2015
AND AMENDED ON THE 30TH DAY OF JUNE, 2016
AND AMENDED ON THE 22ND DAY OF SEPTEMBER, 2016
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.


President

APPROVAL

The foregoing Amended and Restated Bylaws are hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 7/17/17



**Mayor
City of Duluth**

**FIRST AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

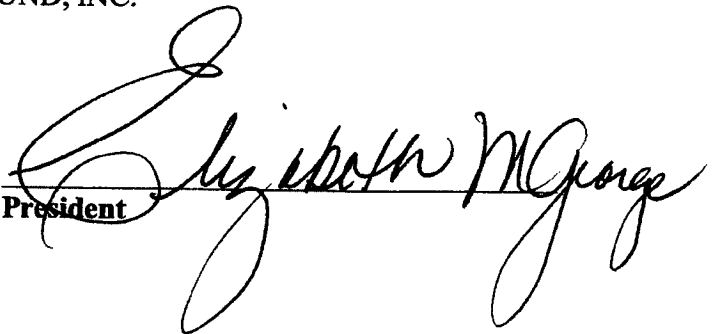
THIS FIRST AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 7th day of July, 2017 and hereby amends Article VIII, Section 8, Advanced West Pilot Loan Program, to read as follows:

Section 8. Advance West Pilot Loan Program. This Corporation may provide loans, other financial assistance or incentives to businesses located in the 55806, 55807 and 55808 zip code districts if the Board of Directions determines that all of the following are met:

- a. All of the items set forth in Section 3 a, b, c, e, f, g, h, i, j, k and l.
- b. The business to be conducted by the recipient of such loan, other financial assistance or incentives will be located in the 55806, 55807 and 55808 zip code district.
- c. This corporation shall have no more than \$600,000.00 in loans, other financial assistance or incentives made pursuant to this Section 8 at any time.
- d. The provisions of Section 10a(i) of this Article VIII with regard to jobs is satisfied.
- e. The loans, financial assistance or incentives may be made to a retail or consumer oriented business.
- f. The primary purpose of the loans, other financial assistance or incentives are to assist the business with the acquisition of commercial property where the buildings located on such property require significant capital investment/capital improvements to become commercially viable and there exists a loan value disparity because the acquisition cost of the commercial property plus the cost of needed repairs and upgrades exceeds the private sector loans that may be available and the equity available to the business.
- g. The maximum amount of any individual loan, other financial assistance or incentives is \$50,000.00.
- h. The commercial property must be owned by a small business defined as having fewer than fifty (50) employees.
- i. The principal amount of the loan may be forgiven as follows:
 - (i) if two (2) or more full time (2,080 hours annually) jobs are created, then \$7,500.00 for each full time job created in the building, or the commercial property and maintained for two (2) years up to a maximum of 50% of the original principal amount of the loan.

j. The administrative staff of this corporation shall provide the appropriate reporting forms to determine if the job creation goals for which the loans, other financial assistance or incentives provided by this Corporation have been met and if the principal amount of the loan may be forgiven.

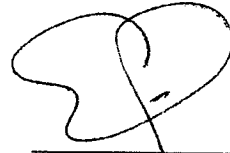
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AND AMENDED ON THE 30TH DAY OF JUNE, 2016
AND AMENDED ON THE 22ND DAY OF SEPTEMBER, 2016
AND AMENDED BY FIRST AMENDMENT ON THE 7TH DAY OF JULY, 2017
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.


President

APPROVAL

The foregoing Amended and Restated Bylaws are hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 7/17/17



**Mayor
City of Duluth**

**SECOND AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS SECOND AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 7th day of February, 2018 and amends the following:

1. Article VIII, Section 8, is hereby amended to read as follows:

Section 8. Advance Loan Program. This Corporation may provide loans, other financial assistance or incentives to businesses for the rehabilitation of commercial property located within the City of Duluth if the Board of Directors determines that all of the following are met:

- a. All of the items set forth in Section 3 a, b, c, e, f, g, h, i, j, k and l.
- b. This corporation shall have no more than \$800,000.00 in loans, other financial assistance or incentives made pursuant to this Section 8 at any time.
- c. The provisions of Section 10a(i) of this Article VIII with regard to jobs is satisfied.
- d. The loans, financial assistance or incentives may be made to a retail or consumer oriented business.
- e. The primary purpose of the loans, other financial assistance or incentives are to assist the business with the acquisition of commercial property where the buildings located on such property require significant capital investment/capital improvements to become commercially viable and there exists a loan value disparity because the acquisition cost of the commercial property plus the cost of needed repairs and upgrades exceeds the private sector loans that may be available and the equity available to the business.
- f. The maximum amount of any individual loan, other financial assistance or incentives is \$50,000.00.
- g. The commercial property must be owned by a small business defined as having fewer than fifty (50) employees.
- h. The principal amount of the loan may be forgiven as follows:
 - (i) if two (2) or more full time (2,080 hours annually) jobs are created, then \$7,500.00 for each full time job created in the building, or the commercial property and maintained for two (2) years up to a maximum of 50% of the original principal amount of the loan.

i. The administrative staff of this Corporation shall provide the appropriate reporting forms to determine if the job creation goals for which the loans, other financial assistance or incentives provided by this Corporation have been met and if the principal amount of the loan may be forgiven.

