

EDA Members:

Dan Roe,
President
Lisa Laliberte,
Vice President
Tammy McGehee,
Treasurer
Robert Willmus
Jason Etten



**Economic Development
Authority
Meeting Agenda
Monday, June 18, 2018
following the City Council
Meeting
City Council Chambers**

Address:
2660 Civic Center Dr.
Roseville, MN 55113

Phone:
651-792-7000

Website:
www.growroseville.com

1. 8:30 P.M. Voting & Seating Order:
Laliberte, McGehee, Willmus, Etten and Roe
2. Approve Agenda
3. 8:31 P.M. Public Comment
4. 8:35 P.M. Business Items (Action Items)
 - 4.A. 8:35 PM Hold Public Hearing And Adopt A Resolution Of Support To Apply For MIF Funds From The Department Of Employment And Economic Development (DEED) For Colder Products Company (CPC).

Documents:

[4A REPORT AND ATTACHMENT.PDF](#)

- 4.B. 8:45 PM Authorize Resolution Approving A Contract For Private Redevelopment With And Awarding The Sale Of, And Providing The Form, Terms, Covenants And Directions For The Issuance Of The Tax Increment Revenue Note To 2785 Fairview, LLC

Documents:

[4B REPORT AND ATTACHMENTS.PDF](#)

- 4.C. 8:55 PM Adopt A Resolution Approving A Memorandum Of Understanding For The Purchase Of Property Located At 1125 Sandhurst Drive West

Documents:

[4C REPORT AND ATTACHMENTS.PDF](#)

- 4.D. 9:00 PM Authorize Grant Agreement For Livable Community Development Account (LCDA) Funds With The Metropolitan Council For The Edison Housing Development At 3110 Old Highway 8

Documents:

[4D REPORT AND ATTACHMENTS.PDF](#)

5. 9:10 P.M. Staff, Board And Executive Director Communications, Reports, And Announcements
6. 9:11 P.M. Adjourn



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 6/18/2018

Item No.: 4.a

Department Approval

Executive Director Approval

Item Description: Hold Public Hearing and Adopt a Resolution of Support to Apply for Minnesota Investment Funds (MIF) from the Department of Employment and Economic Development (DEED) for Colder Products Company (CPC)

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BACKGROUND

Colder Products Company (CPC) is requesting that the Roseville Economic Development Authority (REDA) assist them with applying for Minnesota Investment Funds (MIF) in the amount of \$250,000 from the Department of Employment and Economic Development (DEED). Previously the REDA at the May 7, 2018 meeting adopted a Resolution supporting the creation of a redevelopment Tax Increment Financing (TIF) District and the use of Hazardous Substance Sub-District (HSS) funds to also assist Colder Products Company (CPC) in the development of a new world headquarters at 2814 Cleveland Ave. W.

The MIF is a loan program to assist expanding businesses in Minnesota when they have options to move their headquarters to other states or countries. DEED requires cities or local governmental authorities to hold a public hearing, be the applicant, and to pass the funds to the company for investment into capital or equipment. If the funds are awarded the REDA staff will bring forward a Development Agreement for the REDA to consider.

STAFF RECOMMENDATION

Hold Public Hearing for consideration of application for MIF funds and Adopt a Resolution Supporting Application for Minnesota Investment Funds.

REQUESTED COUNCIL ACTION

Hold Public Hearing for consideration of application for MIF funds and Adopt a Resolution Supporting Application for Minnesota Investment Funds.

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086

Attachment A: Resolution assisting with application for MIF

1 **EXTRACT OF MINUTES OF MEETING**
 2 **OF THE**
 3 **ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

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 5 * * * * *

6
 7 Pursuant to due call and notice thereof, a special meeting of the Roseville Economic
 8 Development Authority, County of Ramsey, Minnesota was duly held on the 18th day of
 9 June, 2018, at 6:00 p.m.

10
 11 The following members were present:

12
 13 and the following were absent:

14
 15 Member introduced the following resolution and moved its adoption:

16
 17 **RESOLUTION No.**

18
 19 **RESOLUTION IN SUPPORT OF AND AUTHORIZING**
 20 **APPLICATION TO THE MINNESOTA INVESTMENT FUND**
 21 **THROUGH THE STATE DEPARTMENT OF EMPLOYMENT**
 22 **AND ECONOMIC DEVELOPMENT**

23
 24
 25 WHEREAS, it has been proposed that the Board of Commissioners (the "Board") of the
 26 Roseville Economic Development Authority (the "REDA") and the City of
 27 Roseville (the "City") desires to assist Colder Products Company, a
 28 company proposing to construct a new facility in the City; and

29
 30 WHEREAS, the REDA understands that Colder Products Company, through and with
 31 the support of the City, intends to submit an application to the Minnesota
 32 Department of Employment and Economic Development for awards and/or
 33 rebates from the Minnesota Investment Fund (MIF); and

34
 35 WHEREAS, the REDA has performed all actions required by law to be performed prior
 36 to the adoption of the Program and Plan, and has requested that the Council
 37 hold a public hearing on the Program and Plan upon published notice as
 38 required by law.

39
 40 NOW, THEREFORE, BE IT RESOLVED, that:

- 41
 42 1. The REDA act as the legal sponsor for the project contained in the Minnesota
 43 Investment Fund Application to be submitted on or about June 19, 2018 and that
 44 the President and Executive Director are hereby authorized to apply to the
 45 Department of Employment and Economic Development for funding of this project
 46 on behalf of the EDA.

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2. The REDA has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to administer the proposed project.
3. The REDA has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.
4. Upon approval of its application by the State, the REDA may enter into a Grant Contract with the State of Minnesota for the approved project, and that the REDA certifies that it will comply with all applicable laws, statutes, regulations and rules as stated in the Grant Contract and described in the Project Compliance Certification of the Application.
5. The REDA has obtained credit reports and credit information on Colder Products Company. Upon review by the REDA and Applicant's Financial Advisor, no adverse findings or concerns regarding, but not limited to, tax liens, judgments, court actions, and filings with state, federal and other regulatory agencies were identified. Failure to disclose any such adverse information could result in revocation or other legal action.
6. The President and Executive Director, or their successors in office, are hereby authorized to execute the Grant Contract and amendments, thereto, as are necessary to implement the project on behalf of the EDA.

The motion for the adoption of the foregoing resolution was duly seconded by Member

, and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON said resolution was declared duly passed and adopted.

Certificate

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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and special meeting thereof on June 18, 2018.

I further certify that Commissioner _____ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner _____, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 18th day of June, 2018

Executive Director
Roseville Economic Development
Authority



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 6/18/2018
Item No.: 4.b

Department Approval

Executive Director Approval

Item Description: Authorize Resolution Approving a Contract for Private Redevelopment with and Awarding the Sale of, and Providing the form, Terms, Covenants and Directions for the Issuance of the Tax Increment Revenue Note to 2785 Fairview, LLC

BACKGROUND

The Roseville Economic Development Authority (REDA) authorized on February 26, 2018 the creation of a Tax Increment Financing (TIF) District to assist in the redevelopment of a new headquarters for McGough Construction, Inc. located at 2785 Fairview Ave. N. Additionally, on April 17, 2018 an application for Tax Base Revitalization Account (TBRA) environmental cleanup funds was authorized to assist with the contamination discovered on site. The REDA needs to authorize entering into a Development Agreement that lays out the requirements for the subsidy being provided to McGough Construction, Inc.

The REDA should review the attached Development Agreement (Attachments A) and adopt a Resolution authorizing the contract and issuance of the tax increment revenue note for 2785 Fairview, LLC. In Martha Ingram’s absence, Attorney Sarah Sonsalla from Kennedy and Graven will be present to answer any questions the REDA may have.

STAFF RECOMMENDATION

Adopt Resolution Authorizing Contract for Redevelopment with the Sale of the TIF Note to 2785 Fairview, LLC

REQUESTED EDA ACTION

Motion to Adopt Resolution Authorizing Contract for Redevelopment with the Sale of the TIF Note to 2785 Fairview, LLC

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086
Attachments: A: Contract for Private Redevelopment
B: Resolution Approving Contract for Redevelopment and Sale of TIF Note

Fifth draft, June 7, 2018

**CONTRACT
FOR
PRIVATE REDEVELOPMENT**

By and Between

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

and

2785 FAIRVIEW, LLC

Dated as of: _____, 2018

This document was drafted by:

KENNEDY & GRAVEN, Chartered (MNI)
470 U.S. Bank Plaza
Minneapolis, Minnesota 55402
(612) 337-9300
<http://www.kennedy-graven.com>

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SCHEDULE A	Redevelopment Property
SCHEDULE B	Grant-Eligible Costs
SCHEDULE C	Form of Draw Request
SCHEDULE D	Form of Authorizing Resolution
SCHEDULE E	Public Redevelopment Costs
SCHEDULE F	Certificate of Completion
SCHEDULE G	Assessment Agreement

CONTRACT FOR PRIVATE REDEVELOPMENT

THIS AGREEMENT, made as of the __ day of _____, 2018, by and between the Roseville Economic Development Authority (the “Authority”), a public body corporate and politic under the laws of Minnesota, and 2785 Fairview, LLC (the “Redeveloper”), a Minnesota limited liability company.

WITNESSETH:

WHEREAS, the City of Roseville (the “City”) has undertaken a program to promote the development and redevelopment of land which is underutilized within the City, and in this connection created its Development District No. 1 (hereinafter referred to as the “Project”), the geographic boundaries of which are coterminous with those of the City, pursuant to Minnesota Statutes, Sections 469.124 to 469.134; and

WHEREAS, the City has created the Authority and authorized the Authority to transact business and exercise its powers by an enabling resolution of the City Council, pursuant to Minnesota Statutes, Sections 469.090 to 469.1081 (the “Act”); and

WHEREAS, the City has transferred the control and administration of the Project and all current and future tax increment financing districts within the Project to the Authority, and the Authority has accepted such transfer; and

WHEREAS, pursuant to the Act and to Minnesota Statutes, Sections 469.001 to 469.047 (the “HRA Act”), the Authority is authorized to undertake certain activities to prepare real property for development and redevelopment by private enterprise; and

WHEREAS, the Redeveloper has acquired certain property (the “Redevelopment Property”) within the Project to redevelop an existing warehouse facility into the corporate office headquarters (the “Minimum Improvements”) for the Redeveloper’s Affiliate, McGough Construction Co., LLC (“McGough”), as further described herein; and

WHEREAS, the Authority has established Tax Increment Financing District No. 20 (the “TIF District”) pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the “TIF Act”), consisting of the Redevelopment Property located within the Project; and

WHEREAS, the Authority believes that the redevelopment of the Redevelopment Property pursuant to and in general fulfillment of this Agreement is in the vital and best interests of the City, will promote the health, safety, morals, and welfare of its residents, and will be in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the Project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Definitions

Section 1.1. Definitions. In this Agreement, unless a different meaning clearly appears from the context:

“Act” means Minnesota Statutes Sections 469.090 to 469.1081, as amended.

“Affiliate” means with respect to any entity (a) any corporation, partnership, limited liability company or other business entity or person controlling, controlled by or under common control with the entity, or for which the controlling interest is commonly owned, and (b) any successor to such party by merger, acquisition, reorganization or similar transaction involving all or substantially all of the assets of such party (or such Affiliate). For the purpose hereof the words “controlling”, “controlled by” and “under common control with” shall mean, with respect to any corporation, partnership, limited liability company or other business entity, the ownership of fifty percent or more of the voting interests in such entity or possession, directly or indirectly, of the power to direct or cause the direction of management policies of such entity, whether through ownership of voting securities or by contract or otherwise.

“Agreement” means this Agreement, as the same may be from time to time modified, amended, or supplemented.

“Authority” means the Roseville Economic Development Authority.

“Authority Representative” means the Executive Director of the Authority, or any person designated by the Executive Director to act as the Authority Representative for the purposes of this Agreement.

“Available Tax Increment” has the meaning provided in the Authorizing Resolution.

“Business Day” means any day except a Saturday, Sunday, legal holiday, a day on which the City is closed for business, or a day on which banking institutions in the City are authorized by law or executive order to close.

“Business Subsidy Act” means Minnesota Statutes, Sections 116J.993 to 116J.995, as amended.

“City” means the City of Roseville, Minnesota.

“Certificate of Completion” means the certification provided to the Redeveloper pursuant to Section 4.4 of this Agreement.

“Construction Plans” means the plans, specifications, drawings and related documents on the construction work to be performed by the Redeveloper on the Redevelopment Property

which (a) shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the appropriate building officials of the City, and (b) shall include at least the following: (1) site plan; (2) floor plan; (3) cross sections of each (length and width); (4) elevations (all sides); (5) landscape plan; and (6) such other plans or supplements to the foregoing plans as the Authority may reasonably request to allow it to ascertain the nature and quality of the proposed construction work.

“County” means the County of Ramsey, Minnesota.

“Development Agreement” means the Public Improvement Contract between the City and the Redeveloper, to be executed in connection with Redeveloper’s activities on the Redevelopment Property, which Development Agreement is incorporated herein by reference.

“Development Program” means the Development Program for the Project, as amended.

“Event of Default” means an action by the Redeveloper listed in Article IX of this Agreement.

“Holder” means the owner of a Mortgage.

“HRA Act” means Minnesota Statutes, Sections 469.001 to 469.047, as amended.

“Minimum Improvements” means renovation on the Redevelopment Property of an existing approximately 44,000 square-foot warehouse facility, and construction of an addition to such facility, resulting in an approximately 54,000 square-foot facility to be used for corporate headquarters/office space, along with associated parking lot and landscaping.

“Mortgage” means any mortgage made by the Redeveloper that is secured, in whole or in part, with the Redevelopment Property and that is a permitted encumbrance pursuant to the provisions of Article VIII of this Agreement.

“Preliminary Development Agreement” means the Preliminary Development Agreement between the Authority and the Redeveloper, dated January 16, 2018.

“Project” means the Authority’s Development District No. 1.

“Public Redevelopment Costs” has the meaning provided in Section 3.4(a) hereof.

“Redeveloper” means 2785 Fairview, LLC, a Minnesota limited liability company, or its permitted successors and assigns.

“Redevelopment Property” means the real property described in Schedule A of this Agreement, provided that upon filing of a final plat of such property, the platted legal description will control.

“State” means the state of Minnesota.

“Tax Increment” means that portion of the real property taxes that is paid with respect to the Redevelopment Property and that is remitted to the Authority as tax increment pursuant to the Tax Increment Act.

“Tax Increment Act” or “TIF Act” means the Tax Increment Financing Act, Minnesota Statutes Sections 469.174 to 469.1794, as amended.

“Termination Date” means the earlier of (a) date of the Authority’s last receipt of Tax Increment from the TIF District in accordance with Section 469.176, subd. 1b(3) of the TIF Act; or (b) the date the TIF Note has been paid in full, defeased, or terminated in accordance with the terms of the resolution set forth in Schedule C.

“TIF District” means Tax Increment Financing District No. 20, created by the City and Authority on February 26, 2018.

“TIF Note” has the meaning provided in Section 3.4 hereof.

“Tax Increment Plan” or “TIF Plan” means the Tax Increment Financing Plan for the TIF District approved by the City Council on February 26, 2018, and as it may be amended.

“Tax Official” means any County assessor, County auditor, County or State board of equalization, the commissioner of revenue of the State, or any State or federal district court, the tax court of the State, or the State Supreme Court.

“Transfer” has the meaning set forth in Section 8.2(a) hereof.

“Unavoidable Delays” means delays beyond the reasonable control of the party seeking to be excused as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Authority or City in exercising their rights under this Agreement), including without limitation condemnation or threat of condemnation of any portion of the Redevelopment Property, which directly result in delays. Unavoidable Delays shall not include delays experienced by the Redeveloper in obtaining permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under Section 4.3 of this Agreement, so long as the Construction Plans have been approved in accordance with Section 4.2 hereof.

ARTICLE II

Representations and Warranties

Section 2.1. Representations by the Authority. (a) The Authority is an economic development authority duly organized and existing under the laws of the State. Under the provisions of the Act and the HRA Act, the Authority has the power to enter into this Agreement and carry out its obligations hereunder.

(b) The Authority will use its best efforts to facilitate redevelopment of the Minimum Improvements, including but not limited to cooperating with the Redeveloper in obtaining necessary administrative and land use approvals and financing pursuant to Section 7.1 hereof.

(c) The activities of the Authority are undertaken pursuant to the TIF Act for the purpose of fostering the development and redevelopment of certain real property that is occupied by a substandard and obsolete building, which will provide employment opportunities, revitalize this portion of the Project, and increase the tax base.

(d) The Minimum Improvements are allowed uses under the zoning ordinances of the City and are consistent with the Development Program.

(e) The Authority will issue the TIF Note, subject to all the terms and conditions of this Agreement.

Section 2.2. Representations and Warranties by the Redeveloper. The Redeveloper represents and warrants that:

(a) The Redeveloper is a limited liability company, duly established and in good standing under the laws of the State of Minnesota, is not in violation of any provisions of its articles of organization or bylaws, is duly qualified as a domestic limited liability company and authorized to transact business within the State, has power to enter into this Agreement and has duly authorized the execution, delivery, and performance of this Agreement by proper action of its members.

(b) The Redeveloper will construct the Minimum Improvements in accordance with the terms of this Agreement, the Development Program, and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations).

(c) The Redeveloper will use reasonable efforts to secure all permits, licenses and approvals necessary for construction of the Minimum Improvements.

