

# DEPOT OPERATIONS COMMITTEE MEETING

**August 1, 2022**

Location: GSC Lake Superior Room in Duluth, MN

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

Convened: The meeting was convened at approximately 2:03PM

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## Depot RFP Update

Brian Fritsinger provided a brief recap of the last meeting and this meeting's agenda is to re-engage with the steering committee's recommendations.

Mary Tennis stated that she is bringing forward committee recommendations to ask for permission to enter into negotiations. Mary reminded the committee of the steps that have been taken in the process:

- Started with RFP Release
- Questions answered
- Tours
- More questions answered
- Closed RFP
- Selection Committee privately scored and turned into Purchasing
- Purchasing compiled scores and returned to the committee
- Committee formed recommendations

Mary presented the Depot RFP Selection Committee's recommendations.

Recommendations as follows:

- Duluth Art Institute
  - Request permission to enter lease negotiations for 2,184 sq. ft. of space with the possibility to negotiate an additional 2,453 sq. ft. of space.
  - Price offered is \$1.50/square foot, which results to roughly \$11,000/year. With the equivalent square footage, DAI could still retain all primary galleries and offices, but no significant storage (plan to offer building-wide limited exhibit storage as an amenity), no weaver's guild, and no darkroom. DAI is only tenant offering less than \$4.50/square foot. Concerns about needing tenants who are committed to maintaining building integrity, especially considering inflation. The building cannot be sustained so far below the mark. Leaving room for negotiations.

*Committee feedback included concerns regarding meeting suggested minimum rental rate.*

- Depot Foundation
  - Request permission to enter lease negotiations for 876 sq. ft. of space (consistent with current lease).

*Committee feedback included praise for high scored and clear & concise mission.*

- DSSO
  - Request permission to enter lease negotiations for 9,342 sq. ft. of space.
  - Family theatre and surrounding areas as well as Playhouse office and lower storage spaces/bathrooms. Additionally, will need to negotiate/purchase new equipment for theatre.

*Committee feedback included approval in seeing a new tenant and their clear plan toward collaboration.*

- Lake Superior Writers
  - Proposal rejected as it was determined it is not best use of space for the building and Depot Mission/Vision of engagement was not satisfied. The hope is to find alternate ways to work with the group in terms of Depot amenities.
- Lake Superior Railroad Museum
  - Request permission to enter lease negotiations for 43,201 sq. ft. of space, consistent with current lease, with possibility to negotiate an additional 2,690 sq. ft.
  - Requested the space now known as the Underground Theatre. The request included a plan to install major exhibit in the space. The exhibit requires significant alterations to the building which are prohibited in 2023. With a price tag for de-assembly of \$120k and no clear timeline for the project, it conflicts with the 2024 RFP.
  - Prepared to offer the LSRM the weaver's guild and adjacent space (2,690 sq. ft.). The space could be used for temporary storage and more flexible needs for 2023. We are open to RFP for 2024 with more permanent exhibit.

*Committee feedback included that some criteria was not met resulting in a lower score and that the Seacrest Model was definitely a consideration but since there was competing interest in the space that it was not the best fit at this time.*

- MN Ballet
  - Request permission to enter lease negotiations for 5817 sq. ft. of space, consistent with current lease, with an additional 3,395 sq. ft. and the possibility to negotiate 1876 additional sq. ft.
  - Requested the space known as the Underground Theatre to use for classes, workshops, and performances with modular material, no construction needed and minimal costs. Plans to offer free/low-cost programs in the space. Plans to offer the programs to folks with mobility challenges. Plans to offer the space to folks experiencing homelessness. And can share the space if needed with building during key events.

*Committee feedback included they had the highest score for the space and this would provide them with visible space that they don't currently have in addition to serving an underserved area of the population.*

- St. Louis County Historical Society:
  - Request permission to enter lease negotiations for 10,147 sq. ft. of space.
  - Primary galleries are all intact. Limited exhibit case storage will be available for all tenants as an amenity. As detailed fall 2021, some storage spaces must be vacated in 2023 to make way for building improvements. Offering the society the majority of floor two for exhibits and operations, as this has been identified as site for new Iron Range exhibit. The curator's office will need to relocate (as planned in 2021).

*Committee feedback included that this could possibly serve as a possible office and storage space solution.*

Mary finished by adding that they are open to negotiations and troubleshooting any possible hurdles.

A motion to approve moving these recommendations on to the Board of Commissioners as requested was made by Commissioner Jewell and seconded by Commissioner Grimm. Unanimously approved.

Attorney Pinkert provided a summary of next steps:

1. Recommendations will go to the Committee of the Whole
2. Followed by full board approval on August 9<sup>th</sup>
3. 1 ½ months of negotiations
4. Ending in lease execution

Attorney Pinkert reminded the committee that while the RFP is active all information is considered private. All those involved in the process should not hold private discussions. As a public meeting though, those in attendance will be aware and minutes will be public.

A motion was made to approve the Depot Operations Committee minutes from July 19, 2022, by Commissioner Grimm and seconded by Commissioner Jewell. Unanimously approved.

**Adjourned:** At approximately 2:42PM

*Minutes prepared by:*

*Kristin Johnson*

*Administrative Specialist/Depot Committee Support*