



Legislation Text

File #: 24-0488R, **Version:** 1

RESOLUTION AUTHORIZING AN AGREEMENT WITH UNITED STATES STEEL CORPORATION FOR A LICENSE TO USE CERTAIN REAL PROPERTY BETWEEN MORGAN PARK AND GARY-NEW DULUTH FOR RECREATIONAL PURPOSES, AT NO COST TO THE CITY.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to execute an agreement, substantially the same as the agreement attached as Exhibit 1, with United States Steel Corporation, a Delaware corporation, for a license to use certain real property near and adjacent to the old U.S. Steel plant site in the Morgan Park and Gary-New Duluth neighborhoods for recreational purposes, at no cost to the City.

STATEMENT OF PURPOSE: This resolution authorizes the city to enter into an agreement with United States Steel Corporation ("USS") for a license to use certain real property near and adjacent to the old USS plant site in the Morgan Park and Gary-New Duluth neighborhoods for recreational purposes, at no cost to the City. The specific areas authorized under the agreement are depicted on Exhibit A to the attached Exhibit 1.

The City entered into a non-binding Letter of Intent with U.S. Steel on August 19, 2020 setting forth several goals for remediation of the former USS plant site, which included development by USS of trails and other recreational amenities including, but not limited to, a trailhead with parking spaces, Segment Three of Waabizheshikana - The Marten Trail, two shore fishing sites with stone fishing platforms and a kayak landing (the "Recreational Amenities") and an eventual transfer of certain real estate to the City.

The Recreational Amenities have now been constructed and can be opened for public use; however, the City does not yet own the property. USS is willing to grant a license for use of the Recreational Amenities until the City acquires ownership of the property.

The acquisition of the property should occur by the end of 2024. The parties are still negotiating the terms of the transaction and there should be a purchase agreement presented to the city council for consideration later this summer.

In exchange for allowing public use of the Recreational Amenities in advance of the transaction, the City is required to indemnify USS against all claims and losses relating to use of the Recreational Amenities.