



Legislation Text

File #: 22-0642R, **Version:** 1

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

CITY PROPOSAL:

WHEREAS, Resolution No. 21-0988 authorized the proper city officials to enter into a development agreement (the "Development Agreement") with the Duluth Economic Development Authority, an economic development authority under Minnesota Statutes Chapter 469 ("DEDA") to set forth and formalize the terms, conditions, and goals for the public sale and development of certain real property.

WHEREAS, the Development Agreement was registered in the Office of the St. Louis County Registrar of Titles on February 15, 2022 as Document No. 1053373.

WHEREAS, the City and DEDA desire to amend the Development Agreement with a First Amendment to amend and restate the legal description attached as Exhibit A to the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to execute a first amendment to development agreement, substantially the same as the agreement attached as Exhibit 1, with DEDA regarding the public sale and development of the real property legally described on Exhibit A attached to Exhibit 1.

STATEMENT OF PURPOSE: This resolution authorizes a first amendment to the 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.

Through Resolution No. 21-0988 passed on December 20, 2021, the City Council authorized a development agreement with DEDA to set forth, with specificity and clarification, the requirements contained in Resolution No. 21-0888. 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. 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.

The surveyor hired by the City to complete the ALTA survey of the Property recently noticed an error in the legal description of the Property. Since the Development Agreement has already been fully executed and recorded in the St. Louis County real estate records, the only way to fix the incorrect legal description is through this first amendment. No other terms and conditions of the Development Agreement are modified in this first amendment.

The City Council previously authorized the conveyance of the Property to DEDA under Ordinance No. 21-069, which was also adopted on December 20, 2021.