(d) The Redeveloper has received no written notice or other written communication from any local, state or federal official that the activities of the Redeveloper or the Authority on

the Redevelopment Property may be or will be in violation of any environmental law or regulation (other than those notices or communications of which the Authority is aware). The Redeveloper is aware of no facts the existence of which would cause it to be in violation of or give any person a valid claim under any local, state or federal environmental law, regulation or review procedure.

(e) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any corporate restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which the Redeveloper is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The proposed construction of the Minimum Improvements by the Redeveloper hereunder would not occur but for the assistance being provided by the Authority hereunder.

[The remainder of this page is intentionally left blank.]

ARTICLE III

Property Acquisition; Acquisition Costs

Section 3.1. Status of Redevelopment Property. The Redevelopment Property consists of the parcel legally described in Schedule A hereof. In order to secure timely access to the Redevelopment Property and in reliance on execution of this Agreement pursuant to the terms of the Preliminary Development Agreement, the Redeveloper acquired fee title to the Redevelopment Property prior to the date of this Agreement. The Redeveloper acknowledges that the Authority has no obligation to acquire any of the Redevelopment Property.

Section 3.2. Environmental Undertakings. (a) The parties acknowledge that MPCA has approved a voluntary response action plan providing for remediation of hazardous wastes and contaminants on the Redevelopment Property (the “VRAP”). Redeveloper shall promptly undertake remediation and any other actions required under the VRAP, subject to the reimbursement as further described in this Agreement.

(b) The Redeveloper acknowledges that the Authority makes no representations or warranties as to soil and environmental condition on the Redevelopment Property or the fitness of the Redevelopment Property for construction of the Minimum Improvements or any other purpose for which the Redeveloper may make use of such property, and that the assistance provided to the Redeveloper under this Agreement neither implies any responsibility by the Authority for any contamination of the Redevelopment Property or poor soil conditions nor imposes any obligation on the Authority to participate in any cleanup of the Redevelopment Property and/or correction of any soil problems (other than the financing described in this agreement).

(c) Without limiting its obligations under Section 8.3 of this Agreement the Redeveloper further agrees that it will indemnify, defend, and hold harmless the Authority, the City, and their governing body members, officers, and employees, from any claims or actions arising out of the presence, if any, of hazardous wastes or pollutants existing on or in the Redevelopment Property unless and to the extent that such hazardous wastes or pollutants are present as a result of the actions or omissions of the indemnitees. Nothing in this section will be construed to limit or affect any limitations on liability of the City or Authority under State or federal law, including without limitation Minnesota Statutes Sections 466.04 and 604.02.

Section 3.3. Grants; Disbursement. (a) To finance a portion of the environmental abatement, remediation, and investigation costs on the Redevelopment Property described in Schedule B (the “Grant-Eligible Costs”), the Authority has applied for a grant from the Met Council in the amount of \$157,230 (the “Grant”).

(b) If all or a portion of the Grant is approved, the Authority will pay or reimburse the Redeveloper for Grant-Eligible Costs from and to the extent of the grant proceeds from the Grant, in accordance with the terms of the Grant Agreement and the terms of this Section. Notwithstanding anything to the contrary herein, if Grant-Eligible Costs exceed the amount to be reimbursed under

this Section, such excess shall be the sole responsibility of the Redeveloper, subject to Section 3.3(c) hereof.

(c) If, upon commencing environmental remediation activities on the Redevelopment Property, the Redeveloper discovers the existence of contaminated or poor soils to any extent requiring remediation, the Authority agrees to apply for an Environmental Response Fund grant from the County (“County Grant”) on Redeveloper’s behalf. If the Authority receives a County Grant, the proceeds of such County Grant will be subject to the provisions of this Section to the same extent as the proceeds of the Grant.

(d) The Redeveloper expressly agrees and acknowledges that no construction may commence on the Redevelopment Property while the Grant application is pending, and that commencement of construction prior to the award of the Grant and consent of the Met Council may terminate the award of the Grant. All disbursements will be made subject to the conditions precedent that on the date of such disbursement:

(1) The Authority has received a written statement from the Redeveloper’s authorized representative certifying with respect to each payment: (a) that none of the items for which the payment is proposed to be made has formed the basis for any payment previously made under this Section (or before the date of this Agreement); (b) that each item for which the payment is proposed is a Grant-Eligible Cost; and (c) the Redeveloper reasonably anticipates completion of the Grant-Eligible Costs and the Minimum Improvements in accordance with the terms of this Agreement.

(2) No Event of Default under this Agreement or event which would constitute such an Event of Default but for the requirement that notice be given or that a period of grace or time elapse, shall have occurred and be continuing.

(3) No license or permit necessary for undertaking the Grant-Eligible Costs or constructing the Minimum Improvements shall have been revoked or the issuance thereof subjected to challenge before any court or other governmental authority having or asserting jurisdiction thereover.

(e) Whenever the Redeveloper desires a disbursement to be made hereunder, which shall be no more often than bi-weekly, the Redeveloper shall submit to the Authority a draw request in the form attached as Schedule C duly executed on behalf of the Redeveloper accompanied by paid invoices or other comparable evidence that the cost has been incurred and paid or is payable by Redeveloper. Each draw request shall constitute a representation and warranty by the Redeveloper that all representations and warranties set forth in this Agreement are true and correct as of the date of such draw request.

(f) If the Redeveloper has performed all of its agreements and complied with all requirements theretofore to be performed or complied with hereunder, including satisfaction of all applicable conditions precedent contained in Article III hereof, the Authority shall make a disbursement to the Redeveloper in the amount of the requested disbursement or such lesser amount as shall be approved, within twenty Business Days after the date of the Authority’s receipt of the draw request, or, if later, upon receipt of Grant proceeds from the Met Council (or the County, if

applicable). Each disbursement shall be paid from the Grant or the County Grant, subject to the Authority's determination that the relevant Grant-Eligible Cost is payable under the Grant Agreement or the County Grant Agreement.

(g) The making of the final disbursement by the Authority under this Section shall be subject to the condition precedent that the Redeveloper shall be in compliance with all conditions set forth in this Section and further, that the Authority shall have received a lien waiver from each contractor for all work done and for all materials furnished by it for the Grant-Eligible Costs.

(h) The Authority may, in its sole discretion, without notice to or consent from any other party, waive any or all conditions for disbursement set forth in this Article. However, the making of any disbursement prior to fulfillment of any condition therefor shall not be construed as a waiver of such condition, and the Authority shall have the right to require fulfillment of any and all such conditions prior to authorizing any subsequent disbursement.

Section 3.4. Issuance of TIF Note. (a) *Public Redevelopment Costs.* In order to make construction of the Minimum Improvements financially feasible, the Authority will reimburse the Redeveloper for a portion of the costs of site preparation, utilities, soil correction, demolition, and environmental abatement, remediation, and investigation (to the extent not reimbursed as Grant-Eligible Costs) on the Redevelopment Property incurred by the Redeveloper (the "Public Redevelopment Costs"), through issuance of the TIF Note in accordance with this Section.

(b) *Terms.* The Authority shall issue and the Redeveloper shall purchase the TIF Note in the maximum principal amount of \$1,316,000. The TIF Note will be issued as reimbursement of Public Redevelopment Costs, and secured solely from Available Tax Increment. The terms of the TIF Note, including maturity and payment dates, will be substantially those set forth in the form of the TIF Note shown in Schedule D, and the TIF Note will be subject to all terms of the Authorizing Resolution, which is incorporated herein by reference. The Authority shall issue and deliver the TIF Note upon Redeveloper having:

(i) delivered to the Authority written evidence satisfactory to the Authority that Redeveloper has incurred Public Redevelopment Costs in an amount least equal to the principal amount of the TIF Note, which evidence must include copies of the paid invoices or other comparable evidence for costs of allowable Public Redevelopment Costs;

(ii) submitted and obtained Authority approval of financing in accordance with Section 7.1; and

(iii) delivered to the Authority an investment letter in a form reasonably satisfactory to the Authority.

(c) *Termination of right to TIF Note.* All conditions for delivery of the TIF Note must be met by no later than the date which is less than five (5) years after the date of certification of the TIF District by the County and complies with the so-called five-year rule under Section 469.1763, subd. 3(c) of the TIF Act. If the conditions for delivery of the TIF Note

are not satisfied by the date described in this paragraph, the Authority has no further obligations under this Section 3.4.

(d) *Assignment of TIF Note.* The Authority acknowledges that the Redeveloper may assign the TIF Note to a third party. The Authority consents to such an assignment, conditioned upon receipt of an investment letter from such third party in a form reasonably acceptable to the Authority.

(e) *Qualifications.* The Redeveloper understands and acknowledges that all Public Redevelopment Costs must first be paid by the Redeveloper and will be reimbursed from Available Tax Increment pursuant to the terms of the TIF Note. The Authority makes no representations or warranties regarding the amount of Tax Increment, or that revenues pledged to the TIF Note will be sufficient to pay the principal and interest on the TIF Note. Any estimates of Tax Increment prepared by the Authority or its financial advisors in connection with the TIF District or this Agreement are for the benefit of the Authority, and are not intended as representations on which the Redeveloper may rely. Public Redevelopment Costs exceeding the principal amount of the TIF Note are the sole responsibility of Redeveloper, subject to Section 3.5 of this Agreement.

Section 3.5. Other Assistance. (a) In addition to the Grant and issuance of the TIF Note, the Authority shall provide additional assistance to the Redeveloper from available funds in the Authority's development account (the "Authority Funds") for the following purposes: first, to pay a portion of Redeveloper's sewer access connection ("SAC") charges, and second, to fund other Public Redevelopment Costs (to the extent not reimbursed under the Grant or allocated to be reimbursed under the TIF Note). The amount of Authority Funds payable by the Authority shall be determined following the final reimbursement by the Authority to the Redeveloper of Grant-Eligible Costs submitted pursuant to Section 3.3 hereof. Authority Funds shall be disbursed in an amount equal to \$1,500,000 less the sum of the maximum principal amount of the TIF Note and the actual amount of Grant proceeds, if any, disbursed to the Redeveloper. Notwithstanding anything to the contrary herein, if actual SAC charges exceed the amount to be reimbursed under this Section, such excess shall be the sole responsibility of the Redeveloper.

(b) The disbursement of Authority Funds will be made subject to the conditions precedent that on the date of such disbursement:

(1) If the disbursement relates to SAC charges, the Authority has received from the Redeveloper's authorized representative evidence of SAC charges actually assessed against the Redevelopment Property, and that the Authority Funds do not exceed such actual SAC charges.

(2) If the disbursement relates to Public Redevelopment Costs, the Authority has received from the Redeveloper's authorized representative evidence of Public Redevelopment Costs in excess of the amount authorized to be reimbursed by issuance of the TIF Note.

(3) No Event of Default under this Agreement or event which would constitute such an Event of Default but for the requirement that notice be given or that a period of grace or time elapse, shall have occurred and be continuing.

(c) If the Redeveloper has performed all of its agreements and complied with all requirements theretofore to be performed or complied with hereunder, including satisfaction of all applicable conditions precedent contained in Article III hereof, the Authority shall make a disbursement of Authority Funds to the Redeveloper in the amount of the requested disbursement or such lesser amount as shall be approved, within twenty Business Days after the date of the Authority's receipt of the evidence of actual SAC charges and after completion of the disbursement of Grant proceeds, if any.

(d) The Authority may, in its sole discretion, without notice to or consent from any other party, waive any or all conditions for disbursement set forth in this Article. However, the making of any disbursement prior to fulfillment of any condition therefor shall not be construed as a waiver of such condition, and the Authority shall have the right to require fulfillment of any and all such conditions prior to authorizing any subsequent disbursement.

Section 3.6. TIF Lookback. The financial assistance to the Redeveloper under this Agreement is based on certain assumptions regarding likely costs and expenses associated with constructing the Minimum Improvements. These assumptions will be tested through a lookback analysis as follows: At the time of completion of construction of the Minimum Improvements, if the amount of actual Public Redevelopment Costs incurred is less than the amount of Public Redevelopment Costs projected in Exhibit E (less any Grant-Eligible Costs reimbursed by Grants or Authority Funds), the assistance for Public Redevelopment Costs will be reduced on a dollar for dollar basis in the amount of such deficiency and the principal amount of the TIF Note will be adjusted accordingly.

Section 3.7. Business Subsidy. The Redeveloper warrants and represents that the Redeveloper's investment in the purchase of the Redevelopment Property and in site preparation equals at least 70% of the County assessor's finalized market value of the Redevelopment Property for the 2017 assessment year (the most recent year for which finalized values are available), calculated as follows:

Aggregate cost of acquisition of Redevelopment Property.....	\$1,650,000
<i>Plus</i> Estimated cost of site preparation.....	\$1,508,563
<i>Less</i> site preparation costs reimbursed by the Authority.....	(\$1,316,000)
<i>Equals</i> net land and site preparation cost.....	\$1,842,563
Assessor's finalized market value of Redevelopment Property (2017).....	\$1,967,600

\$1,842,563 (net acquisition and site preparation cost) is 93.65% of \$1,967,600 (assessor's finalized fair market value of the Redevelopment Property for 2017).

Accordingly, the parties agree and understand that the financial assistance described in this Agreement does not constitute a business subsidy within the meaning of the Business Subsidy Act. The Redeveloper releases and waives any claim against the Authority and its governing body members, officers, agents, servants and employees thereof arising from application of the Business Subsidy Act to this Agreement, including without limitation any claim that the Authority failed to comply with the Business Subsidy Act with respect to this Agreement.

Section 3.8. Payment of Authority Costs. The Redeveloper agrees that it will pay, within thirty (30) days after written notice from the Authority, the reasonable costs of consultants and attorneys retained by the Authority in connection with the creation of the TIF District and the negotiation in preparation of this Agreement and other incidental agreements and documents related to the development contemplated hereunder (the "Authority Costs"). The Authority will provide written reports describing the costs accrued under this Section upon request from the Redeveloper, but not more often than intervals of forty-five (45) days. Notwithstanding the foregoing, any Authority Costs incurred by the Authority after the receipt by the Authority of the first payment of Tax Increment by the County will be paid by the Authority, and the Redeveloper will have no obligation to pay any Authority Costs incurred after such date. The sum of \$32,500, which was deposited by the Redeveloper upon filling its application for tax increment financing with the Authority, will be credited to the Redeveloper's obligation under this Section. Upon termination of this Agreement in accordance with its terms, the Redeveloper remains obligated under this section for costs incurred through the date of first receipt by the Authority of Tax Increment.

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ARTICLE IV

Construction of Minimum Improvements

Section 4.1. Construction of Improvements. The Redeveloper agrees that it will construct or cause construction of the Minimum Improvements on the Redevelopment Property in accordance with the approved Construction Plans and that it will, during any period while the Redeveloper retains ownership of any portion of the Minimum Improvements, operate and maintain, preserve and keep the Minimum Improvements or cause the Minimum Improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition.

Section 4.2. Construction Plans. The Redeveloper shall follow a separate permitting process for each of three phases of construction of the Minimum Improvements, consisting of demolition, construction of footings, and construction of the facility (each a “Construction Phase”), as follows:

(a) Before commencing construction of any Construction Phase of the Minimum Improvements, the Redeveloper shall submit to the Authority Construction Plans for the applicable Construction Phase. The Construction Plans shall provide for the construction of such Construction Phase and shall be in conformity with this Agreement, the Development Program and all applicable State and local laws and regulations. The Authority will approve the Construction Plans in writing if (i) the Construction Plans conform to all terms and conditions of this Agreement; (ii) the Construction Plans conform to the goals and objectives of the Development Program; (iii) the Construction Plans conform to all applicable federal, state and local laws, ordinances, rules and regulations; (iv) Construction Plans are adequate to provide for construction of the applicable Construction Phase; (v) the Redeveloper certifies that Redeveloper reasonably anticipates that the Construction Plans do not provide for expenditures in excess of the funds available to the Redeveloper for construction of the Minimum Improvements; and (vi) no Event of Default has occurred and remains outstanding. No approval by the Authority shall relieve the Redeveloper of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements in accordance therewith. No approval by the Authority shall constitute a waiver of an Event of Default. If approval of the Construction Plans is requested by the Redeveloper in writing at the time of submission, such Construction Plans shall be deemed approved unless rejected in writing by the Authority, in whole or in part. Such rejections shall set forth in detail the reasons therefor based upon the criteria set forth in (i) through (vi) above, and shall be made within twenty (20) days after the date of receipt of final plans from the Redeveloper. If the Authority fails to reject any Construction Plans submitted to the Authority within said twenty (20) day period, the Authority shall be deemed to have approved such plans. If the Authority rejects any Construction Plans in whole or in part, the Redeveloper shall submit new or corrected Construction Plans within twenty (20) days after written notification to the Redeveloper of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the Authority. The Authority’s approval shall not be unreasonably

withheld. Said approval shall constitute a conclusive determination that the approved Construction Plans (and the Construction Phase of the Minimum Improvements constructed in accordance with said plans) comply to the Authority's satisfaction with the provisions of this Agreement relating thereto.

The Redeveloper hereby waives any and all claims and causes of action whatsoever resulting from the review of the Construction Plans by the Authority and/or any changes in the Construction Plans requested by the Authority. Neither the Authority nor any employee or official of the Authority shall be responsible in any manner whatsoever for any defect in the Construction Plans or in any work done pursuant to the Construction Plans, including changes requested by the Authority.

