EXHIBIT 3

STEAM AND HOT WATER UTILITY EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that Minnesota Power, a division of ALLETE, Inc., a Minnesota corporation ("Grantor"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant to City of Duluth, a Minnesota municipal corporation ("Grantee"), in trust for the benefit of the public, a non-exclusive utility easement for steam and hot water equipment purposes, subject to the terms and conditions contained herein, (this "Easement") under and across the following described land situated in St. Louis County, Minnesota:

The easement area conveyed by this document is as described on Exhibit A and depicted on Exhibit B, both of which are attached hereto and made a part hereof (the "Easement Area"). Grantee's utility equipment shall be located below the level of the as-built Lake Avenue and pedestrian plaza located on the Easement Area. Grantee shall have the right to add additional infrastructure and improvements to the Easement Area as Grantee deems necessary, and such plans for said infrastructure and improvements shall be submitted to Grantor for consent prior to installation and which consent shall not be unreasonably withheld.

It is agreed and understood by the parties hereto that this Easement is not to be construed as being granted to the exclusion of the Grantor, its successors or assigns, however, Grantor cannot interfere with Grantee's easement rights. Grantee's use shall not interfere with the use by Grantor, its successors and assigns; provided, however, that with Grantor's prior written consent, temporary disruption of Grantor's activities in the vicinity of the Easement Area is permissible to the extent necessary to effectuate necessary construction, reconstruction, repair, maintenance, and replacement of the steam and hot water equipment. Further, this Easement is subject to the rights of the State of Minnesota as reserved in that certain Quit Claim Deed dated November 4, 1985, and recorded in the office of the St. Louis County Recorder on March 12, 1986, as Document No. 408900. In the event Grantee, its successors or permitted assigns, no longer uses this Easement solely for the purposes granted herein this Easement shall terminate, subject to vacation proceedings as provided by law.

Subject to the prior written consent of Grantor (except in the case of emergencies), Grantee shall also have the right to enter onto the Easement Area and the right to access the Easement Area, which may be via Grantor's Michigan Street-level parking garage located on the real property legally described on the attached Exhibit B, so long as said garage is accessible via Michigan Street. Grantor shall not unreasonably withhold consent to access the Easement Area. In the event Grantee cannot access the Easement Area by entering Grantor's Michigan Street-level parking garage via Michigan Street, Grantee may access the Easement Area from above via the Superior Street/plaza level.

Grantee, its successors and assigns, agrees to restore Grantor's property from any damage caused by the Grantee's use of this Easement. All restoration shall be performed in an expeditious and good and

workmanlike manner in order to return the Easement Area to its condition prior to Grantee's work thereon or use. In the event that Grantee fails to maintain the Easement Area as required herein within fifteen (15) days of written notice from Grantor to do so, Grantor may perform such maintenance and Grantee agrees to promptly reimburse Grantor for its reasonable costs in performing such maintenance.

Grantee agrees to assume all risks of, and indemnify and hold harmless, and at the Grantee's expense, defend the Grantor from and against any claim, loss, cost, legal actions, liability or expense (including without limitation, attorneys' fees and costs of appeals) on account of personal injury to or death of any person whomsoever, including but not limited to employees of the Grantor, or damage to or destruction of property to whomsoever belonging, including but not limited to property of the Grantor, that arises out of or results from or is related to, partly or wholly, directly or indirectly, the Grantee's exercise of the rights herein granted. Notwithstanding the foregoing, nothing herein contained is to be construed as an indemnification by Grantee against the sole negligence of the Grantor, its officers, employees or agents.

Grantee also agrees to comply strictly with all applicable federal, state, county and municipal laws, rules, ordinances and regulations relating to all activities contemplated under this Easement. Such strict compliance shall include, but is not limited to, laws, rules, ordinances and regulations governing fire and prevention of fire, stream diversion and pollution, public health, permitting and licensing. Grantee hereby assumes, at its sole cost and expense, all obligations imposed upon Grantor by virtue of Grantee's exercise of its rights under this Easement.

The Easement hereby granted shall extend to and bind the successors and assigns of the parties hereto and shall run with the land. Notwithstanding the foregoing, Grantee shall not assign, in whole or in part, its rights or obligations under this Easement without the prior written consent of Grantor, which consent shall be within Grantor's sole discretion.

| , 2020. | ed this Easement as of this day of |
|---|---|
| GRANTOR Minnesota Power, a division of ALLETE, Inc. | |
| By: | |
| Its: | |
| STATE OF MINNESOTA)) ss. | |
| COUNTY OF ST. LOUIS) | |
| The foregoing instrument was acknowledged before me this, the | day of, 2020, by, of Minnesota Power, a |
| division of ALLETE, Inc., a Minnesota corporation. | |
| Notarial Stamp or Seal | |
| | Notary Public |

GRANTEE CITY OF DULUTH

| By: | | | |
|--|---|---|-----------------------------------|
| Its Mayor | | | |
| By: | | | |
| Its City Clerk | | | |
| | | | |
| STATE OF MINNESOTA |)) ss. | | |
| COUNTY OF ST. LOUIS | , | | |
| The foregoing instrument w Emily Larson and Chelsea I municipal corporation. | as acknowledged before me th Helmer, Mayor and City Clerk, r | is day of respectively, of the City of I | , 2020, by Duluth, a Minnesota |
| Notarial Star | mp or Seal | | |
| | | Notary Pu | ıblic |

