

RESOLUTION 18D-08

RESOLUTION AUTHORIZING AN EXTENTION OF THE AIRPORT GROUND LEASE AND AGREEMENT WITH THE DULUTH AIRPORT AUTHORITY REGARDING CERTAIN PROPERTY AT THE DULUTH INTERNATIONAL AIRPORT

RESOLVED by the Duluth Economic Development Authority ("DEDA") that pursuant to the authorization contained in Article 4B of the Airport Ground Lease and Agreement between DEDA and the Duluth Airport Authority dated August 12, 1993 and filed on August 12, 1993 in the office of the St. Louis County Registrar of Titles as Document No. 568874, DEDA hereby exercises its option to renew the Agreement and extend the lease of the property at the Duluth International Airport which is the subject of the Agreement for a second term of twenty-five years, subject to the terms and conditions of the following documents:

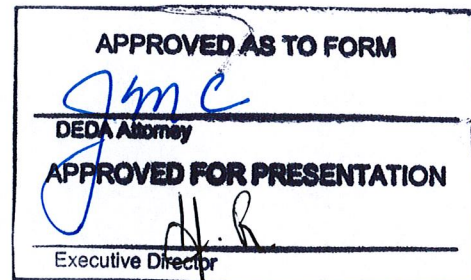
Assignment of Rights and Ground Lease and Consents filed on February 23, 2002 in the office of the St. Louis County Registrar of Title as Document No. 718310

Sub-lease Agreement between the City and Cirrus Design Corporation dated October 10, 2002

Approved by the Duluth Economic Development Authority this 27th day of February, 2018.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: In 1993, DEDA entered into a Ground Lease with the Duluth Airport Authority for the purpose of subletting the property to Cirrus Design Corporation to facilitate Cirrus' construction and operation of a facility at the Airport which serves as corporate headquarters and a design and manufacturing facility for the design and manufacture of light aircraft. The property was subleased to Industrial Resources Corporation (a Cirrus affiliate).

The term of the Ground Lease between the DAA and DEDA expires on December 31, 2018. The Ground Lease provides that it may be renewed for a second term of twenty-five years at the option of DEDA. The sublease between DEDA and Industrial Resources Corporation ("IRC) provides that the term of the sublease is coextensive with the term of the Ground Lease. It also provides that the term of the sublease may be extended by IRC in accordance with the provision for extension of the Ground Lease. Cirrus Design Corporation, as assignee of the IRC sublease, has notified DEDA that it is exercising its right to extend the sublease for a second twenty-five year term. The purpose of this resolution is to exercise DEDA's option to extend the Airport Ground Lease and Agreement with the DAA for an additional twenty-five years.