(b) If the Redeveloper desires to make any material change in the Construction Plans or any component thereof after their approval by the Authority, the Redeveloper shall submit the proposed change to the Authority for its approval. For the purpose of this section, the term "material" means changes that increase or decrease construction costs by 10% or more. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section 4.2 of this Agreement with respect to such previously approved Construction Plans, the Authority shall approve the proposed change and notify the Redeveloper in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved by the Authority unless rejected, in whole or in part, by written notice by the Authority to the Redeveloper, setting forth in detail the reasons therefor. Such rejection shall be made within ten (10) days after receipt of the notice of such change. The Authority's approval of any such change in the Construction Plans will not be unreasonably withheld.

Section 4.3. Commencement and Completion of Construction. The Redeveloper shall commence construction of the Minimum Improvements by June 30, 2021. Subject to Unavoidable Delays, the Redeveloper shall complete the construction of the Minimum Improvements by June 30, 2023. All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans as submitted by the Redeveloper and approved by the Authority. For purposes of this Agreement, construction shall be deemed to commence upon the commencement of environmental remediation activities necessary to carry out the construction of the Minimum Improvements.

The Redeveloper agrees for itself, its successors, and assigns, and every successor in interest to the Redevelopment Property, or any part thereof, that the Redeveloper, and such successors and assigns, shall promptly begin and diligently prosecute to completion the development of the Redevelopment Property through the construction of the Minimum Improvements thereon, and that such construction shall in any event be commenced and completed within the period specified in this Section 4.3 of this Agreement. After the date of this Agreement and until the Minimum Improvements have been fully constructed, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by the Authority, but no more than monthly, as to the actual progress of the Redeveloper with respect to such construction.

Section 4.4. Certificate of Completion. (a) Within 15 days after completion of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Minimum Improvements (including the dates for beginning and completion thereof), the Authority Representative shall deliver to the Redeveloper a Certificate of Completion in substantially the form shown as Schedule F, in recordable form and executed by the Authority.

(b) If the Authority Representative shall refuse or fail to provide any certification in accordance with the provisions of this Section 4.4 of this Agreement, the Authority Representative shall, within thirty (30) days after written request by the Redeveloper, provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order for the Authority to issue the Certificate of Completion. Issuance of the Certificate of Completion shall not be unreasonably withheld.

(c) The construction of the Minimum Improvements shall be deemed to be complete upon issuance of a final certificate of occupancy for the Minimum Improvements, and upon determination by the Authority Representative that all related site improvements on the Redevelopment Property have been substantially completed in accordance with approved Construction Plans.

Section 4.5. Public Improvements. In connection with Redeveloper's construction of the Minimum Improvements, the Redeveloper shall construct certain public improvements, including without limitation the construction of sidewalks and related infrastructure, in conformity with the terms and specifications provided in the Development Agreement.

Section 4.6. Lease. Upon completion of the Minimum Improvements, the Redeveloper intends to enter into a lease with McGough Construction to occupy and operate the Minimum Improvements (the "Lease"). The Redeveloper agrees to provide the Authority with a copy of the executed Lease, and acknowledges that the rental rate in effect during the term of the Lease must be at least \$18.72 per square foot triple-net.

Section 4.7. Adjacent Properties. The Redeveloper agrees and acknowledges that the properties located at 2711 and 2737 Fairview Avenue (the "Adjacent Properties"), located adjacent to the Redevelopment Property, are included in a Community Mixed Use district designated as such within the City's zoning code. The Redeveloper agrees to work with the Authority to cause the owner of the Adjacent Properties to explore uses for the Adjacent Properties that are consistent with the Community Mixed Use designation and compatible with the Minimum Improvements to be constructed on the Redevelopment Property; provided, however, that nothing contained in this Section 4.7 will limit or impair the right of the owner of the Adjacent Properties to sell, encumber, redevelop, or otherwise take any action with respect to such properties.

Section 4.8. Records. The Authority, through any authorized representatives, shall have the right at all reasonable times after reasonable notice to inspect, examine and copy all

books and records of Redeveloper relating to the Minimum Improvements. Such records shall be kept and maintained by Redeveloper through the Termination Date.

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ARTICLE V

Insurance

Section 5.1. Insurance. (a) The Redeveloper will provide and maintain at all times during the process of constructing the Minimum Improvements an All Risk Broad Form Basis Insurance Policy and, from time to time during that period, at the request of the Authority, furnish the Authority with proof of payment of premiums on policies covering the following:

(i) Builder's risk insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to 100% of the principal amount of the TIF Note, and with coverage available in nonreporting form on the so-called "all risk" form of policy. The interest of the Authority shall be protected in accordance with a clause in form and content satisfactory to the Authority;

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) together with an Owner's Protective Liability Policy with limits against bodily injury and property damage of not less than \$1,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used). The Authority shall be listed as an additional insured on the policy; and

(iii) Workers' compensation insurance, with statutory coverage, provided that the Redeveloper may be self-insured with respect to all or any part of its liability for workers' compensation.

(b) Upon completion of construction of the Minimum Improvements and prior to the Termination Date, the Redeveloper shall maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the Authority shall furnish proof of the payment of premiums on, insurance as follows:

(i) Insurance against loss and/or damage to the Minimum Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses.

(ii) Comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of \$1,000,000, and shall be endorsed to show the City and Authority as additional insureds.

(iii) Such other insurance, including workers' compensation insurance respecting all employees of the Redeveloper, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure;

provided that the Redeveloper may be self-insured with respect to all or any part of its liability for workers' compensation.

(c) All insurance required in Article V of this Agreement shall be taken out and maintained in responsible insurance companies selected by the Redeveloper that are authorized under the laws of the State to assume the risks covered thereby. Upon request, the Redeveloper will deposit annually with the Authority a certificate or certificates or binders of the respective insurers stating that the insurance required herein is in force and effect. Unless otherwise provided in this Article V of this Agreement each policy shall contain a provision that the insurer shall not cancel the policy without giving written notice to the Redeveloper and the Authority at least thirty (30) days before the cancellation becomes effective. In lieu of separate policies, the Redeveloper may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Redeveloper shall deposit with the Authority a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

(d) The Redeveloper agrees to notify the Authority immediately in the case of damage exceeding \$100,000 in amount to, or destruction of, the Minimum Improvements or any portion thereof resulting from fire or other casualty. In such event the Redeveloper will forthwith repair, reconstruct, and restore the Minimum Improvements to substantially the same or an improved condition or value as it existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction, and restoration, the Redeveloper will apply the net proceeds of any insurance relating to such damage received by the Redeveloper to the payment or reimbursement of the costs thereof. Any net proceeds remaining after completion of such repairs, construction, and restoration shall be the property of the Redeveloper.

(e) In lieu of its obligation to reconstruct the Minimum Improvements as set forth in this Section, the Redeveloper shall have the option of: (i) paying to the Authority an amount that, in the opinion of the Authority and its fiscal consultant, is sufficient to pay or redeem the outstanding principal and accrued interest on the TIF Note, or (ii) so long as the Redeveloper is the owner of the TIF Note, waiving its right to receive subsequent payments under the TIF Note.

(f) The Redeveloper and the Authority agree that all of the insurance provisions set forth in this Article V shall terminate upon the termination of this Agreement.

Section 5.2. Subordination. Notwithstanding anything to the contrary herein, the rights of the Authority with respect to the receipt and application of any insurance proceeds shall, in all respects, be subordinate and subject to the rights of any Holder under a Mortgage allowed pursuant to Article VII of this Agreement.

ARTICLE VI

Tax Increment; Taxes

Section 6.1. Right to Collect Delinquent Taxes. The Redeveloper acknowledges that the Authority is providing substantial aid and assistance in furtherance of the development through reimbursement of Public Redevelopment Costs. The Redeveloper understands that the Tax Increments pledged to payment on the TIF Note are derived from real estate taxes on the Redevelopment Property, which taxes must be promptly and timely paid. To that end, the Redeveloper agrees for itself, its successors and assigns, that in addition to the obligation pursuant to statute to pay real estate taxes, it is also obligated by reason of this Agreement to pay before delinquency all real estate taxes assessed against the Redevelopment Property and the Minimum Improvements. The Redeveloper acknowledges that this obligation creates a contractual right on behalf of the Authority to sue the Redeveloper or its successors and assigns to collect delinquent real estate taxes and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such suit, the Authority shall also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 6.2. Review of Taxes. The Redeveloper agrees that prior to the Termination Date, it will not cause a reduction in the real property taxes paid in respect of the Redevelopment Property through: (A) willful destruction of the Redevelopment Property or any part thereof; or (B) willful refusal to reconstruct damaged or destroyed property pursuant to Section 5.1 of this Agreement, except as provided in Section 5.1(e). The Redeveloper also agrees that it will not, prior to the Termination Date, seek exemption from property tax for the Redevelopment Property or any portion thereof or transfer or permit the transfer of the Redevelopment Property to any entity that is exempt from real property taxes and state law (other than any portion thereof dedicated or conveyed to the City in accordance with platting of the Redevelopment Property), or apply for a deferral of property tax on the Redevelopment Property pursuant to any law.

Section 6.3. Assessment Agreement. (a) Upon execution of this Agreement, the Redeveloper shall, with the Authority, execute an Assessment Agreement pursuant to Minnesota Statutes, Section 469.177, subd. 8, specifying an assessor's minimum Market Value for the Redevelopment Property and Minimum Improvements constructed thereon. The amount of the minimum Market Value shall be \$7,246,125 as of the first January 2 following the date on which the Authority issues a Certificate of Completion and each January 2 thereafter.

(b) The Assessment Agreement shall be substantially in the form attached hereto as Schedule G. Nothing in the Assessment Agreement shall limit the discretion of the County assessor to assign a market value to the Redevelopment Property and Minimum Improvements in excess of such assessor's minimum Market Value. The Assessment Agreement shall remain in force for the period specified in the Assessment Agreement.

(c) Nothing in this Agreement or in the Assessment Agreement shall limit the right of the Redeveloper, or its successors and assigns, to bring a tax petition challenging a Market Value determination that exceeds the established minimum Market Value for the Redevelopment Property

or the Minimum Improvements; provided that if the Redeveloper brings such a challenge, the Redeveloper must inform the Authority of such tax petition in writing. During the pendency of such challenge, the Authority will pay principal and interest on the TIF Note only to the extent of the Available Tax Increment attributable to the minimum Market Value of the Redevelopment Property and the Minimum Improvements; provided that if the Redeveloper fails to notify the Authority of the tax petition, the Authority shall have the right to withhold all payments of principal and interest on the TIF Note until the Redeveloper's challenge is resolved. Upon resolution of Redeveloper's tax petition, any Available Tax Increment deferred and withheld under this Section shall be paid, without interest thereon, to the extent payable under the assessor's final determination of Market Value.

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ARTICLE VII

Other Financing

Section 7.1. Generally. Before issuance of the TIF Note, the Redeveloper shall submit to the Authority or provide access thereto for review by Authority staff, consultants and agents, a term sheet from a commercial lender that demonstrates that Redeveloper will have funds sufficient to pay the cost of developing the Minimum Improvements, provided that any lender term sheet shall be subject only to such conditions as are normal and customary in the commercial lending industry.

Section 7.2. Authority's Option to Cure Default on Mortgage. In the event that any portion of the Redeveloper's funds is provided through mortgage financing, and there occurs a default under any Mortgage reviewed by the Authority pursuant to Article VII of this Agreement, the Redeveloper shall cause the Authority to receive copies of any notice of default received by the Redeveloper from the holder of such Mortgage. Thereafter, the Authority shall have the right, but not the obligation, to cure any such default on behalf of the Redeveloper within such cure periods as are available to the Redeveloper under the Mortgage documents.

Section 7.3. Modification; Subordination. The Authority agrees to subordinate its rights under this Agreement to the Holder of any Mortgage securing construction or permanent financing, in accordance with the terms of a subordination agreement in a form reasonably acceptable to the Authority and approved by the Authority by formal action.

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ARTICLE VIII

Prohibitions Against Assignment and Transfer; Indemnification

Section 8.1. Representation as to Development. The Redeveloper represents and agrees that its purchase of the Redevelopment Property, and its other undertakings pursuant to the Agreement, are, and will be used, for the purpose of development of the Redevelopment Property and not for speculation in land holding.

Section 8.2. Prohibition Against Redeveloper's Transfer of Property and Assignment of Agreement. The Redeveloper represents and agrees that during the term of this Agreement:

(a) Except only by way of security for, and only for, the purpose of obtaining financing necessary to enable the Redeveloper or any successor in interest to the Redevelopment Property, or any part thereof, to perform its obligations with respect to undertaking the development contemplated under this Agreement, and any other purpose authorized by this Agreement, the Redeveloper has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Redevelopment Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity whether or not related in any way to the Redeveloper (collectively, a "Transfer"), without the prior written approval of the Authority (whose approval will not be unreasonably withheld, subject to the standards described in paragraph (b) of this Section) unless the Redeveloper remains liable and bound by this Redevelopment Agreement in which event the Authority's approval is not required. Any such Transfer shall be subject to the provisions of this Agreement. For the purposes of this Agreement, the term Transfer does not include (i) acquisition of a controlling interest in Redeveloper by another person or entity or merger of Redeveloper with another entity; or (ii) any sale, conveyance, or transfer in any form to any Affiliate.

(b) In the event the Redeveloper, upon Transfer of the Redevelopment Property or any portion thereof prior to issuance of the Certificate of Completion, seeks to be released from its obligations under this Redevelopment Agreement as to the portions of the Redevelopment Property that are transferred, the Authority shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such release that:

(i) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the Authority, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper as to the portion of the Redevelopment Property to be transferred.

(ii) Any proposed transferee, by instrument in writing satisfactory to the Authority and in form recordable in the public land records of Ramsey County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of the Authority, have expressly assumed all of the obligations of the Redeveloper under

this Agreement as to the portion of the Redevelopment Property to be transferred and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Redevelopment Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the Authority) deprive the Authority of any rights or remedies or controls with respect to the Redevelopment Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Redevelopment Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the Authority of or with respect to any rights or remedies on controls provided in or resulting from this Agreement with respect to the Redevelopment Property that the Authority would have had, had there been no such transfer or change. In the absence of specific written agreement by the Authority to the contrary, no such transfer or approval by the Authority thereof shall be deemed to relieve the Redeveloper, or any other party bound in any way by this Agreement or otherwise with respect to the Redevelopment Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Redevelopment Property governed by this Article VIII, shall be in a form reasonably satisfactory to the Authority.

In the event the foregoing conditions are satisfied then the Redeveloper shall be released from its obligation under this Agreement, as to the portion of the Redevelopment Property that is transferred, assigned, or otherwise conveyed.

Section 8.3. Release and Indemnification Covenants. (a) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties as hereinafter defined, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Redeveloper releases from and covenants and agrees that the Authority, the City, and the governing body members, officers, agents, servants, and employees thereof (the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Redevelopment Property or the Minimum Improvements.

(b) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Redeveloper agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action, or other proceeding whatsoever by any person or entity

whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, maintenance, and operation of the Redevelopment Property.

(c) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the Indemnified Parties, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Redeveloper or its officers, agents, servants, or employees or any other person who may be about the Redevelopment Property or Minimum Improvements.

(d) All covenants, stipulations, promises, agreements and obligations of the Authority contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of such entity and not of any governing body member, officer, agent, servant, or employee of such entities in the individual capacity thereof.

[The remainder of this page is intentionally blank.]

ARTICLE IX

Events of Default

Section 9.1. Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement, any one or more of the following events, after the non-defaulting party provides thirty (30) days written notice to the defaulting party of the event, but only if the event has not been cured within said thirty (30) days or, if the event is by its nature incurable within thirty (30) days, the defaulting party does not, within such thirty-day period, provide assurances reasonably satisfactory to the party providing notice of default that the event will be cured and will be cured as soon as reasonably possible:

(a) Failure by the Redeveloper or Authority to observe or perform any covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement, unless such failure to perform is the result of an Unavoidable Delay.

(b) If, before issuance of the Certificate of Completion for all the Minimum Improvements, the Redeveloper shall

(i) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act or under any similar federal or State law, which action is not dismissed within sixty (60) days after filing; or

(ii) make an assignment for benefit of its creditors; or

(iii) admit in writing its inability to pay its debts generally as they become due;
or

(iv) be adjudicated a bankrupt or insolvent.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 of this Agreement occurs, the non-defaulting party may:

(a) Suspend its performance under this Agreement until it receives assurances that the defaulting party will cure its default and continue its performance under the Agreement.

(b) Upon a default by the Redeveloper under this Agreement that remains uncured for more than three hundred sixty-five (365) days following written notice from the Authority, the Authority may terminate the Note and this Agreement.

(c) Take whatever action, including legal, equitable, or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this

Agreement, provided that nothing contained herein shall give the Authority the right to seek specific performance by Redeveloper of the construction of the Minimum Improvements.

Section 9.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Authority to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article IX.

Section 9.4. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.5. Attorney Fees. Whenever any Event of Default occurs and if the non-defaulting party employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party under this Agreement, the defaulting party shall, within ten (10) days of written demand by the non-defaulting party, pay to the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

[The remainder of this page is intentionally blank.]

ARTICLE X**Additional Provisions**

Section 10.1. Conflict of Interests; Representatives Not Individually Liable. The Authority and the Redeveloper, to the best of their respective knowledge, represent and agree that no member, official, or employee of the Authority shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement that affects his personal interests or the interests of any corporation, partnership, or association in which he, directly or indirectly, is interested. No member, official, or employee of the City or Authority shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Authority or for any amount that may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement.