2. Article VIII, Section 9, is hereby amended to read as follows:

Section 9. Incentive Plan. This Corporation may forgive portions of loans to businesses to induce the creation of manufacturing and high tech jobs that pay a starting wage in excess of \$50,000.00 per year plus state and federal mandated benefits, if the Board determines that all of the following are met:

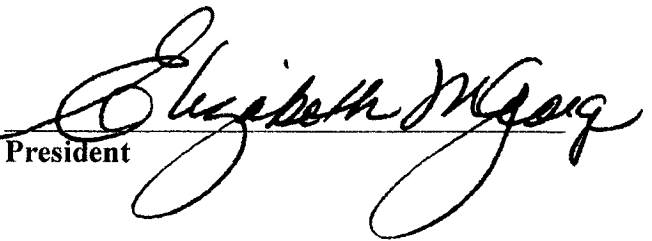
a. All of the requirements for the loan made to the business contained in this Article VIII are satisfied.

b. The amount of the loan that is eligible to be forgiven is (i) \$5,000.00 for each job created by the business in the City of Duluth after the loan is made by the 1200 Fund; and (ii) that each such job provides a salary in excess of \$50,000.00 per year plus state and federal mandated benefits; and (iii) five (5) or more of such jobs are created; and (iv) the five (5) or more jobs are maintained for five years.

c. The maximum amount of loan forgiveness provided under this Section 9 shall be 50% of the original principal amount of the loan.

d. The administrative staff of this Corporation shall provide the appropriate reporting forms to determine if the business is eligible for principal forgiveness pursuant to this Section 9.

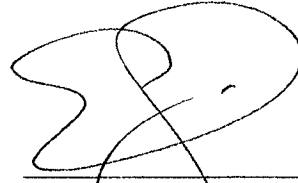
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AND AMENDED ON THE 30TH DAY OF JUNE, 2016
AND AMENDED ON THE 22ND DAY OF SEPTEMBER, 2016
AND AMENDED BY FIRST AMENDMENT ON THE 7TH DAY OF JULY, 2017
AND AMENDED BY A SECOND AMENDMENT ON THE 7TH DAY OF FEBRUARY, 2018
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.


President

APPROVAL

The foregoing Second Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 2/8/2018



**Mayor
City of Duluth**

**RESOLUTION OF DULUTH 1200 FUND, INC. AUTHORIZING
AND DIRECTING THE PRESIDENT TO EXECUTE AND DELIVER THE SECOND
AMENDMENT TO THE AMENDED AND RESTATED BYLAWS
ON BEHALF OF THE DULUTH 1200 FUND, INC.**

WHEREAS, the Duluth 1200 Fund, Inc. ("1200 Fund") provides loans for business expansions and relocations within the City of Duluth, which will create jobs in Duluth. Loans will be made to eligible businesses to create the inducement necessary to structure financial packages; and

WHEREAS, loans granted by the 1200 Fund are made pursuant to the guidelines set forth in its Bylaws; and

WHEREAS, the 1200 Fund established the Advance West Loan Program by Article VIII, Section 8 which offers financial assistance or incentives to businesses in the 55806 and 55807 zip codes; and

WHEREAS, the 1200 Fund desires to expand the assistance and incentives offered through the Advance West Loan Program by expanding the coverage area to support rehabilitation of commercial property throughout the City of Duluth and by increasing the amount of loans available to offer; and

WHEREAS, the 1200 Fund established an Incentive Plan by Article VIII, Section 9, which offers loan forgiveness to induce the creation of manufacturing and high tech jobs; and

WHEREAS, the 1200 Fund desires to amend the eligibility requirements for the Incentive Plan and establish a maximum amount of loan forgiveness; and

WHEREAS, the Board of Directors have duly considered the Second Amendment to the Amended and Restated Bylaws and believe it to be in the best interests of this Corporation that such amendments be approved.

NOW THEREFORE, the Board of Directors of the 1200 Fund are hereby resolved as follows:

1. The Second Amendment to the Amended and Restated Bylaws attached hereto are hereby approved.
2. Any officer of this Corporation acting together or alone is hereby authorized and directed to execute and deliver the Second Amendment to the Amended and Restated Bylaws on behalf of this Corporation.
3. After adoption the Second Amendment to the Amended and Restated Bylaws will be effective upon written approval by the Mayor of the City of Duluth.

Approved by Board of Directors of Duluth 1200 Fund, Inc. on 7th of February, 2018.

