

PLANNING AND ECONOMIC DEVELOPMENT COMMISSION

08-0655R

REPLACEMENT

RESOLUTION AUTHORIZING APPLICATION FOR A SUPPLEMENTAL DEED CONTAMINATION CLEAN-UP GRANT IN THE AMOUNT OF \$348,461 RELATED TO THE CLYDE PARK PROJECT AND COMMITTING LOCAL MATCH SUBJECT TO SUBSEQUENT COUNCIL ACCEPTANCE OF THE GRANT.

CITY PROPOSAL:

RESOLVED, that the city of Duluth (the city) act as the legal sponsor for the project contained in the contamination cleanup grant program to be submitted on November 1, 2008 and that the city is hereby authorized to apply to the department of employment and economic development (DEED) for the Clyde Park project (the application).

BE IT FURTHER RESOLVED, that the mayor of the city is hereby authorized to apply to DEED for a supplemental grant in the amount of \$348,461 for this project on behalf of the city.

BE IT FURTHER RESOLVED, that the city has the legal authority to apply for financial assistance and the institutional, managerial and financial capability to ensure adequate project administration.

BE IT FURTHER RESOLVED, that a local match in the amount of \$116,153 is committed to the project from the Clyde Park, Inc., subject to acceptance of the grant.

BE IT FURTHER RESOLVED, that the city has not violated any federal, state or local laws pertaining to fraud, bribery, graft, kick-backs, collusion, conflicts of interest or other unlawful or corporate practice.

BE IT FURTHER RESOLVED, that upon approval of this application by the state, the acceptance thereof shall be subject to further resolution of the council authorizing such acceptance.

BE IT FURTHER RESOLVED, that the city certifies that it will comply with all applicable laws and regulations as stated in all contract agreements it accepts.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

BD HTB:ckm 10/20/2008

STATEMENT OF PURPOSE: Approval of this resolution allows for the application by the city of Duluth to DEED an amount not to exceed \$348,461 contamination cleanup program grant. This grant is a supplemental request to DEED, which previously awarded a contamination cleanup program grant in 2006 for this project in the amount of \$1,046,189. However, to complete the project--specifically, remediation associated with developer Alessandro Giuliani's marketplace, hotel and parking lot--there remains an estimated \$464,614 of cleanup. This supplemental grant application requests 75 percent of that amount--or, \$348,461. The "local matching share" in the amount of \$116,153 will be supplied by the developer. Giuliani estimates concurrent cleanup/construction on the marketplace buildings to commence this December, and cleanup/construction of the hotel and parking in spring of 2009.