

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
Wednesday, July 27, 2011 - 5:15 p.m.
Room 303, City Hall**

MINUTES

- Call To Order:** The July 27, 2011, meeting of DEDA was called to order by President Heino at 5:15 p.m.
- Present:** Jeff Anderson, Tony Cuneo, Todd Fedora, John Heino, Don Monaco, Christine Townsend
- Absent Excused:** Nancy Aronson Norr
- Others Present:** Bob Asleson, Kathy Bergen, Matt Bolf, Brenda Brannan, John Cook, Drew Digby, Eric Dott, Cheryl Erickson, Duane Flynn, Sharla Gardner, Alex Giuliani, Andy Goldfine, Brian W. Hanson, Rob Heimbach, Austin Hoeg, Will Hoeg, Sandy Hoff, Mark Laliberte, Fred Lewis, Bronwyn Lipinski, Bruce Lunde, Darlene Marshall, Mark McShane, Casey Nelson, Chad Scott, Nancy Spooner-Mueller, Gene Shaw, Jason Stangland, Elizabeth Tessier, Heidi Timm-Bijold, Chris Virta

APPROVAL OF MINUTES: June 22, 2011. Accept as written. Vote: Unanimous (4-0)

PUBLIC HEARINGS

1. **RESOLUTION 11D-38: RESOLUTION GIVING APPROVAL TO A PROJECT BY THE MARSHALL SCHOOL UNDER MINNESOTA STATUTES, SECTION 469.152 THROUGH 469.165 AND APPROVING A JOINT POWERS AGREEMENT**

No public input.

RESOLUTIONS FOR APPROVAL

NEW BUSINESS

1. **RESOLUTION 11D-37: RESOLUTION COMMITTING DEDA TO BE BOUND BY WAGES AND HOURS REQUIREMENTS OF SECTION 2-26 OF THE DULUTH CITY CODE, 1959, AS AMENDED**

Staff: Hanson explained that this is the second in a series of employment related policies that Commissioners asked to be discussed. Commonly referred to as Little Davis-Bacon, staff is recommending that we adopt the City's policy as DEDA's policy.

Discussion:

Vote to Approve Resolution 11D-37: Passed Unanimously (4-0)

2. **RESOLUTION 11D-38: RESOLUTION GIVING APPROVAL TO A PROJECT BY THE MARSHALL SCHOOL UNDER MINNESOTA STATUTES, SECTION 469.152 THROUGH 469.165 AND APPROVING A JOINT POWERS AGREEMENT**

Cuneo arrives 5:19 PM.

Staff: Hanson explained that in 2004, the Hermantown Economic Development Authority (HEDA) entered into a Joint Powers Agreement with DEDA that enabled HEDA to issue bonds in support of Marshall School. HEDA's borrower has asked for additional bonding of \$400,000 for energy efficiency improvements at the school.

Discussion:

Vote to Approve Resolution 11D-38: Passed Unanimously (5-0)

3. **RESOLUTION 11D-39: RESOLUTION AMENDING RESOLUTION 11D-21 RELATED TO THE BUILDING IN DULUTH 2011 CONDITIONAL GRANT AGREEMENT WITH DULUTH MINERALS, LLC**

Staff: This amendment addresses some collateral issues in the original agreement. Real estate and business assets of the company are no longer tied up as collateral for DEDA. Instead, DEDA will have cash collateral.

Discussion:

Vote to Approve Resolution 11D-39: Passed Unanimously (5-0)

4. **RESOLUTION 11D-40: RESOLUTION OF INTENT TO ACQUIRE CERTAIN PROPERTY FROM THE CITY OF DULUTH AND THE STATE OF MINNESOTA THROUGH THE DEPARTMENT OF TRANSPORTATION AND TO CONVEY THE SAME TO IRVING SCHOOL, LLC SUBJECT TO REACHING MUTUALLY ACCEPTABLE TERMS OF SAID ACQUISITION AND CONVEYANCE ALL RELATED TO THE IRVING HOUSING PROJECT**

Staff: McShane explained that Minnesota Power is selling ownership of the Irving School apartments to Sherman Associates. It was discovered that part of the parking area was on MNDOT land and City property, which caused the building to be out of compliance with City parking requirements. DEDA has been asked to facilitate resolution of parking issues by purchasing the land directly from MNDOT and the City,

then selling to Sherman Associates with all costs at the expense of Sherman Associates.

Discussion: Cuneo asked about financing. Hanson said that Minnesota Power used housing income tax credits about 20 years ago and Sherman Associates may use income tax credits for future renovations.

Vote to Approve Resolution 11D-40: Passed Unanimously (5-0)

DISCUSSION

1. BAYFRONT MASTER PLAN

Townsend arrives 5:52 PM.

Team members involved in the planning of the Bayfront master plan gave a detailed presentation about the future plans for the Bayfront. A robust discussion was held between Commissioners and the team, and it was decided that the presentation would be made available on the DEDA website for anyone to view.

ADJOURNMENT: President Heino adjourned the July 27th, 2011 meeting of the DEDA at 7:04 p.m.

Respectfully submitted,



Brian W. Hanson
Executive Director

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