

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

08-0686R

RESOLUTION AMENDING RESOLUTION 89-0323 ESTABLISHING THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY, SAID AMENDMENT RELATED TO THE EXECUTIVE DIRECTOR AND OTHER DEDA PERSONNEL.

CITY PROPOSAL:

RECITALS:

The council finds as follows:

(a) The Duluth City Council adopted Resolution 89-0323, on April 24, 1989, establishing the Duluth economic development authority (DEDA);

(b) The Duluth City Council adopted Resolution 98-0949, on December 21, 1998, amending the above-referenced resolution to require that four of the commissioners on DEDA be city councilors and to further require that a majority of the commissioners present at a meeting must be city councilors for action to be taken;

(c) The Duluth City Council adopted Resolution 99-0239, on March 22, 1999, further amending the above-referenced resolution to require that any expenditure by DEDA in excess of \$25,000 be approved by the city council;

(d) The Duluth City Council adopted Resolution 02-0606, on October 28, 2002, further amending the above-referenced resolution to require that if an action is taken by DEDA at a meeting in which council members do not constitute a majority of commissioners present and voting, then that action is not final and cannot be implemented unless and until it is approved by resolution of the Duluth City Council;

(e) The Duluth City Council adopted Resolution 04-0202 on March 22, 2004, further amending the above-referenced resolution to change the composition of the members of the authority to consist of nine members all of whom shall be members of the council with the term of the commissioners' appointments coinciding with their term of office as members of the city council, deleting the provision that an action taken by DEDA at a meeting in which council members do not constitute a majority of commissioners present and voting is not final and cannot be

implemented unless and until it is approved by resolution of the council, and further deleting the requirement that DEDA shall not enter into an agreement or contract involving an expenditure by DEDA of more than \$25,000 without the prior approval of the council;

(f) The Duluth City Council adopted Resolution 04-0215 on March 22, 2004, further amending the above-referenced resolution to provide that the executive director of the DEDA shall be appointed by the mayor, subject to approval by the city council and to provide that the executive director act at the direction of the commissioners;

(g) Resolution 89-0323, Resolution 98-0949, Resolution 99-0239, Resolution 02-0606, Resolution 04-0202 and Resolution 04-0215 are hereinafter referred to as the DEDA establishment resolution;

(h) The Duluth City Council desires to further amend the DEDA establishment resolution.

NOW, THEREFORE, BE IT RESOLVED, that paragraph 6 of the DEDA establishment resolution is hereby amended to read as follows:

6. The executive director of the DEDA shall be appointed by and serve at the pleasure and direction of the commissioners. The executive director will communicate with DEDA, the mayor of the city and the city council regarding DEDA issues.

BE IT FURTHER RESOLVED, that paragraph 7 of the DEDA establishment resolution is hereby amended to read as follows:

7. The DEDA may hire such personnel as DEDA may from time to time determine who shall act at the direction of the executive director. The executive director and DEDA staff may be city employees, in which event DEDA shall enter into a contract with the city for the provision and reimbursement of such services.

BE IT FURTHER RESOLVED, that paragraph 9 of the DEDA establishment resolution is hereby amended to read as follows:

9. That all financial books, records, accounts and reports of the DEDA may be prepared, presented and retained by the finance department of the city in which event the finance department shall have the responsibility for administering the finances of the DEDA as it does the finances of the city, and DEDA shall enter into a contract with the city for the provision and reimbursement of such services.

Approved as to form:

Attorney

DEDA JC:cm 11/13/2008

STATEMENT OF PURPOSE: This resolution amends the resolution establishing DEDA by providing for DEDA's executive director to be appointed and to serve at the pleasure and direction of the commissioners. The executive director will communicate with DEDA, the mayor of the city and the city council regarding DEDA issues. The resolution also provides that DEDA may hire staff who will act at the direction of the executive director. The executive director and DEDA staff may be city employees, in which event DEDA will enter into a contract with the city for the provision and reimbursement of services. In the event the financial books and records continue to be prepared and retained by the finance department of the city, DEDA will enter into a contract with the city for the provision and reimbursement of those services, and DEDA finances will be administered in the same manner as those of the city.