



Legislation Text

File #: 21-0988R, **Version:** 1

RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT WITH THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY REGARDING THE CONVEYANCE OF CERTAIN REAL PROPERTY IN THE LESTER PARK NEIGHBORHOOD.

CITY PROPOSAL:

WHEREAS, the city stated its intention to sell or convey approximately 37 acres of park property owned by the city in fee, as set forth in Resolution 21-0888, which property is legally described on the attached Exhibit A (the "Property");

WHEREAS, the City identified certain objectives relating the public sale and development of the Property, including the conveyance of the Property to the Duluth Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 469 ("DEDA"), who is appropriately equipped to facilitate development of the Property;

WHEREAS, the city has or will authorize the conveyance of the Property to DEDA under Ordinance No. 21-069; and

WHEREAS, the City and DEDA desire to enter into a development agreement to set forth and formalize the terms, conditions, and goals for the public sale and development of the Property.

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to execute a development agreement, substantially the same as the agreement attached as Exhibit 1, with DEDA regarding the public sale and development of the Property.

STATEMENT OF PURPOSE: This resolution authorizes a development agreement with the Duluth Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 469 ("DEDA") for the public sale and development of approximately 37 acres of park property located within Lester Park Golf Course (the "Property").

Through the Resolution of Intent to Convey passed on November 22, 2021 ("Resolution No. 21-0888"), the City Council stated certain objectives relating to the public sale and development of the Property, including but not limited to new housing opportunities and dedication of sale proceeds to Enger Park Golf Course. As an economic development entity with experience in site development and redevelopment, DEDA is appropriately equipped to facilitate development of the Property in accordance with the City's goals and objectives for the site.

This development agreement sets forth, with specificity and clarification, the requirements contained in Resolution No. 21-0888. Once the development agreement is executed, it-not Resolution No. 21-0888-will set forth the minimum conditions for development of the Property. Once the Property is conveyed to DEDA, DEDA will work to develop it for housing and commercial purposes under the parameters set forth in the development agreement.

Among the terms of the development agreement, no less than two tracts of land, each at least 2.5 acres, must be set aside for affordable housing. In addition to the foregoing requirement, no less than 20% of mixed-income housing must be reserved for affordable housing. There also may not be more than a total of 80,000 square feet of commercial activity on the Property with each tract capped at 20,000 square feet of commercial activity.

The ordinance authorizing the conveyance of the Property to DEDA will be considered under Ordinance No. 21-069.