Section 10.2. Equal Employment Opportunity. The Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Minimum Improvements provided for in the Agreement it will comply with all applicable federal, state, and local equal employment and non-discrimination laws and regulations.

Section 10.3. Restrictions on Use. The Redeveloper agrees that until the Termination Date, the Redeveloper, and such successors and assigns, shall devote the Redevelopment Property to the operation of the Minimum Improvements as defined in Section 1.1 hereof, and shall not discriminate upon the basis of race, color, creed, sex or national origin in the sale, lease, or rental or in the use or occupancy of the Redevelopment Property or any improvements erected or to be erected thereon, or any part thereof.

Section 10.4. Provisions Not Merged With Deed. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring any interest in the Redevelopment Property and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 10.5. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10.6. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, to the following addresses (or to such other addresses as either party may notify the other):

To Redeveloper: 2785 Fairview, LLC
Attn: Andy McIntosh
2737 Fairview Avenue North
Roseville, Minnesota 55113

To Authority: Roseville Economic Development Authority
Attn: Executive Director
2660 Civic Center Drive
Roseville, Minnesota 55113

Section 10.7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.8. Recording. The Authority may record this Agreement and any amendments thereto with the Ramsey County recorder. The Redeveloper shall pay all costs for recording. The Redeveloper's obligations under this Agreement are covenants running with the land for the term of this Agreement, enforceable by the Authority against the Redeveloper, its successor and assigns, and every successor in interest to the Redevelopment Property, or any part thereof or any interest therein.

Section 10.9 Amendment. This Agreement may be amended only by written agreement approved by the Authority and the Redeveloper.

Section 10.10. Authority Approvals. Unless otherwise specified, any approval required by the Authority under this Agreement may be given by the Authority Representative, except that final approval of issuance of the TIF Note shall be made by the Authority's board of commissioners.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Authority and Redeveloper have caused this Agreement to be duly executed by their duly authorized representatives as of the date first above written.

ROSEVILLE ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018 by _____ and _____ the President and Executive Director of the Roseville Economic Development Authority, on behalf of the Authority.

Notary Public

2785 FAIRVIEW, LLC

By _____
Thomas J. McGough, Jr.
Its President

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by Thomas J. McGough, Jr., the President of 2785 Fairview, LLC, a Minnesota limited liability company, on behalf of the company.

Notary Public

SCHEDULE A
REDEVELOPMENT PROPERTY

Tract C, Registered Land Survey No. 607, Ramsey County, Minnesota

SCHEDULE B

GRANT ELIGIBLE COSTS

Abatement and Cleanup	\$134,760
Environmental Investigation	22,470
Soil Correction/Remediation (to the extent reimbursable under Section 3.3(c) herein)	TBD

DRAW REQUEST

TO: Roseville Economic Development Authority
2660 Civic Center Drive
Roseville, MN 55113

DISBURSEMENT DIRECTION

The undersigned Authorized Representative of 2785 Fairview, LLC, a Minnesota limited liability company (the “Redeveloper”), hereby authorizes and requests you to disburse from proceeds of [the County Grant or the Met Council grant, as the case may be,] in accordance with the terms of the Contract for Private Redevelopment by and between the Roseville Economic Development Authority (“Authority”) and the Redeveloper, dated as of _____, 2018 (the “Agreement”), the following amount to the following person and for the following proper Grant-Eligible Costs:

- 1. Amount:
- 2. Payee:
- 3. Purpose:
- 4. Source (County or Met Council Grant):

all as defined and provided in the Agreement. The undersigned further certifies to the Authority that (a) none of the items for which the payment is proposed to be made has formed the basis for any payment previously made under Section 3.3 of the Agreement (or before the date of the Agreement); (b) that each item for which the payment is proposed is a Grant-Eligible Cost, eligible for funding from the source(s) identified above; and (c) the Redeveloper reasonably anticipates completion of the Grant-Eligible Costs and the Minimum Improvements in accordance with the terms of the Agreement.

Dated: _____

Redeveloper’s Authorized Representative

SCHEDULE D

AUTHORIZING RESOLUTION

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

RESOLUTION APPROVING CONTRACT FOR PRIVATE REDEVELOPMENT WITH AND AWARDING THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT REVENUE NOTE TO 2785 FAIRVIEW, LLC

BE IT RESOLVED BY the Board of Commissioners (“Board”) of the Roseville Economic Development Authority (the “Authority”) as follows:

Section 1. Background; Authorization; Award of Sale.

1.01. Background; Authorization. (a) The Authority and the City of Roseville (“City”) have heretofore approved the establishment of Tax Increment Financing District No. 20 (the “TIF District”) within Development District No. 1 (“Project”), and have adopted a tax increment financing plan for the purpose of financing certain improvements within the Project.

(b) Pursuant to Minnesota Statutes, Section 469.178, the Authority is authorized to issue and sell its bonds for the purpose of financing a portion of the public redevelopment costs of the TIF District. The Authority hereby finds and determines that it is in the best interests of the Authority that it issue and sell its Tax Increment Revenue Note, Series 20__ (McGough Project) (the “Note”) for the purpose of financing certain public redevelopment costs of the Project, pursuant to the terms of this Resolution.

1.02. Agreement Approved; Issuance, Sale, and Terms of the Note. (a) The Authority hereby approves the Contract for Private Redevelopment between the Authority and 2785 Fairview, LLC (the “Agreement”), and authorizes the President and Executive Director to execute such Agreement in substantially the form on file with City, subject to modifications that do not alter the substance of the transaction and are approved by such officials, provided that execution of the Agreement by such officials is conclusive evidence of their approval. All capitalized terms in this resolution have the meaning provided in the Agreement unless the context requires otherwise.

(b) The Authority hereby authorizes the President and Executive Director to issue the Note in accordance with the Agreement. All capitalized terms in this resolution have the meaning provided in the Agreement unless the context requires otherwise.

(c) The Note shall be issued in the maximum principal amount of \$1,316,000 to 2785 Fairview, LLC (the "Owner"), in consideration of certain eligible costs incurred by the Owner under the Agreement, shall be dated the date of delivery thereof, and shall bear interest per annum at the lesser of 5.0% or the actual interest rate of permanent financing obtained by the Owner, from the date of issue to the earlier of maturity or prepayment. The Note will be issued in the principal amount of Public Redevelopment Costs submitted and approved in accordance with Section 3.4 of the Agreement. The Note is secured by Available Tax Increment, as further described in the form of the Note herein. The Authority hereby delegates to the Executive Director the determination of the date on which the Note is to be delivered, in accordance with the Agreement.

Section 2. Form of Note. The Notes shall be in substantially the form attached hereto as Exhibit A, with the blanks to be properly filled in and the principal amount adjusted as of the date of issue.

Section 3. Terms, Execution and Delivery.

3.01. Denomination, Payment. The Note shall be issued as a single typewritten note numbered R-1.

The Note shall be issuable only in fully registered form. Principal of and interest on the Note shall be payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Principal of and interest on the Note shall be payable by mail to the owner of record thereof as of the close of business on the fifteenth day of the month preceding the Payment Date, whether or not such day is a business day.

3.03. Registration. The Authority hereby appoints the City Finance Director to perform the functions of registrar, transfer agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the Authority and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of the Note and the registration of transfers and exchanges of the Note.

(b) Transfer of Note. Upon surrender for transfer of the Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, a new Note of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each Payment Date and until such Payment Date.

(c) Cancellation. The Note surrendered upon any transfer shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the Authority.

(d) Improper or Unauthorized Transfer. When the Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Note or separate instrument of transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(e) Persons Deemed Owners. The Authority and the Registrar may treat the person in whose name the Note is at any time registered in the bond register as the absolute owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the Authority upon such Note to the extent of the sum or sums so paid.

(f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange.

(g) Mutilated, Lost, Stolen or Destroyed Note. In case any Note shall become mutilated or be lost, stolen, or destroyed, the Registrar shall deliver a new Note of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of such mutilated Note or in lieu of and in substitution for such Note lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case the Note lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Note was lost, stolen, or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it, in which both the Authority and the Registrar shall be named as obligees. The Note so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the Authority. If the mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

3.04. Preparation and Delivery. The Note shall be prepared under the direction of the Executive Director and shall be executed on behalf of the Authority by the signatures of its President and Executive Director. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the Note has been so executed, it shall be delivered by the Executive Director to the Owner thereof in accordance with the Agreement.

Section 4. Security Provisions.

4.01. Pledge. The Authority hereby pledges to the payment of the principal of and interest on the Note all Available Tax Increment, as defined in, and subject to the terms described in, the

Note. Available Tax Increment shall be applied to payment of the principal of and interest on the Note in accordance with the terms of the form of Note set forth in Section 2 of this resolution.

4.02. Bond Fund. Until the date the Note is no longer outstanding and no principal thereof or interest thereon (to the extent required to be paid pursuant to this resolution) remains unpaid, the Authority shall maintain a separate and special "Bond Fund" to be used for no purpose other than the payment of the principal of and interest on the Note. The Authority irrevocably agrees to appropriate to the Bond Fund in each year Available Tax Increment. Any Available Tax Increment remaining in the Bond Fund shall be transferred to the Authority's account for the TIF District upon the termination of the Note in accordance with its terms.

4.03. Additional Obligations. The Authority will issue no obligations secured by Available Tax Increment unless such pledge is on a subordinate basis to the pledge to the Note.

Section 5. Certification of Proceedings.

5.01. Certification of Proceedings. The officers of the Authority are hereby authorized and directed to prepare and furnish to the Owner of the Note certified copies of all proceedings and records of the Authority, and such other affidavits, certificates, and information as may be required to show the facts relating to the legality and marketability of the Note as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall be deemed representations of the Authority as to the facts recited therein.

Section 6. Effective Date. This resolution shall be effective upon full execution of the Agreement.

Adopted this ____ day of _____, 2018.

President

ATTEST:

Secretary

Exhibit A to Authorizing Resolution**FORM OF NOTE**

UNITED STATE OF AMERICA
 STATE OF MINNESOTA
 COUNTY OF RAMSEY
 ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

No. R-1

\$ _____

TAX INCREMENT REVENUE NOTE
 SERIES 20__ (MCGOUGH PROJECT)

Rate
 _____%

Date
of Original Issue

The Roseville Economic Development Authority (“Authority”) for value received, certifies that it is indebted and hereby promises to pay to 2785 Fairview, LLC or registered assigns (the "Owner"), the principal sum of \$_____ and to pay interest thereon at the rate of _____% per annum, but solely from the sources and to the extent set forth herein. Unless the context clearly requires otherwise, capitalized terms in this Note have the meaning provided in the Contract for Private Redevelopment between the Authority and Owner dated as of _____, 2018 (the “Agreement”).

1. Payments. Principal and interest (“Payments”) shall be paid on August 1, 20__ and each February 1 and August 1 thereafter to and including _____ (“Payment Dates”) in the amounts set forth herein, payable solely from and to the extent of the sources set forth in Section 3 hereof. Payments shall be applied first to accrued interest, and then to unpaid principal.

Payments are payable by mail to the address of the Owner or such other address as the Owner may designate upon 30 days written notice to the Authority. Payments on this Note are payable in any coin or currency of the United States of America which, on the Payment Date, is legal tender for the payment of public and private debts.

2. Interest. Simple interest at the rate stated herein shall accrue on the unpaid principal, commencing on the date of original issue. Interest shall be computed on the basis of a year of 360 days and charged for actual days principal is unpaid.

3. Available Tax Increment. (a) Payments on this Note are payable on each Payment Date solely from and in the amount of “Available Tax Increment,” which shall mean 95 percent of the total Tax Increment attributable to the TIF District that has been paid to the Authority by Ramsey County in the six months prior to the subject Payment Date.

(b) The Authority shall have no obligation to pay principal of and interest on this Note on each Payment Date from any source other than Available Tax Increment, and the failure of the Authority to pay the entire amount of principal or interest on this Note on any Payment Date shall not constitute a default hereunder as long as the Authority pays principal and interest hereon to the extent of Available Tax Increment. The Authority shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the final Payment on _____.

4. Default. If on any Payment Date there has occurred and is continuing any Event of Default under the Agreement, the Authority may withhold from payments hereunder under all Available Tax Increment. If the Event of Default is thereafter cured in accordance with the Agreement, the Available Tax Increment withheld under this Section shall be deferred and paid, without interest thereon, within thirty (30) days after the Event of Default is cured. If the Event of Default is not cured within three hundred sixty-five (365) days following the Authority's written notice to Owner of such default, the Authority may terminate this Note by written notice to the Owner in accordance with the Agreement.

5. Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by the Authority without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Note.

6. Nature of Obligation. This Note is one of an issue in the total principal amount of \$_____ issued to aid in financing certain public redevelopment costs of a Project undertaken by the Authority pursuant to Minnesota Statutes, Sections 469.001 through 469.047, and is issued pursuant to an authorizing resolution (the "Resolution") duly adopted by the Authority on _____, 2018, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Sections 469.174 to 469.1794. This Note is a limited obligation of the Authority which is payable solely from Available Tax Increment pledged to the payment hereof under the Resolution. This Note and the interest hereon shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the Authority. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

7. Registration and Transfer. This Note is issuable only as a fully registered note without coupons. As provided in the Resolution, and subject to certain limitations set forth therein, this Note is transferable upon the books of the Authority kept for that purpose at the principal office of the City Finance Director, by the Owner hereof in person or by such Owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the Authority, duly executed by the Owner. Upon such transfer or exchange and the payment by the Owner of any tax, fee, or governmental charge required to be paid by the Authority with respect to such transfer or exchange, there will be issued in the name of the transferee a new

Note of the same aggregate principal amount, bearing interest at the same rate and maturing on the same dates.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed in order to make this Note a valid and binding limited obligation of the Authority according to its terms, have been done, do exist, have happened, and have been performed in due form, time and manner as so required.

IN WITNESS WHEREOF, the Board of Commissioners of the Roseville Economic Development Authority has caused this Note to be executed with the manual signatures of its President and Executive Director, all as of the Date of Original Issue specified above.

ROSEVILLE ECONOMIC
DEVELOPMENT AUTHORITY

Executive Director

President

REGISTRATION PROVISIONS

The ownership of the unpaid balance of the within Note is registered in the bond register of the City Finance Director, in the name of the person last listed below.

Date of
Registration

Registered Owner

Signature of
City Finance Director

2785 Fairview, LLC
Federal Tax I.D. No. _____

SCHEDULE E

Public Redevelopment Costs



City of Roseville
McGough Redevelopment
 53,675 Sq/Ft Office

SOURCES		
	Amount	Pct.
Developer Financing - First Mortgage	11,120,306	65.00%
Developer Financing - TIF	1,316,000	7.69%
DEVELOPER EQUITY	4,288,654	25.07%
Subtotal	16,724,960	97.76%
Grants (TBRA)	157,000	0.92%
Deferred Developer Fee	199,203	1.16%
Fee Waiver	27,000	0.16%
Other - HRA Funds	0	0.00%
Subtotal	383,203	2.24%
TOTAL SOURCES	17,108,163	100.00%

USES				
		Amount	% of Cost	Per Sq/Ft
ACQUISITION COSTS	Land sq. ft.	2,147,043	12.55%	9.68
Land/Buildings	221,720	1,650,000	9.64%	7.44
Demo/Asbestos Abatement - Public Redevelopment Costs		278,043	1.63%	1.25
Soils Corrections/Environmental - Public Redevelopment Costs		219,000	1.28%	0.99
CONSTRUCTION COSTS		12,784,346	74.73%	238.18
Building/Office		11,494,783	67.19%	214.16
Site Improvements - Public Redevelopment Costs		1,289,563	7.54%	24.03
Tenant Improvements		0	0.00%	0.00
Contractors Fee		0	0.00%	0.00
General Requirements		0	0.00%	0.00
Permits		0	0.00%	0.00
SAC/WAC/Met C SAC/UAC		0	0.00%	0.00
Contingency		0	0.00%	0.00
SOFT COSTS				
PROFESSIONAL SERVICES		1,356,196	7.93%	25.27
Appraisals		18,000	0.11%	0.34
Architectural, Engineering & Professional Fees		955,696	5.59%	17.81
City Fees		52,500	0.31%	0.98
FF&E		0	0.00%	0.00
Legal - Development		75,000	0.44%	1.40
Survey		15,000	0.09%	0.28
Soft Cost Contingency		240,000	22.56%	4.47
FINANCING COSTS		554,375	3.24%	10.33
Construction Period Interest		294,000	1.72%	5.48
Financing Fee		145,000	0.85%	2.70
construction loan fees		0	0.00%	0.00
Lender Legal		0	0.00%	0.00
Mortgage Registration Tax		31,375	0.18%	0.58
Title Insurance		10,500	0.06%	0.20
Title/Recording/Mortgage Registration Tax		73,500	0.43%	1.37
PERMANENT LOAN			0.00%	0.00
ACCRUED EXPENSES			0.00%	0.00
REAL ESTATE TAXES		67,000	0.39%	1.25
PROJECT MANAGEMENT		199,203	1.16%	3.71
Developer Fee		199,203	1.16%	3.71
TOTAL USES		17,108,163		318.74

Note:

1. FF & E costs ARE NOT to be included since financed separately and under shorter term
2. Deferred developer fee required is 100% of developer fee as noted in sources and uses of \$199,203

SCHEDULE F
CERTIFICATE OF COMPLETION

(See following page.)

