

DEPOT OPERATIONS COMMITTEE MEETING

October 28, 2022

Location: Commissioner's Conference Room, Duluth Courthouse

Present: Commissioner McDonald, Commissioner Jewell, Commissioner Grimm, Mary Tennis, Brian Fritsinger, BreAnn Graber, Chris Pinkert, Pete Miller, Jerry Hall, Kristin Johnson

Convened: The meeting was convened at approximately 10:30AM

Committee Introductions

Open Forum

Christina Woods and Robin Washington from the Duluth Art Institute were in attendance.

- Shared impacts of the RFP process on the DAI:
 - Concerns that the swiftness of changes after signing a two-year lease
 - Plan two-three years in advance
 - Don't want to pass up opportunities
 - Could afford but that too takes additional planning
 - They want to continue to be fiscally and mission responsible
 - Have heard that taxpayers are unhappy that this is impacting the art community in the area
 - Unique artist narrative
 - Feels like a dis-investment in the arts on the part of the county

Commissioners thanked them for their comments and feedback.

Grant Update

The Depot received a \$128,251.33 grant from the Depot Foundation for the updating the theatre. A consultant came from UMD and will assist with his expertise. Grant approval will be on COW next week.

\$210,000 was rewarded from the City of Duluth from tourism tax for 2023. The Depot team will continue to use the funds to highlight the building through projects like wayfinding, murals, events, and more.

Signage removal party on November 14 and all are invited.

St. Louis County Historical Society

1. How can the county play a role in the hiring process? It was been shared that the County will have a role at some point in the process with the final two candidates or having a couple commissioners involved in the entire process.
2. Space plan: SLCHS has been working with DSGW to define needs and then will moving back to looking at spaces. Curator has been great to work with in understanding the process and thinking outside of the box. Perhaps the county to help supplement options under St. Louis County instead of the Historical Society --- swing space at could work for additional tenants. Committee would like to see this option explored with some potential extension clause to keep space at a good rate.
3. Budget – On October 2nd the county requested additional information to compare 2022 to 2023. Two categories: Operations & Project. Curator was entirely on the project specific funds. Follow up questions have been sent and a meeting to discuss is set for November. Budget continues to be unclear.

Capital Improvements Update

Portico project underway. Pushing to get done this year. If not, things will be buttoned up for the winter.

RFP for Architect and Engineer firms for HVAC project. Interviews have taken place. This process will help with future RFP process.

State MMB asked if county still wanted Depot ask on the table.

RFP/Leases Update

Bre shared Depot cost breakdown based on the \$4.97 suggested minimum rate. Committee asked if tenants had been presented the breakdown. Several different models, presentations, and breakdowns have been presented but the RFP process did change it a bit.

Mary's goal for The Depot is to have a healthy building and healthy partners.

The committee reviewed each potential tenant's proposed rental rate.

- Depot Foundation was good with the new rate.
- SLCHS was offered 2nd floor space. They were receptive and were excited about the possibilities. They are good with new rate.
- DSSO office space has been identified and they are good with new rate. For the Theatre space, they currently want a flat rate. They will perform there and sell stage time. Depot management can rent out the stage as well to offset rent. DSSO plans to offer tickets at a low cost \$10 per ticket to community. Committee is agreeable to a flat rate.
- MN Ballet is good with new rate for prime space and came down on rate to spaces that are not accessible to public.
- DAI has agreed to pay \$2.50. It was suggested to bring rate up to new rate but with less space but concerns are that this will lead to potential of negotiations failing. What is

committee comfortable with as a rate? Committee is good with counter but don't want to lose the DAI from the Depot.

- LSRM offered \$4.97 on proposal but came back with \$3 during negotiations. Committee would like to counter.

Wrap-up/Summary and Roundtable

Board needs to know and be supportive of the amount of subsidizing that the county is doing and continue to support the Depot at large not specific organizations.

Adjourned: At approximately 12:42PM

Minutes prepared by:

Kristin Johnson

Administrative Specialist/Depot Committee Support