By *Elizabeth McGeary*
Its *President*

ATTEST:

[Signature]
Its *Attorney*

EXHIBIT A

**SECOND AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS SECOND AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this ___th day of February, 2018 and amends the following:

1. Article VIII, Section 8, is hereby amended to read as follows:

Section 8. Advance West Pilot Loan Program. This Corporation may provide loans, other financial assistance or incentives to businesses located in the 55806, 55807 and 55808 zip code districts for the rehabilitation of commercial property located within the City of Duluth if the Board of Directors determines that all of the following are met:

a. All of the items set forth in Section 3 a, b, c, e, f, g, h, i, j, k and l.

b. ~~The business to be conducted by the recipient of such loan, other financial assistance or incentives will be located in the 55806, 55807 and 55808 zip code district.~~

e.b. This Corporation shall have no more than ~~\$600,000.00~~ \$800,000.00 in loans, other financial assistance or incentives made pursuant to this Section 8 at any time.

d.c. The provisions of Section 10a(i) of this Article VIII with regard to jobs is satisfied.

e.d. The loans, financial assistance or incentives may be made to a retail or consumer oriented business.

f.e. The primary purpose of the loans, other financial assistance or incentives are to assist the business with the acquisition of commercial property where the buildings located on such property require significant capital investment/capital improvements to become commercially viable and there exists a loan value disparity because the acquisition cost of the commercial property plus the cost of needed repairs and upgrades exceeds the private sector loans that may be available and the equity available to the business.

g.f. The maximum amount of any individual loan, other financial assistance or incentives is \$50,000.00.

h.g. The commercial property must be owned by a small business defined as having fewer than fifty (50) employees.

i.h. The principal amount of the loan may be forgiven as follows:

(i) if two (2) or more full time (2,080 hours annually) jobs are created, then \$7,500.00 for each full time job created in the building, or the commercial property and maintained for two (2) years up to a maximum of 50% of the original principal amount of the loan.

j.i. The administrative staff of this Corporation shall provide the appropriate reporting forms to determine if the job creation goals for which the loans, other financial assistance or incentives provided by this Corporation have been met and if the principal amount of the loan may be forgiven.

2. Article VIII, Section 9, is hereby amended to read as follows:

Section 9. Incentive Plan. This Corporation may forgive portions of loans to businesses to induce the creation of manufacturing and high tech jobs that pay a starting wage in excess of \$50,000.00 per year plus state and federal mandated benefits, if the Board determines that all of the following are met:

a. All of the requirements for the loan made to the business contained in this Article VIII are satisfied.

b. The amount of the loan that is eligible to be forgiven is (i) \$5,000.00 for each job created by the business in the City of Duluth after the loan is made by the 1200 Fund; and (ii) that each such job provides a salary in excess of \$50,000.00 per year plus state and federal mandated benefits; and (iii) ~~five~~eight (85) or more of such jobs are created; and (iv) the ~~eight~~five (85) or more jobs are maintained for five years.

b.c. The maximum amount of loan forgiveness provided under this Section 9 shall be 50% of the original principal amount of the loan.

e.d. The administrative staff of this Corporation shall provide the appropriate reporting forms to determine if the business is eligible for principal forgiveness pursuant to this Section 9.

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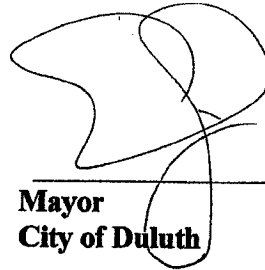
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AND AMENDED ON THE 22ND DAY OF SEPTEMBER, 2016
AND AMENDED BY FIRST AMENDMENT ON THE 7TH DAY OF JULY, 2017
AND AMENDED BY A SECOND AMENDMENT ON THE ___ DAY OF FEBRUARY, 2018
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.

President

APPROVAL

The foregoing Second Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: _____



**Mayor
City of Duluth**

**THIRD AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS THIRD AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 20 day of December, 2019 and amends the Bylaws of the Duluth 1200 Fund, Inc. by adding a new Section 12 to Article VIII that reads as follows:

“Section 12. Duluth 1200 Fund Childcare Incentive Program.

a. A Wilder Research Study (The Economic Impacts of the Child Care Shortage in Northeastern Minnesota) completed in July of 2018 identified that 1,100 childcare openings were needed in Duluth, Minnesota order to allow families of children to be able to work. The Board of Directors of the 1200 Fund has carefully considered the need identified by the Wilder Research Study and has determined to establish the Duluth 1200 Fund Childcare Incentive Program to attempt to address the identified need for childcare in Duluth, Minnesota. The Corporation shall have no more than Five Hundred Thousand and No/100 Dollars (\$500,000.00) in loans or grants under this Section 12. All childcare providers assisted by the Duluth 1200 Fund Childcare Incentive Program must be a licensed childcare provider.

b. Childcare Loan Program. The provisions of Sections 1, 2, 3 and 4 of this Article VIII are applicable to the Childcare Loan Program with the following modifications:

i. Loans under the Childcare Loan Program are intended to create additional new childcare availability in Duluth, Minnesota. Job creation directly by the provider of the additional new childcare positions are important, but not required as the 1200 Fund believes that the creation of additional childcare positions will lead to the employment of families of such children.

ii. The provisions of part (k) of Section 3 shall not be applicable to the loans made under the Childcare Loan Program.