CERTIFICATE OF COMPLETION

WHEREAS, the Roseville Economic Development Authority (the “Authority”) and 2785 Fairview, LLC (the “Redeveloper”) entered into a certain Contract for Private Redevelopment dated as of December 20, 2018 (the “Agreement”), filed of record as Document No. _____ on _____, 2018; and

WHEREAS, the Agreement contains certain covenants and restrictions set forth in Articles III and IV thereof related to completing certain Minimum Improvements; and

WHEREAS, the Redeveloper has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Authority to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all construction and other physical improvements related to the Minimum Improvements specified to be done and made by the Redeveloper have been completed and the agreements and covenants in Articles III and IV of the Agreement have been performed by the Redeveloper, and this Certificate is intended to be a conclusive determination of the satisfactory termination of the covenants and conditions of Articles III and IV of the Agreement related to completion of the Minimum Improvements, but any other covenants in the Agreement shall remain in full force and effect until the Termination Date (as such term is defined in the Agreement).

Dated: _____, 20__.

ROSEVILLE ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Authority Representative

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, the _____ of the Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota, on behalf of the Authority.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered (MNI)
470 U.S. Bank Plaza
Minneapolis, Minnesota 55402
Phone: 612-337-9300

SCHEDULE G

ASSESSMENT AGREEMENT

and

ASSESSOR'S CERTIFICATION

By and Between

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

and

2785 FAIRVIEW, LLC

This Document was drafted by:

KENNEDY & GRAVEN, Chartered (MNI)
470 U.S. Bank Plaza
Minneapolis, Minnesota 55402

ASSESSMENT AGREEMENT

THIS AGREEMENT, made on or as of the ____ day of _____, 2018 by and between the Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota (the “Authority”) and 2785 Fairview, LLC, a Minnesota limited liability company (the “Redeveloper”).

WITNESSETH, that

WHEREAS, on or before the date hereof the Authority and Redeveloper have entered into a Contract for Private Redevelopment dated _____, 2018 (the “Redevelopment Agreement”), pursuant to which the Authority is to facilitate the redevelopment of certain property in the Authority of Roseville hereinafter referred to as the “Property” and legally described in Exhibit A hereto; and

WHEREAS, pursuant to the Redevelopment Agreement the Redeveloper is obligated to construct certain improvements (the “Minimum Improvements”) upon the Property; and

WHEREAS, the Authority and Redeveloper desire to establish a minimum market value for the Property and the Minimum Improvements to be constructed thereon, pursuant to Minnesota Statutes, Section 469.177, Subdivision 8; and

WHEREAS, the Authority and the Assessor of Ramsey County (the “Assessor”) have reviewed the preliminary plans and specifications for the improvements and have inspected such improvements;

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. The minimum market value which shall be assessed for ad valorem tax purposes for the Property described in Exhibit A, together with the Minimum Improvements constructed thereon, shall be \$7,246,125 as of the first January 2 following the date on which the Authority issues the Certificate of Completion and each January 2 thereafter, until termination of this Agreement under Section 2 hereof.
2. The minimum market value herein established shall be of no further force and effect and this Agreement shall terminate on the earlier of (a) the date of receipt by the Authority of the final payment from Ramsey County of Tax Increments from Tax Increment Financing District No. 20; or (b) termination of the Redevelopment Agreement pursuant to its terms.
3. This Agreement shall be promptly recorded by the Authority. The Redeveloper shall pay all costs of recording.

4. Neither the preambles nor provisions of this Agreement are intended to, nor shall they be construed as, modifying the terms of the Redevelopment Agreement between the Authority and the Redeveloper.

5. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

6. Each of the parties has authority to enter into this Agreement and to take all actions required of it, and has taken all actions necessary to authorize the execution and delivery of this Agreement.

7. In the event any provision of this Agreement shall be held invalid and unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

8. The parties hereto agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements, amendments and modifications hereto, and such further instruments as may reasonably be required for correcting any inadequate, or incorrect, or amended description of the Property or the Minimum Improvements or for carrying out the expressed intention of this Agreement, including, without limitation, any further instruments required to delete from the description of the Property such part or parts as may be included within a separate assessment agreement.

9. Except as provided in Section 8 of this Agreement, this Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by all parties hereto.

10. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

**ROSEVILLE ECONOMIC DEVELOPMENT
AUTHORITY**

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018
by _____ and _____, the President and Executive
Director of the Roseville Economic Development Authority, on behalf of the Authority.

Notary Public

2785 FAIRVIEW, LLC

By _____
Thomas J. McGough, Jr.
Its President

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this _____ day of _____, 2018, by Thomas J. McGough, Jr., the President of 2785 Fairview, LLC, a Minnesota limited liability company, on behalf of the company.

Notary Public

EXHIBIT A of ASSESSMENT AGREEMENT

Legal Description of Property

Tract C, Registered Land Survey No. 607, Ramsey County, Minnesota.

**EXTRACT OF MINUTES OF MEETING
OF THE
ROSEVILLE ECONOMIC AUTHORITY**

* * * * *

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 18th day of June, 2018, at 6:00 p.m.

The following members were present:

and the following were absent:

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. _____

RESOLUTION APPROVING CONTRACT FOR PRIVATE REDEVELOPMENT WITH AND AWARDED THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT REVENUE NOTE TO 2785 FAIRVIEW, LLC

BE IT RESOLVED BY the Board of Commissioners (“Board”) of the Roseville Economic Development Authority (the “Authority”) as follows:

Section 1. Background; Authorization; Award of Sale.

1.01. Background; Authorization. (a) The Authority and the City of Roseville (“City”) have heretofore approved the establishment of Tax Increment Financing District No. 20 (the “TIF District”) within Development District No. 1 (“Project”), and have adopted a tax increment financing plan for the purpose of financing certain improvements within the Project.

(b) Pursuant to Minnesota Statutes, Section 469.178, the Authority is authorized to issue and sell its bonds for the purpose of financing a portion of the public redevelopment costs of the TIF District. The Authority hereby finds and determines that it is in the best interests of the Authority that it issue and sell its Tax Increment Revenue Note, Series 20__ (McGough Project) (the “Note”) for the purpose of financing certain public redevelopment costs of the Project, pursuant to the terms of this Resolution.

1.02. Agreement Approved; Issuance, Sale, and Terms of the Note. (a) The Authority hereby approves the Contract for Private Redevelopment between the

46 Authority and 2785 Fairview, LLC (the "Agreement"), and authorizes the President and
47 Executive Director to execute such Agreement in substantially the form on file with City,
48 subject to modifications that do not alter the substance of the transaction and are
49 approved by such officials, provided that execution of the Agreement by such officials is
50 conclusive evidence of their approval. All capitalized terms in this resolution have the
51 meaning provided in the Agreement unless the context requires otherwise.

52

53 (b) The Authority hereby authorizes the President and Executive Director to issue
54 the Note in accordance with the Agreement. All capitalized terms in this resolution have
55 the meaning provided in the Agreement unless the context requires otherwise.

56

57 (c) The Note shall be issued in the maximum principal amount of \$1,316,000 to
58 2785 Fairview, LLC (the "Owner"), in consideration of certain eligible costs incurred by the
59 Owner under the Agreement, shall be dated the date of delivery thereof, and shall bear
60 interest per annum at the lesser of 5.0% or the actual rate of financing obtained by the
61 Owner, from the date of issue to the earlier of maturity or prepayment. The Note will be
62 issued in the principal amount of Public Redevelopment Costs submitted and approved in
63 accordance with Section 3.4 of the Agreement. The Note is secured by Available Tax
64 Increment, as further described in the form of the Note herein. The Authority hereby
65 delegates to the Executive Director the determination of the date on which the Note is to
66 be delivered, in accordance with the Agreement.

67

68 Section 2. Form of Note. The Notes shall be in substantially the form attached
69 hereto as Exhibit A, with the blanks to be properly filled in and the principal amount
70 adjusted as of the date of issue.

71

72 Section 3. Terms, Execution and Delivery.

73

74 3.01. Denomination, Payment. The Note shall be issued as a single typewritten
75 note numbered R-1.

76

77 The Note shall be issuable only in fully registered form. Principal of and interest on
78 the Note shall be payable by check or draft issued by the Registrar described herein.

79

80 3.02. Dates; Interest Payment Dates. Principal of and interest on the Note shall be
81 payable by mail to the owner of record thereof as of the close of business on the fifteenth
82 day of the month preceding the Payment Date, whether or not such day is a business day.

83

84 3.03. Registration. The Authority hereby appoints the City Finance Director to
85 perform the functions of registrar, transfer agent and paying agent (the "Registrar"). The
86 effect of registration and the rights and duties of the Authority and the Registrar with respect
87 thereto shall be as follows:

88

89 (a) Register. The Registrar shall keep at its office a bond register in which the
90 Registrar shall provide for the registration of ownership of the Note and the registration of
91 transfers and exchanges of the Note.

92

93 (b) Transfer of Note. Upon surrender for transfer of the Note duly endorsed by
94 the registered owner thereof or accompanied by a written instrument of transfer, in form
95 reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by
96 an attorney duly authorized by the registered owner in writing, the Registrar shall
97 authenticate and deliver, in the name of the designated transferee or transferees, a new Note
98 of a like aggregate principal amount and maturity, as requested by the transferor. The
99 Registrar may close the books for registration of any transfer after the fifteenth day of the
100 month preceding each Payment Date and until such Payment Date.

101

102 (c) Cancellation. The Note surrendered upon any transfer shall be promptly
103 cancelled by the Registrar and thereafter disposed of as directed by the Authority.

104

105 (d) Improper or Unauthorized Transfer. When the Note is presented to the
106 Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that
107 the endorsement on such Note or separate instrument of transfer is legally authorized. The
108 Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in
109 its judgment, deems improper or unauthorized.

110

111 (e) Persons Deemed Owners. The Authority and the Registrar may treat the
112 person in whose name the Note is at any time registered in the bond register as the absolute
113 owner of the Note, whether the Note shall be overdue or not, for the purpose of receiving
114 payment of, or on account of, the principal of and interest on such Note and for all other
115 purposes, and all such payments so made to any such registered owner or upon the owner's
116 order shall be valid and effectual to satisfy and discharge the liability of the Authority upon
117 such Note to the extent of the sum or sums so paid.

118

119 (f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the
120 Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar
121 for any tax, fee, or other governmental charge required to be paid with respect to such
122 transfer or exchange.

123

124 (g) Mutilated, Lost, Stolen or Destroyed Note. In case any Note shall become
125 mutilated or be lost, stolen, or destroyed, the Registrar shall deliver a new Note of like
126 amount, maturity dates and tenor in exchange and substitution for and upon cancellation of
127 such mutilated Note or in lieu of and in substitution for such Note lost, stolen, or destroyed,
128 upon the payment of the reasonable expenses and charges of the Registrar in connection
129 therewith; and, in the case the Note lost, stolen, or destroyed, upon filing with the Registrar
130 of evidence satisfactory to it that such Note was lost, stolen, or destroyed, and of the
131 ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity
132 in form, substance, and amount satisfactory to it, in which both the Authority and the
133 Registrar shall be named as obligees. The Note so surrendered to the Registrar shall be
134 cancelled by it and evidence of such cancellation shall be given to the Authority. If the
135 mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption
136 in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

137

138 3.04. Preparation and Delivery. The Note shall be prepared under the direction of
139 the Executive Director and shall be executed on behalf of the Authority by the signatures of
140 its President and Executive Director. In case any officer whose signature shall appear on the
141 Note shall cease to be such officer before the delivery of the Note, such signature shall
142 nevertheless be valid and sufficient for all purposes, the same as if such officer had
143 remained in office until delivery. When the Note has been so executed, it shall be delivered
144 by the Executive Director to the Owner thereof in accordance with the Agreement.

145
146 Section 4. Security Provisions.

147
148 4.01. Pledge. The Authority hereby pledges to the payment of the principal of and
149 interest on the Note all Available Tax Increment, as defined in, and subject to the terms
150 described in, the Note. Available Tax Increment shall be applied to payment of the principal
151 of and interest on the Note in accordance with the terms of the form of Note set forth in
152 Section 2 of this resolution.

153
154 4.02. Bond Fund. Until the date the Note is no longer outstanding and no
155 principal thereof or interest thereon (to the extent required to be paid pursuant to this
156 resolution) remains unpaid, the Authority shall maintain a separate and special “Bond Fund”
157 to be used for no purpose other than the payment of the principal of and interest on the Note.
158 The Authority irrevocably agrees to appropriate to the Bond Fund in each year Available
159 Tax Increment. Any Available Tax Increment remaining in the Bond Fund shall be
160 transferred to the Authority's account for the TIF District upon the termination of the Note in
161 accordance with its terms.

162
163 4.03. Additional Obligations. The Authority will issue no obligations secured by
164 Available Tax Increment unless such pledge is on a subordinate basis to the pledge to the
165 Note.

166
167 Section 5. Certification of Proceedings.

168
169 5.01. Certification of Proceedings. The officers of the Authority are hereby
170 authorized and directed to prepare and furnish to the Owner of the Note certified copies of
171 all proceedings and records of the Authority, and such other affidavits, certificates, and
172 information as may be required to show the facts relating to the legality and marketability of
173 the Note as the same appear from the books and records under their custody and control or
174 as otherwise known to them, and all such certified copies, certificates, and affidavits,
175 including any heretofore furnished, shall be deemed representations of the Authority as to
176 the facts recited therein.

177
178 Section 6. Effective Date. This resolution shall be effective upon full execution
179 of the Agreement.

180
181
182

183 **Exhibit A to Authorizing Resolution**

184 **FORM OF NOTE**

185 UNITED STATE OF AMERICA
 186 STATE OF MINNESOTA
 187 COUNTY OF RAMSEY
 188 ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY
 189

190
 191
 192
 193 No. R-1

\$ _____

194
 195 TAX INCREMENT REVENUE NOTE
 196 SERIES 20__ (MCGOUGH PROJECT)

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 199 Rate
 200 _____ %

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Date
of Original Issue

203 The Roseville Economic Development Authority (“Authority”) for value received,
 204 certifies that it is indebted and hereby promises to pay to 2785 Fairview, LLC or registered
 205 assigns (the "Owner"), the principal sum of \$ _____ and to pay interest thereon
 206 at the rate of _____% per annum, but solely from the sources and to the extent set forth
 207 herein. Unless the context clearly requires otherwise, capitalized terms in this Note have
 208 the meaning provided in the Contract for Private Redevelopment between the Authority
 209 and Owner dated as of _____, 2018 (the “Agreement”).

210
 211 1. Payments. Principal and interest (“Payments”) shall be paid on August 1,
 212 20__ and each February 1 and August 1 thereafter to and including _____ (“Payment
 213 Dates”) in the amounts set forth herein, payable solely from and to the extent of the sources
 214 set forth in Section 3 hereof. Payments shall be applied first to accrued interest, and then to
 215 unpaid principal.

216
 217 Payments are payable by mail to the address of the Owner or such other address as
 218 the Owner may designate upon 30 days written notice to the Authority. Payments on this
 219 Note are payable in any coin or currency of the United States of America which, on the
 220 Payment Date, is legal tender for the payment of public and private debts.

221
 222 2. Interest. Simple interest at the rate stated herein shall accrue on the unpaid
 223 principal, commencing on the date of original issue. Interest shall be computed on the basis
 224 of a year of 360 days and charged for actual days principal is unpaid.

225
 226 3. Available Tax Increment. (a) Payments on this Note are payable on each
 227 Payment Date solely from and in the amount of “Available Tax Increment,” which shall

228 mean 95 percent of the total Tax Increment attributable to the TIF District that has been paid
229 to the Authority by Ramsey County in the six months prior to the subject Payment Date.

230
231 (b) The Authority shall have no obligation to pay principal of and interest on this
232 Note on each Payment Date from any source other than Available Tax Increment, and the
233 failure of the Authority to pay the entire amount of principal or interest on this Note on
234 any Payment Date shall not constitute a default hereunder as long as the Authority pays
235 principal and interest hereon to the extent of Available Tax Increment. The Authority
236 shall have no obligation to pay any unpaid balance of principal or accrued interest that
237 may remain after the final Payment on _____.

238
239 4. Default. If on any Payment Date there has occurred and is continuing any
240 Event of Default under the Agreement, the Authority may withhold from payments
241 hereunder under all Available Tax Increment. If the Event of Default is thereafter cured
242 in accordance with the Agreement, the Available Tax Increment withheld under this
243 Section shall be deferred and paid, without interest thereon, within thirty (30) days after
244 the Event of Default is cured. If the Event of Default is not cured in a timely manner, the
245 Authority may terminate this Note by written notice to the Owner in accordance with the
246 Agreement.

247
248 5. Prepayment. The principal sum and all accrued interest payable under this
249 Note is prepayable in whole or in part at any time by the Authority without premium or
250 penalty. No partial prepayment shall affect the amount or timing of any other regular
251 payment otherwise required to be made under this Note.

