

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
WEDNESDAY, FEBRUARY 22, 2023 – 5:15 P.M.
COUNCIL CHAMBERS-CITY HALL
MINUTES**

Present: Arik Forsman, ChaQuana McEntyre, Connor Randall, Roz Randorf, Terese Tomanek

Absent: Matt Cartier, Ellie Just

Others Present: Amanda Anderson, Theresa Bajda, Jean Coleman, Brett Crecelius, Chris Fleege, Ethan Scrivner

1. CALL TO ORDER: The February 22, 2023 meeting of DEDA was called to order by President McEntyre at 5:16 p.m.

2. PUBLIC TO ADDRESS THE COMMISSION

No comments.

3. PUBLIC HEARINGS

RESOLUTION 23D-13: RESOLUTION AUTHORIZING A LAND SALE AGREEMENT WITH FATHERS RISE TOGETHER FOR DEVELOPMENT OF AFFORDABLE HOUSING

President McEntyre formally passed her chair duties to Commissioner Randall to recuse herself from the vote. President McEntyre exited the Council Chambers. Commissioner Randall opened the public hearing. There were no speakers. The public hearing was closed after three calls for anyone from the public to speak.

Motion:(Randorf/Tomanek)

APPROVAL OF MEETING MINUTES

JANUARY 25, 2023 REGULAR MEETING MINUTES

No discussion.

VOTE TO APPROVE THE JANUARY 25, 2023 REGULAR MEETING MINUTES: (Randorf/Forsman) Vote:
Passed (5-0).

APPROVAL OF CASH TRANSACTIONS

JANUARY 1, 2023 TO JANUARY 31, 2023

VOTE TO APPROVE THE JANUARY 1 TO JANUARY 31, 2023 CASH TRANSACTIONS: (Forsman/Tomanek)
Vote: Passed (5-0).

NEW BUSINESS

4. RESOLUTIONS FOR APPROVAL

RESOLUTION 23D-13: RESOLUTION AUTHORIZING A LAND SALE AGREEMENT WITH FATHERS RISE TOGETHER FOR DEVELOPMENT OF AFFORDABLE HOUSING

A resolution to acquire land from St. Louis County for \$500 was passed back in October. There was an agreement with the City to do the demolition and to pass it through to Fathers Rise Together. This project results in at least a 3-bedroom home which will be for gentleman who have just been released from the public justice system. This initiative is to help reintegrate these individuals back into the community. Commissioner Tomanek asked if there are upper limit constraints on the build. The resolution stated the home had to be at least a 3 bedroom and be 2,000 sq. ft. Brett Crecelius of the housing team with the City of Duluth provided there are no upper limits. The neighborhood is made up of single-family homes. Commissioner Tomanek inquired about upper limit constraints because if the project were to build an 8-bedroom home, the neighborhood may not be able to accommodate that request. The lot layout only has a certain amount of footage and you can only place a certain sized home there. If the request for an 8-bedroom home was presented, it would likely exceed the maximum sq footage allowed per lot which would come out in the zoning and permitting process.

Commissioner Randorf asked if the plan was to have one gentleman living in the home with his family or if multiple unrelated parties would be living there. The goal for the project would be three unrelated individuals. This will be a dormitory style housing and their families will not be on site.

Vote to approve resolution 23D-13: (Randorf/Tomanek) Vote: Passed (4-0) (McEntyre recused from the vote).

Note: the chair duties have moved from Commissioner Randall back to President McEntyre.

RESOLUTION 23D-14: RESOLUTION AUTHORIZING A TERMINATION AGREEMENT WITH 1 LLC RELATED TO THE REBUILD DULUTH PROGRAM

Director Fleege provided this resolution was part of the Rebuild Program. Unfortunately, they were unable to meet the construction schedule so we are terminating the agreement and the property will be transferred back to DEDA. The housing team will be looking for other projects for these infill sites. Brett Crecelius provided the deadlines were not met due to cost constraints. There was no development or disruption on the site.

President McEntyre asked if the company would come back at a later time to try to re-purchase the property. At this time the housing team is evaluating all of the Rebuild Duluth sites to see what worked

and what did not.

Vote to approve resolution 23D-14: (Tomanek/Randorf) Vote: Passed (5-0).

RESOLUTION 23D-15: RESOLUTION AUTHORIZING TERMINATION AGREEMENT WITH URBAN VENTURES, LLC RELATED TO THE REBUILD DULUTH PROGRAM

Commissioner Randall provided comment on this resolution. Gary Johnson reached out via phone to Commissioner Randall and said he may have a plan to re-work the project. Brett Crecelius did verify he has spoken with Mr. Johnson on several occasions. The Housing Team is asking to terminate the current agreement to maintain the same policy for all of the Rebuild Duluth participants. The construction deadlines have not been extended more than once for the program. That way no one developer will be allowed extra time. Commissioner Randorf asked how many more agreements could go into default. Brett Crecelius noted there is one more agreement from the second round of Rebuild Duluth that has a deadline of this year. If the project is not completed it has an extension and if it is not completed after that time, it will be recalled as well.

Vote to approve resolution 23D-15: (Randorf/Forsman) Vote: Passed (5-0).

RESOLUTION 23D-16: RESOLUTION AUTHORIZING TERMINATION AGREEMENT WITH SPIRIT VALLEY CITIZENS NEIGHBORHOOD DEVELOPMENT ASSOCIATION

This is an agreement with Spirit Valley Citizens Neighborhood Development Association (SVCNDA) that occurred back in 2004. The original project was the conveyance of the land for two low to moderate income homes. After the conveyance of the land, SVCNDA realized the soils were unsuitable and the site was a brownfield. In October of 2004, DEDA did a release to right of reconveyance, but it was never signed and recorded. We are now terminating the agreement and SVCNDA is moving forward with a non-profit partner to do two moderate income homes that are net zero homes on the site. The end result of the site will be pretty similar to the intent of the original conveyance. They have identified funding to clean up the brownfield.

Vote to approve resolution 23D-16: (Randorf/McEntyre) Vote: Passed (5-0).

DISCUSSION

- DIRECTOR'S REPORT

Director Fleege shared there have been some discussions with a few Commissioners around the attendance policy in the DEDA bylaws. Some of the Boards and Commissions have a 3 miss policy. The attendance requirement could be built into the bylaws. Director Fleege was looking for some feedback on an addition to the bylaws. Commissioner Tomanek commented she asked for our lobbyists to change the laws because it can be difficult, on any night, for people to attend meetings. The Commissioner asked for staff to strongly consider the addition to the bylaws and to make the requirement specific. There was discussion about making hybrid or zoom meetings more accessible to more people.

Commissioner Forsman was curious which other boards or commissions have the 3 miss policy. Director Fleege noted that the Planning Commission has the 3 miss policy, but staff was unprepared to speak to which other boards and commissions may have the same policy in place. Up to now we are unable to do hybrid meetings unless a state of emergency was declared. Commissioner Forsman asked if the board was capped at 7 Commissioners. Legal counsel verified the board is capped at 7 via resolution.

Commissioner Randorf noted this is important work that is done and board members need to show up and do this difficult work. She strongly encouraged an attendance policy.

Attorney Jean Coleman introduced herself to the DEDA Commissioners.

9. ADJOURN: President McEntyre adjourned the February 22, 2023 meeting of DEDA 5:41 p.m.

Respectfully submitted,

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Chris Fleege—Executive Director