

Nicole R. Johnson VP-ALLETE and Chief Administrative Officer 218-723-7557 *e-mail <u>nrjohnson@allete.com</u>*

May 4, 2020

Mr. Noah Schuchman Chief Administrative Officer City Hall, Room 402 411 West First Street Duluth, MN 55802 nschuchman@DuluthMN.gov

RE: West Plaza Design Approval

Dear Mr. Schuchman:

Minnesota Power, a division of ALLETE, Inc., is seeking approval from the City of Duluth for a new design concept for the West Plaza adjacent to ALLETE corporate headquarter offices at 30 W. Superior Street. Please know that we recognize the challenging time we are all facing with the current COVID-19 pandemic and the many competing priorities for our time, resources, and service. We also recognize the unique opportunity that the Superior Street reconstruction project presents in terms of a renewed design for the West Plaza. It is in that spirit that, in 2019, we embarked on a robust Stakeholder Design Process where Minnesota Power/ALLETE collaborated with community leaders to create design elements that emphasize public and handicap accessibility, connectivity to the Canal Park district, an open sense of place for community gatherings, vehicle access for permitted activities and a point of pride as the gateway to the newly constructed Superior Street and Downtown Business District. While a construction schedule has not been finalized at this time, we are requesting an expedited review of the plans attached in order to create a bidding package and determine cost estimates, which will inform our implementation plans while also considering the COVID-19 and current economic environment. Our hope is to begin construction and incorporate amenities and features in these plans, as budgets will allow. If it is determined that construction or some elements will have to be modified or eliminated, or phased in over time due to budget constraints, we will review and update the City of Duluth accordingly. Our focus will remain on assuring that public access is maintained as well as compliance with ADA requirements and with each phase, as applicable, present a finished-looking Plaza suitable for public uses.

Under the current and still in force <u>1985 Lake Avenue Plaza Development Agreement language</u>, Article VIII and Article XIII read:

Article VIII – Changes in Plaza Improvements

Parties hereto acknowledge that either City or MP may at any time after the completion of construction request changes in the landscaping and amenities shown on the PAC plans and

specifications. Any party may request such change at any time by sending notice of said request to the other party. Accompanying said notice shall be architectural plans in at least the "design-development" state showing the proposed changes and a statement of proposed maintenance obligations for such changes. In the case of city, any such change shall be subject to approval by the City in the form of a duly authorized resolution. In the case of MP, approval shall be evidenced by written executive approval on behalf of MP. Without the approval of the other party, no change from such PAC plans and specifications shall be permitted. In any event, the party proposing the change shall be responsible for all costs for any such change except as the other party ay affirmatively agree to contribute to the costs thereof. [Remainder of Article not applicable and not included here.]

Article XIII – Notices

Any notice, demand or other communication under this Agreement by either party to the other party shall be deemed to be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, to:

In the case of the City: City of Duluth City Clerk's Office Room 102 City Hall Duluth MN 55802

As we are moving very quickly to finalize the First Amendment to the Lake Avenue Plaza Development Agreement, which was recently approved as part of the April 27th consent agenda, I am including the terms and conditions embodied within that Agreement addressing changes to the Plaza. It is our intent as your corporate partner to abide by the spirit of both the current and future agreements as it pertains to the Plaza design, review and approval process, with the exception as to the speed in which we seek the City's approval. The <u>new language of the First Amendment</u> is outlined below:

Article VIII. Future Modifications to the Plaza Areas.

In the event the City or MP desire to modify the Plaza Areas, then, prior to any Α. modification, the party desiring such modification shall submit to the other party written notice of the proposed modification (the "Proposed Improvement"), together with (i) plans and specifications for the Proposed Improvement in at least the "design-development" state, and (ii) a statement of proposed maintenance obligations for the Proposed Improvement. Upon receipt of the notice, the party receiving the notice shall have sixty (60) days to approve or reject the Proposed Improvement in writing, unless the party submitting the Proposed Improvement shall agree in writing to a longer time period, in which case said longer time period shall apply. The approval of the party receiving notice of the Proposed Improvement shall not be unreasonably withheld. Neither party shall commence construction of a Proposed Improvement unless (a) approved by the other party to this Agreement, or (b) the sixty (60) day period referenced above has expired without a response from the other party. In the event that construction of a Proposed Improvement necessitates an amendment to this Agreement, including but not limited to Article VII, the parties shall enter into an amendment to this Agreement prior to commencement of construction of the Proposed Improvement, and such amendment shall be recorded in the Office of the St. Louis County Recorder.

