



City of Duluth

411 West First Street
Duluth, Minnesota 55802

Meeting Agenda

Duluth Economic Development Authority.

Wednesday, January 22, 2020

5:15 PM

Council Chamber, Third Floor, City Hall, 411
West First Street

CALL TO ORDER

PUBLIC TO ADDRESS THE COMMISSION

PUBLIC HEARINGS

[20D-03](#) RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$28,350.

Attachments: [20D-03 Lincoln Park Land Sale 2](#)
[20D-03 Land Sale 2 Description](#)

[20D-04](#) RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$12,150

Attachments: [20D-04 Lincoln Park Land Sale 3](#)
[20D-04 Land Sale 3 Description](#)

[20D-05](#) RESOLUTION AUTHORIZING CONVEYANCE OF EASEMENTS OVER OLD RAILROAD PROPERTY IN LINCOLN PARK TO THE CITY OF DULUTH.

Attachments: [20D-05 City Lincoln Park Easements](#)
[20D-05- Exhibit](#)

[20D-06](#) RESOLUTION AUTHORIZING THE CONVEYANCE OF A WATER LINE EASEMENT TO WESTERN LAKE SUPERIOR SANITARY DISTRICT

Attachments: [20D-06 WLSSD](#)
[20D-06-Water Line Easement-WLSSD](#)

[20D-07](#) RESOLUTION APPROVING A PROJECT BY DULUTH HEALTH SERVICES AND CONSENTING TO THE ISSUANCE OF TAX EXEMPT OBLIGATIONS BY THE CITY OF SCANLON, MINNESOTA

Attachments: [20D-07 Duluth Health Services](#)

APPROVAL OF MINUTES

APPROVAL OF CASH TRANSACTIONS

[DEDA](#) CASH TRANSACTIONS- DECEMBER 1, 2019 - DECEMBER 31, 2019

Attachments: [DEDA Dec 2019 Monthly Cash Activity](#)

NEW BUSINESS

RESOLUTIONS FOR APPROVAL

[20D-12](#) RESOLUTION ELECTING OFFICERS FOR THE YEAR 2020

Attachments: [20D-12-Officers](#)

[20D-01](#) RESOLUTION APPROVING CHRIS FLEEGER AS EXECUTIVE DIRECTOR

Attachments: [20D-01 Executive Director Appointment](#)

[20D-02](#) RESOLUTION ADOPTING A SCHEDULE OF REGULAR MEETING DATES FOR THE YEAR 2020

Attachments: [20D-02 Meeting Schedule](#)
[2020 Meeting Dates](#)

[20D-11](#) RESOLUTION APPROVING THE ISSUANCE AND SALE OF HEALTH FACILITIES REFUNDING REVENUE BONDS, SERIES 2020C (ESSENTIA HEALTH OBLIGATED GROUP)

Attachments: [20D-11 Issuance and Sale of Health Facilities Revenue Bonds](#)

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[20D-06-Water Line Easement-WLSSD](#)

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Attachments: [20D-07 Duluth Health Services](#)

[20D-08](#) RESOLUTION AUTHORIZING AN AMENDED AND RESTATED LAND SALE AGREEMENT WITH HAINES PROPERTIES, LLP

Attachments: [20D-08 Haines Holappa Land Sale Agreement](#)
[20D-08 Amended and Restated Land Sale Agreement-Haines](#)

[20D-09](#) RESOLUTION AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY IN THE GARY-NEW DULUTH NEIGHBORHOOD FROM THE CITY OF DULUTH RELATED TO THE REBUILD DULUTH PROGRAM

Attachments: [20D-09 Property Acquisition from City for Rebuild Duluth](#)
[20D-09 Rebuild Duluth Map](#)

[20D-10](#) RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE OPTION AGREEMENT WITH MERGE, LLC FOR THE SALE AND REDEVELOPMENT OF THE PASTORET TERRACE BUILDING AND THE PAUL ROBESON BALLROOM

Attachments: [20D-10 Amendment to Pastoret Option Agreement](#)
[20D-10 First Amendment to Option Agreement with Merge, LLC](#)

DIRECTOR'S REPORT

ADJOURNMENT

RESOLUTION 20D-03

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$28,350.**

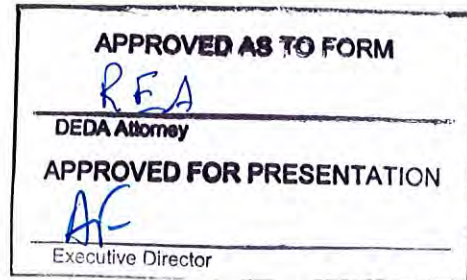
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The Property has an appraised fair market value of \$28,350.
4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$28,350, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



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

The property in question is generally located east of Highway 53, south of Michigan Street Alley, west of 21st Avenue West and north of I-35. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has no road access and therefore little development potential.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$28,350. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

RESOLUTION 20D-04

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$12,150.**

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

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The Property has an appraised fair market value of \$12,150.
4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$12,150, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director

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

The property in question is generally located at the southwest corner of West Michigan Street and vacated 24th Avenue West, just to the east of the DTA parking lot. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has little potential for independent development.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$12,150. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

September 3, 2019
6982-906-421A

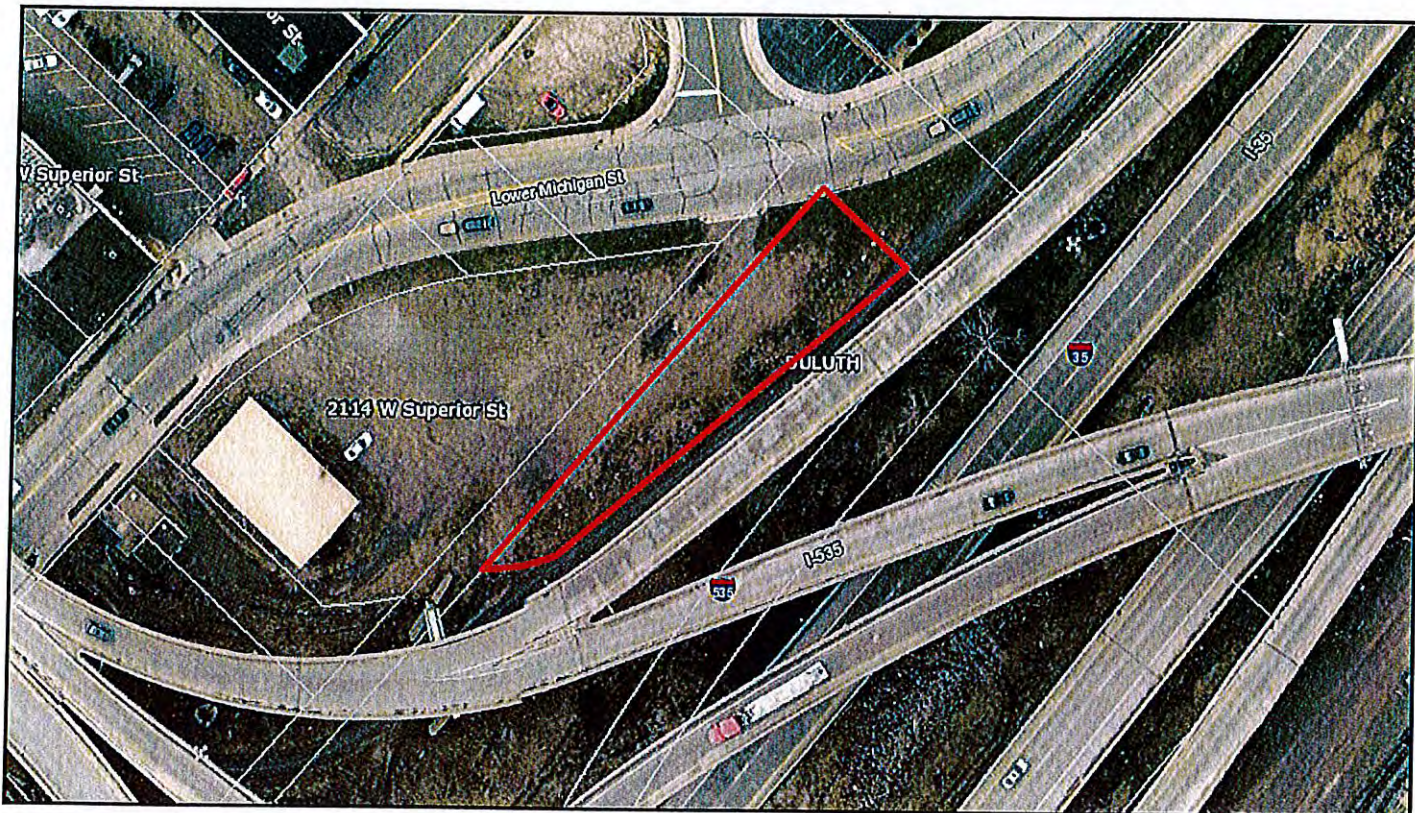
FEE ACQUISITION

Parcel 421A C.S. 6982 (35=390) 906

S.P. 6982-322RW

All of Tract A described below:

Tract A. All that part of the southeast half of Block 14, Duluth Proper, Second Division, according to the plat thereof on file and of record in the office of the County Recorder in and for St. Louis County, Minnesota, lying within 50 feet of the southeast line of the alley to the northwest thereof, being all that part of said Block 14, lying between the southeast line of the alley in said Block and a line drawn parallel with and at all points distant 50 feet southeasterly from said southeasterly line of said alley; excepting therefrom the right of way of Trunk Highway No. 35 as now located and established.



DEDA PROPERTY
I-35 BETWEEN 21st and 22nd AVENUES WEST
DULUTH, MINNESOTA



MINNESOTA DEPARTMENT OF TRANSPORTATION

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

Lot lines & dimensions.

Show north arrow.

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

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

PARCEL NO. 421A

OWNER DEDA

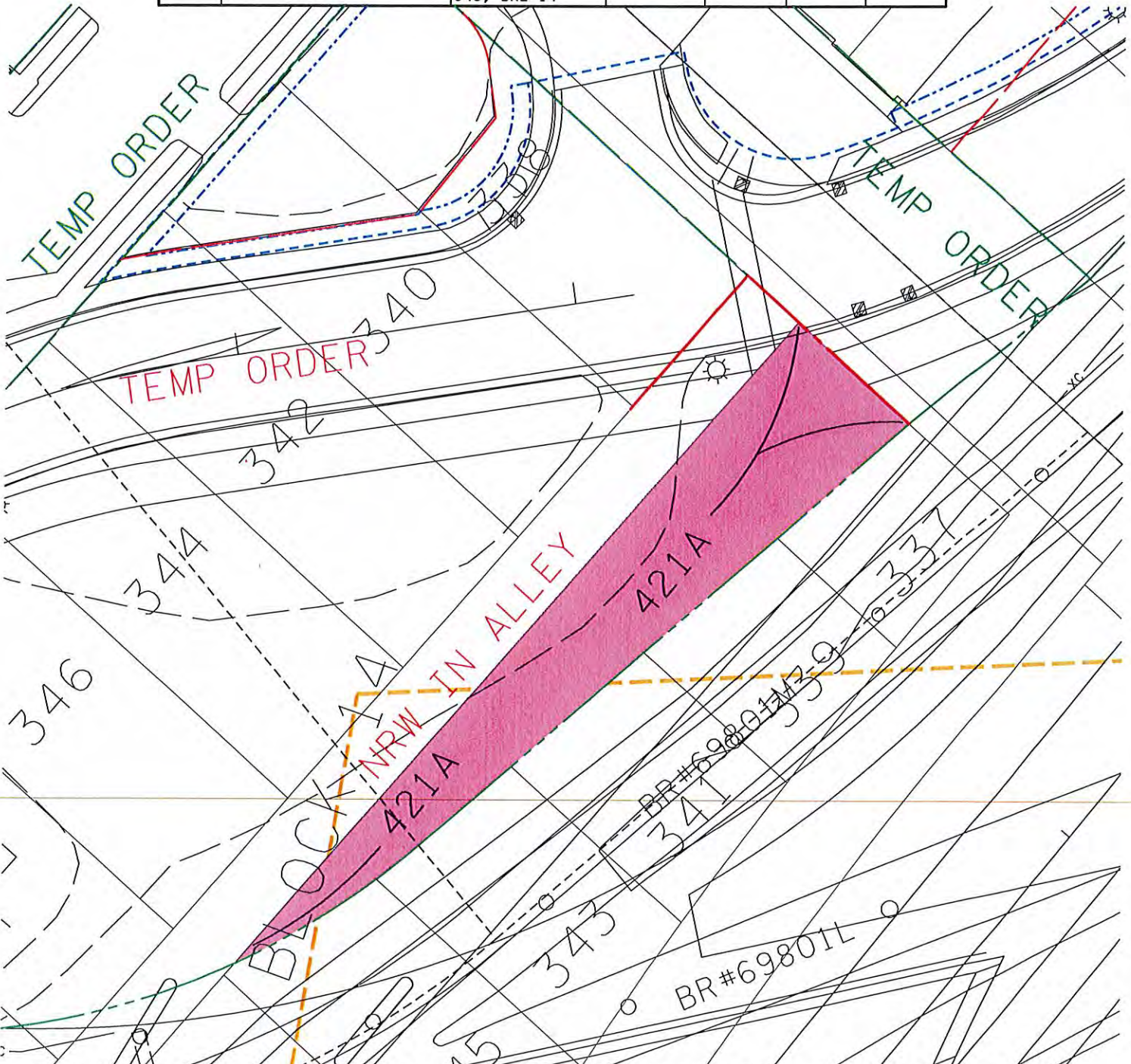
Scale 1" = 40 ft.

C.S. 6982(35=390)906

S.P. 6982-322

DULUTH PROPER SECOND DIVISION

PARCEL NUMBER	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS	NEW T.H. R/W	BALANCE	PERMANENT R/W INTEREST
			SQ. FEET	SQ. FEET	SQ. FEET	
421A	DEDA	P+ LOTS 337, 339, 341, 343, & 345, BKL 14	6297	6297	0	FEE



Layout sketch by L PEARSON

Date 08/13/19

Parcel No. 421A

RESOLUTION 20D-04

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$12,150.**

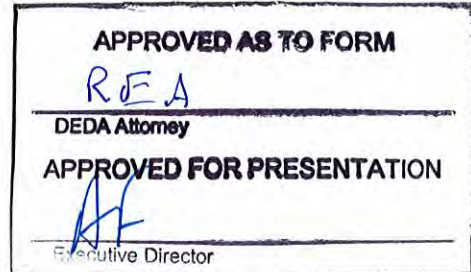
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The Property has an appraised fair market value of \$12,150.
4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$12,150, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



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

The property in question is generally located at the southwest corner of West Michigan Street and vacated 24th Avenue West, just to the east of the DTA parking lot. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has little potential for independent development.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$12,150. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

July 22, 2019
6982-906-233A

FEE ACQUISITION

Parcel 233A C.S. 6982 (35=390) 906

S.P. 6982-322RW

All of Tract A described below:

Tract A. That part of Lot 2, First Subdivision of Duluth Proper Second Division, according to the plat thereof on file and of record in the office of the County Recorder in and for St. Louis County, Minnesota, described as that part of the Southwesterly $\frac{1}{2}$ of vacated 24th Avenue West which lies southeasterly of Michigan Street, northwesterly of a line run parallel to and 140.00 feet southeasterly of Michigan Street, and northeasterly of a line run parallel with and 50.00 feet southwesterly of the northeasterly line of said vacated 24th Avenue West extended.



DEDA PROPERTY
2204 WEST MICHIGAN STREET and 24th AVENUE WEST
DULUTH, MINNESOTA

RIGHT OF WAY PARCEL LAYOUT



MINNESOTA DEPARTMENT OF TRANSPORTATION

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

Lot lines & dimensions.

Show north arrow.

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

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

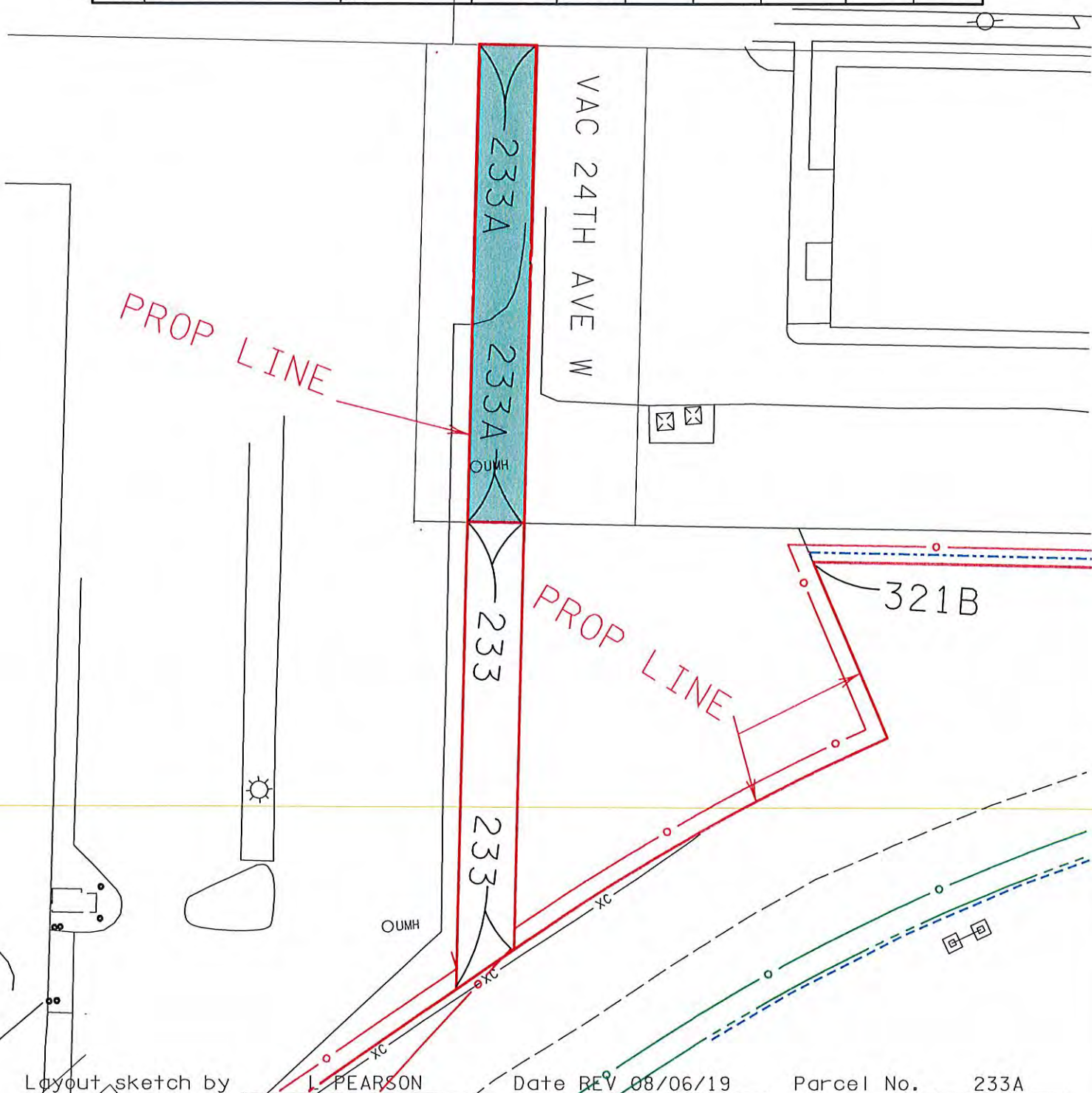
PARCEL NO. 233A

OWNER DEDA

Scale 1" = 40 ft.

