

**MEETING OF THE
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
Wednesday, February 22, 2012 - 5:15 p.m.
Room 303, City Hall**

MINUTES

Call To Order: The February 25, 2012, meeting of DEDA was called to order by President Monaco at 5:16 p.m.

Present: Nancy Aronson Norr, Jay Fosle, Dan Hartman, John Heino, Emily Larson, Don Monaco

Absent Excused: Christine Townsend

Others Present: Bob Asleson, Bill Burns, Joan Christensen, Drew Digby, Susan Fauver, Brian Gorecki, Christine Gradl Seitz, Adam Guggemos, Brian W. Hanson, Adam Jagunich, Ken Johnson, Pam Kramer, Christa Lawler, Bronwyn Lipinski, Kathy Marinac, Mark McShane, Herbert Minke, Jena Pike, Kevin Scharnberg, Dana Thayer, Heidi Timm-Bijold, Tom Wheeler

APPROVAL OF MINUTES: January 25, 2012. Accept as written. Vote: Unanimous Hartman/Heino (6-0)

RESOLUTIONS FOR APPROVAL

NEW BUSINESS

1. **RESOLUTION 12D-08: RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH SHERMAN ASSOCIATES, INC FOR REDEVELOPMENT OF THE NORSHOR THEATRE**

Staff: Hanson gave a power point presentation about the NorShor Theatre MOU with Sherman Associates that included information about vision & objectives, a time line, theatre design, milestones of the project, sources & uses, and DEDA's return on investment. Susan Fauver and Brian Gorecki from Sherman Associates, Ken Johnson from SJA, and Christine Gradl Seitz from the Duluth Playhouse all provided information and insight as well.

Norr leaves at 6:35 PM

Discussion: A robust discussion was held between Commissioners, staff and guests about topics including the skywalk, the Playhouse, TIF funding, other venues in town, and neighboring businesses. Hanson explained that this is an MOU, not a development

agreement. When a development agreement is brought to the DEDA Board for another vote, it will be very detailed on all items.

Heino motioned that the contract be amended to replace "City" with "DEDA" in paragraph 4 F, and add a phrase to the contract that any commitments of the parties involved are subject to their legal power and authority to make them.

Vote to Approve Resolution 12D-08: Passed as amended Heino/Hartman (4-1) Fosle

2. RESOLUTION 12D-09: RESOLUTION AUTHORIZING A SUBLEASE AGREEMENT WITH TECH VILLAGE, LLC

Staff: McShane explained that the Tech Village, LLC requested to lease DEDA space that is adjacent to current Tech Village LLC space on the ground floor. The combined DEDA and Tech Village LLC space will be leased to a new tenant.

Discussion:

Vote to Approve Resolution 12D-09: Passed Unanimously Larson/Hartman (5-0)

3. RESOLUTION 12D-10: RESOLUTION AUTHORIZING A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH BARR ENGINEERING COMPANY FOR MANAGEMENT OF ENVIRONMENTAL CLEANUP AT THE ATLAS INDUSTRIAL PARK SITE

Staff: Timm-Bijold explained that because of recently identified environmental conditions at Atlas, BARR had to take a new course and provide an updated scope of work. This will result in an increase in the amount of the contract, but this will not impact DEDA's budget because other grants will cover these costs.

Discussion:

Vote to Approve Resolution 12D-10: Passed Unanimously Heino/Hartman (5-0)

DISCUSSION

1. STAFF REPORT

- a) Hanson posed some dates for a strategy session. It was suggested to include evening/weekend dates in order to try to have all seven Commissioners involved. Hartman would like to see the previous strategic plan summary.
- b) Hanson received good feedback regarding the DEDA mission and hopes to have a resolution at the March DEDA meeting.
- c) The business subsidy policy was pulled by Administration at the Council meeting and staff has not had time to work on it yet. It is anticipated that it will be brought to the City Council in March, and then back to DEDA.

- d) DEDA has the power to issue Revenue Bonds which involve fees. DEDA has not been using this tool very frequently because the fees are too high to be competitive. Bond Council has said that DEDA has one of 3 of the highest fees in the state. A resolution to update our Revenue Bond fee schedule will be coming in March, along with a deal using Revenue Bonds with the updated fees.

Hartman asked if, as an option, the DEDA packet could be sent electronically to the Commissioners instead of a paper packet.

ADJOURNMENT: President Monaco adjourned the February 22, 2012 meeting of the DEDA at 8:13 p.m. Heino

Respectfully submitted,



Brian W. Hanson
Executive Director

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