iii. The provisions of part b. and part g. of Section 4 shall not be applicable to the loans made under the Childcare Loan Program.

iv. The provisions of Section 10 shall not be applicable to the Childcare Loan Program.

v. The minimum loan amount of any loan under this Section 12b shall be Ten Thousand and No/100 Dollars (\$10,000.00) or Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) per childcare position created or Five Thousand and No/100 Dollars (\$5,000.00) per childcare position created, whichever is greater.

c. Childcare Incentive Program. This Corporation may provide loans to businesses if the Board of Directors determine that all of the following are met:

i. All of the items applicable to the Childcare Loan Program are met.

ii. Loans shall not exceed Fifty Thousand and No/100 Dollars (\$50,000.00).

iii. The childcare operation must be a small business defined as having fewer than fifty (50) employees.

iv. The childcare operation serves at least twenty-five (25) children.

v. Up to fifty percent (50%) of the principal amount of any loan made under the Childcare Incentive Program may be forgiven as follows:

i. Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) for each childcare position that is created and remains available to families in Duluth, Minnesota for two (2) years.

ii. Five Thousand and No/100 Dollars (\$5,000.00) for each infant childcare position that is created and remains available to families in Duluth, Minnesota for two (2) years.

vi. The administrative staff of this Corporation shall provide the appropriate reporting forms to determine if the childcare creation goals for which loans are provided by this Corporation have been met and if the principal amount of the loan may be forgiven.

vii. The minimum loan amount of any loan under this Section 12c shall be Ten Thousand and No/100 Dollars (\$10,000.00) or Two Thousand Five Hundred and No/100 Dollars

(\$2,500.00) per childcare position created or Five Thousand and No/100 Dollars (\$5,000.00) per childcare position created, whichever is greater.

d. 1200 Fund Childcare Collaboration Grants. The Board of Directors desires to collaborate with other entities that are seeking to assist in the childcare shortage in Duluth, Minnesota, including the Northland Foundation, APEX, Minnesota Power, ARDC Revolving Loan Fund and Entrepreneur Fund. In this regard, the 1200 Fund may consider participating in a program administered by any other governmental or nonprofit entity that provides assistance in addressing the childcare shortage subject to the following:

i. The terms of the assistance provided by the 1200 Fund will be set forth in a legal agreement between the 1200 Fund and the entity that provides the assistance in form and substance acceptable to the Board of Directors.

ii. The 1200 Fund assistance may be in the form of a grant or a loan or a forgivable loan.

iii. The entity that will provide the assistance for childcare development will administer the program that it establishes to provide childcare development assistance.

iv. The assistance must be provided to a licensed childcare provider.

v. Priority must be given to promoting infant care.

vi. The childcare provider must be Parent Award rated.

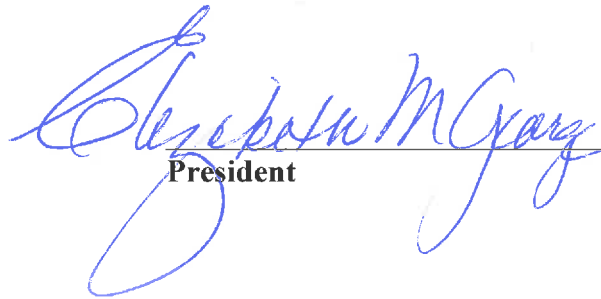
vii. Priority will be given to providers that offer extended hours and flexible hours to accommodate families with shift work and weekend hours.

viii. The share of the 1200 Fund in any assistance provided to any provider shall not exceed twenty-five percent (25%) of the total assistance provided to the provider, shall not exceed Twenty-five Thousand and No/100 Dollars (\$25,000.00) and shall not exceed Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) per childcare position created or Five Thousand and No/100 Dollars (\$5,000.00) per infant care position created.

ix. The maximum amount that the 1200 Fund allocates to the 1200 Fund Collaboration Grants is One Hundred Thousand and No/100 Dollars (\$100,000.00).”

This Third Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. shall be effective immediately upon adoption and execution by the President of the Duluth 1200 Fund, Inc. and approval of this Third Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. by the Mayor of the City of Duluth.

THESE BYLAWS WERE ADOPTED ON
THE 26TH DAY OF APRIL, 1985,
AND AMENDED ON THE 11TH DAY OF FEBRUARY, 1987
AND THE 20TH DAY OF MAY, 1987
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AND AMENDED ON THE 30TH DAY OF JUNE, 2016
AND AMENDED ON THE 22ND DAY OF SEPTEMBER, 2016
AND AMENDED BY FIRST AMENDMENT ON THE 7TH DAY OF JULY, 2017
AND AMENDED BY SECOND AMENDMENT ON THE 7TH DAY OF FEBRUARY, 2018
AND AMENDED BY A THIRD AMENDMENT ON THE 5th DAY OF December, 2019
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.