C.S. 6982(35=390)906 S.P. 6982-322

DULUTH PROPER SECOND DIVISION									
PARCEL NUMBER	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS	NEW T.H. R/W	BALANCE	TEMPORARY EASEMENT		TORRENS	PERMANENT R/W INTEREST
			SQ. FEET	SQ. FEET	SQ. FEET	SQ. FEET	EXPIRES	SQ. FEET	FEE
233A	DEDA	P+ LOT 2 & VAC AVE	2380	2380	0				FEE



Layout sketch by

L. PEARSON

Date REV 08/06/19

Parcel No. 233A

RESOLUTION 20D-05

**RESOLUTION AUTHORIZING CONVEYANCE OF
EASEMENTS OVER OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE CITY OF DULUTH.**

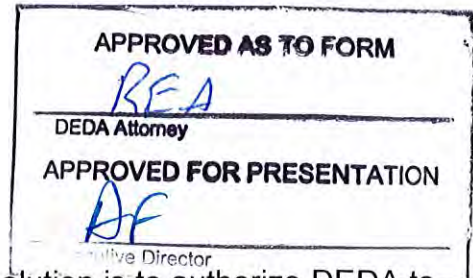
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the conveyance of easements as described in Exhibits A, B and C, attached hereto and made a part hereof, over the properties described therein to the City of Duluth is necessary to the transportation and utilities needs of Lincoln Park neighborhood and the city at large and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The proper DEDA officials are hereby authorized convey the easements legally described in Exhibits A, B and C to the City of Duluth at no cost.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



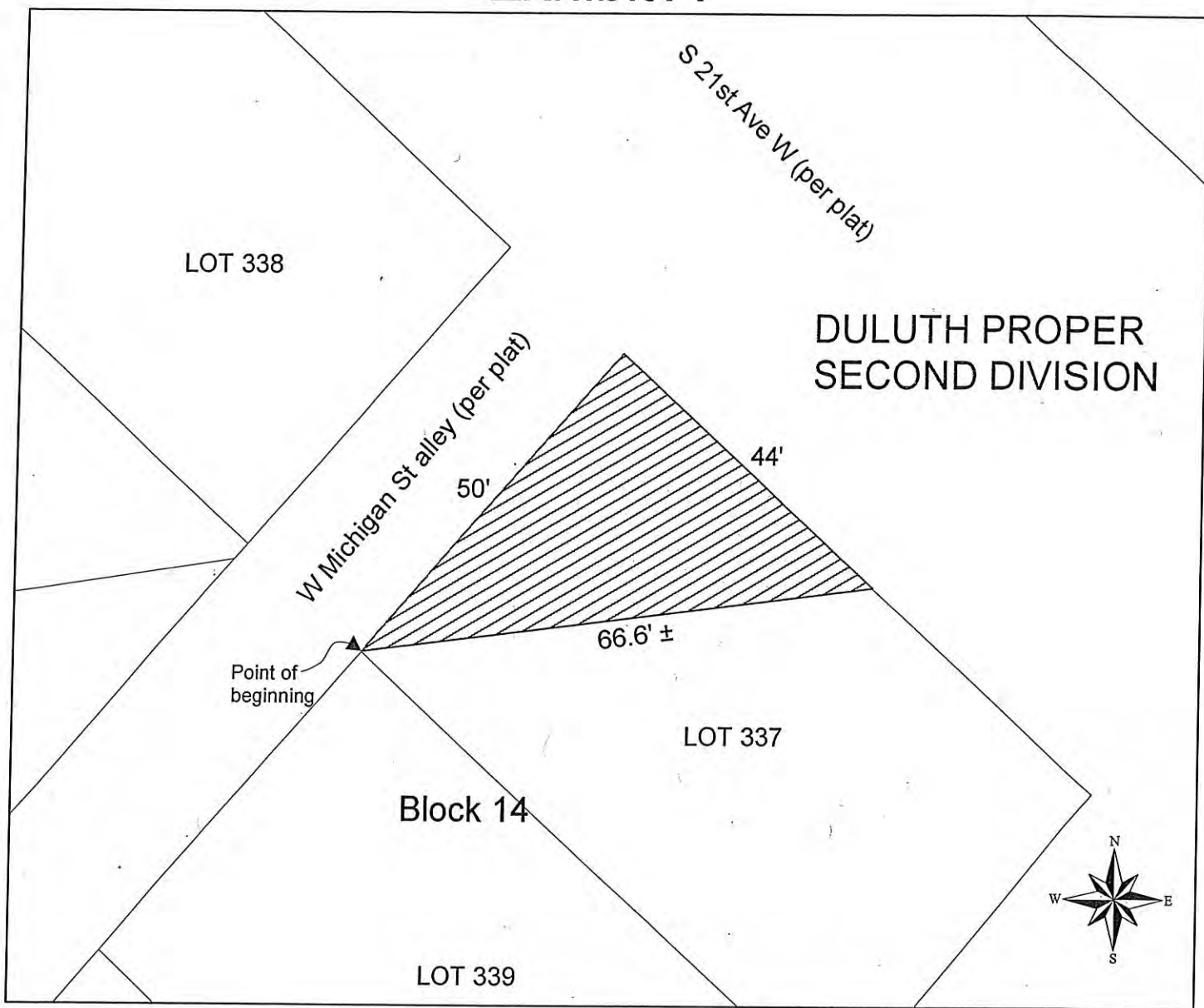
STATEMENT OF PURPOSE: The purpose of this resolution is to authorize DEDA to convey easements over certain of its property in Lincoln Park to the City for road and utility purposes prior to considering conveyance of the remainder of DEDA's interest in the remainder of the property to MnDOT for its use in the redesign and reconstruction of the Twin Ports Interchange (the "can of worms").


The general location of the property affected by the proposed easements is east of Highway 53, south of Michigan Street and Lower Michigan Street, west of 20th Avenue West and north of I-35. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park.

MnDOT has determined that they need to acquire the underlying fee interest in the property as part of the Twin Ports Interchange redesign and reconstruction project. The City has need of the easements described above because the underlying property includes a small portion of Lower Michigan Street, has located upon it various City-owned utilities or involves easements originally reserved by DEDA for the Cross City trail.

As MnDOT needs the underlying property for the Twin Ports Interchange Project, DEDA needs to convey the subject easements to the City so that those interests are not lost.

Exhibit A



 Easement Area

0 20
Feet

An easement over, under, and across that part of Lot 337, Block 14, DULUTH PROPER SECOND DIVISION, St Louis County, Minnesota, according to the recorded plat thereof, lying north of the following described line:

Beginning at the west corner of said Lot 337, thence running easterly a distance of 66.6 feet more or less, said line terminating at a point on the northeast line of said lot, said point being forty-four feet (44') southeast of the north corner of said Lot 337.



APPROVED BY CITY ENGINEER

12-18-19

DATE

RIGHT OF WAY PARCEL LAYOUT



MINNESOTA DEPARTMENT OF TRANSPORTATION

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

Lot lines & dimensions.

Show north arrow.

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

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

PARCEL NO. 421A

OWNER DEDA

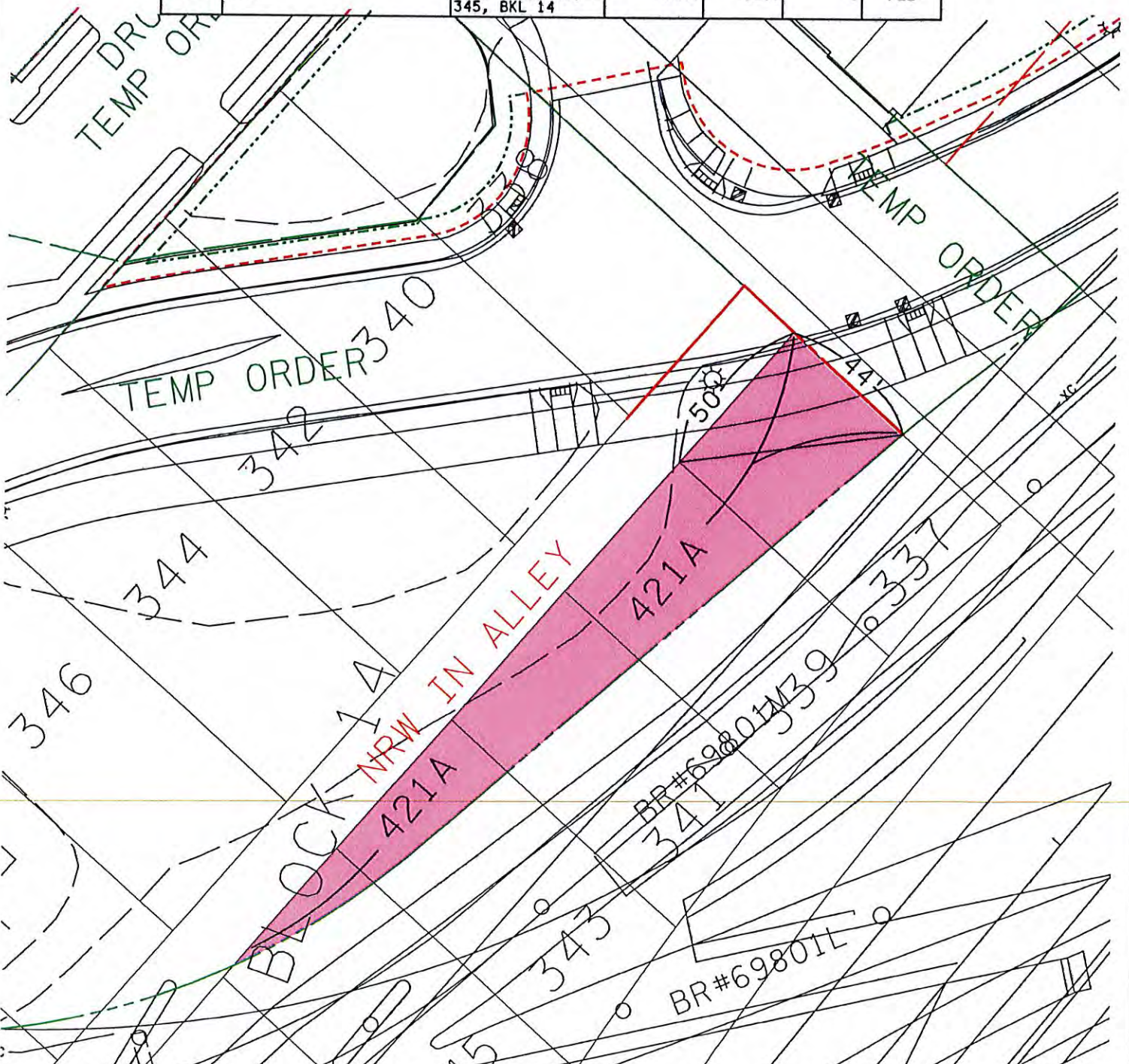
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S.P. 6982-322

DULUTH PROPER SECOND DIVISION

PARCEL NUMBER	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS	NEW T.H. R/W	BALANCE	PERMANENT R/W INTEREST
			SQ. FEET	SQ. FEET	SQ. FEET	
421A	DEDA	Pt LOTS 337, 339, 341, 343, & 345, BKL 14	6297	6297	0	FEE



Layout sketch by

L PEARSON

Date

08/13/19

Parcel No.

421A

RESOLUTION 20D-06

RESOLUTION AUTHORIZING THE CONVEYANCE OF A WATER LINE EASEMENT TO WESTERN LAKE SUPERIOR SANITARY DISTRICT

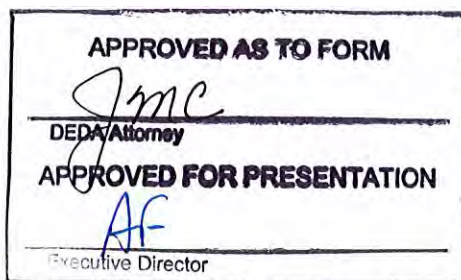
RESOLVED by the Duluth Economic Development Authority ("DEDA") that

1. DEDA does hereby make the following determinations and findings:
 - A. That the conveyance of the water line easement to Western Lake Superior Sanitary District is in the best interests of the City of Duluth and its people and that the transaction furthers the general plan for economic development in the area.
 - B. That, after not less than ten (10) or more than twenty (20) days' published notice, the public hearing was held in Council Chambers, Third Floor City Hall, Duluth, Minnesota at or shortly after 5:15pm on January 22, 2020, regarding the proposed conveyance.
 - C. That the conveyance of an easement over the property described on the attached Permanent Water Line Easement Agreement to Western Lake Superior Sanitary District conforms in all respects to the requirements of Minnesota Statutes 469.105.
2. The proper DEDA officials are hereby authorized to enter into a Permanent Water Line Easement Agreement substantially in the form of that attached hereto with Western Lake Superior Sanitary District.
3. That the proper DEDA officials are hereby further authorized to execute all documents necessary to effectuate the conveyance of the hereinbefore described easement to Western Lake Superior Sanitary District.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to grant Western Lake Superior Sanitary District a permanent water line easement over DEDA property near Interstate 35 between 24th and 25th Avenues West.

There is presently a water line running from Michigan Street east of the Duluth Transit Authority building to the District's facilities south of I-35 which crosses the subject DEDA property but for which the District does not have an easement. The District and the City have agreed that it is appropriate for the City to own the water line, but the City is asking that the District also acquire easements so that there is legal authority to have the City-owned line on the affected property.

This resolution would provide that legal authorization for the portion of the line located on DEDA property.

PERMANENT WATER LINE EASEMENT AGREEMENT

This Permanent Water Line Easement Agreement ("Agreement") is entered into by Duluth Economic Development Authority, an Economic Development Authority created and existing under Minnesota Statutes (1989) Chapter 469 ("Grantor") and by the Western Lake Superior Sanitary District, a Public Corporation and political subdivision of the State of Minnesota which has its principal place of business at 2626 Courtland Street, Duluth, Minnesota ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of real property located in St. Louis County, Minnesota, and legally described on **Exhibit A** attached hereto (the "Property");

WHEREAS, Grantee has a water line ("Water Line") located on a portion of the Property;

WHEREAS, Grantee desires to obtain from Grantor a perpetual easement over the Property (the "Permanent Easement Area"), legally described on **Exhibit B** attached hereto, and as shown by a dashed box on the drawing ("Plan") attached hereto as **Exhibit C**.

WHEREAS, Grantee wishes to provide for the future maintenance, repair and replacement of the Water Line.

NOW, THEREFORE, in consideration of mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Recitals are included as a part hereof.
2. Grantor grants Grantee a right-of-way and perpetual easement (the "Perpetual Easement") to construct, maintain, inspect, operate, protect, repair, replace, change the size of and/or remove the water line or water lines and appurtenances for the transportation of water or other liquids on, over, under and across the Permanent Easement Area, together with the right to locate the Permanent Easement Area by surveying and the placement of appropriate markers, if necessary, and the right to clear and keep cleared the Permanent Easement Area so as to prevent damage to or interference with the efficient operation of the Water Line.
3. Grantor grants to Grantee the right of ingress to and egress from the Permanent Easement Area across the Property by means of roads and lanes on the Property as and if they exist, otherwise, by such road, roads or paths as shall occasion the least practical damage and inconvenience to Grantor.
4. Grantee shall promptly backfill any trench made by it within the Permanent Easement Area and shall restore the surface area, including any roadway improvement, to its condition prior to the work by the Grantee. This provision shall not prevent Grantee from exercising its right to clear away trees and brush which Grantee shall not be required to replace.
5. Grantee shall have the right to assign the Perpetual Easement to the City of Duluth in whole as to all of the rights accruing hereunder, subject always to the terms of this Agreement.

6. Grantee shall indemnify and hold Grantor harmless from and against any and all loss and damage that shall be caused by any construction, operation, use, maintenance, repair, leakage or replacement of Grantee's Water Line and through any act or omission of Grantee or of its agents or employees in the course of their employment.

7. Grantor reserves the right to use the surface portions of the Permanent Easement Area for purposes that will not interfere with Grantee's full enjoyment of the rights granted by this Agreement; provided that Grantor shall not erect or construct any building or other structure, build or operate any wells, construct any reservoir or other obstruction on the Permanent Easement Area or substantially add to the ground cover over the Water Line and that Grantor will not carry on any excavation, installation, construction or other activity over, on or under the Permanent Easement Area such as to interfere with the rights granted to the Grantee hereunder without the prior written consent of the Grantee.

8. The Perpetual Easement shall be perpetual and the Perpetual Easement shall run with the land and shall be binding upon the heirs, successors and assigns of the parties.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this Agreement to be executed this _____ day of _____, 20_____.

**WESTERN LAKE SUPERIOR
SANITARY DISTRICT**

By: _____
Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ the _____ of Western Lake Superior Sanitary District, a public corporation, on behalf of the corporation.

Notary Public

Parcel _____

EXHIBIT A

Duluth Economic Development Authority – Legal Description

010-1110-00170

ALL of Tract A described below:

TRACT A

That part of FIRST SUBDIVISION OF DULUTH PROPER SECOND DIVISION, described as follows: From the point of intersection of the SE line of Michigan Street with the West line of 25th Avenue West run South 48 degrees 49 minutes 38 seconds East (assumed bearing) along the SE'ly extension of the SW'ly line of said 25th Avenue West 670.27 feet; thence N'ly and E'ly along a curve to the left with a long chord of 53.41 feet bearing North 27 degrees 37 minutes 10 seconds East, a radius of 1878.86 feet and a central angle of 01 degrees 37 minutes 44 seconds, an arc distance of 53.42 feet along the right of way line of Trunk Highway No. 35; thence North 28 degrees 58 minutes 37 seconds West along said highway right of way line a distance of 59.63 feet; thence N'ly and E'ly along a curve to the left with a long chord of 110.17 feet bearing North 24 degrees 01 minutes 48 seconds East, a radius of 1829.86 feet and a central angle of 03 degrees 27 minutes 00 seconds, an arc distance of 110.18 feet along said highway right of way line; thence North 53 degrees 11 minutes 10 seconds East along said highway right of way line a distance of 57.74 feet; thence North 21 degrees 48 minutes 05 seconds East along said highway right of way line a distance of 42.05 feet to the point of beginning of Tract A to be described; thence North 20 degrees 07 minutes 10 seconds West along said highway right of way line a distance of 79.7 feet; thence N'ly and W'ly along a curve to the right with a long chord of 76.58 feet bearing North 16 degrees 44 minutes 15 seconds West, a radius of 649.12 feet and a central angle of 06 degrees 45 minutes 49 seconds, an arc distance of 76.63 feet along said highway right of way line; thence South 76 degrees 38 minutes 39 seconds West along said highway right of way line a distance of 12.5 feet; thence North 31 degrees 11 minutes 06 seconds West along said highway right of way line a distance of 44.63 feet; thence North 00 degrees 08 minutes 52 seconds East along said highway right of way line a distance of 105.86 feet; thence North 06 degrees 28 minutes 57 seconds East along said highway right of way line a distance of 104.33 feet; thence N'ly and E'ly along a curve to the right with a long chord of 103.82 feet bearing North 12 degrees 44 minutes 39 seconds East, a radius of 661.62 feet and a central angle of 09 degrees 00 minutes 00 seconds, an arc distance of 103.93 feet along said highway right of way line; thence North 72 degrees 45 minutes 21 seconds West 70.46 feet; thence North 41 degrees 10 minutes 22 seconds East 305.69 feet on a line parallel with and 140 feet SE'ly of the SE'ly line of Michigan Street to an intersection with a line run parallel with and distant 25 feet SE'ly from the center line of the Soo Line Railroad Company--formerly the Wisconsin Central Railway Company as the same was on May 12, 1909, surveyed, staked out and located; thence North 61 degrees 35 minutes 22 seconds East 24.2 feet along the SE'ly right of way line of the Soo Line Railroad Company; thence deflect to the left on a tangential curve, concave to the NW, having a radius of 979.93 feet and a delta angle of 20 degrees 25 minutes 00 seconds for a distance of 349.19 feet; thence South 48 degrees 49 minutes 38 seconds East a distance of 6.11 feet; thence South 44 degrees 08 minutes 50 seconds West a distance of 342 feet;

thence deflect to the left on a tangential curve concave to the East, having a radius of 611.62 feet and a delta angle of 53 degrees 54 minutes 12 seconds for a distance of 575.4 feet; thence South 80 degrees 14 minutes 38 seconds West a distance of 12.5 feet; thence Sly on a non-tangential curve concave to the East, having a radius of 624.12 feet, delta angle of 10 degrees 21 minutes 48 seconds and a chord bearing of South 14 degrees 56 minutes 16 seconds East, for a distance of 112.89 feet; thence South 20 degrees 07 minutes 10 seconds East a distance of 51.86 feet thence South 21 degrees 48 minutes 05 seconds West a distance of 37.42 feet to the point of beginning.

EXCEPT:

That part of FIRST SUBDIVISION OF DULUTH PROPER SECOND DIVISION, described as follows: From the point of intersection of the SE line of Michigan Street with the West line of 25th Avenue West run South 48 degrees 49 minutes 38 seconds East (assumed bearing) along the SE'ly extension of the SW'ly line of said 25th Avenue West 670.27 feet; thence N'ly and E'ly along a curve to the left with a long chord of 53.41 feet bearing North 27 degrees 37 minutes 10 seconds East, a radius of 1878.86 feet and a central angle of 01 degrees 37 minutes 44 seconds, an arc distance of 53.42 feet along the right of way line of Trunk Highway No. 35; thence North 28 degrees 58 minutes 37 seconds West along said highway right of way line a distance of 59.63 feet; thence N'ly and E'ly along a curve to the left with a long chord of 110.17 feet bearing North 24 degrees 01 minutes 48 seconds East, a radius of 1829.86 feet and a central angle of 03 degrees 27 minutes 00 seconds, an arc distance of 110.18 feet along said highway right of way line; thence North 53 degrees 11 minutes 10 seconds East along said highway right of way line a distance of 57.74 feet; thence North 21 degrees 48 minutes 05 seconds East along said highway right of way line a distance of 42.05 feet; thence North 20 degrees 07 minutes 10 seconds West along said highway right of way line a distance of 79.7 feet; thence N'ly and W'ly along a curve to the right with a long chord of 76.58 feet bearing North 16 degrees 44 minutes 15 seconds West, a radius of 649.12 feet and a central angle of 06 degrees 45 minutes 49 seconds, an arc distance of 76.63 feet along said highway right of way line; thence South 76 degrees 38 minutes 39 seconds West along said highway right of way line a distance of 12.5 feet; thence North 31 degrees 11 minutes 06 seconds West along said highway right of way line a distance of 44.63 feet; thence North 00 degrees 08 minutes 52 seconds East along said highway right of way line a distance of 105.86 feet; thence North 06 degrees 28 minutes 57 seconds East along said highway right of way line a distance of 104.33 feet; thence N'ly and E'ly along a curve to the right with a long chord of 103.82 feet bearing North 12 degrees 44 minutes 39 seconds east, a radius of 661.62 feet and a central angle of 09 degrees 00 minutes 00 seconds, an arc distance of 103.93 feet along said highway right of way line; thence North 72 degrees 45 minutes 21 seconds West 59.52 feet to the point of beginning of the parcel to be described; thence continuing North 72 degrees 45 minutes 21 seconds West 10.94 feet; thence North 41 degrees 10 minutes 22 seconds East 305.69 feet on a line parallel with and 140 feet SE'ly of the SE'ly line of Michigan Street to an intersection with a line run parallel with and distant 25 feet SE'ly from the center line of the Soo Line Railroad Company--formerly the Wisconsin Central Railway Company--as the same was on May 12, 1909, surveyed, staked out and located; thence North 61 degrees 35 minutes 22 seconds East 24.2 feet along the SE'ly right of way line of the Soo Line Railroad Company; thence deflect to the left on a tangential curve, concave to the NW, having a radius of 979.93 feet and a delta angle of 00 degrees 15 minutes 44 seconds for a

distance of 4.49 feet; thence South 41 degrees 10 minutes 22 seconds West on a line parallel with and 150 feet SE'ly of the SE'ly line of Michigan Street 328.14 feet to the point of beginning and there terminating.

