Exhibit B



Planning & Development Division Planning & Economic Development Department

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Room 160 411 West First Street Duluth, Minnesota 55802

To: City Council

From: Adam Fulton, Deputy Director

Date: March 13, 2020

Re: Land Conveyance and Conformance with the City's Comprehensive Plan

Lake Superior Plaza – Lake Avenue and Allete/Minnesota Power

Lake Superior Plaza, located at the western downhill quadrant of the intersection of Lake Avenue and Superior Street, is operated by Allete/Minnesota Power and part of an agreement between Allete/Minnesota Power and the City of Duluth to address its status as a public plaza. Below the plaza is a parking area that, as part of the agreement, is owned by Allete/Minnesota Power. As part of the infrastructure improvements in this area of the city, Allete/Minnesota Power is updating the plaza, and it was during the planning for these updates that discrepancies in the underlying legal status of the property were discovered. The plaza update will result in a major new investment and will improve conditions for pedestrians traveling between downtown and Canal Park, as well as users of the plaza.

Section 2-176 of the City Code requires that the City's Planning Agency "reviews proposals for conveyance for conformity to the City's comprehensive plan and shall have reported its findings in writing to the Council."

The existing and proposed use of the property is as parking owned and operated by Allete/Minnesota Power. The entire area is depicted in Exhibit A, with an extensive legal description which is on file. The conveyance will address several title issues related to the real estate of this area of the City.

Conveyance of the City's interest in the property supports the following Comprehensive Plan principles:

Principle #3: Support existing economic base. Supporting Duluth's existing economic foundation maintains jobs, tax base, and opportunity. Economic activity with specific location requirements may be subject to displacement or site competition with changes in real estate values. This traditional economic activity faces change as a of result of global economic patterns, changing markets, new regulation, and aging of extensive infrastructure. Nevertheless, fundamentals remain and the economic contribution, sometimes taken for granted, is significant.

Principle #7: Create and maintain connectivity. Connectivity is established through our network of streets and highways, transit system, sidewalks, greenways, bikeways, and trails (local and regional). Non-vehicular transportation should be considered an important component of the overall transportation network. Winter maintenance of sidewalks and other public ways is critical to the creation of usable pedestrian systems

Principle #9: Support private actions that contribute to the public realm. Private building construction and site design influence activity in adjacent public areas. Building form, height, setbacks, and detailing affect the adjacent areas. The uses and activities contained in the buildings directly impact the surroundings. Public areas should benefit from adjacent private investment.

Conveyance of a deed in this situation will support improved real estate records in the City of Duluth. After reviewing the proposal, the Planning Agency finds that the proposal implements the principles of the Comprehensive Plan and is in conformance with it.