

Council Agenda Item 26-0414R



MEETING DATE: May 11, 2026

SUBJECT/TITLE: RESOLUTION AUTHORIZING AN AMENDED AND RESTATED PARKING AGREEMENT WITH HERMANTOWN CHURCH OF THE ASSEMBLIES OF GOD (HERMANTOWN CHURCH) FOR UP TO 47 RESERVED PARKING SPACES IN THE WEST MEDICAL DISTRICT (HILLSIDE) PARKING RAMP, AT NO COST TO HERMANTOWN CHURCH.

SUBMITTED BY: Danielle Erjavec, Senior Property Services Specialist

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION: 21-0850, RESOLUTION AUTHORIZING AGREEMENTS WITH FIRST PRESBYTERIAN CHURCH OF DULUTH, MINNESOTA FOR PROVIDING TEMPORARY AND PERMANENT PARKING RELATED TO THE MEDICAL DISTRICT WEST PARKING RAMP PROJECT.

BACKGROUND: This resolution authorizes: (i) an amended and restated parking agreement with Hermantown Church of the Assemblies of God (“Hermantown Church”) for up to 47 reserved parking spaces in the West Medical District Parking Ramp (now known as the Hillside Ramp), substantially in the form attached as Exhibit 1 (the “Amended and Restated Agreement”), at no cost to Hermantown Church; and (ii) memorandum of agreement, substantially in the form attached as Exhibit 2, for recordation with the St. Louis County Registrar of Titles and/or Recorder to evidence the existence of the Amended and Restated Agreement in the real estate records.

The predecessor of Hermantown Church is First Presbyterian Church of Duluth, Minnesota (“First Presbyterian Church”), whose principal location is on Second Street in Downtown Duluth (the “Church Property”). First Presbyterian Church also owned other real property on First Street that was acquired to assemble the site for the Hillside Ramp, which property was used as a parking lot for First Presbyterian Church (the “Church Parking Lot”). One of the terms of the acquisition required the City to make up the loss of parking to First Presbyterian Church through the availability of parking spaces in the Hillside Ramp. The parties entered into a long-term parking agreement (the “Original Agreement”), which governed the terms and conditions under which First Presbyterian Church could utilize the Hillside Ramp and recognized the fluidity of operations and technology for the Hillside Ramp—so long as the Church Property was owned by a recognized religious organization and used for regular worship services and related activities. The Original Agreement was at no cost to First Presbyterian Church.

RESOLUTION AUTHORIZING AN AMENDED AND RESTATED PARKING AGREEMENT WITH HERMANTOWN CHURCH OF THE ASSEMBLIES OF GOD (HERMANTOWN CHURCH) FOR UP TO 47 RESERVED PARKING SPACES IN THE WEST MEDICAL DISTRICT (HILLSIDE) PARKING RAMP, AT NO COST TO HERMANTOWN CHURCH.

The Church Property is now owned by Hermantown Church and the technology within the Hillside Ramp operates very differently than originally contemplated. The parties desire to update the Original Agreement through this Amended and Restated Agreement to: (i) recognize Hermantown Church as the successor in interest to First Presbyterian Church and (ii) better reflect current operations of the Hillside Ramp. The easiest way to accomplish this is by reserving up to 47 parking spaces in the Hillside Ramp for Hermantown Church for use by persons engaged in the business of Hermantown Church and/or participating in events and activities occurring on the Church Property. The exact number of parking spaces will vary from time to time based on a schedule agreed to by Hermantown Church and the City's Parking Manager. The intent of this Amended and Restated Agreement is to meet the needs of Hermantown Church while minimizing the number of reserved parking spaces in the Hillside Ramp. The Church Parking Lot contained 47 parking spaces, so this Amended and Restated Agreement will make the Church Property whole in terms of available parking spaces. Hermantown Church is required to pay the then-current parking rates for any number of parking spaces used that exceed 47.

This Amended and Restated Agreement will terminate if: (i) the Hillside Ramp is permanently closed for parking or demolished by the City or a successor in interest of the City, (ii) Hermantown Church, or a successor in interest, ceases to use the Church Property principally for the operation of a recognized religious organizational purpose or (iii) by mutual agreement.

The Hillside Ramp is located on First Street between Third and Fourth Avenues East.

BUDGET/FISCAL IMPACT: None

OPTIONS: Approve resolution so the City and Hermantown Church can have a valid agreement between the parties or the Original Agreement will continue to exist with an entity that no longer owns the Church Property or uses the Hillside Ramp

NECESSARY ACTION: Approve resolution

ATTACHMENTS: Exhibit 1, Amended and Restated Parking Agreement; Exhibit 2, Memorandum of Agreement