SUBJECT to the following restrictions: No access shall be permitted to Trunk Highway No. 390 renumbered 35 from the lands herein conveyed except that access shall be permitted along Line 1 described below for the purposes of operating and maintaining a tract under Bridge Number 69835;

~~Line 1: Beginning at the point of beginning of Tract A hereinbefore described; thence North 21 degrees 48 minutes 05 seconds East 37.42 feet and there terminating; Reserving, however, unto the City of Duluth, its successors and assigns, an easement for sanitary sewer purposes, in, under and across that part of Tract A hereinbefore described, lying within a distance of 7.5 feet on each side of Line 2 described below, except that the easement in that part of the land which will be occupied by a sanitary sewer protective structure, will be restricted to that portion of the land which lies below Elevation 617.18 - the top elevation of the aforementioned sanitary sewer protective structure. Elevation 617.18 is based on United States Coast and Geodetic Survey Mean Sea Level Datum as adjusted in 1929;~~

Line 2: Beginning at the point of intersection of a line run parallel with and distant 8 feet NE'ly of the SW'ly line of 23rd Avenue West extended with a line run parallel with and distant 4 feet NW'ly of the SE'ly line of Michigan Street; thence run SE'ly to an angle of 35 degrees 42 minutes 33 seconds with said 8 foot parallel line for 742.07 feet and there terminating;

It is understood that the City of Duluth, at its own expense, will repair all damages caused to said land or any improvements thereon by reason of the operation, maintenance, and repair of said sanitary sewer or protective structure, so that the same shall be and remain in substantially the same condition in accordance with the mutual covenants contained in Agreement No. 114 between the City and the State of Minnesota.

RESERVING, however, to the State, as required by law, all minerals and mineral rights in said lands.

Parcel _____

EXHIBIT B

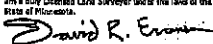
LEGAL DESCRIPTION FOR UTILITY EASEMENT OVER DEDA PID NO. 010-1110-00170

An easement for utility purposes lying over, under and across that part of Tract 2, FIRST SUBDIVISION OF DULUTH PROPER, SECOND DIVISION, according to the recorded plat thereof, St. Louis County, Minnesota described as follows:

Commencing at the point of intersection of the Southeastery line of Michigan Street with the Southwesterly line of 25th Avenue West; thence on an assumed bearing of South 48 degrees 49 minutes 38 seconds East, along the Southeastery extension of the Southwesterly line of said 25th Avenue West 670.27 feet to a point on the Northwesterly right of way line of Interstate Highway No. 35; thence Northerly and Easterly 53.42, along said Northwesterly right of way line and along a non-tangential curve, concave to the left, having a radius of 1878.76 feet and a central angle of 01 degree 37 minutes 44 seconds, the chord of said curve bears North 27 degrees 37 minutes 10 seconds East for a chord distance of 53.41 feet; thence North 28 degrees 58 minutes 37 seconds West; along said Northwesterly right of way line 59.63 feet; thence Northerly and Easterly 110.18 feet, along said Northwesterly right of way line and along a non-tangential curve, concave to the left, having a radius of 1829.86 and a central angle of 03 degrees 27 minutes 00 seconds, the chord of said curve bears North 24 degrees 01 minutes 48 seconds East for a chord distance of 110.17 feet; thence North 53 degrees 11 minutes 10 seconds East along said Northwesterly right of way line 57.74 feet; thence North 21 degrees 48 minutes 05 seconds East along said Northwesterly right of way line 42.05 feet to the point of beginning of the utility easement herein described; thence North 20 degrees 07 minutes 10 seconds West along said Northwesterly right of way line 79.70 feet; thence Northerly and Westerly 76.63 feet, along said Northwesterly right of way line and along a non-tangential curve to the right, having a radius of 649.12 feet and a central angle of 06 degrees 45 minutes 49 seconds, the chord of said curve bears North 16 degrees 44 minutes 16 seconds West for a chord distance of 76.58 feet; thence South 76 degrees 38 minutes 39 seconds West along said Northwesterly right of way line 12.50 feet; thence North 31 degrees 11 minutes 06 seconds West along said Northwesterly right of way line 44.63 feet; thence North 00 degrees 08 minutes 52 seconds East along said Northwesterly right of way line 105.86 feet; thence North 06 degrees 28 minutes 57 seconds East along said Northwesterly right of way line a distance of 72.92 feet; thence South 03 degrees 01 minutes 49 seconds East 59.11 feet; thence South 09 degrees 31 minutes 19 seconds East 62.99 feet; thence South 03 degrees 04 minutes 44 seconds East 49.21 feet; thence South 22 degrees 47 minutes 45 seconds East 112.30 feet; thence South 15 degrees 33 minutes 01 seconds East 59.36 feet; thence South 20 degrees 07 minutes 10 seconds East 17.97 feet; thence South 21 degrees 48 minutes 05 seconds West 14.97 feet to the point of beginning. Said utility easement contains 5,296 Sq. Feet or 0.12 Acres.

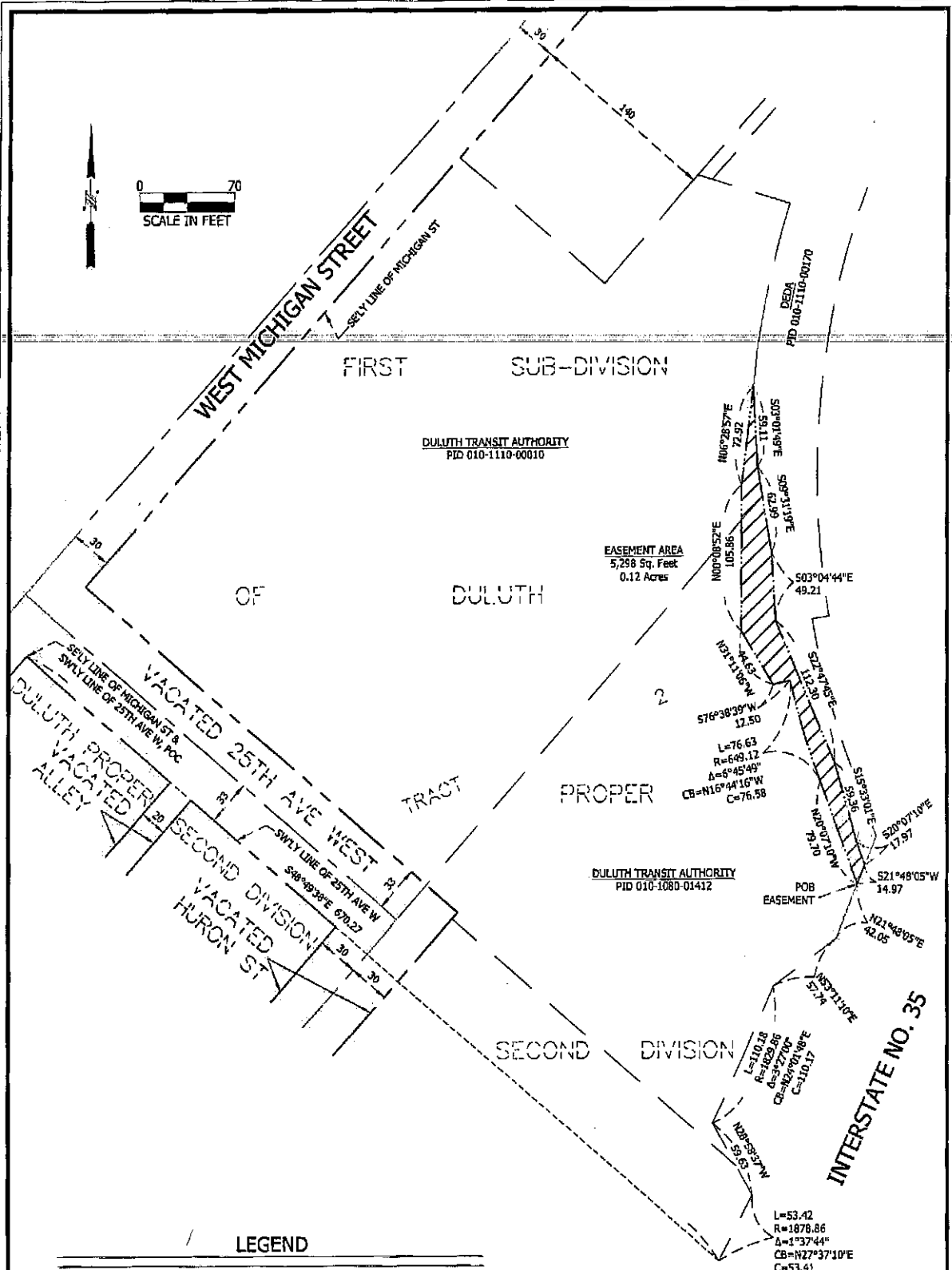
SURVEYOR'S NOTES

1. THIS SURVEY HAS BEEN PREPARED WITHOUT BENEFIT OF A TITLE COMMITMENT OR TITLE OPINION; A TITLE SEARCH FOR RECORDED OR UNRECORDED EASEMENTS WHICH MAY BENEFIT OR ENCUMBER THIS PROPERTY HAS NOT BEEN COMPLETED BY ALTA LAND SURVEY COMPANY. THE SURVEYOR ASSUMES NO RESPONSIBILITY FOR SHOWING THE LOCATION OF RECORDED OR UNRECORDED EASEMENTS OR OTHER ENCUMBRANCES NOT PROVIDED TO THE SURVEYOR AS OF THE DATE OF THE SURVEY.
2. BEARINGS ARE BASED ON THE SOUTHWEST LINE OF 25TH AVENUE WEST WHICH IS ASSUMED TO HAVE A BEARING OF S48°49'38"E.
3. THIS IS NOT A BOUNDARY SURVEY.

<small>I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.</small>  <small>David R. Erwin DATE: 11-5-2019 MN Lic. No. 49263</small>	EASEMENT EXHIBIT	
	<small>CLIENT: WESSD</small> <small>ADDRESS: 24TH AVE WEST AND W MICHIGAN STREET DULUTH, MN 55806</small> <small>DATE: 11-5-2019</small>	<small>REVISIONS:</small>
<small>DATE: 11-5-2019 MN Lic. No. 49263</small>		<small>JOB NO: 19-352 SHEET 1 OF 2</small>

Parcel _____

EXHIBIT C



LEGEND	
	PROPOSED UTILITY EASEMENT
	POC-POINT OF COMMENCEMENT
	POB-POINT OF BEGINNING
	CENTER LINE
	RIGHT OF WAY LINE
	PROPOSED EASEMENT LINE
	SURVEY LINE

EASEMENT EXHIBIT		 ALTA LAND SURVEY COMPANY PHONE: 218-727-2111 LICENSED IN MN & WI WWW.ALTLANDSURVEY.COM
CLIENT: WLSSD	REVISIONS:	
ADDRESS: 24TH AVE WEST AND W MICHIGAN STREET DULUTH, MN 55806		
DATE: 12-3-2019	JOB NO: 19-357	SHEET 2 OF 2

RESOLUTION 20D-07

RESOLUTION APPROVING A PROJECT BY DULUTH HEALTH SERVICES AND CONSENTING TO THE ISSUANCE OF TAX EXEMPT OBLIGATIONS BY THE CITY OF SCANLON, MINNESOTA

BE IT RESOLVED, by the Board of Commissioners of the Duluth Economic Development Authority, St. Louis County, Minnesota, as follows:

Section 1. Definitions. The capitalized terms used in this resolution have the meanings assigned below:

Act: Minnesota Statutes, Sections 469.152 through 469.1655, as amended.

Authorized Officers: the President and Secretary of DEDA.

Board: the Board of Commissioners as the governing body of DEDA.

Bond Counsel: Fryberger, Buchanan, Smith & Frederick, P.A.

Bonds: Health Care Facilities Revenue Refunding Bonds (Duluth Health Services Project), Series 2020.

Code: the Internal Revenue Code of 1986, as amended.

DEDA: the Duluth Economic Development Authority.

DHS: Duluth Health Services.

Existing Facilities: the 92-bed skilled nursing facility located at 3111 Church Place in Duluth.

Morris Notes: the City of Morris, Minnesota \$6,400,000 Health Care Facilities Revenue Note, Series 2012B (St. Francis Health Services of Morris, Inc. Project) and the City of Morris, Minnesota \$2,134,396 Health Care Facilities Revenue Note, Series 2015 (Viewcrest Health Center Project).

Morris Notes Project: acquiring and renovating the Existing Facilities, including but not limited to constructing and equipping an approximately 28,000 square foot, two-story addition containing 46 single occupancy rooms, conversion of multiple occupancy rooms to single occupancy rooms, roof repair and replacement, improvements to improve handicapped accessibility and general improvements to the building infrastructure and constructing and equipping a 42-bed, two-story atrium addition

New Project: demolishing portions of the Existing Facilities constructed in 1960 and improvements to the Existing Facilities including renovation of dining, food service and mechanical areas, replacement of main entrance, improved access to the outdoors,

parking improvements, purchase of capital equipment and creation of new therapy, employee-use and administration areas.

Project: the New Project and the Morris Notes Project.

Qualified Services and Activities: health care services and health care related activities.

Scanlon: the City of Scanlon, Minnesota.

SFHS: St. Francis Health Services of Morris, Inc.

Section 2. Recitals. The Board makes the following recitals of fact:

a. Representatives of DHS have represented to DEDA that:

i. DHS is a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Code;

ii. the sole member of DHS is SFHS;

iii. DHS is engaged directly or through one or more of its affiliated organizations, including SFHS, in providing Qualified Services and Activities;

iv. DHS desires to finance reimbursement of funds advanced by SFHS to pay the costs of the New Project and refinance the Morris Notes issued to finance and refinance the Morris Notes Project; and

v. at the request of DHS, the governing body of Scanlon has expressed its intent to finance the New Project and refund the Morris Notes and refinance the Project through the issuance of the Bonds, which are tax-exempt revenue bonds.

b. Bond Counsel has advised DEDA that:

i. the Act authorizes the issuance of revenue obligations to refinance indebtedness incurred by an organization engaged in providing Qualified Services and Activities; and

ii. in order for the Bonds to be issued on a tax-exempt basis, and in order to comply with Minnesota laws restricting the issuance of obligations by one municipality for a project in another municipality, DEDA must (i) conduct a public hearing on the proposal of DHS to undertake and refinance the Project and (ii) consent to the issuance of the Bonds by Scanlon.

Section 3. Limitations. The Bonds, when, as and if issued, shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of DEDA or Scanlon, and the Bonds, when, as and if issued, shall recite in substance that the Bonds, including interest thereon, are payable solely from the revenues received from DHS and the

property pledged to the payment thereof, and shall not constitute a debt of DEDA or Scanlon within the meaning of any constitutional or statutory limitation.

Section 4. Public Hearing.

a. A Notice of Public Hearing was published in the *Duluth News Tribune*, DEDA's official newspaper and a newspaper of general circulation, calling a public hearing on the proposed issuance of the Bonds and the proposal to undertake, finance and refinance the Project.

b. The Board has, on January 22, 2020, held a public hearing on the proposal to undertake, finance and refinance the Project, through the issuance of the Bonds by Scanlon, at which all those appearing who desired to speak were heard and written comments were accepted, if submitted.

Section 5. Approvals; Authorizations.

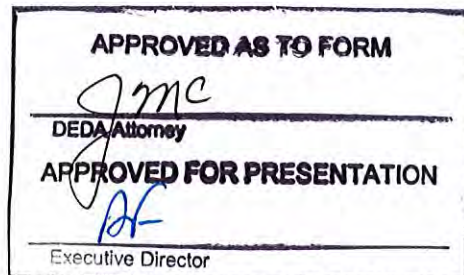
a. The proposal of DHS to undertake, finance and refinance the Project is approved. The issuance of the Bonds by Scanlon is approved.

b. The Authorized Officers are authorized and directed to execute and deliver such documents or certificates needed from DEDA for the issuance of the Bonds.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: This Resolution approves the issuance and sale by the City of Scanlon, Minnesota, of not to exceed \$15,000,000 Health Care Facilities Revenue Refunding Bonds (Duluth Health Services Project), Series 2020 (the "Bonds"). The actions approved in this Resolution are required by the State of Minnesota and federal law both for the valid issuance of the Bonds and tax exemption of interest on the Bonds. The proceeds of the Bonds will be used, in part, to refinance debt incurred for improvements to Viewcrest Health Center located in Duluth and reimburse SFHS, the parent company of DHS, for its funds used to pay the costs of improvements to Viewcrest.

December, 2019 Cash Activity - all DEDA Funds
ACCUMULATED TRANSACTION LISTING, G/L Date Range 12/01/19 - 12/31/2019 (as of 1/08/2020)

G/L Date	Journal Number	Sub Ledg	Name	Net Amount	Description
FUND 860 - OPERATING FUND				Beginning Balance	2,766,840.59 TB
12/01/19	2019-00000529	GL	Cost Allocation - DEDA	(33,333.37)	Dec 2019 Cost Allocation - DEDA
12/03/19	2019-00009779	RA	PayGrpOreillyLLC	437.09	DEDA Lease Payment
12/09/19	2019-00009857	GL	Fund 265 Reimburse DEDA Fund 860- Maxfield Inv WF Housing Needs	1,733.33	
12/09/19	2019-00009872	AP	Beauty Lawn Care Service	(55.00)	Lawn Care 10/9/19
12/09/19	2019-00009872	AP	Ehlers and Associates Inc	(650.00)	C19-860-902-Economic development and TIF professional services
12/09/19	2019-00009872	AP	Ehlers and Associates Inc	(1,690.00)	Roers - First Street Lofts
12/09/19	2019-00009872	AP	Ehlers and Associates Inc	(245.00)	Tax Abatement Estimate for Costco Development
12/09/19	2019-00009872	AP	Duluth News Tribune	(15.60)	Minnesota Legals Ad
12/09/19	2019-00009872	AP	Duluth News Tribune	(11.60)	Minnesota Legals Ad 10/9/19
12/09/19	2019-00009872	AP	Jeff Frey & Associates/CPL Imaging	(430.00)	Photography 319 & 323 E Superior St Buildings
12/09/19	2019-00009872	AP	PHS Maxfield LLC	(5,200.00)	Workforce Housing Needs Assessment
12/09/19	2019-00009872	AP	Northspan Group Inc	(455.80)	C19-860-909-Red Tape Reduction Task Force Recommendation
12/09/19	2019-00009872	AP	Northspan Group Inc	(1,072.50)	C19-860-933 Mayors Affordable Housing Task Force
12/09/19	2019-00009872	AP	Northspan Group Inc	(35,500.00)	2019 Northforce Talent Initiative
12/09/19	2019-00009872	AP	Duluth News Tribune	(7.60)	Minnesota Legal Ads 11/27/19
12/10/19	2019-00009996	RA	Costo Wholesale Corp	3,000.00	DEDA Costco Project
12/12/19	2019-00010109	GL	Trsf Northspan NorthForce support fr DEDA 860 to 866 per Adam F.	10,000.00	Trsf Northspan NorthForce support fr DEDA 860 to 866 per Adam F.
12/16/19	2019-00010178	RA	One Roof Community Housing	2,181.25	Invoice #2019-00000347 and Invoice #2019-00000336
12/18/19	2019-00010256	RA	Landmark Development Services Co LLC	224.00	Voyagers TIF District 31
12/18/19	2019-00010256	RA	Essentia Health	28,929.42	Land Purchase of tax forfeited Land bought by DEDA (for Essentia)
12/18/19	2019-00010256	RA	MN State MMB	5,647.50	DEDA Invoice #CCGP-17-0027-Z-FY183
12/23/19	2019-00010292	AP	St Louis County Auditor	(28,429.42)	19-860-937 Tax Forfeit Land Purchase Resale Essentia
12/23/19	2019-00010292	AP	St Louis County Recorder	(132.00)	Voyager TIF 31 - Record Parking Lot Lease
12/23/19	2019-00010292	AP	St Louis County Recorder	(92.00)	Voyager TIF 31 - Record Parking Lot Lease
12/23/19	2019-00010292	AP	Duluth Public Utilities - Comfort Systems	(829.35)	335 W Superior St 10/30-11/27/19
12/23/19	2019-00010292	AP	Northspan Group Inc	(963.00)	C19-860-933 Mayors Affordable Housing Task Force
12/23/19	2019-00010292	AP	LHB Engineers & Architects	(9,100.00)	19-860-922 Skywalk Route Planning
12/23/19	2019-00010373	RA	Interstate Parking Services LLC	(10,217.87)	Parking Ramp Revenue for November 2019
12/30/19	2019-00010512	RA	Housing & Redevelopment Authority of Duluth - HRA	1,733.34	Invoice #2019-00000346
12/31/19	2019-00010593	GL	Transfer funds for 1819	(20,000.00)	City Auditor cleared DT/DF Funds from 2018 JE
12/31/19	2019-00010638	GL	Investment Earnings for December	4,235.00	Investment Earnings for December
FUND 860 - OPERATING FUND				Ending Balance - 12-31-2019	2,676,531.41 TB
FUND 861 - DEBT SERVICE				Beginning Balance	1,293,216.37 TB
12/06/19	2019-00009896	GL	receipt 2nd half 2019 tax payment	1,394,813.26	2nd Half 2019 TIF \$ Received from SLC
12/30/19	2019-00010366	GL	ACH Wire-Pier B 2nd Half 2019 TIF D#27 Pymt to Dougherty Funding	(122,787.00)	2nd Half TIF 2019
12/30/19	2019-00010407	AP	Scottsdale Capital LLC	(129,229.00)	2nd Half TIF 2019
12/30/19	2019-00010407	AP	Chester Park View Note LLC	(70,817.00)	2nd Half 2019 TIF
12/30/19	2019-00010407	AP	Summit Management, LLC	(181,224.29)	2nd Half 2019 TIF
12/30/19	2019-00010407	AP	Central Hillside Development LLC	(13,817.81)	2nd Half 2019 TIF
12/30/19	2019-00010407	AP	A & L Duluth Renaissance LLC	(80,801.41)	2nd Half 2019 TIF
12/30/19	2019-00010407	AP	Garfield Business Park I LLC	(11,212.31)	2nd Half 2019 TIF
12/30/19	2019-00010407	AP	Glen Place Apartments Ltd	(38,925.65)	2nd Half 2019 TIF
12/31/19	2019-00010538	GL	Set up 2019 estimated med district and clear prior year due TIF	(400,000.00)	Estimated Debt Payment for Med Dist Ramp from TIF Dist #22
12/31/19	2019-00010538	GL	Set up 2019 estimated med district and clear prior year due TIF	(727,781.62)	City Auditor cleared DT/DF Funds from 2018 JE
12/31/19	2019-00010638	GL	Investment Earnings for December	3,441.00	Investment Earnings for December
FUND 861 - DEBT SERVICE				Ending Balance - 12-31-2019	914,874.54 TB
FUND 865 - CAPITAL PROJECTS				Beginning Balance	1,831,648.69 TB
12/03/19	2019-00009748	GL	reimb GF for DEDA expenses on FEDX Inv 6-411-99149	(76.59)	Fed Ex Expense
12/31/19	2019-00010538	GL	Set up 2019 estimated med district and clear prior year due TIF	727,781.62	City Auditor cleared DT/DF Funds from 2018 JE
12/31/19	2019-00010638	GL	Investment Earnings for December	2,895.00	Investment Earnings for December
FUND 865 - CAPITAL PROJECTS				Ending Balance - 12-31-2019	2,562,248.72 TB
FUND 866 - MRO FACILITY				Beginning Balance	746,711.00 TB
12/09/19	2019-00009872	AP	Northspan Group Inc	(16,500.00)	C19-860-934 AAR Corp Candidate Attraction
12/09/19	2019-00009872	AP	Jamar Company	(3,621.27)	AAR Aircraft - Part of Roof Repair Project
12/12/19	2019-00010109	GL	Trsf Northspan NorthForce support expense fr DEDA 860 to 866 per Adam	(10,000.00)	Trsf Northspan NorthForce support expense fr DEDA 860 to 866
12/23/19	2019-00010292	AP	Jamar Company	(25,407.75)	MRO Facility east wall Phase II to include ext siding and window
12/31/19	2019-00010638	GL	Investment Earnings for December	1,124.00	Investment Earnings for December
FUND 866 - MRO FACILITY				Ending Balance - 12-31-2019	692,305.98 TB
FUND 867 - STOREFRONT LOANS				Beginning Balance	174,763.20 TB
12/06/19	2019-00009915	RA	City of Duluth, US Bank singlepoint deposit	657.85	DEDA -Women in Construction Loan payment
12/18/19	00010256	RA	Alerus Financial	1,037.10	DEDA payment, Old City Hall LLC
12/31/19	00010638	GL	Investment Earnings for December	274.00	Investment Earnings for December
FUND 867 - STOREFRONT LOANS				Ending Balance - 12-31-2019	176,732.15 TB

