

EXHIBIT 1

NOTICE OF FUNDING RESTRICTIONS

This NOTICE OF FUNDING RESTRICTIONS is made this ____ day of _____, 2020, by the City of Duluth, a municipal corporation created and existing under the laws of the State of Minnesota (“City”).

WHEREAS, City is the owner of certain real property located in the State of Minnesota, County of St. Louis, legally described on the attached Exhibit A (the “Property”); and

WHEREAS, City has entered into Conservation Partners Legacy Grant Program Grant Contract No. 171361 with the State of Minnesota, acting through its Commissioner of Natural Resources (“State”) for a project entitled “City of Duluth/Merritt Creek Watershed Protection” (the “Grant Agreement”); and

WHEREAS, as a requirement of the Grant Agreement and in accordance with Minn. Stat. § 97A.056, Subd. 15, City is required to record a notice of funding restrictions on the Property.

NOW, THEREFORE, in order to comply with the Grant Agreement, the City does hereby state the following:

City’s interest in the Property shall be administered in accordance with the terms, conditions, and purposes of the Grant Agreement controlling the acquisition of the Property. City’s interest in the Property, or any portion of the interest in the Property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor Heritage Council or its successor. The ownership of the Property transfers to the State if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the Grant Agreement or accomplishment plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation.

This Notice of Funding Restrictions shall run with the land.

EXHIBIT A
Legal Description

All that part of the North Half of the Northeast Quarter (N $\frac{1}{2}$ of NE $\frac{1}{4}$), Section Six (6), Township Forty-nine (49), Range Fourteen (14) West of the Fourth Principal Meridian lying Northerly of a One Hundred foot (100') parcel of land for extension of the boulevard as described in Book of Deeds 623, Page 497.

AND

All that part of the North Half of the Northeast Quarter (N $\frac{1}{2}$ of NE $\frac{1}{4}$), Section Six (6), Township Forty-nine (49), Range Fourteen (14) West of the Fourth Principal Meridian lying Southerly of a One Hundred foot (100') parcel of land for extension of the boulevard as described in Book of Deeds 623, Page 497 and lying within the Westerly Four Hundred Twenty-five and 75/100ths feet (W'y 425.75) feet of the North Half of Northeast Quarter (N $\frac{1}{2}$ of NE $\frac{1}{4}$).

St. Louis County, Minnesota