



Legislation Text

File #: 21-0862R, **Version:** 1

RESOLUTION AUTHORIZING A TEN-YEAR LICENSE AGREEMENT WITH BLACKLIST BEER LLC FOR THE NON-EXCLUSIVE USE OF CITY PROPERTY IN DOWNTOWN DULUTH AT \$1,500 PER YEAR.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to execute a three-year license agreement, substantially the same as the agreement attached as Exhibit 1, with Blacklist Beer LLC, a Minnesota limited liability company ("Blacklist"), for the non-exclusive use of certain city-owned property in downtown Duluth to allow for the installation and operation of cooling equipment relating to Blacklist's brewery operations, at the cost of \$1,500 per year for the first five years and \$1,750 per year thereafter; funds received under this agreement shall be deposited into Fund 110, Public Administration 121, Property and Facilities Management 1222, Rent for Land 4623.

STATEMENT OF PURPOSE: This resolution authorizes a ten-year license agreement with Blacklist Beer LLC ("Blacklist") for the non-exclusive use of certain city-owned property in downtown Duluth (the "Property"). The Property contains an elevated, wooden walkway located on Superior Street between 2nd and 3rd Avenues East that is used by the public to connect downtown to Gichi-ode' Akiing (Lake Place Park). Below the walkway, on the Michigan Street level, there is a vacant, fenced-in area.

Blacklist is leasing all or a portion of the building adjacent to the Property on the west with the intention of operating a brewery and taproom. Blacklist has requested permission to install certain cooling equipment (chiller and compressor) used in connection with the brewing process on Michigan Street level of the Property. The City is agreeable to such use due to the emptiness of the space Blacklist wishes to use. There will be no impact to the walkway or public use thereof by the use of the Property by Blacklist. Blacklist is only allowed to use the property for the cooling equipment and no other purposes-customers or employees may not access the area except for the installation, maintenance and operation of the cooling equipment. The exact location and specifications of the cooling equipment cannot be installed until the City's Property and Facilities Manager has approved such specifics. The City reserves the right to use the Property for any and all purposes it needs to.

In consideration of its use of the Property, Blacklist shall pay an annual fee of \$1,500 per year for the first five years and \$1,750 per year thereafter. Either party may terminate the agreement, without cause, upon thirty (30) days' notice. In the event of termination or expiration of the agreement, Blacklist shall remove all of the cooling equipment from the Property and restore it to its original condition at the time Blacklist took possession of the Property.