RESOLUTION 20D-12

RESOLUTION ELECTING OFFICERS FOR THE YEAR 2020

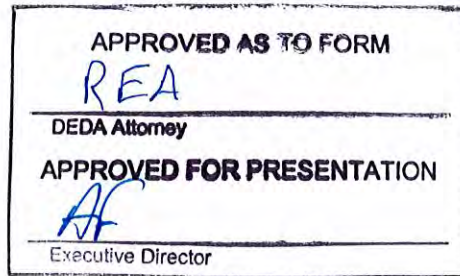
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the following DEDA Commissioners are hereby elected to the offices ascribed to them for the year 2020.

President: _____
Vice President: _____
Secretary: _____
Treasurer: _____

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: The purpose of this Resolution is to elect DEDA officers for the year 2020.

RESOLUTION 20D-01

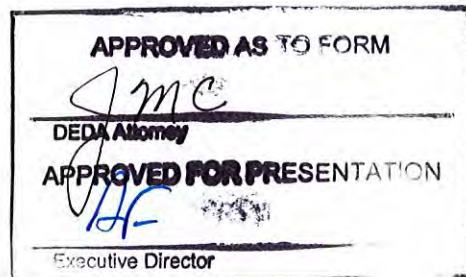
**RESOLUTION APPROVING CHRIS FLEEGE
AS EXECUTIVE DIRECTOR**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that, Chris Fleege is hereby approved as the Executive Director of DEDA, such appointment being effective immediately.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to approve the appointment of Chris Fleege as Executive Director of DEDA. Mr. Fleege has been hired by the City of Duluth to serve as its Director of Planning and Economic Development and, in that position, will lead the City's efforts in the areas of business and economic development. His appointment as DEDA's Executive Director will serve to facilitate cooperation and coordination between the City's efforts and those of DEDA and is expected to provide high quality leadership to DEDA as it strives to fulfill its mission of bringing economic development and jobs to the City.

RESOLUTION 20D-02

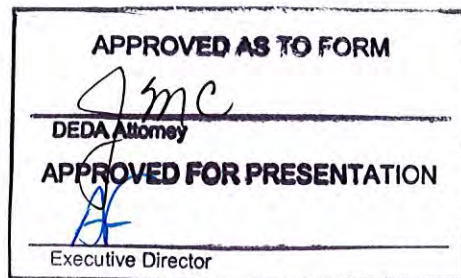
**RESOLUTION ADOPTING A SCHEDULE OF REGULAR
MEETING DATES FOR THE YEAR 2020**

RESOLVED, that the Duluth Economic Development Authority (DEDA) does hereby adopt the attached schedule of regular meeting dates for the year 2020.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: This Resolution adopts a schedule of regular meeting dates for the year 2020 pursuant to Section 3.1 of the Bylaws of DEDA.

DULUTH ECONOMIC DEVELOPMENT AUTHORITY

2020 Regular Meeting Schedule

Wednesday, January 22, 2020

Wednesday, February 26, 2020

Wednesday, March 25, 2020

Wednesday, April 22, 2020

Wednesday, May 27, 2020

Wednesday, June 24, 2020

Wednesday, July 22, 2020

Wednesday, August 26, 2020

Wednesday, September 23, 2020

Wednesday, October 28, 2020

Wednesday, November 18, 2020 *

Wednesday, December 16, 2020 *

*The November & December meetings are scheduled for the third Wednesday of the month due to the holidays.

**Regular meetings are held at 5:15 p.m. in City Council Chambers or Room 303
located on the 3rd floor of City Hall.**

For questions, please contact Amanda Anderson at 218-730-5308 or
amanderson@duluthmn.gov.

RESOLUTION 20D-11

RESOLUTION APPROVING THE ISSUANCE AND SALE OF HEALTH FACILITIES REFUNDING REVENUE BONDS, SERIES 2020C (ESSENTIA HEALTH OBLIGATED GROUP)

BE IT RESOLVED, by the Board of Commissioners of the Duluth Economic Development Authority, as follows:

- Section 1. Definitions. The terms used in this resolution (1) have the meanings assigned below or (2) the meanings assigned to them in the Bond Indenture or the Loan Agreement, unless the context, use, or the rules of grammar indicate another or differing meaning or intent:
- a. Act: Minnesota Statutes, Sections 469.152 through 469.165, as amended.
 - b. Assignment: the integral assignment to the Obligated Group Note to be endorsed by DEDA in favor of the Bond Trustee.
 - c. Authorized Officers: the President and Secretary of DEDA, or the deputy or acting designee of either of them.
 - d. Board: the Board of Commissioners of DEDA, DEDA's governing body.
 - e. Bond Counsel: the law firm of Fryberger, Buchanan, Smith & Frederick, P.A.
 - f. Bond Indenture: the Bond Trust Indenture to be entered into between DEDA and the Bond Trustee.
 - g. Bond Trustee: U.S. Bank National Association, a national banking association with an office located in St. Paul, Minnesota, its successors and assigns.
 - h. Borrower: Essentia Health, as Obligated Group Agent on behalf of itself and the other members of the Obligated Group under the Master Indenture, each such entity being (as represented to DEDA), an organization described in Section 501(c)(3) of the Code, the corporate offices of which are located at 502 East Second Street, in the City.
 - i. Borrower Documents: the Loan Agreement, the Master Indenture, the Supplemental Master Indenture, the Continuing Covenant Agreement and the Obligated Group Note.
 - j. City: the City of Duluth, Minnesota.
 - k. Code: the Internal Revenue Code of 1986, as amended.

- l. Continuing Covenant Agreement: the Continuing Covenant Agreement between the Borrower and the Purchaser.
- m. DC: The Duluth Clinic, Ltd., a Minnesota corporation and Member of the Obligated Group
- n. DEDA: the Duluth Economic Development Authority.
- o. DEDA Documents: the Loan Agreement, the Bond Indenture and the Assignment.
- p. Documents: the DEDA Documents, the Borrower Documents and other documents required for the issuance of the Series 2020C Bonds.
- q. Executive Director: the Executive Director of DEDA.
- r. Host Cities: together the Cities of Brainerd, Detroit Lakes, Hermantown, Hibbing and International Falls, Minnesota.
- s. Loan Agreement: the Loan Agreement to be entered into between DEDA and the Borrower.
- t. MAEDB: the Minnesota Agricultural and Economic Development Board, as issuer of the Series 2008C-1 Bonds.
- u. Master Indenture: the Second Amended and Restated Master Trust Indenture between the Borrower, on behalf of itself and as Obligated Group Agent and the Master Trustee.
- v. Master Trustee: U.S. Bank National Association, as master trustee under the Master Indenture.
- w. Municipal Advisor: Raymond James & Associates, Inc., municipal advisor to the Borrower.
- x. Obligated Group: a group composed of the Borrower and 13 of its affiliates, each of which has agreed in writing to be bound by the provisions of the Master Indenture.
- y. Obligated Group Agent: Essentia Health, as obligated group agent under the Master Indenture.
- z. Obligated Group Note: the promissory note of the Borrower, as Obligated Group Agent, issued under the Master Indenture to DEDA.
- aa. Project: the proceeds of the Series 2008C-1 Bonds were primarily spent to finance the following:

- (1) with respect to SJMC, acquisition and installation of certain equipment in, and remodeling, new construction and improvements to, the existing medical facilities located at or adjacent to 523 North Third Street in Brainerd, Minnesota;
- (2) with respect to SMRHC, acquisition of hospital facilities; acquisition and installation of equipment in and capital improvements to the hospital facilities, including constructing a two-story, approximately 50,000 square foot clinic expansion and medical/surgical/pediatrics unit, developing a new central supply and loading dock, developing private rooms and a short stay nursing center, demolishing obsolete facilities, the acquiring, constructing and equipping a new surgical department, intensive care unit, emergency room and front entrance and connector between the existing hospital and skilled nursing facility, all located at or adjacent to 1027 Washington Avenue in Detroit Lakes; and renovating a former retail facility located at 603 Highway 10 East in Detroit Lakes, to provide dialysis, clinical and office functions;
- (3) with respect to SMDC, acquiring, constructing and equipping a three-story, approximately 225,000 square foot building, located at 420 East First Street in Duluth, for use as a cancer center and medical departments, including but not limited to orthopedics, digestive diseases and diagnostic imaging; and constructing and equipping a medical clinic located at 2501 Keenan Drive in International Falls, Minnesota;
- (4) with respect to DC, constructing, renovating and equipping clinic facilities located at 400 East Third Street in Duluth; constructing a 55,000 square foot addition to the facilities; acquiring adjacent land and constructing additional parking facilities for approximately 300 vehicles on the acquired land; acquiring, constructing equipping a 280-car parking ramp, 32-room patient and visitor lodging facility, additional office, examination and related space, and capital improvements to medical clinic facilities located at 502 East Second Street in Duluth; remodeling facilities located at 532 East First Street in Duluth to house accounting and other administrative services; remodeling and expanding medical clinic facilities located at 4621 East Superior Street and 4325 Grand Avenue in Duluth (the Grand Avenue facilities have been sold by DC); acquiring land located at 4855 West Arrowhead Road in Hermantown, Minnesota and constructing and equipping a medical clinic on the land; purchasing and installing new movable equipment and upgrading existing equipment at the foregoing locations; constructing and equipping a medical clinic and ambulatory care center located at 730 East 34th Street in Hibbing, Minnesota; renovating and equipping clinic

facilities located at 400 N.W. First Street, Chisholm, Minnesota; constructing, renovating and equipping clinic facilities located at 901 North Sixth Avenue in Virginia, Minnesota, which have been sold; acquiring equipment for clinic facilities located at 109 Court Avenue South, Sandstone, Minnesota, which has been fully depreciated; acquiring and renovating clinic facilities located at 206 Main Street, Hinckley, Minnesota, which have been sold by DC; constructing, renovating and equipping clinic facilities located at 405 West Third Avenue North, Aurora, Minnesota which have been sold by DC; and constructing, renovating and equipping clinic facilities located at 300 West Conan Street, Ely, Minnesota;

- (5) with respect to SMDCMC, capital improvements to hospital facilities located at 502 East Second Street in Duluth; constructing and equipping a physical medicine facility; and constructing and equipping a skyway connecting 400 East Third Street (DC), 502 East Second Street (SMDCMC) and 407 East Third Street (SMMC), all in Duluth;
- (6) with respect to SMMC, acquiring and installing equipment in and remodeling of and improving facilities located at 407 East Third Street in Duluth; and
- (7) with respect to Nat G. Polinsky Memorial Rehabilitation Center, a Minnesota nonprofit corporation, renovating, constructing and equipping facilities located at 502 East Second Street, Duluth, Minnesota.

- bb. Purchaser: Wells Fargo Municipal Capital Strategies, LLC, or its affiliate.
- cc. Refunded Bonds: the outstanding principal amount of the Series 2008C-1 Bonds.
- dd. Registrar: bond registrar, paying agent, authenticating agent and transfer agent for the Series 2020C Bonds.
- ee. Series 2008C-1 Bonds: MAEDB's \$160,120,000 Health Care Facilities Revenue Bonds, Series 2008C-1 (Essentia Health Obligated Group).
- ff. Series 2020C Bonds: Health Facilities Refunding Revenue Bonds, Series 2020C (Essentia Health Obligated Group).
- gg. SJMC: St. Joseph's Medical Center, a Minnesota nonprofit corporation and Member of the Obligated Group
- hh. SMDC: St. Mary's Duluth Clinic Health System, a Minnesota nonprofit corporation and Member of the Obligated Group.

- ii. SMDCMC: SMDC Medical Center, a Minnesota nonprofit corporation and Member of the Obligated Group.
- jj. SMMC: St. Mary's Medical Center, a Minnesota nonprofit corporation and Member of the Obligated Group.
- kk. Special Tax Counsel: the law firm of Chapman and Cutler, LLP.
- ll. State: the State of Minnesota.
- mm. Supplemental Master Indenture: Supplemental Indenture Number Two to the Master Indenture between the Borrower as Obligated Group Agent, on behalf of itself and the Members of the Obligated Group, and the Master Trustee.
- nn. Tax Certificate: the certificate of the Borrower, in customary form prepared by Special Tax Counsel and approved as to form by Bond Counsel to demonstrate compliance with the conditions of the Code which allow for interest on the Series 2020C Bonds to be excludable from the gross income of the owners of the Series 2020C Bonds for federal income tax purposes (including any other bonds making up a single issue for federal income tax purposes).

Section 2. Summary of the Documents. Bond Counsel has provided the following information relating to the Documents:

- a. In the *Bond Indenture*, DEDA pledges and grants a security interest to the Bond Trustee in all of its right, title, and interest in the Obligated Group Note, the Loan Agreement (except for certain rights of DEDA to payment, indemnification and enforcement) and all moneys on deposit with the Bond Trustee under the Bond Indenture for the benefit of the owners of the Series 2020C Bonds. The Bond Indenture provides the terms and conditions, covenants, rights, obligations, duties and agreements of the owners of the Series 2020C Bonds, DEDA and the Bond Trustee as set forth therein.
- b. In the *Loan Agreement*, DEDA loans the proceeds of the Series 2020C Bonds to the Borrower and the Borrower agrees to repay the loan in the amounts and at the times required to pay the principal of, premium, if any, and interest on the Series 2020C Bonds in full when due. In addition, the Loan Agreement contains provisions requiring the Borrower to pay the administrative and legal costs incurred by DEDA in connection with issuing the Series 2020C Bonds and DEDA's administrative fee required for DEDA to issue the Series 2020C Bonds. In addition, the Borrower agrees and is obligated to indemnify, provide reports, and permit enforcement by DEDA of its rights under the Loan Agreement, all of which are required or permitted by the Act and which DEDA and the Borrower deem necessary or desirable for refunding the Refunded Bonds.

- c. The *Master Indenture* contains the terms and conditions precedent to the issuance of obligated group notes, including requirements that must be met for the Obligated Group to incur additional indebtedness and to refund indebtedness.
- d. The *Supplemental Master Indenture* is authorized under the Master Indenture and is necessary to authorize issuance of the Obligated Group Note and to describe the terms of the Obligated Group Note.
- e. The Series 2020C Bonds are proposed to be secured by the *Obligated Group Note* issued under the Master Indenture. The Obligated Group is jointly and severally liable for payment of all notes issued under the Master Indenture. The Obligated Group Note will be issued in a stated principal amount equal to the stated principal amount of the Series 2020C Bonds and will bear interest at the rate or rates payable from time to time on the Series 2020C Bonds.
- f. DEDA will execute an endorsement to the *Tax Certificate*, in customary form prepared by Special Tax Counsel and approved as to form by Bond Counsel to demonstrate compliance with the conditions required under the Code which allow interest on the Series 2020C Bonds to be excludable from the gross income of the owners of the Series 2020C Bonds for federal income tax purposes.

Section 3. Reliance. The Board has relied without independent investigation on written representations and opinions of the Borrower, its consultants and Bond Counsel that the Project qualifies as a “project” as defined in Sections 469.153, subdivision 2(d) and 469.155, subdivision 4 of the Act.

Section 4. Documents. Drafts of the forms of the DEDA Documents have been made available to this Board and are on file in the office of the Executive Director.

Section 5. Recitals Regarding the Borrower and the Project.

- a. Bond Counsel has advised DEDA that:
 - i. under the Act, DEDA is authorized and empowered to issue revenue obligations to (A) refund, in whole or in part, bonds previously issued by any other municipality or redevelopment agency on behalf of an organization described in section 501(c)(3) of the Code, under authority of the Act, but only with the consent of the original issuer of such bonds; and (B) pay, purchase, or discharge all or any part of the outstanding indebtedness of an organization primarily engaged in health care related activities previously incurred in the acquisition or betterment of its existing facilities to the extent deemed necessary by the governing body of the municipality or redevelopment agency; and

- ii. the Series 2008C-1 Bonds being refunded by the Series 2020C Bonds comprise a single issue for federal income tax purposes with (i) the Cass County, North Dakota \$61,100,000 Health Care Facilities Revenue Bonds, Series 2008A (Essentia Health Obligated Group), which are being refunded by Cass County, North Dakota, contemporaneously with the Series 2020C Bonds; and (ii) the Wisconsin Health and Educational Facilities Authority \$12,975,000 Health Care Facilities Revenue Bonds, Series 2008B (Essentia Health Obligated Group), which are being refunded by the Wisconsin Health and Educational Facilities Authority contemporaneously with the Series 2020C Bonds.
- b. The Borrower has represented to DEDA that it and each of its affiliates is an organization described in Section 501(c)(3) of the Code.
- c. The Borrower has agreed to pay any and all costs incurred by DEDA in connection with the issuance of the Series 2020C Bonds, whether or not the issuance is carried to completion.
- d. The Borrower has represented to DEDA that no public official of DEDA has either a direct or indirect financial interest in the Project nor will any public official either directly or indirectly benefit financially from the Project.
- e. The Project was approved by the Minnesota Department of Employment and Economic Development in conjunction with the issuance of the Series 2008C-1 Bonds.

Section 6. The Series 2020C Bonds.

- a. In order to refinance the Project, the refunding of the Refunded Bonds and payment of costs of issuance of the Series 2020C Bonds, DEDA authorizes the sale of the Series 2020C Bonds to the Purchaser and the issuance of the Series 2020C Bonds in one or more series, whether taxable or tax exempt, in an original aggregate principal amount for all series of not to exceed \$122,270,000 (excluding original issue discount or premium with respect to any series of Series 2020C Bonds).
- b. The Series 2020C Bonds are to be issued pursuant to the Act and the Bond Indenture. The Series 2020C Bonds shall contain a recital that they are issued pursuant to the Act as conclusive evidence of their validity and of the regularity of their issuance. Subject to clause d, below, the Series 2020C Bonds (i) are to be designated, be dated, be in substantially the form, be signed and sealed, be in the denominations, have maturities and be subject to redemption as provided in the Bond Indenture and (ii) will bear interest at rates approved by the Borrower and be described and have such other details and provisions as specified in the Bond Indenture.

- c. The purchase price of the Series 2020C Bonds shall be at a price expressed as a percentage of their par value, less any portion of the stated principal amount of the Series 2020C Bonds which represents original issue discount (as defined in the Code). The maturity date of any of the Series 2020C Bonds cannot exceed 40 years from the date of closing and delivery of the Series 2020C Bonds.
- d. The Authorized Officers, with advice of Bond Counsel, are authorized, subject to the prior approval of the Borrower, to approve the final terms of the Series 2020C Bonds.

Section 7. Approval and Execution of Series 2020C Bonds, Documents and Certificates.