B. While a party is constructing a Proposed Improvement, it shall maintain a current set of plans and specifications developed pursuant to the process identified above (the "Modification Plans"). Upon completion of a Proposed Improvement, the party constructing the Proposed Improvement shall provide the other party with the "as built" plans for the Proposed Improvement.

C. In the case of the City, approval of any Proposed Improvement shall be evidenced by a duly authorized resolution of the City Council, or such other applicable approval process as may be applicable at that time.

D. In the case of MP, approval of any Proposed Improvement shall be evidenced by written executive approval on behalf of MP, or such other approval as may be applicable at that time.

E. Unless otherwise agreed by the parties in writing, payment of all costs, including but not limited to construction, architectural and engineering costs, of a Proposed Improvement shall be by the party making the Proposed Improvement.

Minnesota Power/ALLETE commits to following the maintenance obligations under the original agreement as well as the recently approved First Amendment as it applies to the redesigned and constructed West Plaza.

Representatives of Minnesota Power/ALLETE will be reaching out to the individual council members to share information regarding the Stakeholder Design Group process and the development concepts as well as have representatives on hand for the Council's May 7th Agenda Session. It is our goal as stated above to achieve alignment with your administration on the design elements and planned approach in order to meet an anticipated construction timeline for 2020/2021, again as budgets will allow.

We welcome your guidance, questions or any clarification regarding this request. While we will need to be thoughtful regarding project phasing in light of the current and evolving economic realities we all face, it is our genuine hope that the re-envisioned plaza can one day serve as an even more wonderful place of healing and gathering for our community and our employees well into the future.

Sincerely,

Mari gamo

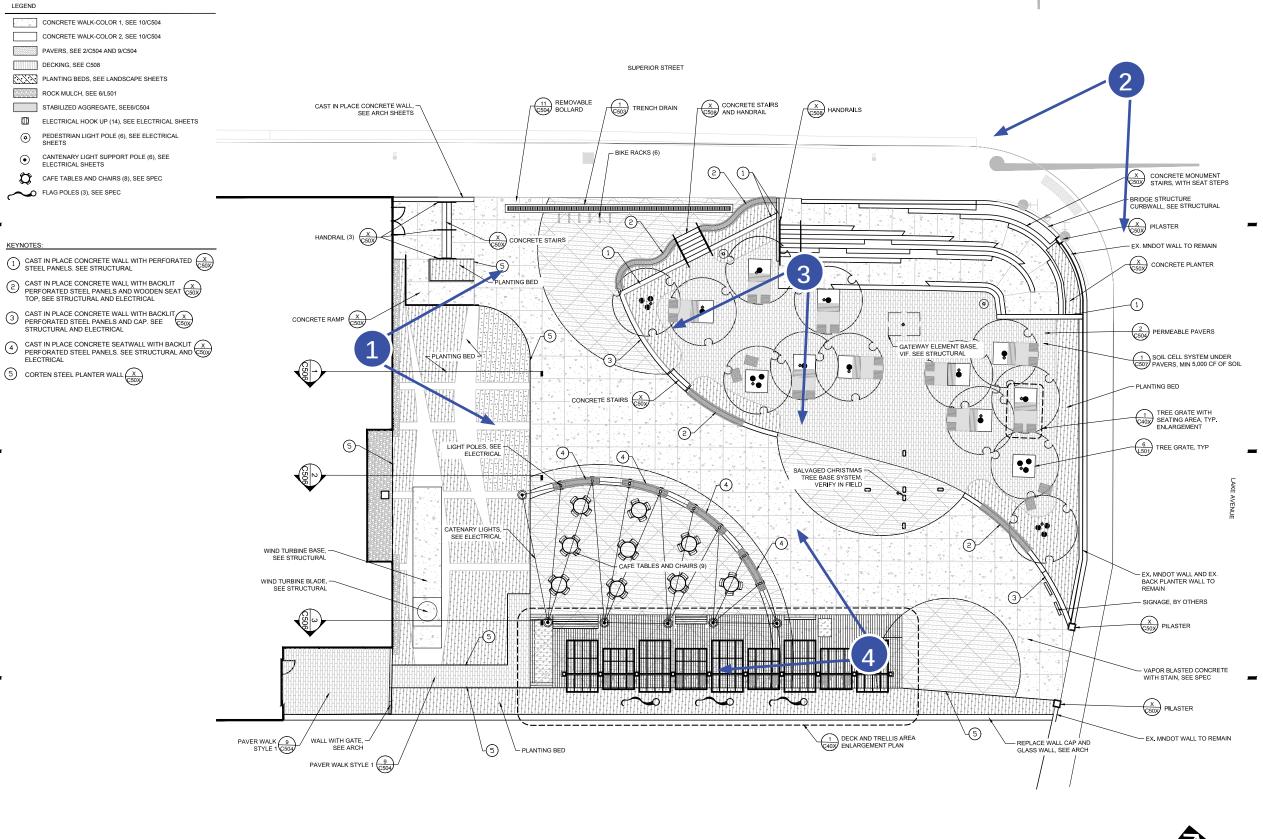
Nicole R. Johnson

NRJ:sr

Cc: Duluth City Clerk via registered mail Mayor Emily Larson, City of Duluth Henry Martinsen, City of Duluth Adam Fulton, City of Duluth

Attachment

View Key



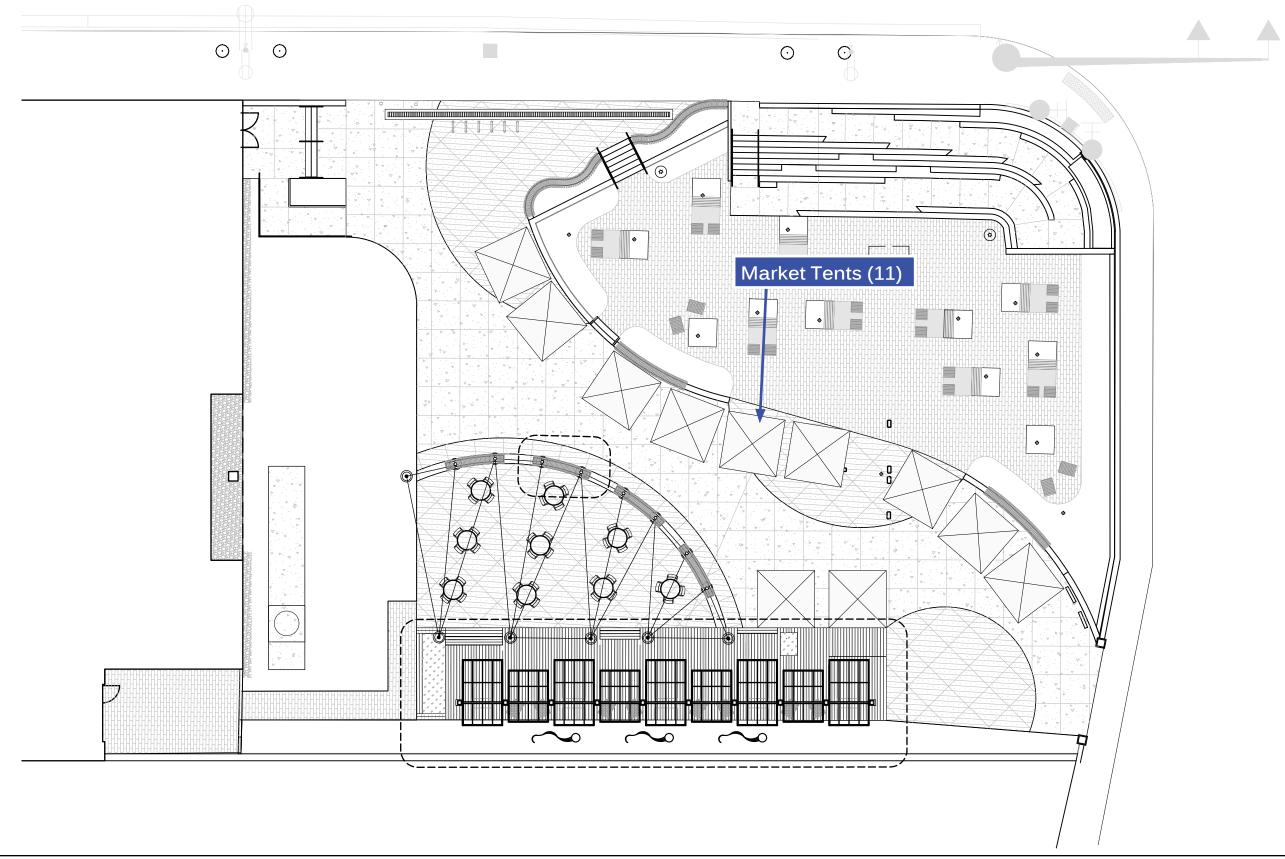
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Attachment 1 of 2





Market tent layout option



West Plaza (also known as Lake Superior Plaza) ALLETE Design Proposal 05.04.2020

Attachment 2 of 2