President

APPROVAL

The foregoing Third Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 12/19/19



**Mayor
City of Duluth**

**FOURTH AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS FOURTH AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 23rd day of March, 2020 and amends the Bylaws of the Duluth 1200 Fund, Inc. by adding a new Article XIII that reads as follows:

**“ARTICLE XIII
BUSINESS ASSISTANCE GRANTS”**

This Corporation shall provide business assistance grants in the amount of Five Hundred and No/100 Dollars (\$500.00) per month beginning in the month of March, 2020 and continuing each month thereafter to any present borrower of the Corporation under the Advance West or Advance Duluth Loan Program that is required to be closed pursuant to Emergency Executive Order 20-04 made by Governor Tim Walz and for two (2) months after the end of the Emergency Executive Order.

Notwithstanding the foregoing, the maximum amount of grants provided by this Corporation under this Article XIII shall not exceed Fifty Thousand and No/100 Dollars (\$50,000.00).”

This Fourth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. shall be effective immediately upon adoption and execution by the President of the Duluth 1200 Fund, Inc. and approval of this Fourth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. by the Mayor of the City of Duluth.

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AND AMENDED BY A FOURTH AMENDMENT ON THE 23RD DAY OF MARCH, 2020
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.

Deb Otto

President

APPROVAL

The foregoing Fourth Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 4/28/2020



Mayor
City of Duluth

**FIFTH AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS FIFTH AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 9th day of April, 2020 and amends the Bylaws of the Duluth 1200 Fund, Inc. by adding a new Article XIII that reads as follows:

**“ARTICLE XIV
2020 FAST GRANTS”**

This Corporation shall provide business grants in the amount up to Twenty-five Thousand and No/100 Dollars (\$25,000.00) per applicant.

Notwithstanding the foregoing, the maximum number of grants provided by this Corporation under this Article XIV shall not exceed one hundred twenty (120) and the aggregate amount of grants provided by this Corporation under this Article XIV shall not exceed One Million Two Hundred Thousand and No/100 Dollars (\$1,200,000.00).”

This Fifth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. shall be effective immediately upon adoption and execution by the President of the Duluth 1200 Fund, Inc. and approval of this Fifth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. by the Mayor of the City of Duluth.

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AND AMENDED BY A FIFTH AMENDMENT ON THE 9TH DAY OF APRIL, 2020
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.

Deb Otto

President

APPROVAL

The foregoing Fifth Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 4/28/2020



Mayor
City of Duluth

**SIXTH AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS SIXTH AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 2 day of December, 2021 and amends the Bylaws of the Duluth 1200 Fund, Inc. by adding two (2) new subsections e and f to Section 12 of Article VIII that read as follows:

“e. **Expansion Program.** The provisions of Section 1 and 2 of Article VIII are applicable to the Expansion Program. In addition, the following provisions are applicable:

i. The financial assistance provided for under the Expansion Program will be in the form of a grant to the successful applicant.

ii. The total grants made under the Expansion Program shall not exceed Four Hundred Fifty Thousand and No/100 Dollars (\$450,000.00).

iii. This Corporation shall use its best efforts to use a competitive, request-for-proposals process in securing applications for grants under the Expansion Program. The request for proposals shall conform substantially with the purchasing procedures of the City of Duluth (“RFP Process”). In the event that this Corporation reasonably determines that the RFP Process has not resulted in the demand for grants under the Expansion Program which can reasonably be anticipated to use all of the funds made available for the Expansion Program, then this Corporation may request that the City’s Director of Planning and Development (“Director”) approve this Corporation seeking grant applicants to utilize said funds on “the open market”.

iv. To be eligible to receive a grant under the Expansion Program, the applicant shall be a business entity employing fewer than fifty (50) persons.

v. The grant shall result in the development of a new childcare facility or a physical addition to an existing childcare facility which increases the capacity for providing childcare in the City of Duluth by not less that twenty-five (25) positions.

vi. The opening of the grant-funded facilities shall not result in the reduction in the capacity of any childcare facilities owned or operated by the grant recipient or any affiliate of the grant recipient within a twenty-five (25) mile radius of the City of Duluth within two (2) years of the opening of the grant-funded facilities.

vii. 1200 Fund shall use its best efforts to ensure that grant-assisted facilities are located in one of the qualified census tracts (“QCTs”) as determined by the United States Department of Housing and Urban Development within the City of Duluth. To the extent that this goal is not reasonably obtainable, 1200 Fund shall demonstrate that the use of the grant funds qualifies for such use under the American Rescue Plan Act (“Act”).

viii. The grant recipient must commit to continuously offer childcare services in the grant-funded facilities in accordance with the terms and conditions of this agreement for not less than Two (2) Years from the date such services are first provided in the grant-funded facility.

ix. Grant recipients shall be required to demonstrate at all times that the grant-funded facilities and any facilities related thereto are fully licensed by the Minnesota State Department of Health and Human Services and that said facilities are fully compliant with all laws, rules and regulations of the City of Duluth, the State of Minnesota and the United States of America applicable to such facilities, including any limitations on the number of children that can be served by such facility.