This instrument was drafted by: Minnesota Power, a division of ALLETE, Inc. 30 West Superior Street Duluth, MN 55802

EXHIBIT A

DESCRIPTION:

THOSE PARTS OF LOT A, BLOCK 3 AND VACATED LAKE AVENUE, CENTRAL DIVISION OF DULUTH, ST. LOUIS COUNTY, MINNESOTA LYING BETWEEN THE FOLLOWING DESCRIBED LINE AND A LINE 15.00 FEET NORTHEASTERLY OF AND PARALLEL WITH THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE MOST SOUTHERLY CORNER OF SAID BLOCK 3, THENCE SOUTH 41 DEGREES 37 MINUTES 15 SECONDS WEST ALONG THE SOUTHWESTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF SAID BLOCK 3, A DISTANCE OF 7.70 FEET TO THE POINT OF BEGINNING OF THE LINE TO BE DESCRIBED; THENCE NORTH 26 DEGREES 16 MINUTES 30 SECONDS WEST, A DISTANCE OF 124.18 FEET TO THE SOUTHWESTERLY EXTENSION OF THE NORTHWESTERLY LINE OF SAID BLOCK 3 AND SAID LINE THERE TERMINATING.

THE NORTHEASTERLY SIDELINE BEING PROLONGED TO SAID NORTHWESTERLY LINE OF BLOCK 3, CENTRAL DIVISION OF DULUTH.

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: 03/11/2020

STEAM UTILITY

DATE PREPARED: 03/11/20

PROJ NO: 200217

FILE: 200217vEXHIB

SHEET 1 of 1 SHEETS



PERFORMANCE DRIVEN DESIGN.

LHBcorp.com

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

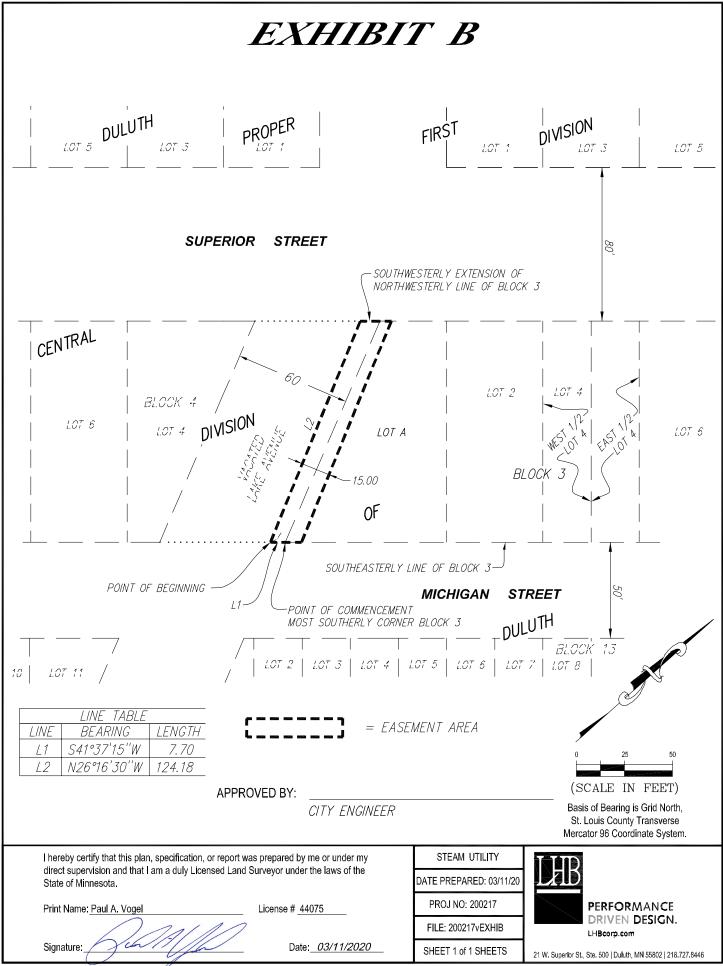


EXHIBIT C

PARKING RAMP LEGAL DESCRIPTION

Lot A, Lot 2 and the westerly half of Lot 4, all in Block 3, 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.

AND

That part of platted Lake Avenue in the City of Duluth, described as follows: Beginning at the most westerly corner of Lot A, Block 3, Central Division of Duluth; thence run southwesterly along the southwesterly extension of the northwesterly line of said Lot A to its intersection with the most northerly corner of Lot 4, Block 4, Central Division of Duluth; thence run southeasterly along the northeasterly line of said Lot 4 to the most easterly corner of said Lot 4; thence run northeasterly to the most southerly corner of Block 3, Central Division of Duluth; thence run northwesterly along the southwesterly line of said Block 3 to the point of beginning, St. Louis County, Minnesota.

AND

Lots 4, 6, 8, 10, 12, and 14, 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.