252
253 6. Nature of Obligation. This Note is one of an issue in the total principal
254 amount of \$_____ issued to aid in financing certain public redevelopment costs of
255 a Project undertaken by the Authority pursuant to Minnesota Statutes, Sections 469.001
256 through 469.047, and is issued pursuant to an authorizing resolution (the "Resolution") duly
257 adopted by the Authority on _____, 2018, and pursuant to and in full conformity with
258 the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Sections
259 469.174 to 469.1794. This Note is a limited obligation of the Authority which is payable
260 solely from Available Tax Increment pledged to the payment hereof under the Resolution.
261 This Note and the interest hereon shall not be deemed to constitute a general obligation of
262 the State of Minnesota or any political subdivision thereof, including, without limitation, the
263 Authority. Neither the State of Minnesota, nor any political subdivision thereof shall be
264 obligated to pay the principal of or interest on this Note or other costs incident hereto except
265 out of Available Tax Increment, and neither the full faith and credit nor the taxing power of
266 the State of Minnesota or any political subdivision thereof is pledged to the payment of the
267 principal of or interest on this Note or other costs incident hereto.

268
269 7. Registration and Transfer. This Note is issuable only as a fully registered
270 note without coupons. As provided in the Resolution, and subject to certain limitations set
271 forth therein, this Note is transferable upon the books of the Authority kept for that purpose
272 at the principal office of the City Finance Director, by the Owner hereof in person or by
273 such Owner's attorney duly authorized in writing, upon surrender of this Note together with

274 a written instrument of transfer satisfactory to the Authority, duly executed by the Owner.
 275 Upon such transfer or exchange and the payment by the Owner of any tax, fee, or
 276 governmental charge required to be paid by the Authority with respect to such transfer or
 277 exchange, there will be issued in the name of the transferee a new Note of the same
 278 aggregate principal amount, bearing interest at the same rate and maturing on the same
 279 dates.

280

281 IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and
 282 things required by the Constitution and laws of the State of Minnesota to be done, to exist,
 283 to happen, and to be performed in order to make this Note a valid and binding limited
 284 obligation of the Authority according to its terms, have been done, do exist, have happened,
 285 and have been performed in due form, time and manner as so required.

286

287 IN WITNESS WHEREOF, the Board of Commissioners of the Roseville Economic
 288 Development Authority has caused this Note to be executed with the manual signatures of
 289 its President and Executive Director, all as of the Date of Original Issue specified above.

290

291

ROSEVILLE ECONOMIC
 DEVELOPMENT AUTHORITY

292

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296 _____
 Executive Director, Patrick Trudgeon

 President, Dan Roe

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REGISTRATION PROVISIONS

301

302 The ownership of the unpaid balance of the within Note is registered in the bond
 303 register of the City Finance Director, in the name of the person last listed below.

304

305

306 Date of

Signature

307 of

308 Registration_____
Registered OwnerCity Finance309 Director

310

311

2785 Fairview, LLC

312

Federal Tax I.D. No. _____

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Certificate

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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on June 18, 2018.

I further certify that Commissioner _____ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner _____ and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 18th day of June, 2018.

Executive Director, Patrick Trudgeon
Roseville Economic Development
Authority



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 6/18/2018

Item No.: 4.c

Department Approval

Executive Director Approval

Item Description: Adopt a Resolution Approving a Memorandum of Understanding for the Purchase of Property located at 1125 Sandhurst Drive West

1 **BACKGROUND**

2 On April 17, 2018 the Roseville Economic Development Authority (REDA) authorized working
3 with Twin Cities Habitat for Humanity (TCHH) to acquire 1125 Sandhurst Drive and rehab the
4 home for affordable housing. The next step in the process is to adopt a Resolution approving a
5 Memorandum of Understanding (MOU) with Ramsey County. Once an MOU is signed with
6 Ramsey County that secures the site for affordable housing at a cost below market rate, the REDA
7 staff will work with TCHH to transfer the property over to them.

8 **STAFF RECOMMENDATION**

9 Adopt a Resolution Approving the MOU with Ramsey County to acquire 1125 Sandhurst Drive for
10 Affordable Housing and transfer to TCHH.

11 **REQUESTED BOARD ACTION**

12 Motion to Adopt a Resolution Approving the MOU with Ramsey County to Acquire 1125 Sandhurst
13 Drive for Affordable Housing and Transfer to TCHH.

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager,
651-792-7086

Attachments: A: MOU with Ramsey County
B: Resolution Approving MOU with Ramsey County

Memorandum of Understanding

This Memorandum of Understanding (“Memorandum”) is made and entered by and between the Roseville Economic Development Authority (“EDA”) and the County of Ramsey (“County” or “Ramsey County”).

Recitals

WHEREAS, the EDA wishes to purchase the tax-forfeited property located at 1125 Sandhurst Drive West, PIN: 10-29-23-44-0099 (the “Property”), for less than its market value for the purpose of developing affordable housing in partnership with Twin Cities Habitat for Humanity, Inc.; and

WHEREAS, the EDA can purchase the Property for less than market value only if the Property will be used for the development of affordable housing; and

WHEREAS, the County is willing to accommodate the EDA’s request to purchase the Property on the terms and conditions contained in this Memorandum.

NOW THEREFORE, in consideration of the recitals, and other good and valuable consideration, and intending to be legally bound, the EDA and County agree as follows:

1. The EDA has provided to the County its specific plans for developing affordable housing on the Property and the specific law or laws that empower it to acquire the Property in furtherance of those plans.
2. **Identity of the Developer.** The EDA identifies Twin Cities Habitat for Humanity, Inc., as the developer (the “Developer”) of the Property. The EDA agrees that the Developer meets the requirements for developers set forth in Section 4.57.60.b.1. of the Ramsey County Administrative Code.
3. The County Assessor has determined that the Property has a current market value of \$175,000. In consideration of the Property’s use for affordable housing, the County will sell the Property to the EDA for 25% of its market value, which is \$43,750 plus maintenance costs and recording fees.
4. The EDA agrees to sell the Property for affordable housing to only a “qualified homebuyer”, which is defined as a buyer agreeing to continuously occupy and homestead the Property and whose household income does not exceed 115% of area median income as adjusted for family size. Income qualification must only be satisfied at time of the written application by the qualified homebuyer. If the EDA will first convey the Property to the Developer before construction commences, this requirement will not apply to the initial sale of the Property to the Developer.

- 5. Any resale of the Property by the initial qualified homebuyer during the seven (7) years after the purchase of the Property by the initial qualified homebuyer from the Developer must be to another qualified homebuyer.
- 6. The EDA will include the covenants and restrictions provided in Sections 4 and 5 of this Memorandum in the Deed to assure compliance with Sections 4 and 5 of this Memorandum. The EDA shall require in its purchase agreement with the qualified homebuyer that if the qualified homebuyer fails to maintain the Property as the homebuyer's homestead as set forth in Section 4 above, the qualified homebuyer is liable for a pro-rated share of the Property's discounted market value paid by the qualified homebuyer to be repaid to the County. The EDA will either enforce the Deed restrictions or the terms of its purchase agreement with the qualified homebuyer. Ramsey County has no obligation to enforce the Deed restrictions.

IN WITNESS WHEREOF, the EDA and County have executed this Memorandum by its authorized representatives as of the last date written below ("Effective Date").

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

COUNTY OF RAMSEY

By: _____
Its: President
Date: _____

By: _____
Jim McDonough, Chair
Board of County Commissioners

By: _____
Its: Executive Director
Date: _____

By: _____
Janet M. Guthrie, Chief Clerk
Board of County Commissioners
Date: _____

Approval recommended:

Approved as to form:

EDA Special Counsel
Date: _____

By: _____
Christopher A. Samuel
Ramsey County Auditor/Treasurer
Date: _____

Approved as to form:

Assistant County Attorney
Date: _____

**EXTRACT OF MINUTES OF MEETING
OF THE
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

* * * * *

Pursuant to due call and notice thereof, a special meeting of the Roseville Economic Development Authority, County of Ramsey, Minnesota was duly held on the 18th day of June, 2018, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner _____ introduced the following resolution and moved its adoption:

RESOLUTION No. XX

A Resolution Approving a Memorandum of Understanding for the Purchase of Property Located at 1125 Sandhurst Drive West

WHEREAS, Ramsey County (the “County”) has completed the tax forfeiture process as required by law for certain real estate located at 1125 Sandhurst Drive West in the City of Roseville (the “City”), legally described as Broadview Addition, the West 11.7 feet of Lot 2 and all of Lot 3, Block 1 (the “Property”), such property now being held in trust by the State of Minnesota (the “State”); and

WHEREAS, the Roseville Economic Development Authority, a public body corporate and politic (the “EDA”) desires to purchase the Property, as authorized pursuant to Minnesota Statutes, Sections 469.090 to 469.1081 (the “EDA Act”), including without limitation its housing and redevelopment powers pursuant to Section 469.091, subd. 1 of the EDA Act, and specifically its power to acquire property for affordable housing purposes under Minnesota Statutes, Section 469.012, subd. 1g; and

WHEREAS, the EDA finds that the purchase of the Property will fulfill the objectives, goals and mission of the EDA and meets the policy goals of the County’s Tax Forfeited Land Policies and Procedures: Non-Conservation Land – Sale for Less than Market Value (the “County Policy”) because the EDA is acquiring the Property for affordable housing;

WHEREAS, the EDA has previously determined that it will work with Twin Cities Habitat for Humanity, Inc. to rehabilitate the home and maintain affordability for seven years from date of sale to a qualified home buyer; and

45 WHEREAS, the EDA has previously approved the acquisition of the Property for 25% of
46 its market value as determined by the County Assessor plus maintenance costs and
47 recording fees pursuant to the County Policy, and the negotiation of a purchase agreement
48 or memorandum of understanding with the County (the "MOU") memorializing such terms.
49

50 NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the
51 Roseville Economic Development Authority as follows:
52

53 1. The recitals set forth in this Resolution are incorporated into and made a part
54 of this Resolution.
55

56 2. The Authority hereby approves the MOU in substantially the form
57 presented to the Board, subject to modifications that do not alter the substance of the
58 transaction and that are approved by the President and Executive Director, provided that
59 execution of the MOU by such officials shall be conclusive evidence of approval.
60

61 3. The President and Executive Director, staff and consultants are hereby
62 authorized and directed to take any and all additional steps and actions necessary or
63 convenient in order to accomplish the intent of this Resolution, including, without
64 limitation, execution and/or recording of any documents required to effect the acquisition of
65 the Property and subsequent conveyance to Twin Cities Habitat for Humanity, Inc., and to
66 maintain certain affordability covenants as provided in the MOU.
67

68 The motion for the adoption of the foregoing resolution was duly seconded by Member -
69 _____, and upon a vote being taken thereon, the following voted in favor
70 thereof:
71

72

73 and the following voted against the same:
74

75 WHEREUPON said resolution was declared duly passed and adopted.
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Certificate

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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on June 18, 2018.

I further certify that Commissioner _____ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner _____, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 19th day of June, 2018.

Executive Director, Patrick Trudgeon
Roseville Economic Development
Authority



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 6/18/2018

Item No.: 4.d

Department Approval

Executive Director Approval

Item Description: Authorize Grant Agreement for Livable Community Development Account (LCDA) Funds with the Metropolitan Council for the Edison Housing Development at 3110 Old Highway 8

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BACKGROUND

On May 7, 2017 the Roseville Economic Development Authority (REDA) passed Resolution No. 9 (Attachment A) supporting an application for Livable Community Development Account (LCDA) Grant Funds from the Metropolitan Council to support environmental aspects of a multi-family residential project including solar panels, solar car ports, and storm water management features. In addition, the funds will be used to extend the sidewalk to Sandcastle Park (Attachment B). The REDA was awarded the grant funds for the development and needs to authorize the Grant Agreement for the Edison Development to construct the items identified in the agreement.

STAFF RECOMMENDATION

Authorize entering into Grant Agreement for LCDA funds to be used for the Edison Development at 3110 Old Highway 8.

REQUESTED COUNCIL ACTION

Adopt a Resolution Authorizing Entering into a Grant Agreement for LCDA funds to be used for the Edison Development at 3110 Old Highway 8.

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086

- Attachment A: Resolution No. 9 authorizing application
- B: LCDA Grant Agreement
- C: Resolution authorizing Grant Agreement

**EXTRACT OF MINUTES OF MEETING OF THE
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

* * * * *

Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners (the "Board") of the Roseville Economic Development Authority (the "Authority") was duly held on the 8th day of May, 2017, at 6:00 p.m.

The following members were present: Willmus, Etten, McGehee, Laliberte and Roe and the following were absent: None.

Commissioner Etten introduced the following resolution and moved its adoption:

Resolution No. 9

**RESOLUTION IDENTIFYING THE NEED FOR LIVABLE COMMUNITIES
DEMONSTRATION ACCOUNT FUNDING AND AUTHORIZING APPLICATION FOR
GRANT FUNDS**

WHEREAS the Roseville Economic Development Authority (the "Authority") is eligible to apply for Livable Communities Demonstration Account funds (the "LCDA Funds") on behalf of cities participating in the Livable Communities Act's Housing Incentives Program for 2017 as determined by the Metropolitan Council; and

WHEREAS only a limited amount of grant funding is available through the LCDA during each funding cycle, and the Metropolitan Council has determined that it is appropriate to allocate such funds only to eligible projects where the funds assist innovative development criteria that meet LCDA priorities; and

WHEREAS the Authority has identified a proposed project consisting of the development of a multifamily rental housing facility including 60 units of workforce housing and 149 units of market rate housing (the "Project") within the City of Roseville (the "City") that meets the purposes and criteria of the LCDA Funds and is consistent with and promotes the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council's adopted metropolitan development guide; and

WHEREAS the Authority has the institutional, managerial and financial capability to ensure adequate administration of the Project; and

WHEREAS the Authority will comply with all applicable laws and regulations as stated in the grant agreement governing the LCDA Funds; and

WHEREAS the Authority agrees to act as legal sponsor for the Project described in the

LCDA Funds grant application submitted on June 29, 2017; and

WHEREAS the Authority acknowledges that grants funded through LCDA Funds are intended to fund projects or project components that can serve as models, examples or prototypes for development or redevelopment projects elsewhere in the region, and therefore represents that the Project or key components of the Project can be replicated in other metropolitan-area communities.

NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development Authority authorizes and directs its Executive Director to submit an application for Metropolitan Council LCDA Funds for the components of the Project identified in the application, and to execute such agreements as may be necessary to implement the Project on behalf of the City, where the Project is located.

Adopted by the Board of the Authority this 8th day of May, 2017.

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on May 8, 2017.

I further certify that Commissioner Etten introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner Laliberte, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

Etten, Laliberte and Roe

and the following voted against the same: Willmus and McGehee

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 9th day of May, 2017



Executive Director
Roseville Economic Development Authority

**LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT Attachment B
DEVELOPMENT GRANT PROGRAM**

GRANTEE: City of Roseville EDA		GRANT NO. SG-09032	
PROJECT: Edison			
GRANT AMOUNT: \$2,045,295		FUNDING CYCLE: 2017	
COUNCIL ACTION: January 24, 2018		EXPIRATION DATE: December 31, 2020	

**METROPOLITAN LIVABLE COMMUNITIES ACT
GRANT AGREEMENT**

THIS GRANT AGREEMENT (“Agreement”) is made and entered into by the Metropolitan Council (“Council”) and the Municipality, County, or Development Authority identified above as “Grantee.”

WHEREAS, Minnesota Statutes section 473.251 creates the Metropolitan Livable Communities Fund, the uses of which fund must be consistent with and promote the purposes of the Metropolitan Livable Communities Act (“LCA”) and the policies of the Council’s Metropolitan Development Guide; and

WHEREAS, Minnesota Statutes sections 473.251 and 473.253 establish within the Metropolitan Livable Communities Fund a Livable Communities Demonstration Account and require the Council to use the funds in the account to make grants or loans to municipalities participating in the Local Housing Incentives Account Program under Minnesota Statutes section 473.254 or to Counties or Development Authorities to fund the initiatives specified in Minnesota Statutes section 473.25(b) in Participating Municipalities; and

WHEREAS, the Grantee is a Municipality participating in the Local Housing Incentives Account program under Minnesota Statutes section 473.254, a County, or a Development Authority; and

WHEREAS, the Grantee seeks funding in connection with an application for Livable Communities Demonstration Account grant program funds submitted in response to the Council’s notice of availability of grant funds for the “Funding Cycle” identified above and will use the grant funds made available under this Agreement to help fund the “Project” identified in the application; and

WHEREAS, the Council awarded Livable Communities Demonstration Account grant program funds to the Grantee subject to any terms, conditions, and clarifications stated in its Council Action, and with the understanding that the Project identified in the application will proceed to completion in a timely manner, all grant funds will be expended prior to the “Expiration Date” identified above and Project construction will have “commenced” before the Expiration Date.

NOW THEREFORE, in reliance on the above statements and in consideration of the mutual promises and covenants contained in this Agreement, the Grantee and the Council agree as follows:

I. DEFINITIONS

1.01. Definition of Terms. The terms defined in this Section have the meanings given them in this Section unless otherwise provided or indicated by the context.