- a. The DEDA Documents and the Series 2020C Bonds are made a part of this resolution and are approved in substantially the forms on file with DEDA. The Authorized Officers are authorized and directed to execute, acknowledge, and deliver the DEDA Documents and the Series 2020C Bonds on behalf of DEDA with such changes, insertions and omissions therein as DEDA's attorney or Bond Counsel may hereafter approve. The seal of DEDA may be omitted as allowed by law.
- b. The Authorized Officers and other officers and members of DEDA (individually or with one or more other officers and members of DEDA) are authorized and directed to (i) execute and deliver all other documents which may be required under the terms of the DEDA Documents or the Series 2020C Bonds or by Bond Counsel; (ii) take any other action required or deemed appropriate on the advice of Bond Counsel for the performance of DEDA's duties necessary to carry out the purposes of the Series 2020C Bonds and the DEDA Documents; and (iii) furnish certified copies of this resolution and all proceedings and records of DEDA relating to the Series 2020C Bonds, and any other affidavits and certificates required, in the opinion of Bond Counsel, to show the facts relating to DEDA respecting the Series 2020C Bonds, as the facts appear from the books and records in DEDA's custody and control or as otherwise known to them.
- c. The execution by the Authorized Officers of the Series 2020C Bonds and the DEDA Documents is conclusive evidence of their approval in accordance with the terms of this resolution.
- d. The Borrower is authorized to require such insubstantial changes to the description of the Project to be included in the Issuer Documents as recommended by Special Tax Counsel and approved by Bond Counsel.

Section 8. Absent or Disabled Officers. If any of the Authorized Officers or any other officers, employees or agents of DEDA authorized to execute certificates, instruments, or other written documents on behalf of DEDA:

- a. ceases to be an officer, employee or agent of DEDA after he or she has executed any certificate, instrument or other written document, the validity or enforceability of the certificate, instrument or other written document signed by them is not affected; and
- b. is unavailable to execute certificates, instruments or other written documents, the certificates, instruments or other written documents may be executed by a deputy or assistant to the unavailable officer, or any other officer of DEDA who is, in the opinion of Bond Counsel, authorized to sign the certificates, instruments or other written documents, with full force and effect.

Section 9. Bond Trustee; Bond Registrar; Paying Agent. DEDA appoints the Bond Trustee as trustee, registrar and paying agent for the Series 2020C Bonds.

Section 10. Offering and Disclosure Materials. DEDA has not participated in the preparation of any offering materials relating to the 2020C Bonds and has made no independent investigation with respect to any matters which may be disclosed in such offering materials.

Section 11. Limitations.

- a. *Limitation on Payment of Principal and Interest.* The revenues and proceeds derived from the DEDA Documents are specifically pledged to the payment of the principal of and interest on the Series 2020C Bonds in the manner and to the extent specified in this resolution, the Series 2020C Bonds and the Documents; and nothing in the Series 2020C Bonds, the Documents or this resolution assigns, pledges or otherwise encumbers any other funds or assets of DEDA.
- b. *Limitation of Liability.* DEDA is not subject to any liability on the Series 2020C Bonds. No agreement, covenant, or obligation contained in this resolution or in the Documents is an agreement, covenant or obligation of any member of the Governing Body, or of any officer, employee or agent of DEDA in that person's individual capacity. Neither the members of the Governing Body, nor any officer executing the Series 2020C Bonds or the Documents, is liable personally on the Series 2020C Bonds or subject to any personal liability or accountability by reason of the issuance of the Series 2020C Bonds or execution of the Documents.
- c. *Limitation on Rights Conferred.* Nothing in this resolution or in the Documents will or is intended to be construed to confer upon any person (other than as provided in the Series 2020C Bonds, the DEDA Documents, and the other agreements, instruments and documents by approved in this resolution) any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provision of this resolution.

d. *Limitation on Nature of Security.*

- i. The Series 2020C Bonds are and will be a special limited obligation of DEDA.
- ii. Notwithstanding anything contained in the resolution, the Series 2020C Bonds or the Documents or any other document referred to in the resolution, the Series 2020C Bonds or the Documents to the contrary, under the provisions of the Act, the Series 2020C Bonds may not be payable from nor charged upon any funds other than the revenue pledged to their payment under the DEDA Documents. No holder of the Series 2020C Bonds will ever have the right to compel any exercise of the taxing power of the City to pay the Series 2020C Bonds or the interest thereon, or to enforce payment of the Series 2020C Bonds against any property of DEDA other than payments under the Loan Agreement and the Obligated Group Note pledged by DEDA under the Bond Indenture to payment of the Series 2020C Bonds under the provisions and for the purpose of the Act. DEDA has no taxing power.
- iii. The Series 2020C Bonds do not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of DEDA other than payments under the Loan Agreement and the Obligated Group Note pledged by DEDA under the Bond Indenture to payment of the Series 2020C Bonds under the provisions and for the purpose of the Act. The Series 2020C Bonds are not a debt of DEDA within the meaning of any constitutional or statutory limitation. However, nothing impairs the rights of the holder of the Series 2020C Bonds to enforce covenants made for the security of the Series 2020C Bonds as provided in Section 469.163 of the Act.

Section 12. Conditions Precedent. The Series 2020C Bonds shall not be delivered until the following conditions have been satisfied:

- a. MAEDB has adopted a resolution consenting to the refunding of the Refunded Bonds by DEDA;
- b. each of the Host Cities has consented to the issuance by DEDA of the portions of Series 2020C Bonds issued to refinance the portion of the Project located in its jurisdiction; and
- c. the Borrower has agreed in writing to pay DEDA its administrative fee in the amount of $\frac{1}{4}$ of 1% of the stated principal amount of the Series 2020C Bonds.

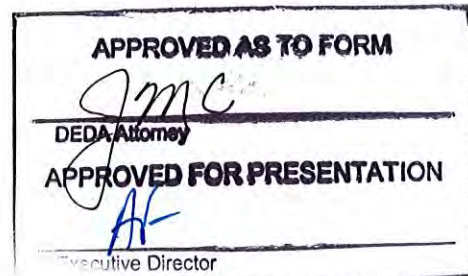
Section 13. Severability. If any provision of this resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular

case in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any provisions of any constitution or statute or rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or paragraphs in this resolution contained shall not affect the remaining portions of this resolution or any part thereof.

Section 14. Effective Date. This resolution shall take effect immediately.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:



Executive Director

STATEMENT OF PURPOSE: This resolution authorizes the issuance of tax-exempt bonds by DEDA (the "Series 2020 Bonds") to refund a series of bonds issued by the Minnesota Agricultural and Economic Development Board in 2008 ("MAEDB") to finance improvements at Essentia facilities in Duluth, Brainerd, Detroit Lakes, Hermantown, Hibbing and International Falls. Issuance of the Series 2020 Bonds is subject to the consent of MAEDB to the refunding of its bonds issued in 2008. The MAEDB action will take place on a date prior to the closing date of the bonds.

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RESOLUTION 20D-03

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$28,350.**

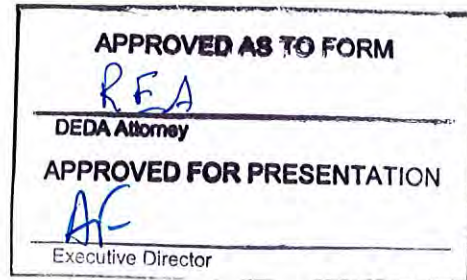
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The Property has an appraised fair market value of \$28,350.
4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$28,350, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



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

The property in question is generally located east of Highway 53, south of Michigan Street Alley, west of 21st Avenue West and north of I-35. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has no road access and therefore little development potential.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$28,350. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

RESOLUTION 20D-04

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$12,150.**

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

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The Property has an appraised fair market value of \$12,150.
4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$12,150, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director

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

The property in question is generally located at the southwest corner of West Michigan Street and vacated 24th Avenue West, just to the east of the DTA parking lot. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has little potential for independent development.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$12,150. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

September 3, 2019
6982-906-421A

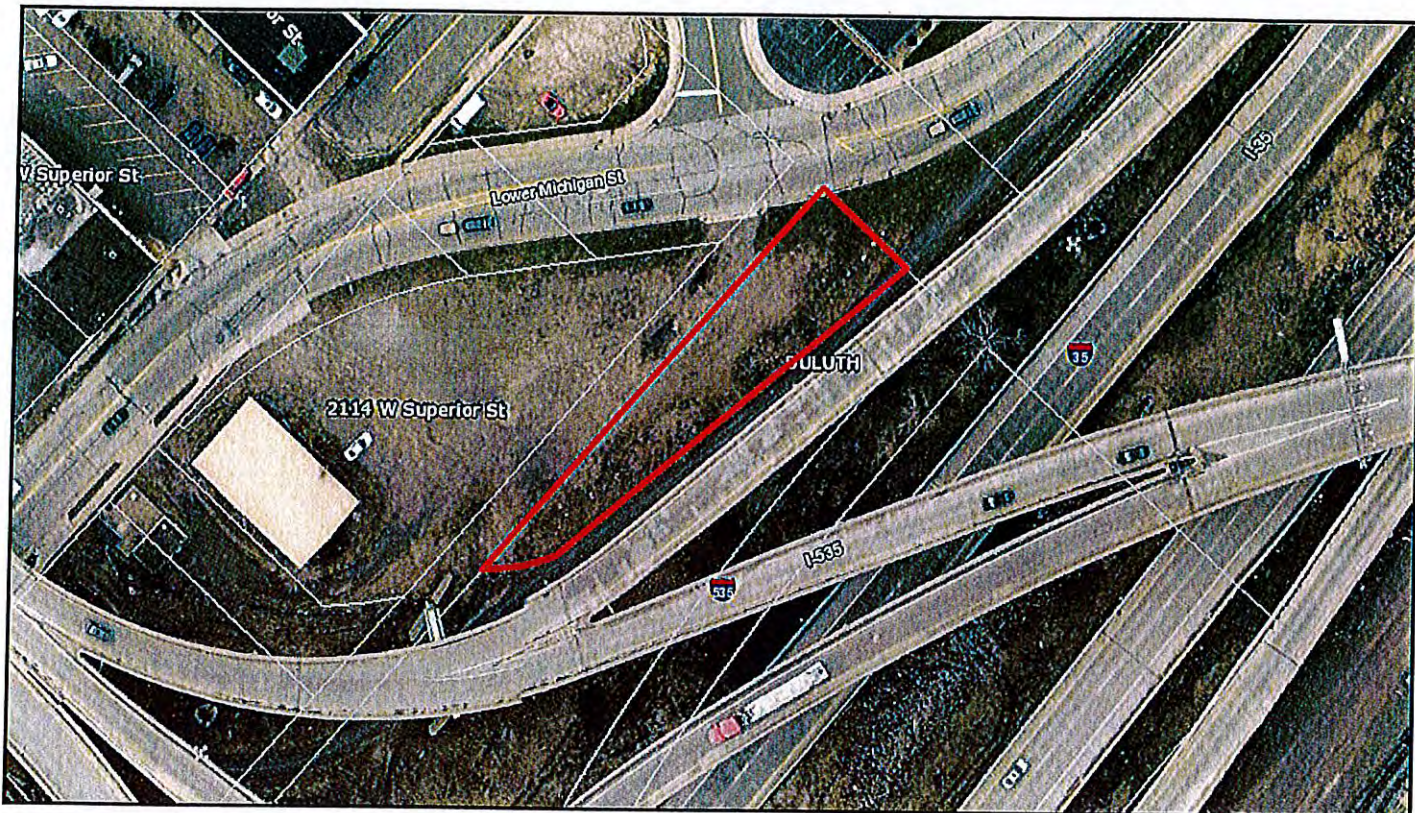
FEE ACQUISITION

Parcel 421A C.S. 6982 (35=390) 906

S.P. 6982-322RW

All of Tract A described below:

Tract A. All that part of the southeast half of Block 14, Duluth Proper, Second Division, according to the plat thereof on file and of record in the office of the County Recorder in and for St. Louis County, Minnesota, lying within 50 feet of the southeast line of the alley to the northwest thereof, being all that part of said Block 14, lying between the southeast line of the alley in said Block and a line drawn parallel with and at all points distant 50 feet southeasterly from said southeasterly line of said alley; excepting therefrom the right of way of Trunk Highway No. 35 as now located and established.



DEDA PROPERTY
I-35 BETWEEN 21st and 22nd AVENUES WEST
DULUTH, MINNESOTA



MINNESOTA DEPARTMENT OF TRANSPORTATION

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

Lot lines & dimensions.

Show north arrow.

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

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

PARCEL NO. 421A

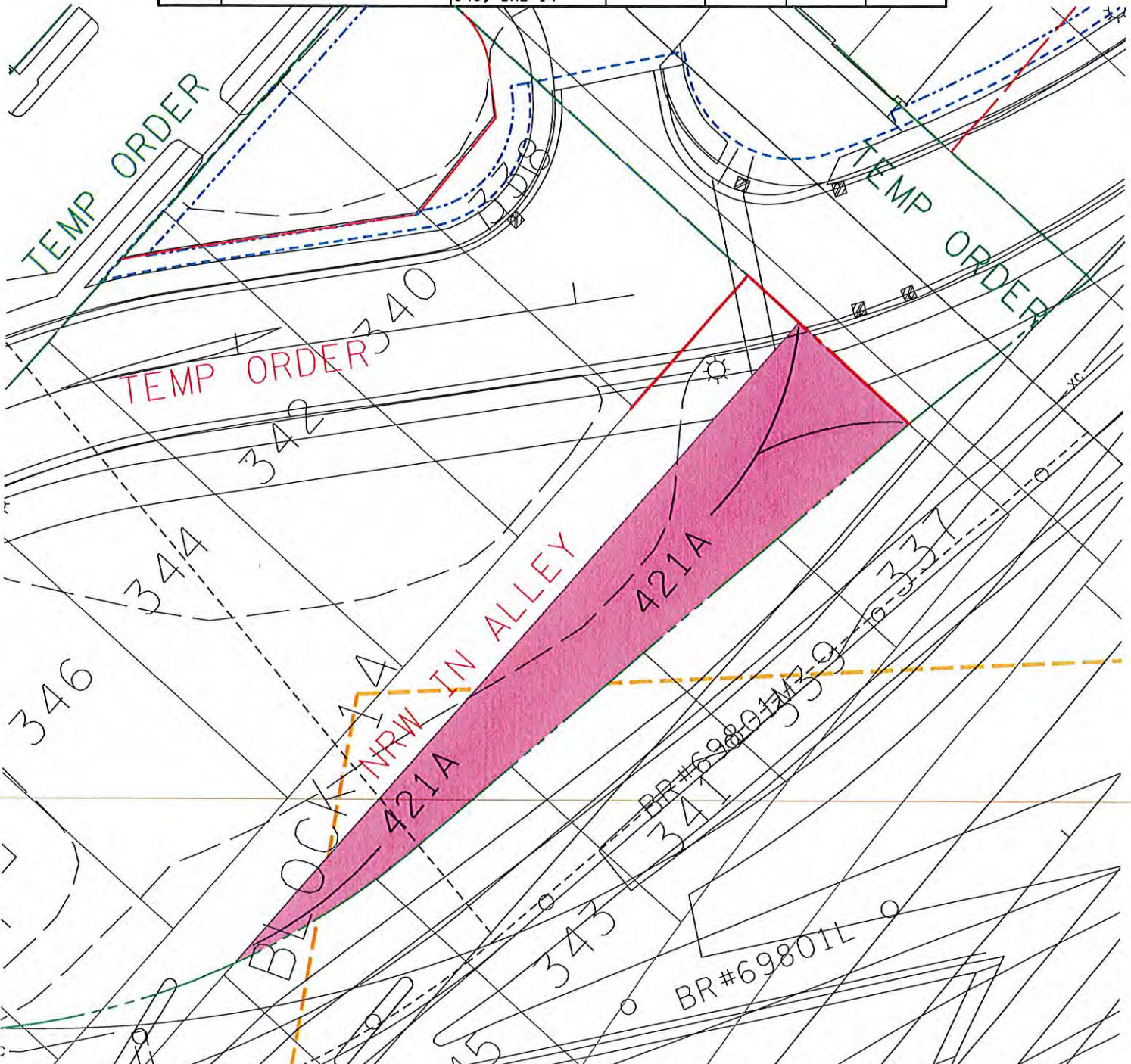
OWNER DEDA

Scale 1" = 40 ft.

C.S. 6982(35=390)906

S.P. 6982-322

DULUTH PROPER SECOND DIVISION						
PARCEL NUMBER	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS	NEW T.H. R/W	BALANCE	PERMANENT R/W INTEREST
			SQ. FEET	SQ. FEET	SQ. FEET	
421A	DEDA	P+ LOTS 337, 339, 341, 343, & 345, BKL 14	6297	6297	0	FEE



RESOLUTION 20D-04

**RESOLUTION AUTHORIZING CONVEYANCE OF OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE STATE OF MINNESOTA FOR \$12,150.**

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

1. DEDA has determined that the conveyance to the State of Minnesota of the property legally described on Exhibit A attached hereto and made a part hereof (the "Property") is necessary to the redesign and reconstruction of the Twin Ports Interchange Project by MnDOT and is therefore in the best interests of the City and its people.

2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.

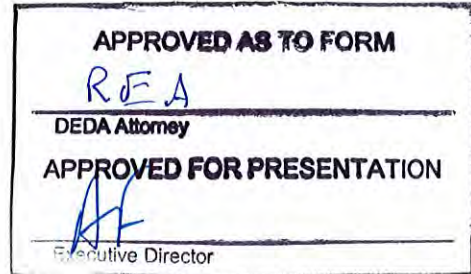
3. The Property has an appraised fair market value of \$12,150.

4. The proper DEDA officials are hereby authorized convey the Property legally described in Exhibit A attached hereto to the State of Minnesota for the amount of \$12,150, payable to Fund 865.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



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

The property in question is generally located at the southwest corner of West Michigan Street and vacated 24th Avenue West, just to the east of the DTA parking lot. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park. The property has little potential for independent development.

MnDOT has determined that they need to acquire the property as part of the Twin Ports Interchange redesign and reconstruction project and has secured an appraisal by the firm of Ramsland and Vigen, Inc. which values the property at \$12,150. As DEDA has no development plans for the property and as MnDOT needs it for the Twin Ports Interchange Project, a project which will benefit the City and the entire area, economically as well as in terms of safe and convenient transportation, selling this property to them at its appraised value will represent the highest and best use of the property.

July 22, 2019
6982-906-233A

FEE ACQUISITION

Parcel 233A C.S. 6982 (35=390) 906

S.P. 6982-322RW

All of Tract A described below:

Tract A. That part of Lot 2, First Subdivision of Duluth Proper Second Division, according to the plat thereof on file and of record in the office of the County Recorder in and for St. Louis County, Minnesota, described as that part of the Southwesterly $\frac{1}{2}$ of vacated 24th Avenue West which lies southeasterly of Michigan Street, northwesterly of a line run parallel to and 140.00 feet southeasterly of Michigan Street, and northeasterly of a line run parallel with and 50.00 feet southwesterly of the northeasterly line of said vacated 24th Avenue West extended.



DEDA PROPERTY
2204 WEST MICHIGAN STREET and 24th AVENUE WEST
DULUTH, MINNESOTA

RIGHT OF WAY PARCEL LAYOUT



MINNESOTA DEPARTMENT OF TRANSPORTATION

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

Lot lines & dimensions.

Show north arrow.

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

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

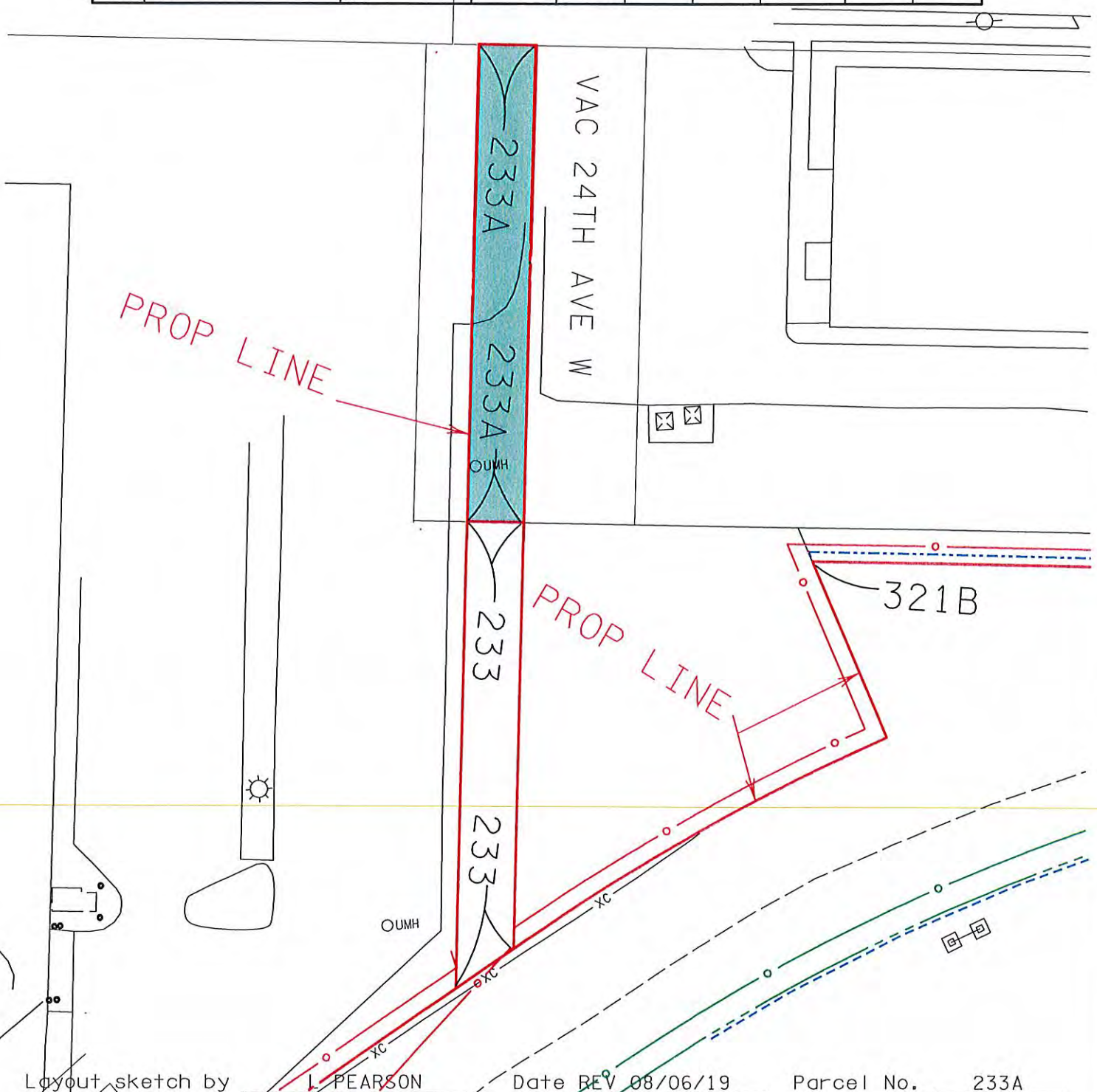
PARCEL NO. 233A

OWNER DEDA

Scale 1" = 40 ft.

