EXHIBIT 1

DONATION AGREEMENT

This Donation Agreement (this "Agreement") is entered into this ____ day of _____, 2018, by and between David E. Ruble and Patricia A. Ruble-Kelley a/k/a Patricia A. Ruble, married to each other, (collectively, "Donor") and the City of Duluth, a municipal corporation and political subdivision under the laws of the State of Minnesota ("City"). City and Donor are sometimes collectively referred to in this Agreement as the "Parties".

RECITALS

WHEREAS, Donor owns certain real property in St. Louis County, Minnesota, legally described as:

Block 59, PORTLAND DIVISION OF DULUTH

AND

Lots 1, 2, 3 and 4, Block 87, ENDION DIVISION OF DULUTH

together with any and all improvements located thereon and all privileges, rights, easements appurtenant thereto (the "Property").

WHEREAS, upon completion of certain conditions precedent, the Donor wishes to donate the Property to City and City wishes to accept the donation, and the Parties wish to specify the terms and conditions of the donation.

NOW THEREFORE, the Parties agree as follows:

1. Donation of Property. Donor agrees to gift to City the Property by donation on the terms and conditions set forth in this Agreement. City shall not be obligated to accept the deed to the Property if the City Council fails to approve this transaction or if City does not approve of the title or condition of the Property. Donor shall deliver possession of the Property on the date of Closing (defined below).

2. Disclosures to Seller. This donation is **voluntary**. If Donor does not wish to donate the Property to the City, the City will not acquire the Property. The City will not use the power of eminent domain to acquire the Property.

3. Tax Consequences. Donor understands and acknowledges that City makes no representation as to the tax consequences of the transaction contemplated by this Agreement. Donor will obtain independent tax counsel and be solely responsible for compliance with the gift value substantiation requirements of the Internal Revenue Code.

4. Closing. The closing (the "Closing") shall occur as soon as possible following the City Council's formal approval of this transaction (the "Approval"). At Closing, Donor shall deliver to City a Warranty Deed in a form approved by City transferring good and marketable fee simple

title to the Property from Donor to City, together with all other documents necessary to complete the transaction contemplated by this Agreement. City may terminate this Agreement by delivery of written notice to Donor within 30 days of this Agreement if the City Council fails to approve this transaction or if City does not approve of the title or condition of the Property. In such event, this Agreement shall automatically terminate upon delivery of City's written notice and the Parties shall be relieved from any further obligations pursuant to this Agreement.

5. Fees. Donor shall be responsible to pay all real estate taxes for the Property for the year 2017 based upon the latest available tax statement (including all penalties and interest). Donor will be responsible for the payment of the cost of recording the Deed, the City Council resolution, any real estate transfer tax or conveyance fees, and any other costs and expenses required to effectuate the transfer contemplated by this Agreement. At Closing, Donor will deposit funds with City in an amount necessary to cover the real estate taxes and costs Donor is responsible for under this Agreement. Donor shall be responsible for the following estimated costs associated with the transfer of Property, which costs may change prior to or at Closing:

$496.16	2017 Second half year taxes for Parcel No. 010-1480-06190
$172.00	Recording fees (3 Certificates of Title)
$ 1.65	Deed tax
$669.81	Total

6. Title. The City shall conduct its own due diligence in relation to the condition of title to the Property. Donor shall convey marketable title to the Property to the City subject only to the following title exceptions (collectively, the "Permitted Encumbrances"):

A. Reservations of minerals or mineral rights by the State of Minnesota, if any;

B. Building and zoning laws, ordinances, state and federal regulations;

C. Any other matters consented to by Buyer in writing.

7. Right to Inspect Property. The City may require and/or conduct inspections, tests, and studies with respect to the physical and environmental condition of the Property. The City and its consultants, agents, engineers, inspectors, contractors, and employees must be given reasonable access to the Property for the purpose of performing such due diligence. If the City determines, in its sole discretion, that the physical or environmental condition of the Property is unacceptable to the City, the City may elect to terminate this Agreement in which case the City shall have no obligation to accept title to the Property.

8. Donor Representations. Donor represents the following:

a. Authorization. David E. Ruble and Patricia A. Ruble-Kelley a/k/a Patricia A. Ruble are married to each other. Donor has the full power and authority to enter into this Agreement and to convey title to the Property in accordance with this Agreement. No consent or authorization from any other person, entity or government agency is required for Donor to enter into and perform Donor's obligations under this Agreement except as

has already been obtained. The execution of the Agreement will not constitute a breach or default under any agreement to which Donor is bound and/or to which the Property is subject.

b. Title to Property. Donor has good and marketable title to the Property. Donor has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the Property owned or claimed by anyone other than Donor. Donor has no knowledge that anyone will, at the Closing, have any right to possession of the Property. There are no unsatisfied mechanics' or materialmen's lien rights on the Property. No assessment lien or judgment liens encumber the Property.

c. Legal/Other Proceedings. There is no suit, action, legal, administrative or other proceeding or inquiry pending or threatened against the Property or any portion thereof, or pending or threatened litigation against the Donor which could affect Donor's title to the Property. No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against Donor or Donor's interest in the Property, nor are any such proceedings contemplated by Donor.

d. Hazardous Materials. The Property is not in violation of any federal, state, or local law, ordinance, or regulation relating to the environmental conditions on, under, or about the Property, including but not limited to soil and groundwater conditions. There are no environmental hazards on, under, or about the Property, including but not limited to soil and groundwater conditions. Neither Donor nor any third party has used or installed any underground tank, or used, generated, manufactured, treated, stored, placed, deposited, or disposed of on, under, or about the Property or transported to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials.

Each of the above representations is material and is relied upon by City. Each of the above representations shall be deemed to have been made as of the date of Closing and shall survive the Closing.

9. Additional Documents. Donor and City shall execute such additional documents as may be reasonable and necessary to carry out the provisions of this Agreement.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings.

11. No Merger. This Agreement, each provision of it, and all warranties and representations in this Agreement shall survive the Closing and shall not merge in any instrument conveying title to the City. All representations, warranties, agreements, and obligations of the Parties shall survive the Closing.

12. Waiver. The failure of either Party to enforce any provision of the Agreement shall not be construed as a waiver or limitation of that Party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

13. Miscellaneous. There are no oral agreements that change this Agreement and no waiver of any of its terms shall be effective unless in a writing executed by the parties. Time is of the essence in all terms of this Agreement. This Agreement binds and benefits the parties and their successors in interest. This Agreement shall be construed under the laws of the state of Minnesota. This document may be executed in counterparts, which together shall be deemed an original for all purposes.

14. Notices. Notices sent pursuant to this Agreement shall be sufficient if sent by regular United States mail, postage prepaid, addressed to:

City	Donor
City of Duluth	David E. Ruble
Attn: Property and Facilities Manager	4901 London Road
1532 W. Michigan Street	Duluth, Minnesota 55804
Duluth, MN 55806	

or to such other persons or addresses as the parties may designate to each other in writing from time to time.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date indicated below.

DONOR:

David E. Ruble

Patricia A. Ruble-Kelley a/k/a Patricia A. Ruble

Dated: 1/3/18

CITY OF DULUTH:

By_____
Its Mayor

Attest:_____
Its City Clerk

Date Attested:_____, 2018

Countersigned:

By:_____
Its Auditor

Approved as to form:

By:_____
Its City Attorney