Attachment B

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT
DEVELOPMENT GRANT PROGRAM

- (a) **Commenced.** For the purposes of Sections 2.08 and 4.03, “commenced” means significant physical improvements have occurred in furtherance of the Project (*e.g.*, a foundation is being constructed or other tangible work on a structure has been initiated). In the absence of significant physical improvements, visible staking, engineering, land surveying, soil testing, cleanup site investigation, or pollution cleanup activities are not evidence of Project commencement for the purposes of this Agreement.
- (b) **Council Action.** “Council Action” means the action or decision of the governing body of the Metropolitan Council, on the meeting date identified at Page 1 of this Agreement, by which the Grantee was awarded Livable Communities Demonstration Account funds.
- (c) **County.** “County” means Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties.
- (d) **Development Authority.** “Development Authority” means a statutory or home rule charter city, a housing and redevelopment authority, an economic development authority, or a port authority in the Metropolitan Area.
- (e) **Metropolitan Area.** “Metropolitan Area” means the seven-county metropolitan area as defined by Minnesota Statutes section 473.121, subdivision 2.
- (f) **Municipality.** “Municipality” means a statutory or home rule charter city or town participating in the Local Housing Incentives Account Program under Minnesota Statutes section 473.254.
- (g) **Participating Municipality.** “Participating Municipality” means a statutory or home rule charter city or town which has elected to participate in the Local Housing Incentive Account program and negotiated affordable and life-cycle housing goals for the Municipality pursuant to Minnesota Statutes section 473.254.
- (h) **Project.** Unless clearly indicated otherwise by the context of a specific provision in this Agreement, “Project” means the development or redevelopment project identified in the application for Demonstration Account funds for which grant funds were requested that through its design and execution will deliver benefits such as housing, connections, and jobs to the region. Grant-funded activities typically are components of the Project.

II. GRANT FUNDS

2.01. Source of Funds. The grant funds made available to the Grantee under this Agreement are from the Livable Communities Demonstration Account of the Metropolitan Livable Communities Fund. The grant funds are derived from the property tax authorized by Minnesota Statutes section 473.253, subdivision 1 and are not from federal sources.

2.02 Total Grant Amount. The Council will grant to the Grantee the “Grant Amount” identified at Page 1 of this Agreement. Notwithstanding any other provision of this Agreement, the Grantee understands and agrees that any reduction or termination of Livable Communities Demonstration Account grant funds made available to the Council may result in a like reduction in the Grant Amount made available to the Grantee.

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT Attachment B
DEVELOPMENT GRANT PROGRAM

2.03. Authorized Use of Grant Funds. The Grant Amount made available to the Grantee under this Agreement shall be used only for the purposes and activities described in the application for Livable Communities Demonstration Account grant funds. A Project summary that describes eligible uses of the grant funds as approved by the Council is attached to and incorporated into this Agreement as Attachment A. Aerial photography or drawings that identify the specific location(s) within the Project boundaries for which grant funds must be used is attached to and incorporated into this Agreement as Attachment B. Grant funds must be used to fund the initiatives specified in Minnesota Statutes section 473.25(b), in a Participating Municipality.

2.04. Ineligible Uses. Grant funds must be used for costs directly associated with the specific proposed Project activities and shall not be used for “soft costs” such as: administrative overhead; travel expenses; legal fees; insurance; bonds; permits, licenses, or authorization fees; costs associated with preparing other grant proposals; operating expenses; planning costs, including comprehensive planning costs; and prorated lease and salary costs. Grant funds may not be used for costs of Project activities that occurred prior to the grant award. A detailed list of ineligible and eligible costs is available from the Council’s Livable Communities program office. Grant funds also shall not be used by the Grantee or others to supplant or replace: (a) grant or loan funds obtained for the Project from other sources; or (b) Grantee contributions to the Project, including financial assistance, real property or other resources of the Grantee; or (c) funding or budgetary commitments made by the Grantee or others prior to the Council Action, unless specifically authorized in Attachment A. The Council shall bear no responsibility for cost overruns which may be incurred by the Grantee or others in the implementation or performance of the Project activities. The Grantee agrees to comply with any “business subsidy” requirements of Minnesota Statutes sections 116J.993 to 116J.995 that apply to the Grantee’s expenditures or uses of the grant funds.

2.05. Loans for Low-Income Housing Tax Credit Projects. If consistent with the application and the Project activities described or identified in Attachments A and B or if requested in writing by the Grantee, the Grantee may structure the grant assistance to the Project as a loan so the Project Owner can take advantage of federal and state low-income housing tax credit programs. The Grantee may use the grant funds as a loan for a low-income housing tax credit project, subject to the terms and conditions stated in Sections 2.03 and 2.04 and the following additional terms and conditions:

- (a) The Grantee covenants and represents to the Council that the Project is a rental housing project that received or will receive an award of low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended, and the low-income housing tax credit program administered by the Minnesota Housing Finance Agency or a program administered by the Minneapolis/Saint Paul Housing Finance Board or another designated housing credit agency that sub-allocates low-income housing tax credits in the Metropolitan Area.
- (b) The Grantee will execute a loan agreement with the Project Owner. Prior to disbursing any grant funds for the Project, the Grantee will provide to the Council a copy of the loan agreement between the Grantee and the Project Owner.
- (c) The Grantee will submit annual written reports to the Council that certify: (1) the grant funds continue to be used for the Project for which the grant funds were awarded; and (2) the Project is a “qualified low-income housing project” under Section 42 of the Internal Revenue Code of 1986, as amended. This annual reporting requirement is in addition to the reporting requirements stated in Section 3.03. Notwithstanding the Expiration Date identified at Page 1

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT Attachment B
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- of this Agreement and referenced in Section 4.01, the Grantee will submit the annual certification reports during the initial “compliance period” and any “extended use period,” or until such time as the Council terminates this annual reporting requirement by written notice to the Grantee.
- (d) The grant funds made available to the Grantee and disbursed to the Project Owner by the Grantee in the form of a loan may be used only for the grant-eligible activities and Project components for which the Grantee was awarded the grant funds. For the purposes of this Agreement, the term “Project Owner” means the current Project Owner and any Project Owner successor(s).
- (e) Pursuant to Section 2.04, the grant funds made available to the Grantee and disbursed to the Project Owner in the form of a loan shall not be used by the Grantee, the Project Owner, or others to supplant or replace: (1) grant or loan funds obtained for the Project from other sources; or (2) Grantee contributions to the Project, including financial assistance, real property, or other resources of the Grantee; or (3) funding or budgetary commitments made by the Grantee or others prior to the Council Action, unless specifically authorized in Attachment A. The Council will not make the grant funds available to the Grantee in a lump sum payment, but will disburse the grant funds to the Grantee on a reimbursement basis pursuant to Section 2.11.
- (f) By executing this Agreement, the Grantee: (1) acknowledges that the Council expects the loan will be repaid so the grant funds may be used to help fund other activities consistent with the requirements of the Metropolitan Livable Communities Act; (2) covenants, represents, and warrants to the Council that the Grantee’s loan to the Project Owner will meet all applicable low-income housing tax credit program requirements under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”), and the low-income housing tax credit program administered by the Minnesota Housing Finance Agency or a program administered by the Minneapolis/Saint Paul Housing Finance Board or another designated housing credit agency that sub-allocates low-income housing tax credits in the Metropolitan Area; and (3) agrees to administer its loan to the Project Owner consistent with federal and state low-income housing tax credit program requirements.
- (g) The Grantee will, at its own expense, use diligent efforts to recover loan proceeds: (1) when the Project Owner becomes obligated to repay the Grantee’s loan or defaults on the Grantee’s loan; (2) when the initial thirty-year “compliance period” expires, unless the Council agrees in writing that the Grantee may make the grant funds available as a loan to the Project Owner for an “extended use period”; and (3) if noncompliance with low-income housing tax credit program requirements or some other event triggers the Project Owner’s repayment obligations under its loan agreement with the Grantee. The Grantee must repay to the Council all loan repayment amounts the Grantee receives from the Project Owner. The Grantee shall not be obligated to repay the grant funds to the Council except to the extent the Project Owner repays its loan to the Grantee, provided the Grantee has exercised the reasonable degree of diligence and used administrative and legal remedies a reasonable and prudent housing finance agency would use to obtain payment on a loan, taking into consideration (if applicable) the subordinated nature of the loan. At its discretion, the Council may: (1) permit the Grantee to use the loan repayment from the Project Owner to continue supporting affordable housing components of the Project; or (2) require the Grantee to remit the grant funds to the Council.

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT Attachment B
DEVELOPMENT GRANT PROGRAM

- (h) If the Grantee earns any interest or other income from its loan agreement with the Project Owner, the Grantee will: (1) use the interest earnings or income only for the purposes of implementing the Project activities for which the grant was awarded; or (2) remit the interest earnings or income to the Council. The Grantee is not obligated to earn any interest or other income from its loan agreement with the Project Owner, except to the extent required by any applicable law.

2.06. Revolving Loans. If consistent with the application and the Project summary or if requested in writing by the Grantee, the Grantee may use the grant funds to make deferred loans (loans made without interest or periodic payments), revolving loans (loans made with interest and periodic payments), or otherwise make the grant funds available on a “revolving” basis for the purposes of implementing the Project activities described or identified in Attachments A and B. The Grantee will submit annual written reports to the Council that report on the uses of the grant funds. The Council will determine the form and content of the report. This annual reporting requirement is in addition to the reporting requirements stated in Section 3.03. Notwithstanding the Expiration Date identified at Page 1 of this Agreement and referenced in Section 4.01, the Grantee will submit the annual reports until the deferred or revolving loan programs terminate, or until such time as the Council terminates this annual reporting requirement by written notice to the Grantee. At its discretion, the Council may: (a) permit the Grantee to use loan repayments to continue supporting affordable housing components of the Project; or (b) require the Grantee to remit the grant funds to the Council.

2.07. Restrictions on Loans or Grants to Subrecipients. The Grantee shall not permit any subgrantee or subrecipient to use the grant funds for loans or grants to any subrecipient at any tier unless the Grantee obtains the prior written consent of the Council. The requirements of this Section 2.07 shall be included in all subgrant and subrecipient agreements.

2.08. Project Commencement and Changes. The Project for which grant funds were requested must be “commenced” prior to the Expiration Date. The Grantee must promptly inform the Council in writing of any significant changes to the Project for which the grant funds were awarded, as well as any potential changes to the grant-funded activities described or identified in Attachments A and B. Failure to inform the Council of any significant changes to the Project or significant changes to grant-funded components of the Project, and use of grant funds for ineligible or unauthorized purposes, will jeopardize the Grantee’s eligibility for future LCA awards. Grant funds will not be disbursed prior to Council approval of significant changes to either the Project or grant-funded activities described or identified in Attachments A and B.

2.09 Budget Variance. The Grantee may reallocate up to twenty percent (20%) of the Grant Amount among the grant-funded activities, provided: (a) the grant funds may be used only for Project activities for which the Council awarded the grant funds; (b) the reallocation does not significantly change the Project deliverables; and (c) the Grantee receives written permission from Council staff prior to reallocating any grant funds. Council staff may administratively approve budget reallocation requests that exceed twenty percent (20%) of the Grant Amount only if the reallocation does not significantly change the Project deliverables. Notwithstanding the aggregate or net effect of any variances, the Council’s obligation to provide grant funds under this Agreement shall not exceed the Grant Amount identified at Page 1 of this Agreement.

2.10. Loss of Grant Funds. The Grantee agrees to remit to the Council in a prompt manner: any unspent grant funds, including any grant funds that are not expended prior to the Expiration Date identified at Page 1 of this Agreement; any grant funds that are not used for the authorized purposes;

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and any interest earnings described in Section 2.12 that are not used for the purposes of implementing the grant-funded Project activities described or identified in Attachments A and B. For the purposes of this Agreement, grant funds are “expended” prior to the Expiration Date if the Grantee pays or is obligated to pay for expenses of eligible grant-funded Project activities that occurred prior to the Expiration Date and the eligible expenses were incurred prior to the Expiration Date. Unspent or unused grant funds and other funds remitted to the Council shall revert to the Council’s Livable Communities Demonstration Account for distribution through application processes in future Funding Cycles or as otherwise permitted by law.

2.11. Payment Request Forms, Documentation, and Disbursements. The Council will disburse grant funds in response to written payment requests submitted by the Grantee and reviewed and approved by the Council’s authorized agent. Written payment requests shall be made using payment request forms, the form and content of which will be determined by the Council. Payment request and other reporting forms will be provided to the Grantee by the Council. Payment requests must include the following documentation:

Consultant/contractor invoices showing the time period covered by the invoice; the specific grant-funded Project activities conducted or completed during the authorized time period within which eligible costs may be incurred; and documentation supporting expenses including subcontractor and consultant invoices showing unit rates, quantities, and a description of the goods or services provided. Subcontractor markups shall not exceed ten percent (10%).

The Council will disburse grant funds on a reimbursement basis or a “cost incurred” basis. The Grantee must provide with its written payment requests documentation that shows grant-funded Project activities actually have been completed. Subject to verification of each payment request form (and the required documentation) and approval for consistency with this Agreement, the Council will disburse a requested amount to the Grantee within two (2) weeks after receipt of a properly completed and verified payment request form.

2.12. Interest Earnings. If the Grantee earns any interest or other income from the grant funds received from the Council under this Agreement, the Grantee will use the interest earnings or income only for the purposes of implementing the Project activities described or identified in Attachments A and B.

2.13. Effect of Grant. Issuance of this Grant neither implies any Council responsibility for contamination, if any, at the Project site nor imposes any obligation on the Council to participate in any pollution cleanup of the Project site if such cleanup is undertaken or required.

2.14. Affordability Term. The Grantee shall, through written instruments or otherwise, ensure any affordable units acquired or developed with grant funds made available under this Agreement will remain affordable for a minimum period of fifteen (15) years. The Grantee’s obligation under this Section may be satisfied if other Project funding sources (*e.g.*, the Minnesota Housing Finance Agency or the U.S. Department of Housing and Urban Development (“HUD”)) or state or federal laws (*e.g.*, low-income housing tax credit programs) require an affordability term of at least fifteen (15) years. For the purposes of this Section, “affordable housing unit” means a unit that is affordable to households at eighty percent (80%) or less of the Area Median Income (“AMI”), as established by HUD, unless the Grantee’s application stated an affordability standard lower than eighty percent

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**LIVABLE COMMUNITIES DEMONSTRATION ACCOUNTING
DEVELOPMENT GRANT PROGRAM**

(80%) of AMI, in which case the Grantee's lower affordability standard shall apply. The affordability requirements of this Section shall survive the expiration or termination of this Agreement.

2.15. Affirmative Fair Housing Marketing Plans. The Grantee shall, through written instruments or otherwise, ensure the Project owner (and any subsequent owner(s)) adopts and implements an affirmative fair housing marketing plan for all Project housing units (whether market rate or affordable). For the purposes of this Section, "affirmative fair housing marketing plan" means an affirmative fair housing marketing plan that substantially conforms to affirmative fair housing marketing plans published by HUD. The affirmative fair housing marketing plan requirement under this Section shall continue for the minimum affordability term specified in Section 2.14 and shall survive the expiration or termination of this Agreement.

2.16. Section 8 Housing Choice Vouchers. If the Project for which grant funds were awarded is a housing project, or includes housing units (whether market rate or affordable), and the Grantee stated in its application that Project housing units would be made available to households participating in the federal Housing Choice Voucher program, the Grantee shall, through written instruments or otherwise, ensure the Project owner (and any subsequent owner(s)) adopts and implements a policy under which the Project owner will not refuse to lease Project units to households or individuals participating in the Housing Choice Voucher program because those households or individuals are Housing Choice Voucher program participants. The Housing Choice Voucher requirement under this section shall continue for the minimum affordability term specified in Section 2.14 and shall survive the expiration or termination of this Agreement.

III. ACCOUNTING, AUDIT, AND REPORT REQUIREMENTS

3.01. Accounting and Records. The Grantee agrees to establish and maintain accurate and complete accounts and records relating to the receipt and expenditure of all grant funds received from the Council. Notwithstanding the expiration and termination provisions of Sections 4.01 and 4.02, such accounts and records shall be kept and maintained by the Grantee for a period of six (6) years following the completion of the Project activities described or identified in Attachments A and B or six (6) years following the expenditure of the grant funds, whichever occurs earlier. Accounting methods shall be in accordance with generally accepted accounting principles.

3.02. Audits. The above accounts and records of the Grantee shall be audited in the same manner as all other accounts and records of the Grantee are audited and may be audited or inspected on the Grantee's premises or otherwise by individuals or organizations designated and authorized by the Council at any time, following reasonable notification to the Grantee, for a period of six (6) years following the completion of the Project activities or six (6) years following the expenditure of the grant funds, whichever occurs earlier. Pursuant to Minnesota Statutes section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices of the Grantee that are relevant to this Agreement are subject to examination by the Council and either the Legislative Auditor or the State Auditor, as appropriate, for a minimum of six (6) years.

3.03. Report Requirements. The Grantee will report to the Council on the status of the Project activities described or identified in Attachments A and B and the expenditures of the grant funds. Submission of properly completed payment request forms (with proper documentation) required under Section 2.11 will constitute periodic status reports. The Grantee also must complete and submit to the Council a grant activity closeout report. The closeout report form must be submitted within

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LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT
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120 days after the expiration or termination of this Agreement, whichever occurs earlier. Within 120 days after the Expiration Date, the Grantee must complete and submit to the Council a certification of expenditures of funds form signed by the Grantee's chief financial officer or finance director. The form and content of the closeout report and the certification form will be determined by the Council. These reporting requirements and the reporting requirements of Sections 2.05 and 2.06 shall survive the expiration or termination of this Agreement.

3.04. Environmental Site Assessment. The Grantee represents that a Phase I Environmental Site Assessment or other environmental review has been or will be carried out, if such environmental assessment or review is appropriate for the scope and nature of the Project activities funded by this Grant, and that any environmental issues have been or will be adequately addressed.

