

# EXHIBIT 1

**State of Minnesota  
General Obligation Bond Financed Property  
DECLARATION TO BE RECORDED WITH DEED TO PROPERTY**

The undersigned has the following interest in the real property located in the County of St. Louis, State of Minnesota that is legally described in **Exhibit A** attached and all facilities situated thereon (collectively, the “Restricted Property”):

(Check the appropriate box.)

- a fee simple title (5/8<sup>th</sup> interest),
- a lease, or
- an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is hereby made subject to the following restrictions and encumbrances:

- A. The Restricted Property is bond financed property within the meaning of Minn. Stat. § 16A.695, is subject to the encumbrance created and requirements imposed by such statute, and cannot be sold, mortgaged, encumbered or otherwise disposed of without the approval of the Commissioner of Minnesota Management and Budget, which approval must be evidenced by a written statement signed by said commissioner and attached to the deed, mortgage, encumbrance or instrument used to sell or otherwise dispose of the Restricted Property; and
- B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain grant contract #108140/3000092577 between the State of Minnesota and the South St. Louis Soil & Water Conservation District, dated May 11, 2016.

The Restricted Property shall remain subject to this State of Minnesota General Obligation Bond Financed Declaration for 125% of the useful life of the Restricted Property (37 years) or until the Restricted Property is sold with the written approval of the Commissioner of Minnesota Management and Budget, at which time it shall be released therefrom by way of a written release in recordable form signed by both the Commissioner of Natural Resources and the Commissioner of Minnesota Management and Budget, and such written release is recorded in the real estate records relating to the Restricted Property. This Declaration may not be terminated, amended, or in any way modified without the specific written consent of the Commissioner of Minnesota Management and Budget.

IN WITNESS WHEREOF, Grantor has executed this Declaration of Restrictive Covenant the day and year shown below.

CITY OF DULUTH

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

STATE OF MINNESOTA                    )  
  ) ss  
COUNTY OF ST. LOUIS                )

This instrument was acknowledged before me on \_\_\_\_\_, 2018, by Emily Larson and Roberta Pirkola, Mayor and City Clerk, respectively, of the City of Duluth, a municipal corporation organized and existing under the laws of the State of Minnesota.

\_\_\_\_\_  
Notary Public

This Instrument was drafted by:

City of Duluth  
Office of the City Attorney  
411 W. First Street, Room 410  
Duluth, Minnesota 55802  
(218) 730-5490

## **EXHIBIT A**

That portion of the North Half of Southwest Quarter (N  $\frac{1}{2}$  of SW  $\frac{1}{4}$ ), Section Thirty-two (32), Township Forty-nine (49), Range Fifteen (15) West lying within 33 feet of the centerline of Sargent Creek;

That portion of the Southwest Quarter of Southeast Quarter (SW  $\frac{1}{4}$  of SE  $\frac{1}{4}$ ), Section Thirty-two (32), Township Forty-nine (49), Range Fifteen (15) West lying within 33 feet of the centerline of Sargent Creek; and

That portion of the following-described property lying within 33 feet of the centerline of Sargent Creek: Northwest Quarter of Southeast Quarter (NW  $\frac{1}{4}$  of SE  $\frac{1}{4}$ ), Section Thirty-two (32), Township Forty-nine (49), Range Fifteen (15) West, EXCEPT railroad right-of-way and EXCEPT a strip of land between N P RY AND SPIRIT LAKE TRANSFER RY 10 20/100 AC, and ALSO EXCEPT that part North and East of SPIRIT LAKE RY R&W 7A.