

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

10-0480R

RESOLUTION AUTHORIZING AN AMENDMENT TO THE G.O. BOND INFRASTRUCTURE GRANT AGREEMENT WITH MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT (DEED) AND AN AMENDMENT TO THE COOPERATIVE AGREEMENT WITH THE DULUTH AIRPORT AUTHORITY REGARDING THE NORTH BUSINESS DEVELOPMENT AREA.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to enter into a first amendment to the G.O. bond infrastructure grant agreement with DEED, substantially in the form of that on file in the office of the city clerk as Public Document No. _____, to amend the legal description to reflect the real property in the North Business Development Area of the Duluth International Airport upon which grant funds are to be expended, and further authorizing the execution and recording in the office of the St. Louis County recorder of a new declaration in the form prescribed by the state of Minnesota containing the revised legal description.

FURTHER RESOLVED, that the proper city officials are authorized to enter into an amendment to the cooperative agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. _____, with the Duluth Airport Authority acknowledging the amended legal description in the

G.O. bond infrastructure grant between the city and DEED for the North Business Development Area.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

PLNG/ATTY JC:dma 9/2/2010

STATEMENT OF PURPOSE: The city entered into a G.O. bond public infrastructure grant agreement with DEED in the amount of \$250,000 for construction of infrastructure on airport property commonly known as the North Business Development Area. The infrastructure will assist in making the North Business Development Area ready for development. The city and the airport authority entered into a cooperative agreement which provides for the reimbursement to the authority from the grant proceeds for the infrastructure work, and the cooperation of the parties in complying with the grant agreement.

G.O. state bonding grant monies must be used solely for public improvements, and there are restrictions on the use of real property which has been improved with these monies. The amendment to the grant agreement amends the legal description to accurately reflect where state bonding grant monies are being expended. The State will also require a new declaration containing the amended legal description to be filed in the St. Louis County recorder's office. The amendment to the cooperative agreement between the city and the airport authority acknowledges the amended legal description.