IV. AGREEMENT TERM

4.01. Term. This Agreement is effective upon execution of the Agreement by the Council. Unless terminated pursuant to Section 4.02, this Agreement expires on the "Expiration Date" identified at Page 1 of this Agreement. **ALL GRANT FUNDS NOT EXPENDED BY THE GRANTEE PRIOR TO THE EXPIRATION DATE SHALL REVERT TO THE COUNCIL.**

4.02. Termination. This Agreement may be terminated by the Council for cause at any time upon fourteen (14) calendar days' written notice to the Grantee. Cause shall mean a material breach of this Agreement and any amendments of this Agreement. If this Agreement is terminated prior to the Expiration Date, the Grantee shall receive payment on a pro rata basis for eligible Project activities described or identified in Attachments A and B that have been completed prior to the termination. Termination of this Agreement does not alter the Council's authority to recover grant funds on the basis of a later audit or other review, and does not alter the Grantee's obligation to return any grant funds due to the Council as a result of later audits or corrections. If the Council determines the Grantee has failed to comply with the terms and conditions of this Agreement and the applicable provisions of the Metropolitan Livable Communities Act, the Council may take any action to protect the Council's interests and may refuse to disburse additional grant funds and may require the Grantee to return all or part of the grant funds already disbursed.

4.03. Amendments and Extension. The Council and the Grantee may amend this Agreement by mutual agreement. Amendments or an extension of this Agreement shall be effective only on the execution of written amendments signed by authorized representatives of the Council and the Grantee. If the Grantee needs additional time within which to complete grant-funded activities and commence the Project, the Grantee must submit to the Council **AT LEAST NINETY (90) CALENDAR DAYS PRIOR TO THE EXPIRATION DATE**, a resolution of the Grantee's governing body requesting the extension and a written extension request. **THE EXPIRATION DATE MAY BE EXTENDED, BUT THE PERIOD OF ANY EXTENSION(S) SHALL NOT EXCEED TWO (2) YEARS BEYOND THE ORIGINAL EXPIRATION DATE IDENTIFIED AT PAGE 1 OF THIS AGREEMENT.**

V. GENERAL PROVISIONS

5.01. Equal Opportunity. The Grantee agrees it will not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability, sexual orientation, or age and will take affirmative action to insure applicants and employees

Attachment B

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT
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are treated equally with respect to all aspects of employment, rates of pay and other forms of compensation, and selection for training.

5.02. Conflict of Interest. The members, officers, and employees of the Grantee shall comply with all applicable state statutory and regulatory conflict of interest laws and provisions.

5.03. Liability. Subject to the limitations provided in Minnesota Statutes chapter 466, to the fullest extent permitted by law, the Grantee shall defend, indemnify, and hold harmless the Council and its members, employees, and agents from and against all claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of or resulting from the conduct or implementation of the Project activities funded by this Grant, except to the extent the claims, damages, losses, and expenses arise from the Council's own negligence. Claims included in this indemnification include, without limitation, any claims asserted pursuant to the Minnesota Environmental Response and Liability Act (MERLA), Minnesota Statutes chapter 15B, the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) as amended, United States Code, title 42, sections 9601 *et seq.*, and the federal Resource Conservation and Recovery Act of 1976 (RCRA) as amended, United States Code, title 42, sections 6901 *et seq.* This obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which otherwise would exist between the Council and the Grantee. The provisions of this Section shall survive the expiration or termination of this Agreement. This indemnification shall not be construed as a waiver on the part of either the Grantee or the Council of any immunities or limits on liability provided by Minnesota Statutes chapter 466, or other applicable state or federal law.

5.04. Acknowledgments and Signage. The Grantee will acknowledge the financial assistance provided by the Council in promotional materials, press releases, reports, and publications relating to the Project. The acknowledgment will contain the following or comparable language:

*Financing for this project was provided by the Metropolitan Council
Metropolitan Livable Communities Fund*

Until the Project is completed, the Grantee shall ensure the above acknowledgment language, or alternative language approved by the Council's authorized agent, is included on all signs (if any) located at Project or construction sites that identify Project funding partners or entities providing financial support for the Project. The acknowledgment and signage should refer to the "Metropolitan Council" (not "Met Council" or "Metro Council").

5.05. Permits, Bonds, and Approvals. The Council assumes no responsibility for obtaining any applicable local, state, or federal licenses, permits, bonds, authorizations, or approvals necessary to perform or complete the Project activities described or identified in Attachments A and B. The Grantee and its developer(s), if any, must comply with all applicable licensing, permitting, bonding, authorization, and approval requirements of federal, state, local governmental, and regulatory agencies, including conservation districts.

5.06. Subgrantees, Contractors, and Subcontractors. The Grantee shall include in any subgrant, contract, or subcontract for Project activities appropriate provisions to ensure subgrantee, contractor, and subcontractor compliance with all applicable state and federal laws and this Agreement. Along with such provisions, the Grantee shall require that contractors and subcontractors performing work covered by this Grant comply with all applicable state and federal Occupational Safety and Health

Attachment B

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT
DEVELOPMENT GRANT PROGRAM

Act regulations. If the Project for which the grant funds were awarded includes affordable units, the Grantee's subgrant agreement(s) shall expressly include the affordability and affirmative fair housing marketing plan requirements of Sections 2.14 and 2.15.

5.07. Stormwater Discharge and Water Management Plan Requirements. If any grant funds are used for urban site redevelopment, the Grantee shall at such redevelopment site meet or require to be met all applicable requirements of:

- (a) Federal and state laws relating to stormwater discharges including, without limitation, any applicable requirements of Code of Federal Regulations, title 40, parts 122 and 123; and
- (b) The Council's *2040 Water Resources Policy Plan* and the local water management plan for the jurisdiction within which the redevelopment site is located.

5.08. Authorized Agent. Payment request forms, written reports, and correspondence submitted to the Council pursuant to this Agreement shall be directed to:

Metropolitan Council
Attn: LCA Grants Administration
390 Robert Street North
Saint Paul, Minnesota 55101-1805

5.09. Non-Assignment. Minnesota Statutes section 473.253, subdivision 2 requires the Council to distribute grant funds to eligible "municipalities," metropolitan-area counties, or "development authorities" for projects in municipalities participating in the Local Housing Incentives Account program. Accordingly, this Agreement is not assignable and shall not be assigned by the Grantee.

5.10. Authorization to Reproduce Images. The Grantee certifies that the Grantee: (a) is the owner of any renderings, images, perspectives, sections, diagrams, photographs, or other copyrightable materials (collectively, "copyrightable materials") that are in the Grantee's application or are submitted to the Council as part of the grant application review process or after grant award, or that the Grantee is fully authorized to grant permissions regarding the copyrightable materials; and (b) the copyrightable materials do not infringe upon the copyrights of others. The Grantee agrees the Council has a nonexclusive royalty-free license and all necessary permissions to reproduce and publish the copyrightable materials for noncommercial purposes, including but not limited to press releases, presentations, reports, and on the internet. The Grantee also agrees the Grantee will not hold the Council responsible for the unauthorized use of the copyrightable materials by third parties.

5.11. Warranty of Legal Capacity. The individuals signing this Agreement on behalf of the Grantee and on behalf of the Council represent and warrant on the Grantee's and the Council's behalf respectively that the individuals are duly authorized to execute this Agreement on the Grantee's and the Council's behalf respectively and that this Agreement constitutes the Grantee's and the Council's valid, binding, and enforceable agreements.

Attachment B

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT
DEVELOPMENT GRANT PROGRAM

IN WITNESS WHEREOF, the Grantee and the Council have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective on the date of final execution by the Council.

CITY OF ROSEVILLE EDA

METROPOLITAN COUNCIL

By: _____

By: _____

Title: _____

Beth Reetz, Director
Community Development Division

Date: _____

Date: _____

By: _____

Title: _____

Date: _____

ATTACHMENT A

PROJECT SUMMARY

This attachment comprises this page and the succeeding page(s) which contain(s) a summary of the Project identified in the application for Livable Communities Demonstration Account grant funds submitted in response to the Council's notice of availability of Demonstration Account grant funds for the Funding Cycle identified at Page 1 of this Agreement. The summary reflects the proposed Project for which the Grantee was awarded grant funds by the Council Action, and may reflect changes in Project funding sources, changes in funding amounts, or minor changes in the proposed Project that occurred subsequent to application submission. The application is incorporated into this Agreement by reference and is made a part of this Agreement as follows. If the application or any provision of the application conflicts with or is inconsistent with the Council Action, other provisions of this Agreement, or the Project summary contained in this Attachment A, the terms, descriptions and dollar amounts reflected in the Council Action or contained in this Agreement and the Project summary shall prevail. For the purposes of resolving conflicts or inconsistencies, the order of precedence is: (1) the Council Action; (2) this Agreement; (3) the Project summary; and (4) the grant application.

PROJECT SUMMARY

Attachment B

Grant # **SG-09032**
Type: **LCDA Development**
Applicant: **City of Roseville EDA**
Project Name: **Edison**
Project Location: **Old Highway 8 & County Road D**
Council District: **District 10 – Marie McCarthy**

Project Detail	
Project Overview	Edison is a life-style mixed income community that includes a mix of market rate and affordable housing units serving individuals formerly experiencing long-term homelessness and veterans. The project includes solar panel covered parking throughout the site, a stormwater management system and public trail loop around the site. Project also incorporates supportive services for individuals formerly experiencing long-term homelessness.
Jobs	Temporary (construction): 350 Permanent: 6 FTEs (5 Living Wage)
Net tax capacity increase	\$266,937
Total housing units	209
Affordable units	14 @ 31-50% AMI, 24 @ 51-60% AMI, 20 @ 61-80% AMI, 151 Market Rate
Anticipated # bedrooms	118 - Studio/1BR; 55 - 2BR; 36 - 3+BR
Est. total development	\$47,864,865
Est. private funds leveraged	\$45,669,570
Est. other public funds	\$150,000
Comments/ Demonstration value	<ul style="list-style-type: none"> • Incredible demonstration in number of solar panels on site and in their orientation by having the panels serve as carports. • Like the amount of green space incorporated with the number of buildings and units, as well as the walking paths and rain gardens. • Appreciate the mix of affordability levels and this is first new mixed-income development built in Roseville and first new market rate multifamily housing built in 30 years. • Doing more than just the minimum requirements for stormwater management.
Funding Request	
\$2,045,295	TOTAL
\$55,000	New sidewalk
\$1,765,295	Solar Panels
\$75,000	Stormwater Management – Raingardens
\$150,000	Stormwater Management – Rainwater

ATTACHMENT B

PROJECT LOCATION(S)

This attachment comprises this page and the succeeding page(s) which contain aerial photography or drawings that identify the specific location(s) within the Project boundaries for which the Grantee must use the grant funds. The attached photography or drawings also may identify the types of eligible activities for which the grant funds must be used at specific locations within the Project boundaries.

LCA Aerial LCDA Project: City of Roseville - Edison | Map ID: 1497985459249



Northpass Technologies

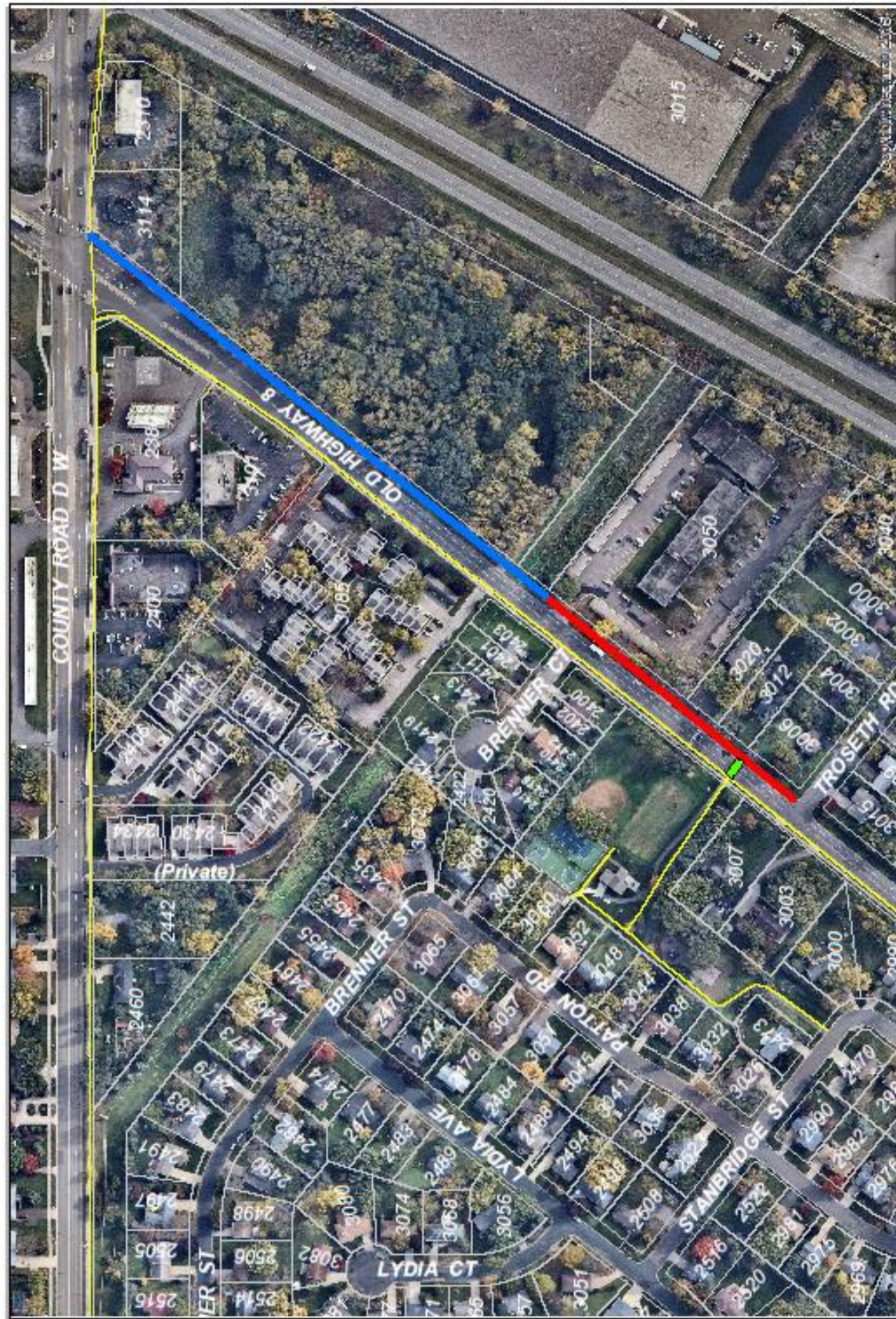
- Walk Route
- Active Transit Stops
- TOD Area
- Transit Routes (All)
- Project
- Parcels



Created: 6/20/2017
LandscapeLCA4



For complete disclaimer of accuracy, please visit
<http://gisweb2.metc.state.mn.us/gis/notice/notice.aspx>



Old Highway 8 Pathway

Prepared by:
ROSSVILLE
 Engineering Department
 January 06, 2018

— Existing Pathway
— New City Constructed Pathway
— New Developer Constructed Pathway
— New Crosswalk Location

The Ross City of Ross, Ohio, hereby certifies that the information contained herein is true and correct to the best of its knowledge and belief. This information is provided for informational purposes only and does not constitute a warranty or guarantee of any kind. The City of Ross, Ohio, is not responsible for any errors or omissions in this information.

Scale: 1" = 100' (Horizontal)
 Scale: 1" = 20' (Vertical)

North Arrow

**EXTRACT OF MINUTES OF MEETING OF THE
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

* * * * *

Pursuant to due call and notice thereof, a special meeting of the Board of Commissioners (the “Board”) of the Roseville Economic Development Authority (the “Authority”) was duly held on the 18th day of June, 2018, immediately following the Roseville City Council at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner _____ introduced the following resolution and moved its adoption:

Resolution No.

**RESOLUTION APPROVING LIVABLE COMMUNITIES DEMONSTRATION
ACCOUNT GRANT AGREEMENT WITH THE METROPOLITAN COUNCIL**

WHEREAS by Resolution adopted on May 8, 2017, the Authority previously authorized the Executive Director of the Authority to apply to the Metropolitan Council (the “Met Council”) for a Livable Communities Demonstration Account grant (the “LCDA Grant”) to support the development of a multifamily rental housing facility (the “Project”) to be constructed by Sand Development, LLC or an affiliate thereof (the “Developer”) and

WHEREAS the Met Council approved the grant application, and has provided a grant agreement (the “Grant Agreement”) setting forth the terms of the LCDA Grant for the Project (as further described in the Grant Agreement) to Authority staff for approval by the Board; and

WHEREAS the amount of the LCDA Grant awarded for the Project is \$2,045,295, and the Grant Agreement provides that proceeds of the LCDA Grant are to held by the Authority and paid to the Developer as reimbursement of Project expenditures; and

WHEREAS Authority staff and legal counsel have reviewed the Grant Agreement and recommend its approval;

NOW THEREFORE BE IT RESOLVED THAT the Roseville Economic Development Authority approves the Grant Agreement in the form presented to the Authority, and authorizes the President and Executive Director to execute on behalf of the Authority the Grant Agreement and any other documents requiring execution by the Authority in order to give effect to the Grant Agreement.

Authority staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

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Adopted by the Board of the Authority this 18th day of June, 2018.

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Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on June 18, 2018.

I further certify that Commissioner _____ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner _____, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this __th day of June, 2018

Executive Director
Roseville Economic Development Authority