

RESOLUTION 16D-12

**RESOLUTION AUTHORIZING EXECUTIVE DIRECTOR TO PROVIDE
RELOCATION ASSISTANCE TO TEMPLE OPERA TENANTS IN AMOUNTS
TOTALLING UP TO \$35,000**

WHEREAS, the Duluth Economic Development Authority is the owner of that building commonly known as the Temple Opera Building (the "Building") which is generally occupied by a number of commercial and office tenants; and

WHEREAS, as part of the development of the NorShor Theatre Project, construction will occur which will directly and indirectly affect the Building; and

WHEREAS, construction is required to make Buildings ADA compliant via installation of an elevator and fire code compliant stairway, to install a fire suppression system in the Building to improve the life safety of the Building as a whole, and to replace the roof of the Building which is deteriorated and leaking and is in need of replacement to protect the viability of the structure; and

WHEREAS, certain of the Building tenants will require relocation-type assistance as a result of the above construction improvements to the Building and are deserving of business relocation assistance, including in some cases rental rate adjustment during construction.

RESOLVED, by the Duluth Economic Development Authority ("DEDA"), that the Executive Director is hereby authorized to provide relocation assistance to tenants of the Building or to adjust rental rates paid by such tenants during periods of construction as is reasonable to ameliorate the impacts of the above-referenced construction on the utility of their tenancy in the Building up to a total amount of not to exceed \$35,000, payable from Fund 860.

Approved by the Duluth Economic Development Authority this 6th day of April, 2016.

ATTEST:

Executive Director



STATEMENT OF PURPOSE: The purpose of this resolution is to allow the Executive Director to provide assistance to tenants of the Temple Opera Building to ameliorate the impacts of the forthcoming construction related to the NorShor Theatre Project and the work to address improvements that need to be done in the Temple Opera to be

performed as part of the construction contract for that Project.

As part of the NorShor Project an elevator and stair tower for the theater and the skywalk will actually be constructed within the Temple Opera; those facilities will also be connected to and serve the needs of the Temple Opera itself, helping the Building to be more ADA accessible and code compliant.

In addition the roof of the Temple Opera which is currently badly in need of replacement will be materially disrupted and would at the very least require major repair. Prudence dictates that the entire roof be replaced with one continuous roof structure. And prudence also dictates that fire sprinkling be installed in the Building at the same time as it is being installed in the NorShor, a more economical approach.

All of this construction work will have a material impact on the tenants in the Building. The impacts will range from inconvenience resulting from dust and noise in some cases to complete and outright permanent displacement in others. All of the tenants would be appropriately described as "small businesses" and therefore the impact on them will disproportionate.

The purpose of this resolution is to provide the Executive Director to respond to each tenants' individual situation with assistance that will be proportionate to the impacts and to provide a funding source for those needs.