

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

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Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners of the Roseville Economic Development Authority was duly held on the 4th day of December, 2017, at 6:00 p.m.

The following members were present: Laliberte, Etten, McGehee and Roe

and the following were absent: Willmus

Member McGehee introduced the following resolution and moved its adoption:

RESOLUTION No. 15

**RESOLUTION AUTHORIZING INTERFUND LOAN FOR
ADVANCE OF CERTAIN COSTS
IN CONNECTION WITH PROPOSED TAX INCREMENT
FINANCING DISTRICT NO. 1-20 (MCGOUGH)**

WHEREAS, the Roseville Economic Development Authority (the "EDA") has received a request from McGough Construction Co., LLC (the "Developer") to establish Tax Increment Financing District No. 1-20 (the "TIF District") pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "TIF Act"); and

WHEREAS, the EDA may incur certain costs related to the establishment and administration of the TIF District, which costs may be financed on a temporary basis from legally available EDA or City funds; and

WHEREAS, under Section 469.178, Subdivision 7 of the TIF Act, the EDA is authorized to advance or loan money from any fund from which such advances may be legally made in order to finance expenditures that are eligible to be paid with tax increments under the TIF Act; and

WHEREAS, The EDA has determined that it may be necessary to finance up to \$10,000 in administrative costs associated with the TIF District (the "Administrative Costs") using EDA or City funds legally authorized for such purpose, and to reimburse such funds from tax increments from the TIF District when received; and

WHEREAS, the EDA intends to designate such advances as an interfund loan in accordance with the terms of this resolution and the TIF Act

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The EDA hereby authorizes the advance of up to \$10,000 in legally available EDA or City funds to pay the Administrative Costs, together with interest at the rate of 4% per annum (the "Interfund Loan"). Interest shall accrue on the principal amount of each advance from the date of such advance. The interest rate is no more than the greatest of the rate specified under Minnesota Statutes, Section 270C.40 and Section 549.09, both in effect for calendar year 2017, and will not be adjusted.

2. Principal and interest ("Payments") on the Interfund Loan shall be paid semi-annually on each August 1 and February 1 (each a "Payment Date"), commencing on the first Payment Date on which the EDA has Available Tax Increment (defined below), or on any other dates determined by the Executive Director, through the date of last receipt of tax increment from the TIF District.

3. Payments on the Interfund Loan will be made solely from Available Tax Increment, defined as tax increment from the TIF District received by the EDA from Ramsey County in the six-month period before any Payment Date. Payments shall be applied first to accrued interest, and then to unpaid principal. Payments on this Interfund Loan may be subordinated to any outstanding or future bonds, notes or contracts secured in whole or in part with Available Tax Increment, and are on a parity with any other outstanding or future interfund loans secured in whole or in part with Available Tax Increment.

4. The principal sum and all accrued interest payable under this resolution is pre-payable in whole or in part at any time by the EDA without premium or penalty.

5. This resolution is evidence of an internal borrowing by the EDA in accordance with Section 469.178, subdivision 7 of the TIF Act, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. The Interfund Loan shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the EDA and the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of Available Tax Increment. The EDA shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

6. The EDA may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

7. The EDA may from time to time amend the terms of this Resolution to the extent permitted by law, including without limitation amendment to the payment schedule and the interest rate; provided that the interest rate may not be increased above the maximum specified in Section 469.178. subd. 7 of the TIF Act.

8. This resolution is effective upon approval.

Certificate

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 December 4, 2017.

I further certify that Commissioner McGehee 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:

Laliberte, Etten, McGehee and Roe

and the following voted against the same: None

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 4th day of December 4th, 2017



Executive Director
Roseville Economic Development
Authority