



Legislation Text

File #: 24D-22, **Version:** 1

RESOLUTION AUTHORIZING MERGE LLC TO ASSIGN THEIR DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT OF THE URBANE DULUTH PROJECT TO URBANE 218 LLC

WHEREAS, on August 9, 2022, the Duluth Economic Development Authority (“DEDA”) entered into a Development Agreement bearing DEDA Contract No. 21 860 121 (the “Development Agreement”) with Merge, LLC (“Developer”) for redevelopment of property located at the corner of West Superior Street and 20th Avenue West in Duluth, Minnesota into a multi-family residential facility with apartment units and commercial space for lease (the “Project”); and

WHEREAS, on June 17, 2022, DEDA and Developer amended and supplemented the Original Development Agreement by entering into a Development Agreement Supplement bearing DEDA Contract No. 21 860 121(1) (the “Development Agreement Supplement”), which was recorded in the Office of St. Louis County Registrar of Titles on October 13, 2022, as Document No. 1062400; and

WHEREAS, on December 8, 2022, DEDA and Developer amended the Original Development Agreement, as amended and supplemented by the Development Agreement Supplement, by entering into a Second Amendment to Development Agreement bearing DEDA Contract No. 21 860 121(2) (the “Second Amendment”), which was recorded in the Office of St. Louis County Registrar of Titles on January 17, 2023, as Document No. 1065328; and

WHEREAS, on December 8, 2022, DEDA and Developer amended the Original Development Agreement, as amended and supplemented by the Development Agreement Supplement and the Second Amendment by entering into a Third Amendment to Development Agreement bearing DEDA Contract No. 21 860 121(3) (the “Third Amendment”), which was recorded in the Office of St. Louis County Registrar of Titles on January 17, 2023, as Document No. 1065331; and

WHEREAS, on January ____, 2024, DEDA and Developer amended the Original Development Agreement, as amended and supplemented by the Development Agreement Supplement, the Second Amendment, and the Third Amendment by entering into a Fourth Amendment to Development Agreement bearing DEDA Contract No. 21 860 121(4) (the “Fourth Amendment”), which was recorded in the Office of St. Louis County Registrar of Titles on _____, 2024, as Document No. _____; and

WHEREAS, Developer wishes to assign their interest in the Development Agreement to Urbane 218 LLC.

NOW, THEREFORE, BE IT RESOLVED, that the proper DEDA officials are hereby authorized to approve the assignment of Merge LLC’s Development Agreement to Urbane 218 LLC, substantially in the form

of Exhibit A attached hereto.

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize the assignment of DEDA's Development Agreement with Merge LLC to their operating LLC, Urbane 218 LLC for the redevelopment of property located at the corner of North 20th Ave West and West Superior Street.

The Urbane Duluth project will provide at least 45 new housing units and over 4,000 square feet of commercial space in the Lincoln Park neighborhood, adding to the opportunity for expansion of the City's housing stock in 2024.