C.S. 6982(35=390)906 S.P. 6982-322

DULUTH PROPER SECOND DIVISION									
PARCEL NUMBER	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS	NEW T.H. R/W	BALANCE	TEMPORARY EASEMENT		TORRENS	PERMANENT R/W INTEREST
			SQ. FEET	SQ. FEET	SQ. FEET	SQ. FEET	EXPIRES	SQ. FEET	FEE
233A	DEDA	P+ LOT 2 & VAC AVE	2380	2380	0				FEE



Layout sketch by

L. PEARSON

Date REV 08/06/19

Parcel No. 233A

RESOLUTION 20D-05

**RESOLUTION AUTHORIZING CONVEYANCE OF
EASEMENTS OVER OLD RAILROAD PROPERTY
IN LINCOLN PARK TO THE CITY OF DULUTH.**

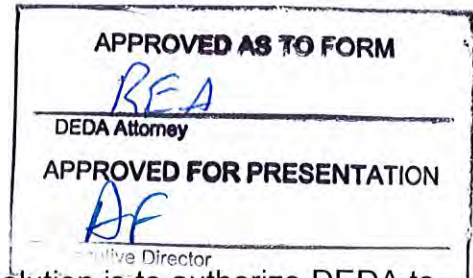
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that

1. DEDA has determined that the conveyance of easements as described in Exhibits A, B and C, attached hereto and made a part hereof, over the properties described therein to the City of Duluth is necessary to the transportation and utilities needs of Lincoln Park neighborhood and the city at large and is therefore in the best interests of the City and its people.
2. DEDA further finds that that the conveyance will further the general plan for economic development of the entire City.
3. The proper DEDA officials are hereby authorized convey the easements legally described in Exhibits A, B and C to the City of Duluth at no cost.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



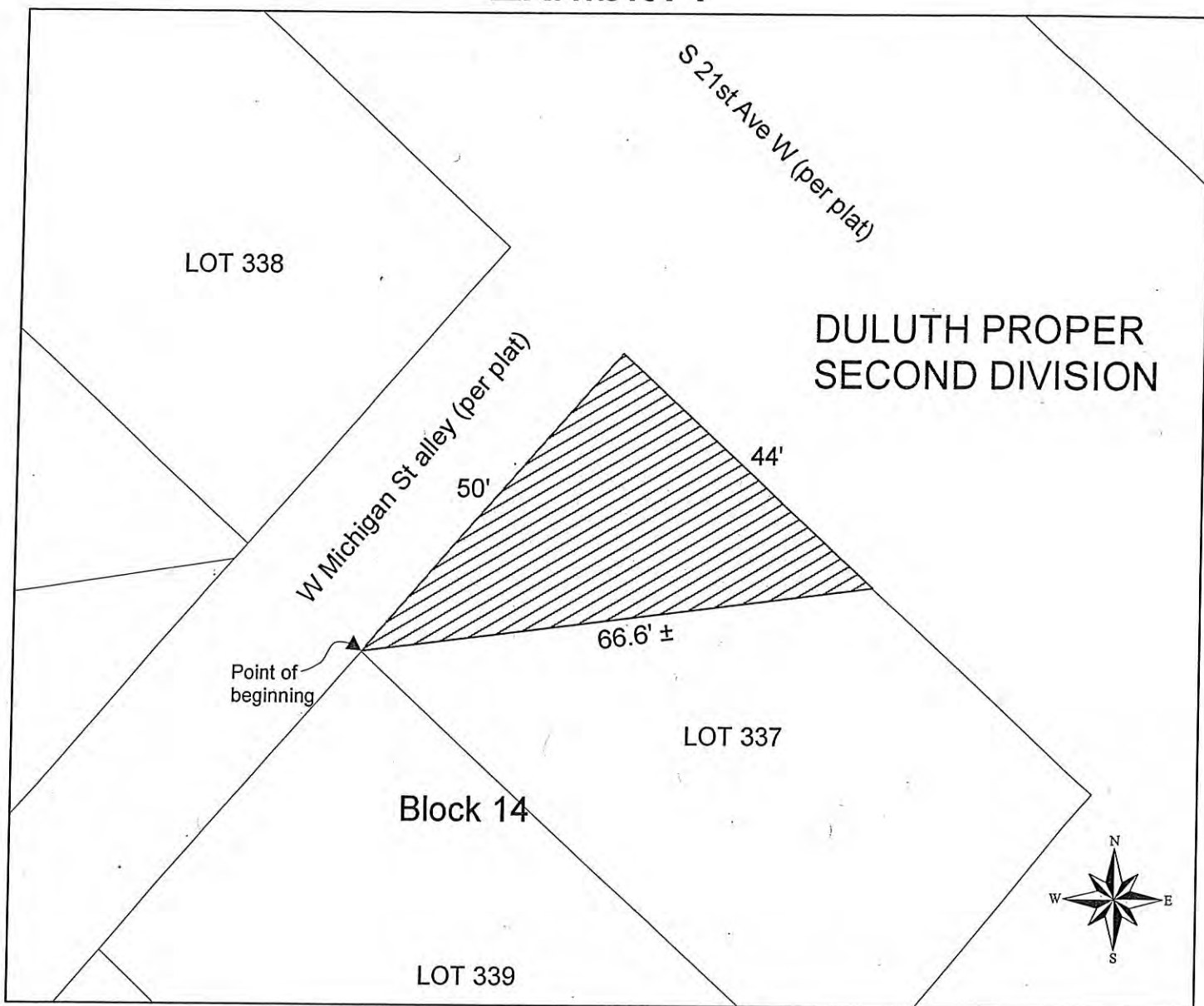
STATEMENT OF PURPOSE: The purpose of this resolution is to authorize DEDA to convey easements over certain of its property in Lincoln Park to the City for road and utility purposes prior to considering conveyance of the remainder of DEDA's interest in the remainder of the property to MnDOT for its use in the redesign and reconstruction of the Twin Ports Interchange (the "can of worms").


The general location of the property affected by the proposed easements is east of Highway 53, south of Michigan Street and Lower Michigan Street, west of 20th Avenue West and north of I-35. It was originally acquired in the 1990's as part of the Soo Line Railroad property acquisition which facilitated the development of "Lower Michigan Street" through Lincoln Park.

MnDOT has determined that they need to acquire the underlying fee interest in the property as part of the Twin Ports Interchange redesign and reconstruction project. The City has need of the easements described above because the underlying property includes a small portion of Lower Michigan Street, has located upon it various City-owned utilities or involves easements originally reserved by DEDA for the Cross City trail.

As MnDOT needs the underlying property for the Twin Ports Interchange Project, DEDA needs to convey the subject easements to the City so that those interests are not lost.

Exhibit A



 Easement Area

0 20
Feet

An easement over, under, and across that part of Lot 337, Block 14, DULUTH PROPER SECOND DIVISION, St Louis County, Minnesota, according to the recorded plat thereof, lying north of the following described line:

Beginning at the west corner of said Lot 337, thence running easterly a distance of 66.6 feet more or less, said line terminating at a point on the northeast line of said lot, said point being forty-four feet (44') southeast of the north corner of said Lot 337.



APPROVED BY CITY ENGINEER

12-18-19

DATE

RIGHT OF WAY PARCEL LAYOUT



MINNESOTA DEPARTMENT OF TRANSPORTATION

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

Lot lines & dimensions.

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

C.S. 6982(35=390)906

S.P. 6982-322

COUNTY ST LOUIS

PARCEL NO. 421A

OWNER DEDA

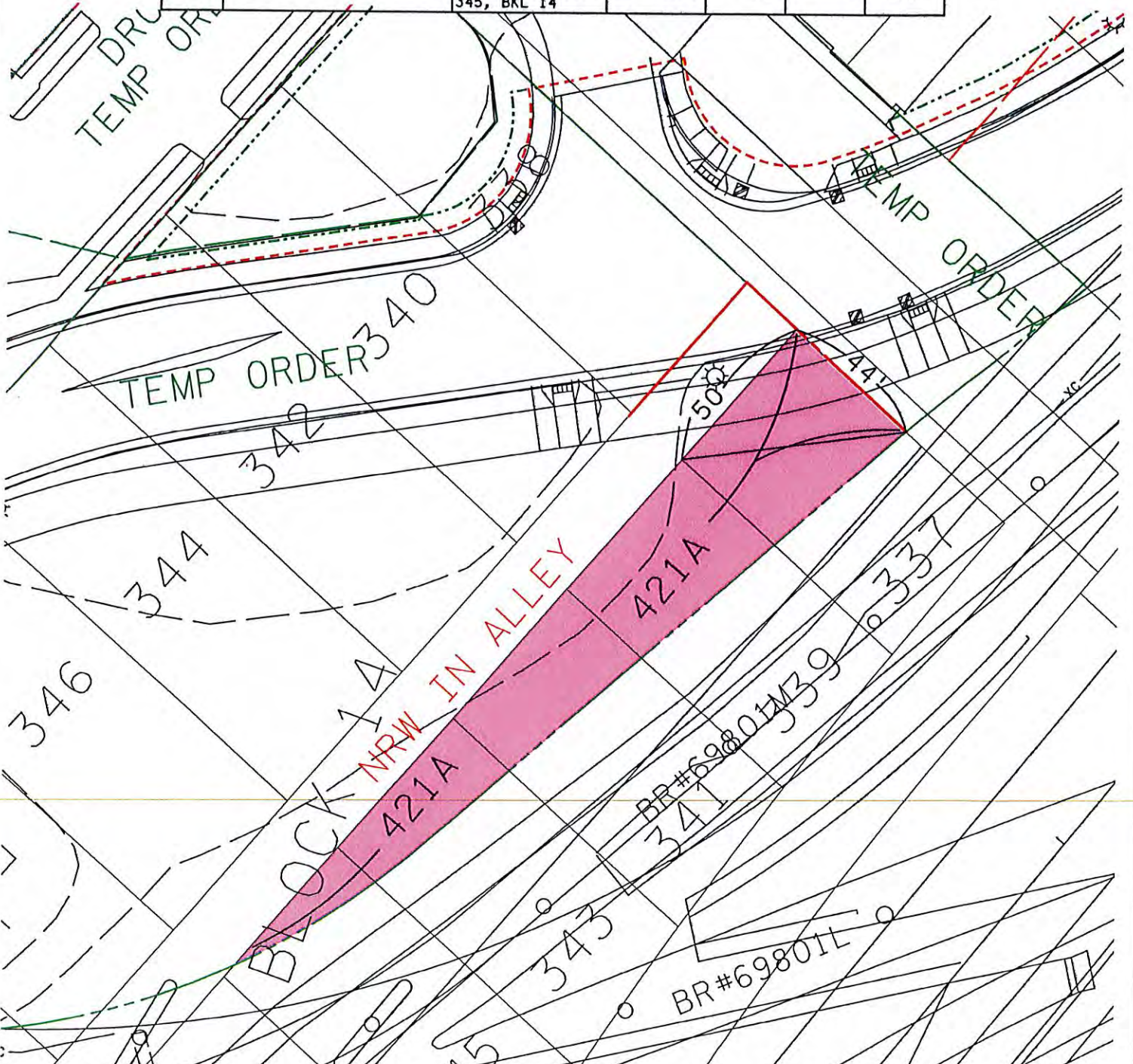
Scale 1" = 40 ft.

C.S. 6982(35=390)906

S.P. 6982-322

DULUTH PROPER SECOND DIVISION

PARCEL NUMBER	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITHOUT ROADS	NEW T.H. R/W	BALANCE	PERMANENT R/W INTEREST
			SQ. FEET	SQ. FEET	SQ. FEET	
421A	DEDA	Pt LOTS 337, 339, 341, 343, & 345, BKL 14	6297	6297	0	FEE



Layout sketch by

L PEARSON

Date

08/13/19

Parcel No.

421A

RESOLUTION 20D-06

RESOLUTION AUTHORIZING THE CONVEYANCE OF A WATER LINE EASEMENT TO WESTERN LAKE SUPERIOR SANITARY DISTRICT

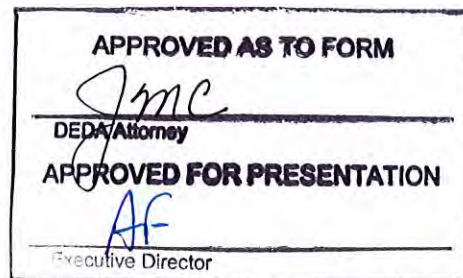
RESOLVED by the Duluth Economic Development Authority ("DEDA") that

1. DEDA does hereby make the following determinations and findings:
 - A. That the conveyance of the water line easement to Western Lake Superior Sanitary District is in the best interests of the City of Duluth and its people and that the transaction furthers the general plan for economic development in the area.
 - B. That, after not less than ten (10) or more than twenty (20) days' published notice, the public hearing was held in Council Chambers, Third Floor City Hall, Duluth, Minnesota at or shortly after 5:15pm on January 22, 2020, regarding the proposed conveyance.
 - C. That the conveyance of an easement over the property described on the attached Permanent Water Line Easement Agreement to Western Lake Superior Sanitary District conforms in all respects to the requirements of Minnesota Statutes 469.105.
2. The proper DEDA officials are hereby authorized to enter into a Permanent Water Line Easement Agreement substantially in the form of that attached hereto with Western Lake Superior Sanitary District.
3. That the proper DEDA officials are hereby further authorized to execute all documents necessary to effectuate the conveyance of the hereinbefore described easement to Western Lake Superior Sanitary District.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to grant Western Lake Superior Sanitary District a permanent water line easement over DEDA property near Interstate 35 between 24th and 25th Avenues West.

There is presently a water line running from Michigan Street east of the Duluth Transit Authority building to the District's facilities south of I-35 which crosses the subject DEDA property but for which the District does not have an easement. The District and the City have agreed that it is appropriate for the City to own the water line, but the City is asking that the District also acquire easements so that there is legal authority to have the City-owned line on the affected property.

This resolution would provide that legal authorization for the portion of the line located on DEDA property.

PERMANENT WATER LINE EASEMENT AGREEMENT

This Permanent Water Line Easement Agreement ("Agreement") is entered into by Duluth Economic Development Authority, an Economic Development Authority created and existing under Minnesota Statutes (1989) Chapter 469 ("Grantor") and by the Western Lake Superior Sanitary District, a Public Corporation and political subdivision of the State of Minnesota which has its principal place of business at 2626 Courtland Street, Duluth, Minnesota ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of real property located in St. Louis County, Minnesota, and legally described on **Exhibit A** attached hereto (the "Property");

WHEREAS, Grantee has a water line ("Water Line") located on a portion of the Property;

WHEREAS, Grantee desires to obtain from Grantor a perpetual easement over the Property (the "Permanent Easement Area"), legally described on **Exhibit B** attached hereto, and as shown by a dashed box on the drawing ("Plan") attached hereto as **Exhibit C**.

WHEREAS, Grantee wishes to provide for the future maintenance, repair and replacement of the Water Line.

NOW, THEREFORE, in consideration of mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Recitals are included as a part hereof.
2. Grantor grants Grantee a right-of-way and perpetual easement (the "Perpetual Easement") to construct, maintain, inspect, operate, protect, repair, replace, change the size of and/or remove the water line or water lines and appurtenances for the transportation of water or other liquids on, over, under and across the Permanent Easement Area, together with the right to locate the Permanent Easement Area by surveying and the placement of appropriate markers, if necessary, and the right to clear and keep cleared the Permanent Easement Area so as to prevent damage to or interference with the efficient operation of the Water Line.
3. Grantor grants to Grantee the right of ingress to and egress from the Permanent Easement Area across the Property by means of roads and lanes on the Property as and if they exist, otherwise, by such road, roads or paths as shall occasion the least practical damage and inconvenience to Grantor.
4. Grantee shall promptly backfill any trench made by it within the Permanent Easement Area and shall restore the surface area, including any roadway improvement, to its condition prior to the work by the Grantee. This provision shall not prevent Grantee from exercising its right to clear away trees and brush which Grantee shall not be required to replace.
5. Grantee shall have the right to assign the Perpetual Easement to the City of Duluth in whole as to all of the rights accruing hereunder, subject always to the terms of this Agreement.

Parcel _____

EXHIBIT A

Duluth Economic Development Authority – Legal Description

010-1110-00170

ALL of Tract A described below:

TRACT A

That part of FIRST SUBDIVISION OF DULUTH PROPER SECOND DIVISION, described as follows: From the point of intersection of the SE line of Michigan Street with the West line of 25th Avenue West run South 48 degrees 49 minutes 38 seconds East (assumed bearing) along the SE'ly extension of the SW'ly line of said 25th Avenue West 670.27 feet; thence N'ly and E'ly along a curve to the left with a long chord of 53.41 feet bearing North 27 degrees 37 minutes 10 seconds East, a radius of 1878.86 feet and a central angle of 01 degrees 37 minutes 44 seconds, an arc distance of 53.42 feet along the right of way line of Trunk Highway No. 35; thence North 28 degrees 58 minutes 37 seconds West along said highway right of way line a distance of 59.63 feet; thence N'ly and E'ly along a curve to the left with a long chord of 110.17 feet bearing North 24 degrees 01 minutes 48 seconds East, a radius of 1829.86 feet and a central angle of 03 degrees 27 minutes 00 seconds, an arc distance of 110.18 feet along said highway right of way line; thence North 53 degrees 11 minutes 10 seconds East along said highway right of way line a distance of 57.74 feet; thence North 21 degrees 48 minutes 05 seconds East along said highway right of way line a distance of 42.05 feet to the point of beginning of Tract A to be described; thence North 20 degrees 07 minutes 10 seconds West along said highway right of way line a distance of 79.7 feet; thence N'ly and W'ly along a curve to the right with a long chord of 76.58 feet bearing North 16 degrees 44 minutes 15 seconds West, a radius of 649.12 feet and a central angle of 06 degrees 45 minutes 49 seconds, an arc distance of 76.63 feet along said highway right of way line; thence South 76 degrees 38 minutes 39 seconds West along said highway right of way line a distance of 12.5 feet; thence North 31 degrees 11 minutes 06 seconds West along said highway right of way line a distance of 44.63 feet; thence North 00 degrees 08 minutes 52 seconds East along said highway right of way line a distance of 105.86 feet; thence North 06 degrees 28 minutes 57 seconds East along said highway right of way line a distance of 104.33 feet; thence N'ly and E'ly along a curve to the right with a long chord of 103.82 feet bearing North 12 degrees 44 minutes 39 seconds East, a radius of 661.62 feet and a central angle of 09 degrees 00 minutes 00 seconds, an arc distance of 103.93 feet along said highway right of way line; thence North 72 degrees 45 minutes 21 seconds West 70.46 feet; thence North 41 degrees 10 minutes 22 seconds East 305.69 feet on a line parallel with and 140 feet SE'ly of the SE'ly line of Michigan Street to an intersection with a line run parallel with and distant 25 feet SE'ly from the center line of the Soo Line Railroad Company--formerly the Wisconsin Central Railway Company as the same was on May 12, 1909, surveyed, staked out and located; thence North 61 degrees 35 minutes 22 seconds East 24.2 feet along the SE'ly right of way line of the Soo Line Railroad Company; thence deflect to the left on a tangential curve, concave to the NW, having a radius of 979.93 feet and a delta angle of 20 degrees 25 minutes 00 seconds for a distance of 349.19 feet; thence South 48 degrees 49 minutes 38 seconds East a distance of 6.11 feet; thence South 44 degrees 08 minutes 50 seconds West a distance of 342 feet;

thence deflect to the left on a tangential curve concave to the East, having a radius of 611.62 feet and a delta angle of 53 degrees 54 minutes 12 seconds for a distance of 575.4 feet; thence South 80 degrees 14 minutes 38 seconds West a distance of 12.5 feet; thence Sly on a non-tangential curve concave to the East, having a radius of 624.12 feet, delta angle of 10 degrees 21 minutes 48 seconds and a chord bearing of South 14 degrees 56 minutes 16 seconds East, for a distance of 112.89 feet; thence South 20 degrees 07 minutes 10 seconds East a distance of 51.86 feet thence South 21 degrees 48 minutes 05 seconds West a distance of 37.42 feet to the point of beginning.

