

PERSONNEL COMMITTEE

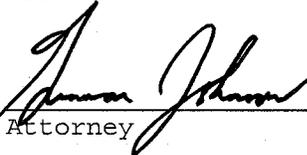
13-0193R

RESOLUTION AUTHORIZING A TRANSFER OF ASSETS AGREEMENT  
WITH THE DULUTH PUBLIC ARTS FUND, INC.

BY COUNCILOR GARDNER:

RESOLVED, that the proper city officials are hereby authorized to enter into a transfer of assets agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, pursuant to which the city accepts from the Duluth Public Arts Fund, Inc. assets to be used in furtherance of the purposes of the nonprofit in the form of eight (8) art boxes located in the new terminal at the Duluth International Airport and \$59,186.49 to be retained in the Duluth Public Art Fund 745.

Approved as to form:

  
\_\_\_\_\_  
Attorney

CCREQ/ATTY JCC:db 04/11/2013

STATEMENT OF PURPOSE: This is a companion to Ordinance 13-025-O. The Duluth Public Arts Fund, Inc. ("Nonprofit") is being dissolved. Ordinance 13-025-O amends the Duluth Public Arts Commission ("Commission") Ordinance to delete all references to the Nonprofit and to update the role and duties of the Commission. The Nonprofit has assets of \$59,186.49 and 8 art boxes at the Airport. The wood art boxes display rotating works of art and sculpture by area artists. Pursuant to the Nonprofit's Articles of Incorporation, upon dissolution assets are to be distributed to the City of Duluth to be used for the furtherance, accomplishment, fostering or attainment of any or all of the purposes of the Nonprofit. The Transfer of Assets Agreement authorizes the transfer of the funds and art boxes to the City to be used for such purposes. The actual asset transfer will take place after a statutory waiting period.

## TRANSFER OF ASSETS AGREEMENT

This Agreement is by and between the Duluth Public Arts Fund, Inc. ("Corporation") and the City of Duluth ("City").

Minnesota Statutes § 317A.735, Subdivision 3, requires that where articles of incorporation of a dissolving corporation provide for a particular distribution of the assets of the dissolving corporation, the assets must be distributed accordingly.

Article VIII of the Corporation's Articles of Incorporation require that upon dissolution and after paying any liabilities of the Corporation, assets of the Corporation be distributed to the City of Duluth to be used for the furtherance, accomplishment, fostering or attainment of any or all of the purposes of the Corporation.

On March 25, 2013, the Corporation adopted a Resolution of Intent to Dissolve the Corporation. The Resolution authorized the distribution of assets, after payment of debts, obligations and liabilities of the Corporation, to the City to be used for the furtherance, accomplishment, fostering or attainment of any or all of the purposes of the Corporation.

NOW, THEREFORE, the parties agree as follows:

1. That funds in the amount of \$59,186.49 shall be transferred to the City and deposited into Duluth Public Art Fund 745 to be used for the furtherance, accomplishment, fostering or attainment of any or all of the purposes of the Corporation.
2. That eight (8) art boxes located in the new terminal at the Duluth International Airport shall be transferred to the City to be used for the furtherance, accomplishment, fostering or attainment of any or all of the purposes of the Corporation. The art boxes are being transferred free and clear of any liens and encumbrances and on as "as is" basis.
3. That the transfer of the funds and art boxes as set forth in Paragraphs 1 and 2 above shall be effective 45 days after giving written notice of intent to dissolve to the Minnesota Attorney General, or in the event that the Attorney General extends the waiting period for an additional 30 days, then the transfer shall be effective 75 days after giving written notice to the Minnesota Attorney General pursuant to Minnesota Statute 317A.833 Subdivisions 2 and 3.

IN WITNESS WHEREOF, the parties have set their hands the day and date first shown below.

CITY OF DULUTH

DULUTH PUBLIC ARTS FUND, INC.

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
City Clerk

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney