

# EXHIBIT 1

## PEDESTRIAN PASSAGEWAY (SKYWALK SYSTEM) AGREEMENT

This Pedestrian Passageway Agreement (this "Agreement") is made on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between Minnesota Power, a division of ALLETE, Inc., a Minnesota Corporation ("Grantor"), and the CITY OF DULUTH, a municipal corporation created and existing under the laws of the State of Minnesota ("Grantee").

### WITNESSETH:

A. Grantee has constructed or will construct a public downtown skywalk system providing enclosed pedestrian passageways and skywalk bridges connecting numerous buildings within the downtown area of Duluth, Minnesota (the "Skywalk System").

B. Grantor is the owner of the real property legally described on Exhibit A attached hereto and made a part hereof, which includes a portion of the building commonly referred to as the "Minnesota Power Headquarters Building."

C. Grantor has constructed a stairway within the real property described at Exhibit A, in the location depicted on Exhibit B attached hereto and made a part hereof, (the "Stairway"), which connects to an existing skywalk pedestrian bridge running from the Minnesota Power Headquarters Building to the Lake Superior Place Building (the "Bridge"). That said Stairway is considered "access facilities" as defined in Duluth City Code, Chapter 44A, Sec. 44A-1.

D. Grantor and Grantee desire to enter into this Agreement in order to provide ingress and egress over and across the Stairway and to include the Stairway in the Skywalk System.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Easement. Grantor, for itself and its successors and assigns, as owner of the real property legally described on Exhibit A, does hereby grant unto Grantee, a perpetual, non-exclusive easement for pedestrian passageway purposes solely for ingress and egress over and across the Stairway as depicted on Exhibit B between Superior Street and the Bridge (the "Easement").

2. Operation, Repair and Maintenance. Grantor shall operate, maintain and repair the Stairway, including but not limited to providing adequate security, heat, lighting, and routine housekeeping at Grantor's sole expense and in conformance with the Duluth City Code, Chapter 44A, as it may be amended or replaced from time to time.

Grantor shall install standard Skywalk System signage within the Stairway and immediately outside the entrances to the Stairway, at the direction of Grantee.

3. Security. It is specifically understood that in recognition of Grantor's increased security needs due to its status as a regulated public utility provider, Grantor shall have the right, from time to time, to remove any person or persons from the Stairway that Grantor, in its sole

discretion, determines creates a security or safety issue to Grantor's property, its employees, guests, contractors or agents.

4. Hours of Operation. Grantor shall keep the Stairway open to pedestrian traffic for the minimum hours of 7:00 a.m. to 7:00 p.m., Monday through Saturday, unless otherwise agreed to by the parties, taking into account both the needs of Grantee with respect to the Skywalk System and its users and the operational and security needs of Grantor. In the event of an emergency, or exigent circumstances, Grantor may close the Stairway and provide notice of such closure to Grantee as soon as practicable. Grantor may, in its sole discretion, keep the Stairway open longer than the minimum hours set forth above.

5. Temporary Closing. Nothing contained in this Agreement shall prevent Grantor from temporarily closing access to the Stairway, for a reasonable period of time when necessary to permit repairs, replacement, maintenance, alterations, and/or additions to the Stairway.

6. Damage or Destruction of Stairway. If the Stairway, or any portion thereof, is destroyed by fire or other casualty, Grantor shall forthwith repair, reconstruct and restore the Stairway to substantially the same scale and condition, quality and value, as existed prior to the event causing such damage or destruction. To the extent necessary to accomplish such repair, reconstruction and restoration, Grantor shall apply the proceeds of any insurance received by Grantor. Grantor shall complete the repair, reconstruction and restoration of the Stairway regardless of whether insurance proceeds received are sufficient to pay for such repair, reconstruction and restoration.

7. Insurance. Grantor shall maintain, at its sole cost, the following insurance: (i) property insurance in an amount sufficient to restore the Stairway as required by Section 6 above; and (ii) general liability insurance in limits of not less than \$1,500,000 per occurrence for property damage and/or bodily injury. Such required insurance may be maintained by Grantor through a program of self-insurance. In the event Grantor obtains insurance as set forth in (i) and (ii) herein, Grantor agrees to provide a minimum of thirty (30) days written notice to Grantee prior to cancellation, non-renewal, or material modification. Grantor shall provide Grantee with proof of required insurance, in form acceptable to Grantee, upon Grantee's reasonable request. Insurance policies maintained by Grantor shall be issued by responsible insurance companies licensed to do business in the State of Minnesota. An umbrella or excess policy over self-insured retentions is an acceptable method to provide the required insurance.

8. Indemnification and Hold Harmless. Grantor shall assume all risks of, and indemnify and hold harmless, and at Grantor's expense, defend Grantee from and against any claim, loss, cost, legal actions, liability or expense (including without limitation attorney's fees and costs of appeal) on account of personal injury to or death of any person whomsoever, including but not limited to employees of Grantee, or damage to or destruction of property to whomsoever belonging, including but not limited to property of Grantee, that arises out of or results from or is related to, partly or wholly, directly or indirectly, Grantor's operation, repair or maintenance obligations or any other obligation set forth in this Agreement. Notwithstanding the foregoing, nothing herein contained is to be construed as an indemnification by Grantor against the sole negligence of Grantee, its officers, employees or agents.

Grantee shall assume all risks of, and indemnify and hold harmless, and at Grantee's expense, defend Grantor from and against any claim, loss, cost, legal actions, liability or expense (including without limitation attorney's fees and costs of appeal) on account of personal injury to or death of any person whomsoever, including but not limited to employees of Grantor, or damage to or destruction of property to whomsoever belonging, including but not limited to property of Grantor, that arises out of or results from or is related to, partly or wholly, directly or indirectly, Grantee's use of the Stairway, operation of the Skywalk System and any other obligation set forth in this Agreement. Notwithstanding the foregoing, nothing herein contained is to be construed as an indemnification by Grantee against the sole negligence of Grantor, its officers, employees or agents

9. Notice. Notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or by reputable overnight carrier, or delivered personally and delivered to:

TO GRANTOR: ALLETE, Inc.  
Attn: Real Estate Services  
30 West Superior Street  
Duluth, MN 55802

TO GRANTEE: City of Duluth  
Attn: City Clerk  
City Hall, Room 318  
411 West First Street  
Duluth, MN 55802

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

11. Severability. If any term of this Agreement or any application thereof shall be invalid or unenforceable the remainder of this Agreement and any other application of such term shall not be affected thereby.

12. Continuing Obligations. This Agreement, together with all the terms, covenants and conditions contained herein, shall be deemed to run with the land and to be binding upon the respective parties, and their respective successors and assigns, if any.

13. Use of Easement. It is agreed and understood by the parties hereto that the Easement is not to be construed as being granted to the exclusion of Grantor, its successors and assigns. In the event Grantee, its successors or permitted assigns, no longer uses the Easement for public pedestrian passageway purposes, the Easement shall terminate subject to vacation proceedings as provided by law.

14. Compliance. The parties shall comply strictly with all applicable Federal, State, County and municipal laws, rules, ordinances and regulations relating to all activities contemplated under this Agreement. Such strict compliance shall include but is not limited to laws, rules, ordinances and regulations governing fire and prevention of fire, steam diversion, pollution, public health, permitting and licensing.

15. Relocation of the Stairway. Grantor may modify the location of the Stairway, subject to written approval by Grantee in the form of an amendment to this Agreement, which approval shall not unreasonably be withheld or delayed. Such modified Stairway location shall facilitate pedestrian access to the Skywalk System to and from Superior Street and shall be of at least similar area and dimensions as the original location. Together with its request for approval of a Stairway location modification, Grantor shall submit to Grantee complete plans and specifications for said modification showing that the modification will be of at least comparable character, quality and functionality as the Stairway, including but not limited to factors of size, configuration, materials, signing and furnishings and shall also submit proof of ability and methodology for payment therefor. In the event Grantee agrees to modify the location of the Stairway, Grantor shall also prepare, in form acceptable to Grantee, an amendment to this Agreement modifying the location of the Stairway and the Easement, which shall be recorded in the St. Louis County real estate records at Grantor's expense. All expenses relating to modifying the location of the Stairway, including but not limited to expenses relating to removing or closing the then-existing Stairway, shall be borne by Grantor.

16. Counterparts. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one agreement, binding on the parties, even though all parties are not signatories to the same counterpart.

17. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties as to the Stairway, and supersedes any prior oral or written agreements with respect to the matters stated herein.

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## **EXHIBIT A**

### **Legal Description**

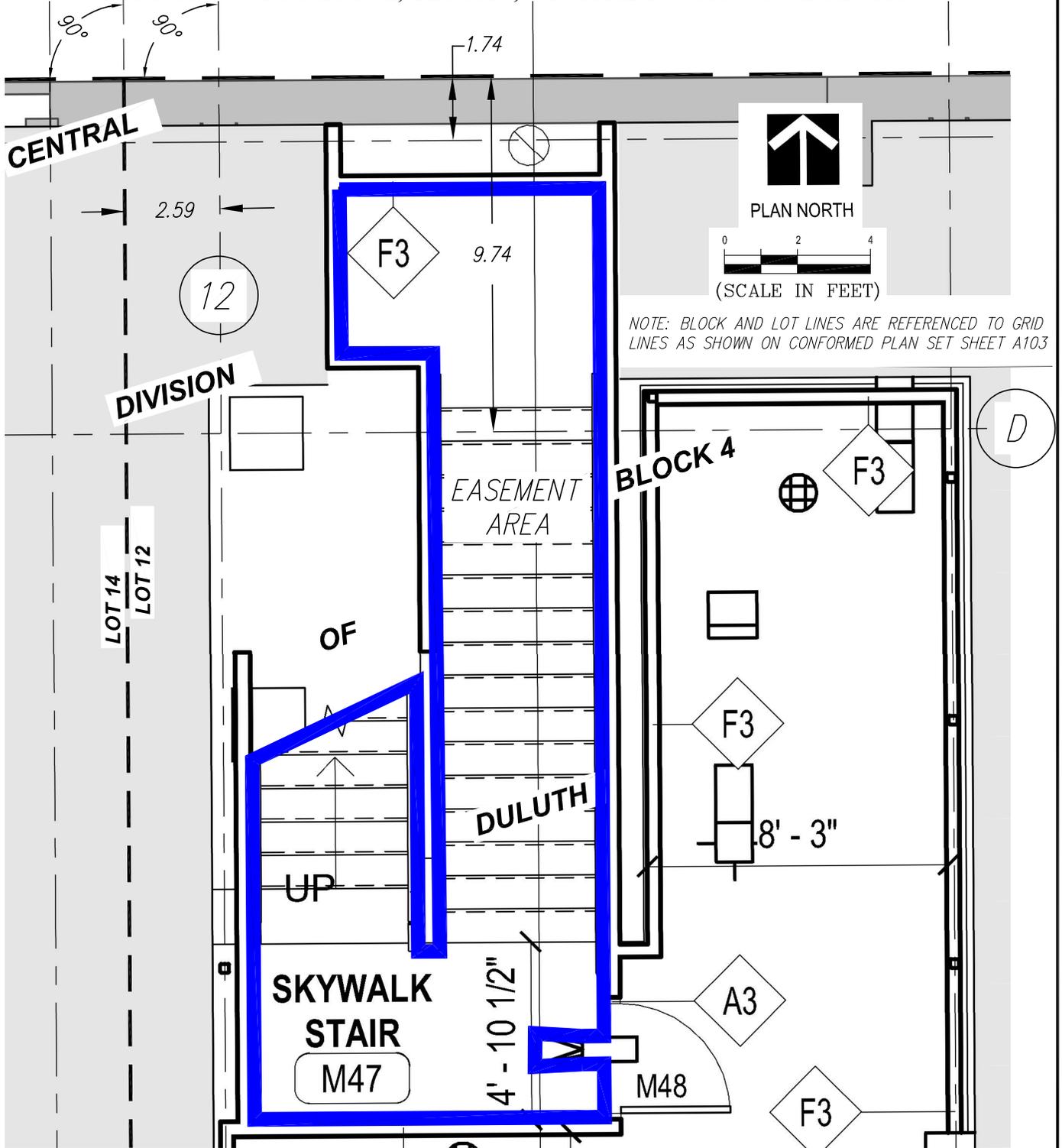
The West half (W ½) of Lot 12, Block 4, Central Division of Duluth, according to the plat thereof on file and of record in the office of the County Recorder in and for St. Louis County, Minnesota.



# EXHIBIT B

SKYWALK - MEZZANINE LEVEL

PART OF W 1/2 OF LOT 12, BLOCK 4, CENTRAL DIVISION OF DULUTH



NOTE: BLOCK AND LOT LINES ARE REFERENCED TO GRID LINES AS SHOWN ON CONFORMED PLAN SET SHEET A103

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Print Name: Paul A. Vogel License # 44075

Signature:  Date: 08/21/2020

DATE PREPARED: 8/21/20

PROJ NO: 200217

FILE: 200217vEXHIB

SHEET 2 of 4 SHEETS



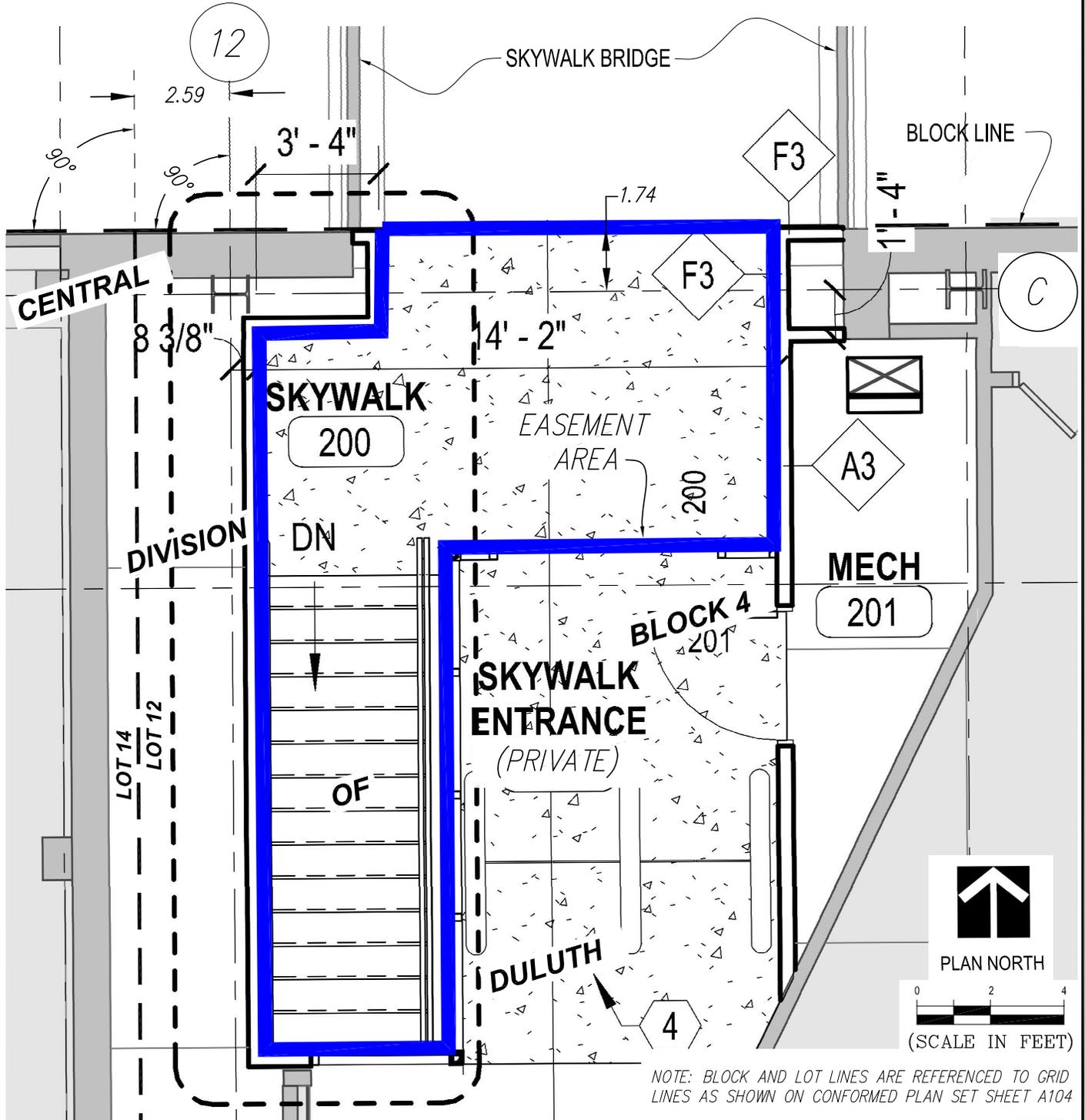
**PERFORMANCE  
DRIVEN DESIGN.**  
LHBcorp.com

21 W. Superior St., Ste. 500 | Duluth, MN 55802 | 218.727.8446

# EXHIBIT B

SKYWALK - LEVEL 2

PART OF W 1/2 OF LOT 12, BLOCK 4, CENTRAL DIVISION OF DULUTH



NOTE: BLOCK AND LOT LINES ARE REFERENCED TO GRID LINES AS SHOWN ON CONFORMED PLAN SET SHEET A104

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Print Name: Paul A. Vogel

License # 44075

Signature: 

Date: 08/21/2020

DATE PREPARED: 8/21/20

PROJ NO: 200217

FILE: 200217vEXHIB

SHEET 3 of 4 SHEETS



PERFORMANCE DRIVEN DESIGN.

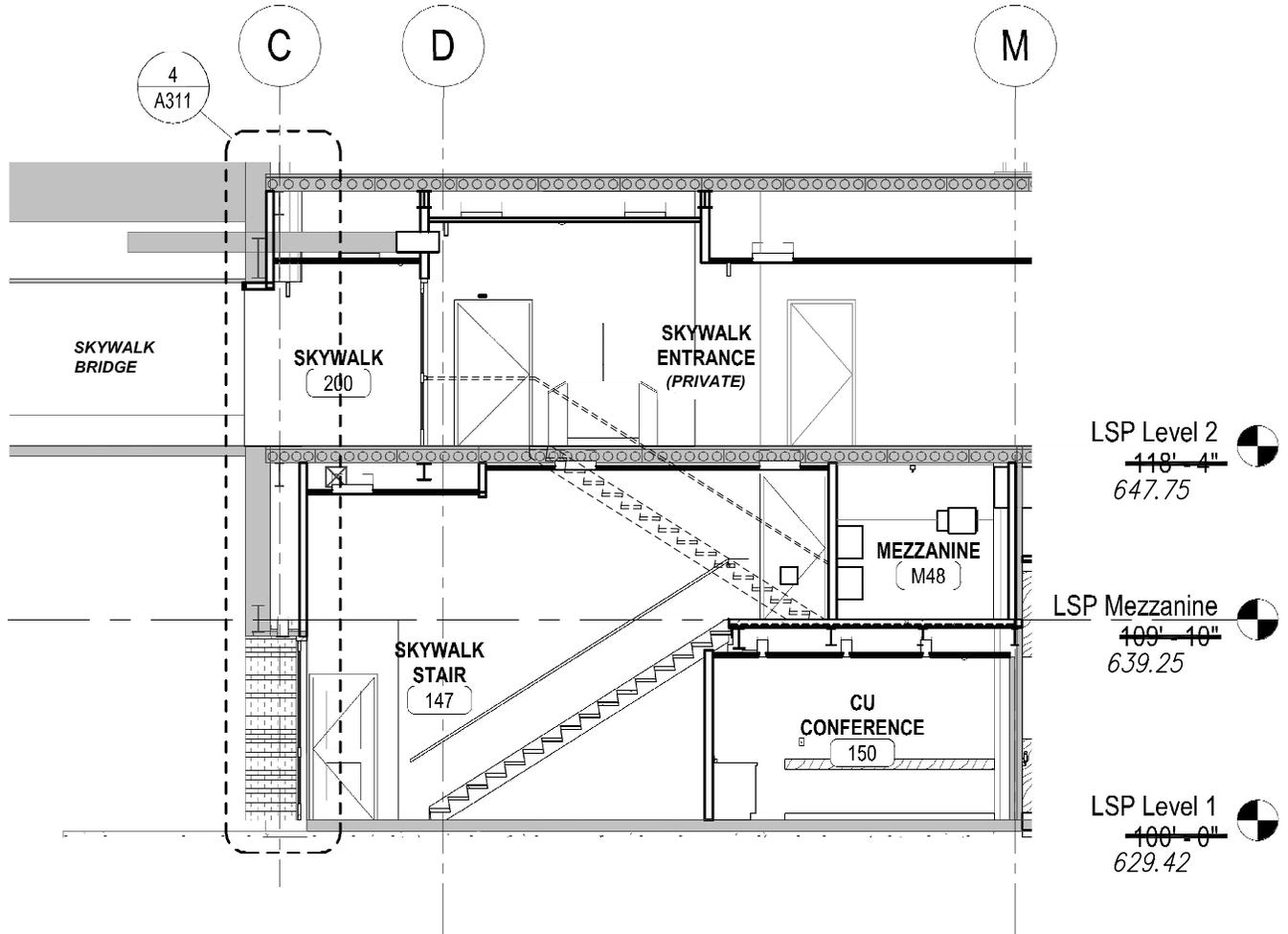
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# EXHIBIT B

## SKYWALK - ELEVATIONS

PART OF W 1/2 OF LOT 12, BLOCK 4, CENTRAL DIVISION OF DULUTH



### 3 SECTION AT SKYWALK STAIR

NOTE: ELEVATION ARE BASED ON THE NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD 88) IN FEET

NOTE: ELEVATION SECTION ABOVE IS REFERENCED TO CONFORMED PLAN SET SHEET A301

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Print Name: Paul A. Vogel

License # 44075

Signature: 

Date: 08/21/2020

DATE PREPARED: 8/21/20

PROJ NO: 200217

FILE: 200217vEXHIB

SHEET 4 of 4 SHEETS



PERFORMANCE DRIVEN DESIGN.

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