EXCEPT:

That part of FIRST SUBDIVISION OF DULUTH PROPER SECOND DIVISION, described as follows: From the point of intersection of the SE line of Michigan Street with the West line of 25th Avenue West run South 48 degrees 49 minutes 38 seconds East (assumed bearing) along the SE'ly extension of the SW'ly line of said 25th Avenue West 670.27 feet; thence N'ly and E'ly along a curve to the left with a long chord of 53.41 feet bearing North 27 degrees 37 minutes 10 seconds East, a radius of 1878.86 feet and a central angle of 01 degrees 37 minutes 44 seconds, an arc distance of 53.42 feet along the right of way line of Trunk Highway No. 35; thence North 28 degrees 58 minutes 37 seconds West along said highway right of way line a distance of 59.63 feet; thence N'ly and E'ly along a curve to the left with a long chord of 110.17 feet bearing North 24 degrees 01 minutes 48 seconds East, a radius of 1829.86 feet and a central angle of 03 degrees 27 minutes 00 seconds, an arc distance of 110.18 feet along said highway right of way line; thence North 53 degrees 11 minutes 10 seconds East along said highway right of way line a distance of 57.74 feet; thence North 21 degrees 48 minutes 05 seconds East along said highway right of way line a distance of 42.05 feet; thence North 20 degrees 07 minutes 10 seconds West along said highway right of way line a distance of 79.7 feet; thence N'ly and W'ly along a curve to the right with a long chord of 76.58 feet bearing North 16 degrees 44 minutes 15 seconds West, a radius of 649.12 feet and a central angle of 06 degrees 45 minutes 49 seconds, an arc distance of 76.63 feet along said highway right of way line; thence South 76 degrees 38 minutes 39 seconds West along said highway right of way line a distance of 12.5 feet; thence North 31 degrees 11 minutes 06 seconds West along said highway right of way line a distance of 44.63 feet; thence North 00 degrees 08 minutes 52 seconds East along said highway right of way line a distance of 105.86 feet; thence North 06 degrees 28 minutes 57 seconds East along said highway right of way line a distance of 104.33 feet; thence N'ly and E'ly along a curve to the right with a long chord of 103.82 feet bearing North 12 degrees 44 minutes 39 seconds east, a radius of 661.62 feet and a central angle of 09 degrees 00 minutes 00 seconds, an arc distance of 103.93 feet along said highway right of way line; thence North 72 degrees 45 minutes 21 seconds West 59.52 feet to the point of beginning of the parcel to be described; thence continuing North 72 degrees 45 minutes 21 seconds West 10.94 feet; thence North 41 degrees 10 minutes 22 seconds East 305.69 feet on a line parallel with and 140 feet SE'ly of the SE'ly line of Michigan Street to an intersection with a line run parallel with and distant 25 feet SE'ly from the center line of the Soo Line Railroad Company--formerly the Wisconsin Central Railway Company--as the same was on May 12, 1909, surveyed, staked out and located; thence North 61 degrees 35 minutes 22 seconds East 24.2 feet along the SE'ly right of way line of the Soo Line Railroad Company; thence deflect to the left on a tangential curve, concave to the NW, having a radius of 979.93 feet and a delta angle of 00 degrees 15 minutes 44 seconds for a

distance of 4.49 feet; thence South 41 degrees 10 minutes 22 seconds West on a line parallel with and 150 feet SE'ly of the SE'ly line of Michigan Street 328.14 feet to the point of beginning and there terminating.

SUBJECT to the following restrictions: No access shall be permitted to Trunk Highway No. 390 renumbered 35 from the lands herein conveyed except that access shall be permitted along Line 1 described below for the purposes of operating and maintaining a tract under Bridge Number 69835;

~~Line 1: Beginning at the point of beginning of Tract A hereinbefore described; thence North 21 degrees 48 minutes 05 seconds East 37.42 feet and there terminating; Reserving, however, unto the City of Duluth, its successors and assigns, an easement for sanitary sewer purposes, in, under and across that part of Tract A hereinbefore described, lying within a distance of 7.5 feet on each side of Line 2 described below, except that the easement in that part of the land which will be occupied by a sanitary sewer protective structure, will be restricted to that portion of the land which lies below Elevation 617.18 - the top elevation of the aforementioned sanitary sewer protective structure. Elevation 617.18 is based on United States Coast and Geodetic Survey Mean Sea Level Datum as adjusted in 1929;~~

Line 2: Beginning at the point of intersection of a line run parallel with and distant 8 feet NE'ly of the SW'ly line of 23rd Avenue West extended with a line run parallel with and distant 4 feet NW'ly of the SE'ly line of Michigan Street; thence run SE'ly to an angle of 35 degrees 42 minutes 33 seconds with said 8 foot parallel line for 742.07 feet and there terminating;

It is understood that the City of Duluth, at its own expense, will repair all damages caused to said land or any improvements thereon by reason of the operation, maintenance, and repair of said sanitary sewer or protective structure, so that the same shall be and remain in substantially the same condition in accordance with the mutual covenants contained in Agreement No. 114 between the City and the State of Minnesota.

RESERVING, however, to the State, as required by law, all minerals and mineral rights in said lands.

Parcel _____

EXHIBIT B

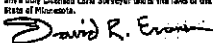

LEGAL DESCRIPTION FOR UTILITY EASEMENT OVER DEDA PID NO. 010-1110-00170

An easement for utility purposes lying over, under and across that part of Tract 2, FIRST SUBDIVISION OF DULUTH PROPER, SECOND DIVISION, according to the recorded plat thereof, St. Louis County, Minnesota described as follows:

Commencing at the point of intersection of the Southeastery line of Michigan Street with the Southwesterly line of 25th Avenue West; thence on an assumed bearing of South 48 degrees 49 minutes 38 seconds East, along the Southeastery extension of the Southwesterly line of said 25th Avenue West 670.27 feet to a point on the Northwesterly right of way line of Interstate Highway No. 35; thence Northerly and Easterly 53.42, along said Northwesterly right of way line and along a non-tangential curve, concave to the left, having a radius of 1878.76 feet and a central angle of 01 degree 37 minutes 44 seconds, the chord of said curve bears North 27 degrees 37 minutes 10 seconds East for a chord distance of 53.41 feet; thence North 28 degrees 58 minutes 37 seconds West; along said Northwesterly right of way line 59.63 feet; thence Northerly and Easterly 110.18 feet, along said Northwesterly right of way line and along a non-tangential curve, concave to the left, having a radius of 1829.86 and a central angle of 03 degrees 27 minutes 00 seconds, the chord of said curve bears North 24 degrees 01 minutes 48 seconds East for a chord distance of 110.17 feet; thence North 53 degrees 11 minutes 10 seconds East along said Northwesterly right of way line 57.74 feet; thence North 21 degrees 48 minutes 05 seconds East along said Northwesterly right of way line 42.05 feet to the point of beginning of the utility easement herein described; thence North 20 degrees 07 minutes 10 seconds West along said Northwesterly right of way line 79.70 feet; thence Northerly and Westerly 76.63 feet, along said Northwesterly right of way line and along a non-tangential curve to the right, having a radius of 649.12 feet and a central angle of 06 degrees 45 minutes 49 seconds, the chord of said curve bears North 16 degrees 44 minutes 16 seconds West for a chord distance of 76.58 feet; thence South 76 degrees 38 minutes 39 seconds West along said Northwesterly right of way line 12.50 feet; thence North 31 degrees 11 minutes 06 seconds West along said Northwesterly right of way line 44.63 feet; thence North 00 degrees 08 minutes 52 seconds East along said Northwesterly right of way line 105.86 feet; thence North 06 degrees 28 minutes 57 seconds East along said Northwesterly right of way line a distance of 72.92 feet; thence South 03 degrees 01 minutes 49 seconds East 59.11 feet; thence South 09 degrees 31 minutes 19 seconds East 62.99 feet; thence South 03 degrees 04 minutes 44 seconds East 49.21 feet; thence South 22 degrees 47 minutes 45 seconds East 112.30 feet; thence South 15 degrees 33 minutes 01 seconds East 59.36 feet; thence South 20 degrees 07 minutes 10 seconds East 17.97 feet; thence South 21 degrees 48 minutes 05 seconds West 14.97 feet to the point of beginning. Said utility easement contains 5,296 Sq. Feet or 0.12 Acres.

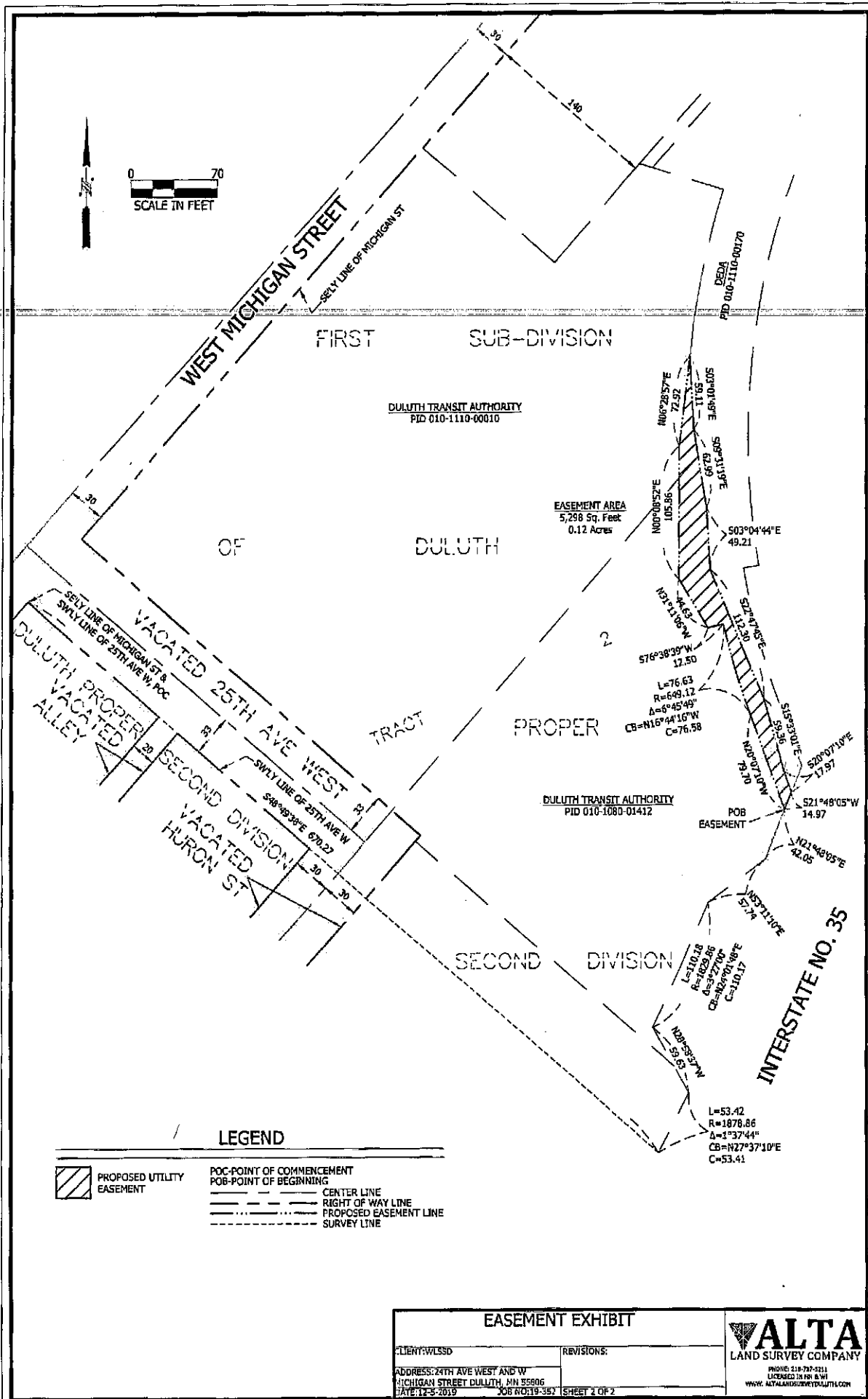
SURVEYOR'S NOTES

1. THIS SURVEY HAS BEEN PREPARED WITHOUT BENEFIT OF A TITLE COMMITMENT OR TITLE OPINION; A TITLE SEARCH FOR RECORDED OR UNRECORDED EASEMENTS WHICH MAY BENEFIT OR ENCUMBER THIS PROPERTY HAS NOT BEEN COMPLETED BY ALTA LAND SURVEY COMPANY. THE SURVEYOR ASSUMES NO RESPONSIBILITY FOR SHOWING THE LOCATION OF RECORDED OR UNRECORDED EASEMENTS OR OTHER ENCUMBRANCES NOT PROVIDED TO THE SURVEYOR AS OF THE DATE OF THE SURVEY.
2. BEARINGS ARE BASED ON THE SOUTHWEST LINE OF 25TH AVENUE WEST WHICH IS ASSUMED TO HAVE A BEARING OF S48°49'38"E.
3. THIS IS NOT A BOUNDARY SURVEY.








I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.  David R. Erwin MN Lic. No. 49263	EASEMENT EXHIBIT	
	CLIENT: WESSID ADDRESS: 24TH AVE WEST AND W MICHIGAN STREET DULUTH, MN 55806 DATE: 17-8-2019	REVISIONS: JOB NO: 19-352 SHEET 1 OF 2
DATE: 17-8-2019	 PHONE: 218-277-8111 LICENSED IN MN & WI WWW.ALTLANDSURVEYDULUTH.COM	


Parcel _____

EXHIBIT C



LEGEND

-  PROPOSED UTILITY EASEMENT
-  POC-POINT OF COMMENCEMENT
-  POB-POINT OF BEGINNING
-  CENTER LINE
-  RIGHT OF WAY LINE
-  PROPOSED EASEMENT LINE
-  SURVEY LINE

EASEMENT EXHIBIT		
CLIENT: WLSSD	REVISIONS:	
ADDRESS: 24TH AVE WEST AND W MICHIGAN STREET DULUTH, MN 55806		PHONE: 218-747-2111 LICENSED IN MN & WI WWW.ALTLANDSURVEY.COM
DATE: 12-3-2019	JOB NO: 19-357	

RESOLUTION 20D-07

RESOLUTION APPROVING A PROJECT BY DULUTH HEALTH SERVICES AND CONSENTING TO THE ISSUANCE OF TAX EXEMPT OBLIGATIONS BY THE CITY OF SCANLON, MINNESOTA

BE IT RESOLVED, by the Board of Commissioners of the Duluth Economic Development Authority, St. Louis County, Minnesota, as follows:

Section 1. Definitions. The capitalized terms used in this resolution have the meanings assigned below:

Act: Minnesota Statutes, Sections 469.152 through 469.1655, as amended.

Authorized Officers: the President and Secretary of DEDA.

Board: the Board of Commissioners as the governing body of DEDA.

Bond Counsel: Fryberger, Buchanan, Smith & Frederick, P.A.

Bonds: Health Care Facilities Revenue Refunding Bonds (Duluth Health Services Project), Series 2020.

Code: the Internal Revenue Code of 1986, as amended.

DEDA: the Duluth Economic Development Authority.

DHS: Duluth Health Services.

Existing Facilities: the 92-bed skilled nursing facility located at 3111 Church Place in Duluth.

Morris Notes: the City of Morris, Minnesota \$6,400,000 Health Care Facilities Revenue Note, Series 2012B (St. Francis Health Services of Morris, Inc. Project) and the City of Morris, Minnesota \$2,134,396 Health Care Facilities Revenue Note, Series 2015 (Viewcrest Health Center Project).

Morris Notes Project: acquiring and renovating the Existing Facilities, including but not limited to constructing and equipping an approximately 28,000 square foot, two-story addition containing 46 single occupancy rooms, conversion of multiple occupancy rooms to single occupancy rooms, roof repair and replacement, improvements to improve handicapped accessibility and general improvements to the building infrastructure and constructing and equipping a 42-bed, two-story atrium addition

New Project: demolishing portions of the Existing Facilities constructed in 1960 and improvements to the Existing Facilities including renovation of dining, food service and mechanical areas, replacement of main entrance, improved access to the outdoors,

parking improvements, purchase of capital equipment and creation of new therapy, employee-use and administration areas.

Project: the New Project and the Morris Notes Project.

Qualified Services and Activities: health care services and health care related activities.

Scanlon: the City of Scanlon, Minnesota.

SFHS: St. Francis Health Services of Morris, Inc.

Section 2. Recitals. The Board makes the following recitals of fact:

a. Representatives of DHS have represented to DEDA that:

i. DHS is a Minnesota nonprofit corporation and organization described in Section 501(c)(3) of the Code;

ii. the sole member of DHS is SFHS;

iii. DHS is engaged directly or through one or more of its affiliated organizations, including SFHS, in providing Qualified Services and Activities;

iv. DHS desires to finance reimbursement of funds advanced by SFHS to pay the costs of the New Project and refinance the Morris Notes issued to finance and refinance the Morris Notes Project; and

v. at the request of DHS, the governing body of Scanlon has expressed its intent to finance the New Project and refund the Morris Notes and refinance the Project through the issuance of the Bonds, which are tax-exempt revenue bonds.

b. Bond Counsel has advised DEDA that:

i. the Act authorizes the issuance of revenue obligations to refinance indebtedness incurred by an organization engaged in providing Qualified Services and Activities; and

ii. in order for the Bonds to be issued on a tax-exempt basis, and in order to comply with Minnesota laws restricting the issuance of obligations by one municipality for a project in another municipality, DEDA must (i) conduct a public hearing on the proposal of DHS to undertake and refinance the Project and (ii) consent to the issuance of the Bonds by Scanlon.

Section 3. Limitations. The Bonds, when, as and if issued, shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of DEDA or Scanlon, and the Bonds, when, as and if issued, shall recite in substance that the Bonds, including interest thereon, are payable solely from the revenues received from DHS and the

property pledged to the payment thereof, and shall not constitute a debt of DEDA or Scanlon within the meaning of any constitutional or statutory limitation.

Section 4. Public Hearing.

a. A Notice of Public Hearing was published in the *Duluth News Tribune*, DEDA's official newspaper and a newspaper of general circulation, calling a public hearing on the proposed issuance of the Bonds and the proposal to undertake, finance and refinance the Project.

b. The Board has, on January 22, 2020, held a public hearing on the proposal to undertake, finance and refinance the Project, through the issuance of the Bonds by Scanlon, at which all those appearing who desired to speak were heard and written comments were accepted, if submitted.

Section 5. Approvals; Authorizations.

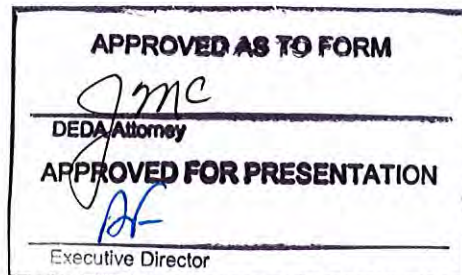
a. The proposal of DHS to undertake, finance and refinance the Project is approved. The issuance of the Bonds by Scanlon is approved.

b. The Authorized Officers are authorized and directed to execute and deliver such documents or certificates needed from DEDA for the issuance of the Bonds.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: This Resolution approves the issuance and sale by the City of Scanlon, Minnesota, of not to exceed \$15,000,000 Health Care Facilities Revenue Refunding Bonds (Duluth Health Services Project), Series 2020 (the "Bonds"). The actions approved in this Resolution are required by the State of Minnesota and federal law both for the valid issuance of the Bonds and tax exemption of interest on the Bonds. The proceeds of the Bonds will be used, in part, to refinance debt incurred for improvements to Viewcrest Health Center located in Duluth and reimburse SFHS, the parent company of DHS, for its funds used to pay the costs of improvements to Viewcrest.

RESOLUTION 20D-08

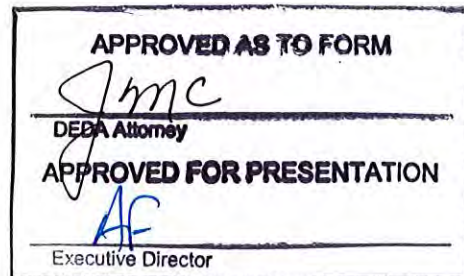
**RESOLUTION AUTHORIZING AN AMENDED AND RESTATED
LAND SALE AGREEMENT WITH HAINES PROPERTIES, LLP**

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the proper DEDA officials are hereby authorized to execute an Amended and Restated Land Sale Agreement, substantially in the form of that attached hereto (DEDA Contract No. 07 865 504³), with Haines Properties, LLP ("Developer"); provided however, that if the Amended and Restated Land Sale Agreement is not executed by the parties on or before December 1, 2020, then the authorization to execute the Amended and Restated Land Sale Agreement is null and void.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE:

DEDA and Developer entered into a land sale agreement dated March 22, 2007 pursuant to which DEDA agreed to assist Developer in acquiring tax-forfeited parcels for the purpose of combining them with land that Developer currently owns to create a site more marketable for office, commercial and light industrial uses. In 2007, the parties entered into a First Amendment pursuant to which the time was extended for obtaining the required rezoning and a timeframe was provided by which the Developer was required to pay DEDA for its costs of acquiring the Property from the State of Minnesota. Developer subsequently paid DEDA its costs of acquiring the Property from the State of Minnesota. In 2014, the parties entered into a Second Amendment, pursuant to which the required use of the site was changed and certain development and restrictive covenant requirements were deleted. This Amended and Restated Land Sale Agreement accommodates a new development proposed by Developer consisting of a major retail store, parking lot and other potential retail or appropriately zoned commercial uses.

**AMENDED AND RESTATED LAND SALE AGREEMENT
HAINES PROPERTIES, LLP**

THIS AMENDED AND RESTATED LAND SALE AGREEMENT, hereinafter the “**Agreement**”, is entered into by and between THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY, an economic development authority under Minnesota Statutes Chapter 469, hereinafter “**DEDA**”, and HAINES PROPERTIES, LLP, a limited liability partnership created and existing under the laws of the State of Minnesota, hereinafter “**Developer**”.