x. Upon opening of a grant-funded facility and thereafter, grant recipient shall be required to demonstrate that it used and continues to use its best efforts to insure that, at all times, not less than twenty-five percent (25%) of the children served by the grant-funded facility come from families that are Child Care Assistance Program eligible.

xi. The amount granted to any grant recipient for any project shall not exceed two-thirds (2/3s) of the eligible project costs.

xii. “Eligible project costs” shall include only the “hard construction costs” of the new facility or of the new addition to any existing facility. “Soft costs” including design costs, construction administration costs, property acquisitions costs, legal costs, financing costs and similar costs shall not be “eligible project costs.”

xiii. The maximum amount for “eligible project costs” that can be granted for any project shall not exceed One Hundred Thousand and No/100 Dollars (\$100,000.00).

xiv. Grant recipients shall be required to demonstrate that all contractors, subcontractors and materialmen supplying goods or services for the construction of any new facility or any addition to any existing facility are required to provide wages and benefits constituting “prevailing wages” complying with the requirements of the City of Duluth and the State of Minnesota.

xv. The administrative staff of this Corporation will provide the applicant reporting forms to determine if the childcare creation goals for which a grant is provided by this Corporation have been met.

xvi. The 1200 Fund Agreement will contain a provision that requires that the grant be repaid if the childcare creation goals are not obtained and maintained. The repayment obligations are Four Thousand and No/100 Dollars (\$4,000.00) per childcare position that is not created or maintained as required by the 1200 Fund Agreement. The repayment obligation shall be personally guaranteed by the owner of the grant recipient, if an entity, or the grant recipient if an individual.

xvii. Any 1200 Fund Agreement between this Corporation and a grant recipient shall contain a provision that requires this Corporation to review the operations of the grant recipient on an annual or more frequent basis to determine compliance with the terms and provisions of any agreement between this Corporation and grant recipient and to determine the extent to which the grant furthered the purposes of this Corporation.

xviii. NOTHING HEREIN SHALL REQUIRE THIS CORPORATION TO MAKE A GRANT TO A BUSINESS OR AN INDIVIDUAL THAT MEETS THE REQUIREMENTS OF THIS SECTION 12E OF THIS ARTICLE VIII. THIS CORPORATION NEED NOT PROVIDE A GRANT TO A BUSINESS OR INDIVIDUAL THAT MEETS ALL OF THE REQUIREMENTS OF THIS SECTION 12E UNLESS THE BOARD OF DIRECTORS IN ITS SOLE DISCRETION DETERMINES THAT IT IS IN THE BEST INTERESTS OF THE CORPORATION TO MAKE SUCH GRANT.

xix. The grant proceeds shall be disbursed by a title company for the entire project pursuant to an Escrow Agreement after any refund if equity contributions to the project are disbursed and pro rata with any loan proceeds for the project.

xx. Any grant shall be subject to an agreement between this corporation and the recipient of the grant that contains such terms and provisions as are reasonably necessary to ensure that the purpose and intent of this corporation is met in the making of the grant. The 1200 Fund Agreement shall contain grant repayment provisions for any default related to subparts ix and x of this Section 12e.

xxi. All applications for a grant under the Expansion Program from this Corporation shall be submitted to the Office of Business Development of the City of Duluth and be initially reviewed by its staff. The staff of the Office of Business Development of the City of Duluth will preliminarily determine the ability of the applicant for a grant to comply with the requirements of this Section 12e of these Bylaws. If staff reasonably believes that such applicant will be able to

comply with such requirements, then the application for a grant shall be presented to the Board of Directors.

xxii. The Board of Directors shall review all applications for a grant under the Expansion Program. After such review, the Board of Directors shall make findings and recommendations with respect to the application for a grant as required by this Section 12e of this Article VIII and shall approve or deny such application.

f. **Training Program.** The following provisions are applicable to the Training Program:

i. An entry level pre-service training course is available for individuals who are interested in entering into the childcare industry but who do not have prior experience. The training course will be offered within a QCT.

ii. A stipend will be available for those participating in the pre-service training as an incentive.

iii. Participants will be required to engage with Workforce Development on resume development, job applications and interviews with a childcare provider throughout the course.

iv. To be eligible to receive a grant under the Training Program an applicant must be an established childcare training provider with a proven record of successfully providing the necessary training to potential trainees.

v. The training provided must meet training standards of the State of Minnesota as they pertain to the training of childcare staff persons.

vi. The grant recipient must commit to use his/hers/its best efforts to train persons who live in or work in QCTs or that commit to work in childcare facilities that primarily serve children living in QCTs. To the extent that this goal is not reasonably obtainable, 1200 Fund shall demonstrate that the use of the Grant funds qualifies for such use under the Act.

vii. The maximum amount of a grant for training to any individual shall not exceed \$1,000.00.

viii. The grant will be disbursed on a reimbursement basis upon submission of documentation evidencing that the training has been provided.

ix. All applications for a grant under the Training Program from this Corporation shall be submitted to the Office of Business Development of the City of Duluth and be initially reviewed by its staff. The staff of the Office

of Business Development of the City of Duluth will preliminarily determine the ability of the applicant for a grant to comply with the requirements of this Section 12f of these Bylaws. If staff reasonably believes that such applicant will be able to comply with such requirements, then the application for a grant shall be presented to the Board of Directors.

x. The Board of Directors shall review all applications for a grant under the Training Program. After such review, the Board of Directors shall make findings and recommendations with respect to the application for a grant as required by this Section 12f of this Article VIII and shall approve or deny such application.

