

..Title

RESOLUTION AUTHORIZING A CLEANUP GRANT APPLICATION TO THE MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT FOR THE DULUTH PAPER MILL EXPANSION

..Body

CITY PROPOSAL:

BE IT RESOLVED that the city of Duluth has approved the Contamination Cleanup grant application submitted to the Department of Employment and Economic Development ("DEED") on or about November 1st, 2024, by the city to support environmental remediation at the Duluth Paper Mill expansion site.

BE IT FURTHER RESOLVED that the city act as the legal sponsor for project contained in the Contamination Cleanup Grant Program to be submitted on or about November 1st, 2024 and that the proper city officials are hereby authorized to apply to DEED for funding of this project on behalf of the city.

FURTHER RESOLVED that the city has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate project and grant administration.

FURTHER RESOLVED that the sources and amounts of the local match identified in the application are committed to the project and have been identified. ~~with said match to be provided by Sofidel.~~

FURTHER RESOLVED that the city has not violated any federal, state or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

FURTHER RESOLVED that upon approval of its application by the state, the city may enter into an agreement with the State of Minnesota for the above-referenced project, and that the city certifies that it will comply with all applicable laws and regulation as stated in all contract agreements.

FURTHER RESOLVED that the ~~proper city officials~~ mayor or their designee are hereby authorized to execute such agreements as are necessary to implement the project on behalf of the city.

..Statement of Purpose

STATEMENT OF PURPOSE: This resolution expresses the City of Duluth's support for Sofidel America's expansion to add a converting facility and automatic warehouse to the Duluth Paper Mill site. This project will add 160 new jobs, bringing the plant up to similar employment levels as a former owner, Verso. The Duluth Paper Mill was originally founded in 1987 and closed in 2020. Sofidel purchased the building from ST Paper earlier this year and they will invest approximately \$180M in this expansion.

This resolution authorizes staff to submit an application to the Minnesota Department of Employment and Economic Development for an award and/or rebate from the Minnesota Department of Employment and Economic Development's Contamination Cleanup grant, and execute any necessary agreements required.