WHEREAS, DEDA and Developer entered into a land sale agreement dated March 22, 2007 (“**Land Sale Agreement**”) pursuant to which DEDA agreed to assist Developer in acquiring tax-forfeited parcels (the “**Property**”) for the purpose of combining them with land that Developer currently owns (the “**Developer-Owned Site**”) to create a site more marketable for office, commercial and light industrial uses; the combined Property and Developer-Owned Site are hereinafter referred to as the “**Project Site**”; and

WHEREAS, the parties entered into a first amendment to the Land Sale Agreement dated November 26, 2007, pursuant to which the time was extended for obtaining the required rezoning and a timeframe was provided by which the Developer was required to pay DEDA for its costs of acquiring the Property from the State of Minnesota; and

WHEREAS, Developer subsequently paid DEDA its costs of acquiring the Property from the State of Minnesota; and

WHEREAS, the parties entered into a second amendment to the Land Sale

Agreement dated May 19, 2014, pursuant to which the Agreement was amended to change the required use of the Project Site and to delete certain development and restrictive covenant requirements; the Land Sale Agreement, first amendment and second amendment are hereinafter referred to as the “**Original Land Sale Agreement**”; and

WHEREAS, the parties desire to amend and restate the Original Land Sale Agreement in order to accommodate a new development proposed by Developer consisting of a major retail/wholesale store and parking lot on a portion of the Project Site (the “**Project**”), with the understanding that other potential retail or appropriately zoned commercial uses may be constructed in the future on the remainder of the Project Site.

NOW, THEREFORE, in consideration of mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

1. This Agreement amends and replaces the Original Land Sale Agreement in its entirety.

2. Sale of the Property.

The proper DEDA officials are hereby authorized to sell to Developer by quit claim deed, and Developer shall accept, that property in St. Louis County, Minnesota being more particularly described as:

The West half of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) except the southerly 400 feet of the westerly 400 feet, Section 7, Township 50N, Range 14W (the “**Property**”)

The conveyance of title shall be subject to covenants, conditions, restrictions, declarations, easements and encumbrances of record; the reservation of minerals and mineral rights by the State of Minnesota; unpaid real estate taxes and assessments; restrictions related to the use or improvement of the Property without effective forfeiture provision; and any law, ordinance, or governing regulations including but not limited to building and zoning ordinances restricting, regulating or prohibiting the occupancy, use, enjoyment, improvement or subdivision of the Property.

DEDA will not furnish an abstract. DEDA provides no warranties regarding title to the Property. DEDA assumes no obligation to perform any acts or to pay for any

expenses incurred in connection with possible title deficiencies except to deliver a properly executed quit claim deed. The Property is sold AS-IS. DEDA makes no representations or warranties regarding the Property's condition or its use.

3. Use of the Developer-Owned Site and the Property

Developer hereby agrees that the use of the Developer-Owned Site and the Property shall include, and that the Project shall consist of, a major retail/wholesale facility of not less than 100,000 square feet and adjacent parking lot on a portion of the Project Site and may include, on other portions of the Project Site, other uses consistent with the Unified Development Chapter of the City of Duluth.

4. Conveyance of Property; Plans and Specifications, Execution of Development Agreement.

Prior to the conveyance of the Property to Developer, Developer shall have presented to DEDA either (a) evidence that a building permit for the Project has been issued by the Construction Services and Inspection Division of the City of Duluth (the "CSI Division") or (b) evidence in the form of a letter from the CSI Division that issuance of such building permit is subject only to the payment of the applicable building permit fee (either of the foregoing (a) or (b) hereinafter the "Project Approval"). Additionally, prior to any development of the Project Site, the party undertaking such development shall present to DEDA, through the CSI Division, design and development level plans and specifications showing the proposed use of the Project Site. Such plans shall be subject to DEDA's approval in the form of approval of the Executive Director in writing, which approval shall be granted upon evidence that Project Approval (i.e. the aforesaid permit or letter) has been issued. Upon the approval of the plans and specifications by the Executive Director and receipt of evidence of the Project Approval, DEDA shall convey the Property to Developer upon fifteen (15) days' notice from Developer.

5. One Year Deadline.

Within one (1) year of the date of conveyance of the Property from DEDA to Developer, Developer shall begin work on improvements to be constructed on the Project Site or on a portion thereof, in accordance with the approved plans and specifications. The beginning of such work shall be demonstrated by the issuance of a building permit and the filing of an affidavit with the Executive Director, executed by

Developer or its successor, to which are attached pictures of commenced construction. If Developer fails to do so within one (1) year of the date of conveyance, notwithstanding anything in this Agreement to the contrary, DEDA may, as its sole and exclusive remedy for such failure, cancel the sale and title to the Property shall revert to DEDA.

6. Covenant Running With the Land.

The deed conveying the Property from DEDA to Developer shall contain, as a covenant running with the land, the conditions of Minnesota Statutes, Sections 469.090 to 469.108 relating to the use of the Property, and shall provide that if said covenant is violated, DEDA may declare a breach of the covenant and seek a judicial decree from the District Court declaring a forfeiture and cancellation of the deed (the only result of which shall be the reversion to DEDA of title to the Property). This covenant will be released upon evidence pursuant to Paragraph 5 of commencement of construction on a portion of the Project Site.

7. Recordation

Simultaneously with the conveyance of the Property to Developer, Developer agrees (a) to record (i) this Agreement against title to the Property and (ii) the deed conveying the Property, and (b) to pay all costs associated therewith. Upon recordation, Developer shall immediately submit to DEDA an executed original of this Agreement and the deed showing the date and document numbers of record, or duly certified copies of the filed originals. This Agreement will be released from title to the Property upon such time as a certificate of occupancy is issued for the Project.

8. Consent

DEDA acknowledges that the purpose of the conveyance of the Property to Developer is for the development of a major retail facility and adjacent parking on a portion of the Project Site and therefore will involve the subsequent conveyance by Developer of the Property to another entity. DEDA therefore now consents to transfer of title to the Property for purposes of development of the Project on a portion of the Project Site even if such subsequent conveyance by Developer occurs within one year of the date upon which the Property is conveyed by DEDA to Developer.

9. Environmental Indemnification.

Developer hereby agrees that for itself, its successors and assigns, it will indemnify and save DEDA and its officers, agents, servants and employees and any person who controls DEDA within the meaning of the Securities Act of 1933 harmless from and against all liabilities, losses, damages, costs, expenses, including attorney's fees and expenses, causes of action, suits, claims, demands and judgments arising out of any condition existing on the Property, whether pre-existing or after created, which constitutes a violation of any federal, state or local environmental laws, rules or regulations with regard to pollutants or hazardous or dangerous substances or arising out of the presence on the Property of any element, compound, pollutant, contaminant or toxic or hazardous substance, material or waste, or any mixture thereof, which otherwise causes injury or death to person(s) or damage to property. Indemnification granted hereby shall include all the costs of clean up; remediation; costs incurred in proceedings before a court of law or an administrative agency including attorney's fees, expenses, and the fees and expenses of persons providing technical expertise addressing such problems, including expert witnesses; the cost of preparing and securing approval of Response Action Plans as may be necessary to meet the requirements of the aforesaid agencies and any other costs and expenses of any kind whatsoever arising out of conditions existing on the Property. Provided, however, that the indemnity provided by Developer to DEDA pursuant to this paragraph is intended to run only to the benefit of DEDA and is not intended to, nor shall it, inure to the benefit of any third party.

10. Default and Remedies.

In the event that Developer fails to perform or to comply with any of the terms, covenants and conditions of this Agreement and said failure to so perform or comply shall continue for a term of 30 days after notice from DEDA to Developer of such nonperformance or noncompliance, Developer shall be in default of its obligations hereunder and, except for a failure to comply or perform under Paragraphs 5 or 6 above for which DEDA's sole remedy is expressly set forth in those Paragraphs, DEDA may, at its option, exercise any one or more of the following rights and remedies. The remedies provided for under this Paragraph shall be deemed to be cumulative and non-exclusive and the election of one remedy shall not be deemed to be a waiver of any

other remedy with regard to any occasion of default hereunder. Further, the waiver by DEDA of any default on the part of Developer hereunder or the failure of DEDA to declare default on the part of Developer of any of its obligations pursuant to this Agreement shall not be deemed to be a waiver of any subsequent event of default on the part of Developer of the same or any other obligation of Developer hereunder and, to be effective, any waiver of any default by Developer hereunder shall be in writing by DEDA.

- a. DEDA may seek and be entitled to recover its actual monetary damages from Developer resulting from such default.
- b. DEDA may seek and be entitled to injunctive and declaratory relief as is necessary to prevent Developer's violation of the terms and conditions with respect to the Property (but may not obtain any such injunctive or declaratory relief with respect to any of Developer's activities on the Developer-Owned Site).
- c. DEDA may seek such other legal or equitable relief as a court of competent jurisdiction may be determined as available to DEDA that is not prohibited by either Paragraph 10.a or 10.b above.

11. Notices.

Any notice, demand or other communication under this Agreement by either party to the other shall be deemed to be sufficiently given if delivered by registered or certified mail, postage prepaid, to:

In the Case of DEDA: Duluth Economic Development Authority
Room 402, City Hall
Duluth, Minnesota 55802

In the Case of Developer: Haines Properties, LLP
1131 East Superior Street
Duluth, MN 55802

With a copy to:

William M. Burns
Hanft Fride, P.A.
130 W. Superior Street, Suite 1000
Duluth, MN 55802

12. Applicable Law.

This Agreement, together with all of its paragraphs, terms and conditions, is made in the state of Minnesota and shall be construed and interpreted in accordance with the laws of the state of Minnesota. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date shown below.

DULUTH ECONOMIC DEVELOPMENT
AUTHORITY

HAINES PROPERTIES, LLP

By _____
President

By _____
Frank Holappa, Partner

By _____
Secretary

RESOLUTION 20D-09

**RESOLUTION AUTHORIZING THE ACQUISITION OF CERTAIN REAL PROPERTY
IN THE GARY-NEW DULUTH NEIGHBORHOOD FROM THE CITY OF DULUTH
RELATED TO THE REBUILD DULUTH PROGRAM**

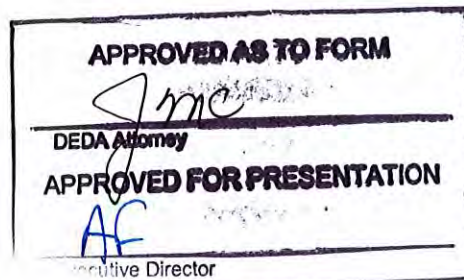
RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the proper DEDA officials are hereby authorized to acquire real property in the Gary-New Duluth Neighborhood described below located in St. Louis County, Minnesota, from the City of Duluth related to the Rebuild Duluth Program for the sum of \$1.00:

Lots One (1), Two (2), Three (3) and Four (4), Block Twenty-three (23), NEW DULUTH FIRST DIVISION.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

Attest:

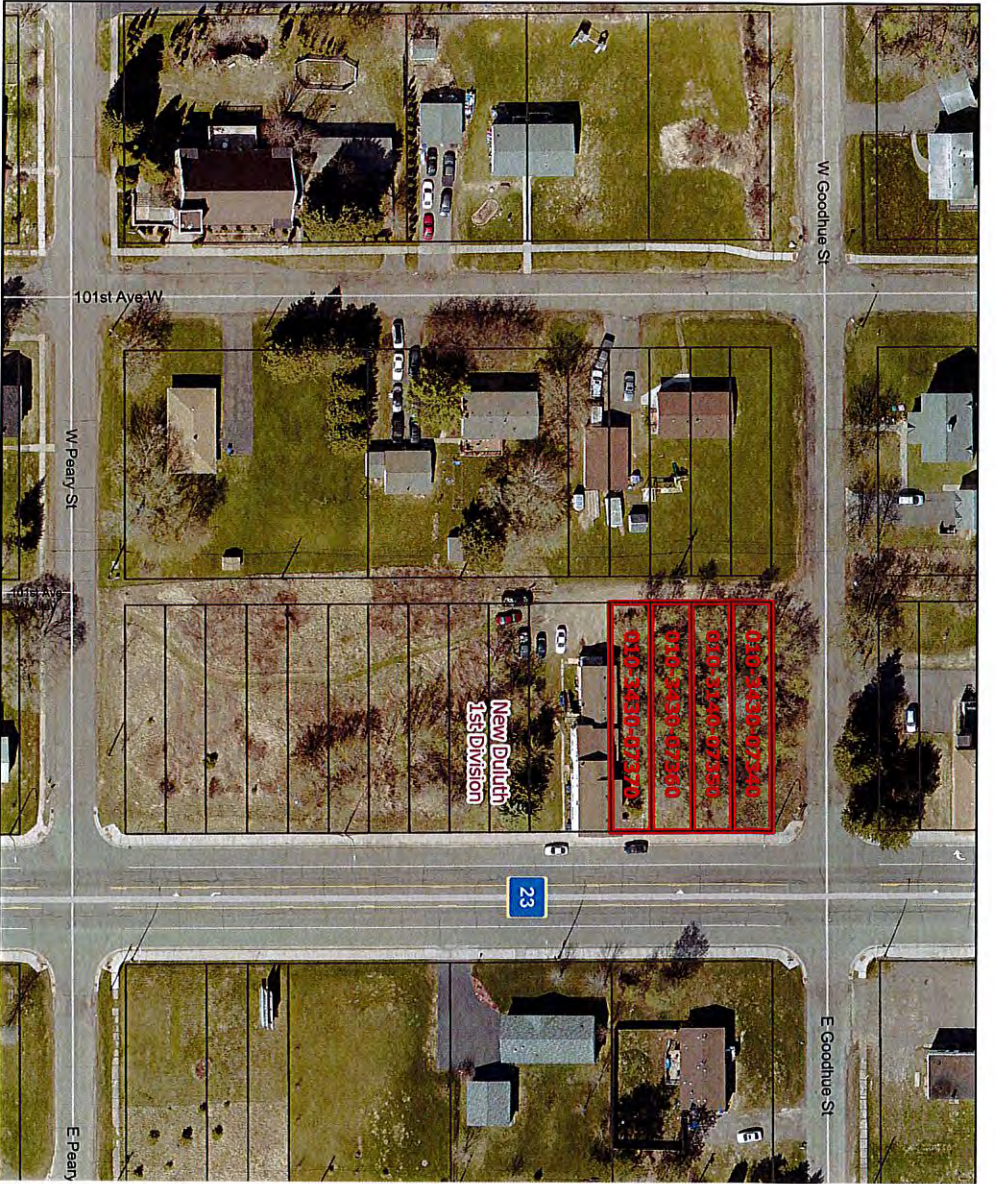
Executive Director



STATEMENT OF PURPOSE:

The purpose of this resolution is to authorize the acquisition of real property from the City of Duluth as part of the Rebuild Duluth Program. The property is located at the intersection of Commonwealth Avenue and West Goodhue Street in the Gary-New Duluth neighborhood. The real property to be acquired is outlined in red on the attached Exhibit A.

The property will be included as a part of the Rebuild Duluth Program, which purpose is to convey publicly-owned, developable lots for construction of new homes. DEDA will be administering the conveyance of the publicly-owned lots to a subsequent owner/developer. According to the St. Louis County assessor, the property has a current estimated market value of \$10,400. The City is conveying the Property for a nominal sum due to the public benefit provided by the Rebuild Duluth Program.



10/3/2019

The City of Duluth has tried to ensure that the information contained in this map or electronic document is accurate. The City of Duluth makes no warranty or guarantee concerning the accuracy or reliability of the information shown on this map or electronic document. The drawing is not intended to be used as one. The drawing is a preliminary drawing and is not intended to be used for reference purposes only. The City of Duluth shall not be liable for errors contained within this data provided or for any damages in connection with the use of this information contained within.

010-3430-07340, 010-3430-07350, 010-3430-07360 & 010-3430-07370

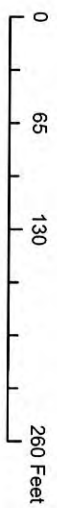


EXHIBIT A

RESOLUTION 20D-10

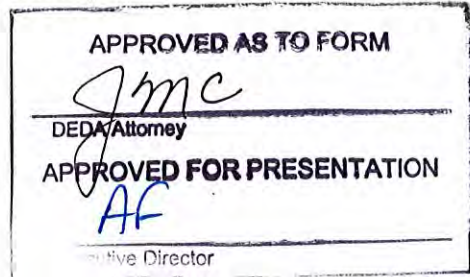
RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE OPTION AGREEMENT WITH MERGE, LLC FOR THE SALE AND REDEVELOPMENT OF THE PASTORET TERRACE BUILDING AND THE PAUL ROBESON BALLROOM

RESOLVED, by the Duluth Economic Development Authority ("DEDA") that the proper DEDA officials are hereby authorized to enter into a First Amendment to the Option Agreement (DEDA Contract No. 19 860 911¹), substantially in the form of that attached hereto, with Merge, LLC, ("Developer") extending the time for meeting the Milestones set forth in the Option Agreement.

Approved by the Duluth Economic Development Authority this 22nd day of January, 2020.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the execution of a First Amendment to the Option Agreement with Developer for the sale and redevelopment of the Pastoret Terrace Building and the Paul Robeson Ballroom. Merge Urban Development Group, out of Cedar Falls, Iowa, is evaluating the site for multi-story development, possibly including mixed-use development. Due to ongoing litigation involving this site, the Developer has requested an extension for meeting the Milestones set forth in the Option Agreement.

**OPTION AGREEMENT
FIRST AMENDMENT**

THIS FIRST AMENDMENT entered into this _____ day of _____, 2020, is by and between the Duluth Economic Development Authority, an economic development authority created and existing under Minnesota Statutes (1989) Chapter 469, hereinafter referred to as "DEDA" and Merge, LLC, an Iowa limited liability company, d/b/a Merge Urban Development Group, hereinafter referred to as "Developer".

WHEREAS, on May 29, 2019, the parties entered into an Option Agreement in order to grant a conditional option to Developer to allow Developer to make the investment in time, money and effort to determine whether the Pastoret Terrace Building the Paul Robeson Ballroom (the "Property") can be feasibly developed; and

WHEREAS, the Property includes contributing structures to the Duluth Commercial Historic District and is or was the subject of three lawsuits: Respect Starts Here v. DEDA, 69DU-CV-18-953; Temple Corp. v. City of Duluth, 69DU-CV-18-2655; and King v. St. Louis County, 69DU-CV-17-529; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Section A, Conditional Option, of Article II, Grant of Conditional Option, is hereby amended as follows:

In consideration of the terms and conditions of this Agreement, DEDA hereby grants to Developer an exclusive Conditional Option to purchase the Property for the amount of the Purchase Price, which Conditional Option shall be effective beginning on the Commencement Date and continuing until September 30, 2020, or final resolution of the Lawsuits via Court order including all rights of appeal, settlement or other manner (the "Final Resolution of the Lawsuits"), whichever is

later; unless sooner exercised, extended or terminated as hereinafter provided. The Executive Director shall give Developer notice of the Final Resolution of the Lawsuits. During the term of the Conditional Option, Developer will determine site conditions and will analyze the market for various kinds of development, and the terms and conditions of the Development Agreement will be finalized. If the Conditional Option is not exercised as of the latter of September 30, 2020, or the final resolution of the Lawsuits, the Conditional Option herein granted shall terminate and be of no further force and effect unless extended in writing and approved by a resolution of DEDA's Board of Commissioners.

2. Article VI, Milestones, is hereby amended as follows:

The parties agree that it is critical to both of them that the development process for the Project proceed in an expeditious and orderly manner and, therefore, the parties agree that the following Milestones be met in the timeframes herein established, subject to the right of the parties to later agree to modifications thereof. Developer shall submit to the Executive Director in writing evidence reasonably satisfactory to the Executive Director that the requirements of the Milestones have been fulfilled in the time frames set forth below. Failure by the Developer to do so will permit but not require DEDA to terminate this Option Agreement.

A. Milestone 1.

No later than September 30, 2020, Developer shall have presented to the Executive Director an outline of Developer's proposed Project which includes a list of proposed uses to be developed on the Property, their approximate size in square feet, the footprint and elevations of structures or other improvements proposed for the Property, the estimated cost of acquiring, constructing and installing any such improvements, and written description of types and characters of proposed tenancies thereof.

B. Milestone 2.

No later than September 30, 2020, Developer shall have presented to the Executive Director refined plans for the Project including architectural plans which are at least to the schematic level for any improvements to be constructed thereon, a proposed ownership structure for the development entity or entities to be involved, a proposed "sources and uses" statement for the Project, and a specific statement of what, if any, public assistance will be required for the Project to be developed and the proposed sources of such public assistance.

C. Milestone 3.

No later than September 30, 2020, or the final resolution of the Lawsuits, whichever is later, Developer shall have received approval from the DEDA Board of Commissioners and from any other required or appropriate local governmental agencies, including but not limited to the City of Duluth, of a Development Agreement and of any other means of financing requiring approval of such agencies.

3. Except as provided in this First Amendment, the terms and conditions of the Option Agreement shall remain in force and effect.

[Signature page to follow.]

IN WITNESS WHEREAS, the parties have hereunto set their hands the day and date first above shown.

DULUTH ECONOMIC DEVELOPMENT

MERGE, LLC, an Iowa limited liability company, d/b/a MERGE URBAN DEVELOPMENT GROUP

AUTHORITY

By: _____
Its President

By: _____
Brent Dahlstrom
Its: Manager

By: _____
Its Secretary

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020 by _____ Brent Dahlstrom, the Manager of Merge, LLC, an Iowa limited liability company, d/b/a Merge Urban Development Group, on behalf of the limited liability company.

Notary Public