This Sixth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. shall be effective immediately upon adoption and execution by the President of the Duluth 1200 Fund, Inc. and approval of this Sixth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. by the Mayor of the City of Duluth.

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AND AMENDED BY A SIXTH AMENDMENT ON THE 2nd DAY OF DECEMBER, 2021
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.

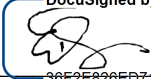
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President

APPROVAL

The foregoing Sixth Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 1/31/2022 _____

DocuSigned by:

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Mayor
City of Duluth

**SEVENTH AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS SEVENTH AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 6TH day of OCTOBER, 2022 and amends the following:

1. Article VIII, Section 8, Part h is hereby amended to read as follows:

h. The principal amount of the loan may be forgiven as follows:

(i) If a full-time (a minimum of 1,820 hours annually) job position is created for work in the building or commercial property and the job position is filled with an employee or, if vacant, borrower is actively seeking an employee to fill the position for two (2) years, then \$7,500.00 for each full-time job position created may be forgiven; or

(ii) If a part-time (a minimum of 910 hours annually) job position is created for work in the building or commercial property and the job position is filled with an employee or, if vacant, borrower is actively seeking an employee to fill the position for two (2) years, then \$3,750.00 for each full-time job position created may be forgiven.

(iii) The maximum amount of loan forgiveness under this Part h is fifty percent (50%) of the original principal amount of the loan.

(iv) The determination of whether a borrower is actively seeking an employee to fill a position shall be determined by staff assigned to administer the Advance Loan Program after considering the following criteria:

(a) The borrower must have worked with the City Workforce Development office to attempt to fill the vacancy.

(b) The number of months that the position has been open as compared to positions in similar businesses.

(c) The number of individuals who borrower interviewed to fill the vacant position.

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AND AMENDED BY A SIXTH AMENDMENT ON THE 2ND DAY OF DECEMBER, 2021
AND AMENDED BY A SEVENTH AMENDMENT ON THE 6TH DAY OF
 OCTOBER , 2022 BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.

DocuSigned by:
Deborah L. Otto
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President

APPROVAL

The foregoing Seventh Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 10/19/2022

DocuSigned by:



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Mayor
City of Duluth

**EIGHTH AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS EIGHTH AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 6 day of October , 2022 and amends the Bylaws of the Duluth 1200 Fund, Inc. by amending Article VIII, Section 12, Part d. so that it now reads as follows:

“d. 1200 Fund Childcare Collaboration Grants. The Board of Directors desires to collaborate with other entities that are seeking to assist in the childcare shortage in Duluth, Minnesota, including the Northland Foundation, APEX, Minnesota Power, ARDC Revolving Loan Fund and Entrepreneur Fund. In this regard, the 1200 Fund may consider participating in a program administered by any other governmental or nonprofit entity that provides assistance in addressing the childcare shortage subject to the following:

i. The terms of the assistance provided by the 1200 Fund will be set forth in a legal agreement between the 1200 Fund and the entity that provides the assistance in form and substance acceptable to the Board of Directors.

ii. The 1200 Fund assistance may be in the form of a grant or a loan or a forgivable loan.

iii. The entity that will provide the assistance for childcare development will administer the program that it establishes to provide childcare development assistance.

iv. The assistance must be provided by the entity to a licensed childcare provider or to an applicant to be a licensed childcare provider.

v. The maximum amount that the 1200 Fund allocates to the 1200 Fund Collaboration Grants is Five Hundred Thousand and No/100 Dollars (\$500,000.00).”

This Eighth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. shall be effective immediately upon adoption and execution by the President of the Duluth 1200 Fund, Inc. and approval of this Eighth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. by the Mayor of the City of Duluth.

THESE BYLAWS WERE ADOPTED ON

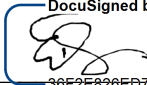
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AND AMENDED BY A SEVENTH AMENDMENT ON THE 6TH DAY OF OCTOBER, 2022
AND AMENDED BY AN EIGHTH AMENDMENT ON THE 6TH DAY OF
OCTOBER, 2022 BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.

