

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
Wednesday, September 26, 2012 - 5:15 p.m.
City Hall Room 303**

MINUTES

- Call To Order:** The September 26, 2012, meeting of DEDA was called to order by President Monaco at 5:16 p.m.
- Present:** Jay Fosle, Dan Hartman, John Heino, Emily Larson, Don Monaco
- Excused:** Nancy Aronson Norr, Christine Townsend
- Others Present:** Bob Asleson, Joan Christensen, Christopher Eng, Brian Gorecki, Bronwyn Lipinski, Mark McShane

APPROVAL OF MINUTES: August 22, 2012. Accept as written. Vote: Unanimous Heino/Larson (5-0)

RESOLUTIONS FOR APPROVAL

NEW BUSINESS

- 1. RESOLUTION 12D-45: RESOLUTION AUTHORIZING A CONTAMINATION CLEANUP PROGRAM GRANT AGREEMENT WITH THE STATE OF MINNESOTA AND FURTHER AUTHORIZING A SUB-RECIPIENT FUNDING AGREEMENT WITH PIER B HOLDING, LLC**

Staff: Eng explained that this resolution has three parts; first, it involves executing a grant agreement with DEED for a \$999,000 award; second it is a pass through to Pier B holdings LLC which will allow them to begin the project and provide the match with no less than \$450,000 in private funds; and third, allows DEDA to enter into an agreement with Pier B to include an administrative fee of \$10,000 to DEDA.

Discussion:

Vote to Approve Resolution 12D-45: Passed Unanimously Hartman/Heino (5-0)

- 2. RESOLUTION 12D-46: RESOLUTION APPROVING PAYMENT OF ONE-HALF OF THE CITY OF DULUTH'S ECONOMIC DEVELOPMENT STRATEGIC PLAN NOT TO EXCEED \$50,000**

Staff: Eng reminded the Board that the City did an RFQ last winter for a consultant to prepare an Economic Development Strategic Plan for the City of Duluth, which produced 10 responses. Four firms were short-listed and the RFPs came back this week. The estimated budget for the project is \$100,000 and DEDA is being asked for consideration for half of this cost, with the City covering the other half. There are six primary efforts in this project; business retention, recruitment and marketing, retail strategy, workforce development strategy, entrepreneurship, and infrastructure and sites.

Discussion: Commissioners had many questions about the process and the cost of this plan and took part in an animated discussion including having DEDA be more involved in this process.

Eng withdrew the resolution.

3. RESOLUTION 12D-47: RESOLUTION AMENDING AND APPROVING THE 2012 DEDA BUDGETS

Staff: Eng reported that this resolution is an update to include more recent DEDA activities.

Discussion: Fosle thanked staff for the fund explanations in the report. He wanted to know what money is left in the West Duluth Storefront Loan program, and if letters could be sent to west Duluth businesses about how the program works and that there are funds available. Eng replied that staff would look into this. Fosle also asked if TIF 3 funds could be used for the Park Place project before DEDA has to give the money back.

Vote to Approve Resolution 12D-46: Passed Unanimously Fosle/Heino (5-0)

DISCUSSION

1. NORSHOR PRESENTATION

Brian Gorecki from Sherman Associates gave an update on the NorShor Theatre project.

2. DIRECTOR'S REPORT

- A. Eng reported that the Federal Aviation Administration is in town to certify the MRO building, they have already hired 30 people, and will have the first line open for maintenance in October. DEDA currently has a contract with Jamar, which is where Rand Lally currently works; since he is familiar with the equipment at the MRO, they will continue to service the equipment.
- B. The Phoenix parking lot is in need of \$30,000-\$50,000 in repairs. At the next meeting, staff will bring one of two proposals; to sell the lot, or spend the money to repair the lot.
- C. The City received an \$8.5 million grant for the Duluth Corporate Tower, including parking and skywalk systems, and a possible future role for DEDA would be in creating a TIF district.
- D. DEDA may have an opportunity to expand the retail/grocery sector in west Duluth.

ADJOURNMENT: President Monaco adjourned the September 26, 2012 meeting of the DEDA at 6:09 p.m.

Respectfully submitted,



Christopher T. Eng
Executive Director

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