



## Legislation Text

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**File #:** 24D-23, **Version:** 1

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### RESOLUTION AUTHORIZING AN ESTOPPEL AGREEMENT WITH URBANE 218 LLC FOR THE DEVELOPMENT OF THE URBANE DULUTH PROJECT

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 20<sup>th</sup> 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, the Developer’s primary lender RRA Real Estate Debt Fund III Subsidiary 4, LLC has requested that DEDA authorize an Estoppel Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the proper DEDA officials are hereby authorized to enter into an Estoppel Agreement with RRA Real Estate Debt Fund III Subsidiary 4, LLC substantially in the form of Exhibit A attached.

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize an Estoppel Agreement with RRA Real Estate Debt Fund III Subsidiary 4, LLC with respect to Urbane 218 LLC, which is a successor in interested to Merge LLC, for the redevelopment of property located at the corner of North 20<sup>th</sup> Ave West and West Superior Street, to update the Project Site's Property Description.

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.