

Council Agenda Item 26-0460R



MEETING DATE: May 26, 2026

SUBJECT/TITLE: 26-0460R, RESOLUTION APPROVING DEDA RESOLUTION 26D-06 AUTHORIZING SUBRECIPIENT FUNDING AGREEMENT WITH INLAND DEVELOPMENT PARTNERS, LLC FOR THE CONTAMINATION CLEANUP OF LOT D IN THE AMOUNT OF \$2,134,320.

SUBMITTED BY: Tricia Hobbs –Executive Director, DEDA

RECOMMENDATION: Approve.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: Approve.

PREVIOUS COUNCIL ACTION: 25-0815R, RESOLUTION AUTHORIZING AN APPLICATION BY THE DULUTH ECONOMIC DEVELOPMENT AUTHORITY TO THE MINNESOTA DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT FOR A CONTAMINATION CLEANUP GRANT FOR THE LOT D PROJECT AND TO PROVIDE MATCHING FUNDS OF 25 PERCENT OF THE GRANT, NOT TO EXCEED \$150,000.

BACKGROUND: Lot D is the last undeveloped, mixed-use waterfront parcel in the Bayfront District located along Railroad Street. DEDA and the City aim to transform this former contaminated industrial site into a community asset by improving public-facing infrastructure and ensuring environmental remediation. In support of this effort, Council has approved making Lot D a 2026 legislative priority, as well as this grant application back in October of 2025. In January 2026, Minnesota Department of Employment and Economic Development (DEED) awarded DEDA \$2,134,320 to support the much-needed pre-development work at the Lot D site, which will be performed by Inland Development Partners, LLC.

BUDGET/FISCAL IMPACT: \$150,000 from DEDA Fund 860.

OPTIONS: Authorize the contract or forego the contamination and clean up grant from DEED.

NECESSARY ACTION: Authorize the resolution acknowledging the actions of DEDA.

ATTACHMENTS: Subrecipient agreement with Inland Development Partners, LLC; DEDA Resolution 26D-06

RESOLUTION APPROVING DEDA RESOLUTION 25D-50 AUTHORIZING FUNDING FOR THE DULUTH PRODUCTION INCENTIVE PROGRAM AND AN AGREEMENT WITH THE UPPER MIDWEST FILM OFFICE.