DocuSigned by:
Deborah L. Otto
DC09F956A0FB445...
President

APPROVAL

The foregoing Eighth Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: 10/19/2022

DocuSigned by:

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Mayor
City of Duluth

**NINTH AMENDMENT
TO AMENDED AND RESTATED
BYLAWS OF DULUTH 1200 FUND, INC.**

THIS NINTH AMENDMENT TO AMENDED AND RESTATED BYLAWS OF DULUTH 1200 FUND, INC. is made this 13 day of July, 2023 and amends the Bylaws of the Duluth 1200 Fund, Inc. by adding a new Section ~~13~~ to Article VIII that reads as follows:

“Section 13. Mentorship Loan Program. This Corporation may provide loans, other financial assistance or incentives to small or start-up businesses owned by an individual residing within the City of Duluth to assist with funds for critical projects and to build business credit and payment history, if the Board of Directors determines that all of the following are met:

a. All of the items set forth in Section 3 a, b, c, e, f, g, h, i, j, k and l of Article VIII of the Bylaws are satisfied.

b. The business to be conducted by the recipient of such loan, other financial assistance or incentives can be operated out of a leased, owned, including a home-based business, or a mobile space within the city limits of the City of Duluth with priority being provided to businesses operating in a “Core Investment Area,” or businesses owned by a BIPOC or other minority.

c. This corporation shall have no more than \$ 200,000 in loans, other financial assistance or incentives made pursuant to this Section 13 at any time.

d. The loans, financial assistance or incentives must be made to a for-profit business.

e. The maximum amount of any individual loan, other financial assistance or incentives is Fifteen Thousand and No/100 Dollars (\$15,000.00).

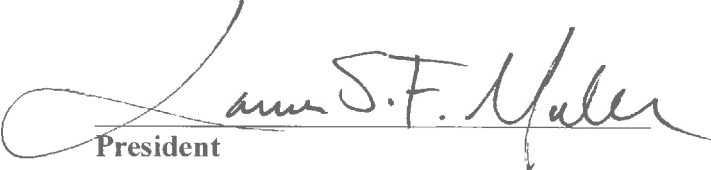
f. The primary purpose of the loan, other financial assistance or incentives are to assist the business which may require significant capital investment/capital improvements to become commercially viable, obtain inventory, pay for employee-related expenses, marketing assistance and technology updates, including hardware, software and subscription-based IT related services, for businesses unable to secure traditional funding sources.

g. Businesses must demonstrate commercial viability or provide a business plan and timeline for becoming commercially viable within six (6) months from approval of a loan or other financial assistance.

h. The business has fewer than ten (10) employees.

This Ninth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. shall be effective immediately upon adoption and execution by the President of the Duluth 1200 Fund, Inc. and approval of this Ninth Amendment to the Amended and Restated Bylaws of the Duluth 1200 Fund, Inc. by the Mayor of the City of Duluth.

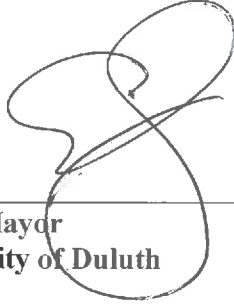
THESE BYLAWS WERE ADOPTED ON
THE 26TH DAY OF APRIL, 1985,
AND AMENDED ON THE 11TH DAY OF FEBRUARY, 1987
AND THE 20TH DAY OF MAY, 1987
AND ON THE 5TH DAY OF DECEMBER, 1989
AND ON THE 13TH DAY OF JANUARY, 1995
AND ON THE 5TH DAY OF MAY, 1997
AND ON THE 5TH DAY OF OCTOBER, 1998
AND ON THE 23RD DAY OF MARCH, 1999
AND ON THE 30TH DAY OF JUNE, 1999
AND ON THE 13TH DAY OF JUNE, 2002
AND ON THE 3RD DAY OF SEPTEMBER, 2009
AND AMENDED AND RESTATED ON THE 20TH DAY OF JULY, 2015
AND AMENDED ON THE 30TH DAY OF JUNE, 2016
AND AMENDED ON THE 22ND DAY OF SEPTEMBER, 2016
AND AMENDED BY FIRST AMENDMENT ON THE 7TH DAY OF JULY, 2017
AND AMENDED BY SECOND AMENDMENT ON THE 7TH DAY OF FEBRUARY, 2018
AND AMENDED BY THIRD AMENDMENT ON THE 5TH DAY OF DECEMBER, 2019
AND AMENDED BY A FOURTH AMENDMENT ON THE 23RD DAY OF MARCH, 2020
AND AMENDED BY A FIFTH AMENDMENT ON THE 9TH DAY OF APRIL, 2020
AND AMENDED BY A SIXTH AMENDMENT ON THE 2ND DAY OF DECEMBER, 2021
AND AMENDED BY A SEVENTH AMENDMENT ON THE 6TH DAY OF OCTOBER, 2022
AND AMENDED BY A EIGHTH AMENDMENT ON THE 6TH DAY OF OCTOBER, 2022
AND AMENDED BY AN NINTH AMENDMENT ON THE 13 DAY OF July, 2023
BY RESOLUTION OF THE BOARD OF DIRECTORS OF
DULUTH 1200 FUND, INC.


President

APPROVAL

The foregoing Ninth Amendment to Amended and Restated Bylaws is hereby approved by the Mayor of the City of Duluth pursuant to Article XIV of the Articles of Incorporation of the Duluth 1200 Fund, Inc.

Dated: July 13, 2023



Mayor
City of Duluth