

PUBLISHED MAY 16, 2014

OFFICIAL PROCEEDINGS

Excerpt from the minutes of the Duluth City Council meeting held on Monday, May 12, 2014, at 7:00 p.m. in the Council Chamber, City Hall, Duluth, Minnesota.

ORDINANCE NO. 10293

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF CERTAIN PROPERTY WITHIN THE CITY OF DULUTH TO WISCONSIN CENTRAL, LTD. ("CANADIAN NATIONAL") FOR \$10,500.

The city of Duluth does ordain:

Section 1.

(a) Pursuant to Section 2-176(a) of the Duluth City Code, as amended (the "Code"), the city council stated its intention to sell or convey certain property as set forth in Resolution 14-0175, on file in the office of the city clerk as Public Document No. 14-0512-21(a);

(b) Pursuant to Section 2-177.4 of the Code, the city council finds that the conveyance to Wisconsin Central Ltd ("Canadian National") of certain property described in Public Document No. 14-0512-21(b) (the "property") will allow Canadian National to proceed with its Steelton Hill project which will: 1) provide for the development of new and upgrade of existing tracks as part of its Steelton Hill project representing a \$30 million dollar investment in rail infrastructure within the city and St. Louis County adding approximately 4.5 miles of new track between Commonwealth Avenue in Gary-New Duluth to I-35 near Nopeming; 2) allow goods to move more efficiently reducing rail congestion in Duluth; 3) allow Canadian National to replace a bridge over Commonwealth Avenue with a bridge compliant with Mn/DOT height clearances allowing industrial truck traffic to access Beck's Road from planned industrial redevelopment at both Atlas Industrial Park and the former USX site; 4) allow Canadian National to replace the Mission Creek recreational trail bridge with a new structure which will allow for an improved bridge foundation and trail surface; and 5) provide construction jobs in the area and result in a positive economic impact to local hotels, restaurants and business;

(c) Pursuant to Section 2-177.4 of the Code, the city council further finds that the conveyance of the property to Canadian National at market value will further the important city interests or objectives as set forth in Section 1(b) above, and that such conveyance is necessary to the accomplishment of such interests;

(d) Pursuant to Section 2-176(b) of the Code, the city's planning department has reviewed the proposed sale of the property for conformity to the city's comprehensive plan and reported that the sale of the property to Canadian National conforms with said comprehensive plan on file in the office of the city clerk as Public Document No. 14-0512-21(b);

(e) Pursuant to Section 2-176(c) of the Code, the county assessor has provided a written estimate of the market value of the property to be \$9,800; Canadian National's certified general real estate appraiser has provided a written estimate of the market value of the property to be \$10,500;

Section 2. That the proper city officials are hereby authorized to execute the purchase agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. 14-0512-21(b), for the conveyance by quit claim deed and easement agreement of the property in St. Louis County, Minnesota legally described therein to Canadian National for the sum of \$10,500, said sum to be payable into General Fund 110, Department 700, Division 1420, Revenue Source 4640.

Section 3. That the proper city officials are hereby further authorized to execute deeds, easements and all other documents necessary to effectuate the sale of the property to developer.

Section 4. That this ordinance shall take effect 30 days after its passage and publication. (Effective date: June 15, 2014)

Councilor Russ moved passage of the ordinance and the same was adopted upon the following vote:

Yeas: Councilors Filipovich, Fosle, Gardner, Hanson, Julsrud, Larson, Russ, Sipress and President

Krug -- 9

Nays: None -- 0

ATTEST:
JEFFREY J. COX, City Clerk

Passed May 12, 2014
Approved May 12, 2014
DON NESS, Mayor