



Council Agenda Item _____

MEETING DATE: November 24, 2025

SUBJECT/TITLE: RESOLUTION #25-0901R, RESOLUTION AUTHORIZING ASSUMPTION OF AND AMENDMENT TO AN AGREEMENT BETWEEN THE CHESTER BOWL IMPROVEMENT CLUB AND LHB, INC., TO TRANSFER AGREEMENT OWNERSHIP TO THE CITY OF DULUTH FOR AN AGREEMENT TOTAL NOT TO EXCEED \$197,625.00, AND RESCINDING RESOLUTION NO. 25-0791R.

SUBMITTED BY: Katie Bennet, Senior Parks Planner

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION:

PREVIOUS COUNCIL ACTION:

25-0082R – Authorized a three-year agreement with the Chester Bowl Improvement Club for the operation and management of Chester Bowl Park and Chalet for \$27,682.58 per year.

24-0229R – Authorized application to the Legislative-Citizen Commission on Minnesota Resources, Environmental and Natural Resources Trust Fund for up to \$2,850,000 to complete a renovation of the Thom Storm Chalet and Outdoor Recreation Center at Chester Park.

25-0791R- Authorized this exact Resolution, the only changes being the Architect Agreement, Exhibit B, and the Assignment Assumption, Exhibit C. Changes in both agreements require council review.

BACKGROUND:

Chester Bowl, located at 1801 East Skyline Parkway, within Chester Park includes an alpine ski hill, other recreational facilities, and the Thoms Storm Chalet and Outdoor Recreation Center (Center).

The Chester Bowl Improvement Club (Club) operates at Chester Bowl under a management agreement with the City of Duluth, delivering outdoor recreation and educational programs for children, families, and underserved community members. The Center is located within Chester Park and no longer meets community needs. The existing building is past its useful lifespan, and the demand for Club programming exceeds the building's capacity.

The Club entered an agreement with LHB, Inc. to develop designs for the reconstruction of the Center, and the Club successfully raised funds to support the project. These designs and funds allowed the City and Club to work collaboratively to secure state grant funds in the amount of \$2,312,000 from the Environment and Natural Resources Trust Fund as recommended by the Legislative-Citizens Commission on Minnesota Resources, as authorized under a separate resolution, for which the Club's fundraising is serving as the local match funding.

This resolution authorizes the assumption of and amendment to the agreement between the Club and LHB, Inc. thereby allowing the City to take over ownership of the agreement for management of the Center reconstruction,

which is a City-owned asset.

BUDGET/FISCAL IMPACT: The City shall contribute to this Project through its grant and project management services, and the City shall retain ownership of the facility. The existing Center is beyond its useful life, and the Project will reset the facility lifecycle through complete reconstruction. The funding associated with this project is described in the development agreement (resolution 25-0789R) and the Environment and Natural Resources Trust Fund grant agreement (resolution 25-0790R).

OPTIONS: Authorize taking ownership of the agreement with LHB, Inc. so that the City may manage the Center reconstruction, which is a City-owned asset, or decline to halt the Chalet reconstruction and significantly limit future recreation and programming opportunities for the community.

NECESSARY ACTION: Authorize the transfer of ownership for the agreement with LHB, Inc.

ATTACHMENTS: Assumption and Amendment of Agreement