

EDA Members:

Dan Roe,
President
Lisa Laliberte,
Vice President
Wayne Groff,
Treasurer
Robert Willmus
Jason Etten



**Economic Development
Authority
Meeting Agenda
Monday, March 18, 2019
6:00pm
City Council Chambers**

Address:
2660 Civic Center Dr.
Roseville, MN 55113

Phone:
651-792-7000

Website:
www.growroseville.com

1. 6:00 P.M. Roll Call
Voting & Seating Order: Willmus, Groff, Etten, Laliberte and Roe
2. Pledge Of Allegiance
3. Approve Agenda
4. 6:01 P.M. Public Comment
5. Business Items (Action Items)
 - 5.A. 6:05 PM Review Of Current Tax Increment Financing (TIF) District And Informational Presentation On Tax Abatement

Documents:

[5A REPORT AND ATTACHMENTS.PDF](#)
 - 5.B. 6:30 PM Authorize The Assignment And Subordination Of Contract For Redevelopment And Tax Increment Financing Note For 2785 Fairview, LLC

Documents:

[5B REPORT AND ATTACHMENTS.PDF](#)
 - 5.C. 6:35 PM Economic Development Overview

Documents:

[5C REPORT AND ATTACHMENTS.PDF](#)
6. 6:45 P.M. Adjourn



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 3/18/2019
Item No.: 5.a

Department Approval

Executive Director Approval

Janice Gundlach

[Signature]

Item Description: Review of Current Tax Increment Financing (TIF) District and Informational Presentation on Tax Abatement

BACKGROUND

At the January 18, 2018 meeting, the Roseville Economic Development Authority (REDA) requested Staff to bring an annual discussion of the Tax Increment Finance (TIF) Districts before the Board for review. Stacie Kvilvang of Ehlers, the EDA’s financial advisor, will review current established TIF districts, outstanding obligations and balances, termination dates, and recommendations of the districts (Attachment A). There are currently four active TIF Districts in the City (Attachment B). The REDA on February 25, 2019 authorized the creation of a Redevelopment TIF for Colder Products Company for the property located at 2814 Cleveland. This district will be certified later in 2019 and would bring the City’s count to five districts.

Three of the four districts have pay-as-you-go notes. The increment that is being generated in TIF #17, Twin Lakes Redevelopment, is obligated to repay bonds that were taken out to fund Twin Lakes Parkway infrastructure. Beyond the increment obligated to repay bond debt, there is approximately \$171,000 that can be used for projects outside of the TIF district (referred to as “pooling”) for redevelopment activities. Pooling is limited to 25% of the total increment generated. TIF #17A, a Hazardous Substance Subdistrict (HSS) is designated for environmental clean-up. Since funds were not expended within 10 years of establishing the TIF district, available increment is limited to 25% of the budget or \$858,000 of pooling dollars. Currently the owner of 2690 Prior Street (PIK Terminal) and the REDA are working on securing special legislation to allow full use of the \$3.1 million in increment already generated for environmental clean-up. It is anticipated that TIF #17A has already generated enough increment for the estimated clean-up of the remaining parcels needing redevelopment in the Twin Lakes area. If that holds true, the intent is to decertify TIF #17A by the end of 2019 (Attachment C).

TIF #18, Sienna Green, is an Affordable Housing TIF district that was certified December 22, 2009. Any funds that exceed the pay-as-you-go note can be used for the development/redevelopment of affordable housing (rental or owner-occupied) anywhere in the City. The following table lists income limits required for affordable projects:

Income Limits by Household Size
Ramsey County June 1, 2018

Households	1 Person	2 Person	3 Person	4 Person
50% Med. Inc.	\$33,050	\$37,750	\$42,450	\$47,150
60% Med. Inc.	\$39,660	\$45,300	\$50,940	\$56,580
100% Med. Inc.	\$66,100	\$75,500	\$84,900	\$94,300
115% Med. Inc.	\$76,015	\$86,825	\$97,635	\$108,445

TIF #19, Applewood Pointe, is expected to be paid in full on August 1, 2019 (1 ½ years early) and will be decertified by the end of 2019. After meeting the TIF obligation, the REDA will have a fund balance of \$267,000 (25% pooling) from TIF #19 that can be used for economic development related activity, such as required public and/or traffic improvements. Beyond pooling there will be approximately \$72,500 that would come back to the City as non-restricted funds to position the REDA for future redevelopment activities. It is recommended these funds be placed in a REDA Fund for future projects.

TIF #20, McGough, is a redevelopment TIF district that was certified on August 19, 2018. There has not been any generated increment at this time.

Lastly, it was requested the REDA be provided information as it relates to Tax Abatement. Ms. Kvilvang will review that information (Attachment D) and address any questions at the meeting.

STAFF RECOMMENDATION

Receive memo and presentation from Ehlers and provide feedback as needed from discussion.

REQUESTED EDA ACTION

Receive memo and presentation from Ehlers and provide feedback as needed from discussion.

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

- Attachments:
- A: Memo from Ehlers on TIF Balance
 - B: Map of existing TIF Districts
 - C: Map of #17a remaining parcels in the HSS District
 - D: PowerPoint of Presentation and Overview



Memo

To: Janice Gundlach - Community Development Director
Jeanne Kelsey – Housing & Economic Development Program Manager

From: Stacie Kvilvang - Ehlers

Date: March 18, 2019

Subject: TIF District Fund Balance Analysis

You requested we provide the City with an update on the existing TIF districts, their outstanding obligations and use of current fund balance, if any. The City currently has four (4) active TIF districts as noted in the chart below.

Category	TIF 17 & 17A Twin Lakes	TIF 18 Green	Sienna	TIF 19 Applewood Pointe	TIF 20 McGough
District Type	Redevelopment & Hazardous Substance Sub District	Housing		Economic Development	Redevelopment
Project/Costs Financed	Public Improvements/Roadways	50-unit apartment complex (rehab and new construction)		48-unit senior cooperative	53,675 Sq/Ft Corporate Office
Project Area	Development District 1	Development District 1		Development District 1	Development District 1
Certified	9/3/2005	12/22/2009		5/20/2011	9/19/2018
Legal max term	12/31/2031	12/31/2038		12/31/2020	12/31/2045
Anticipated term	12/31/2031	12/31/2038 (If TIF agreement is amended)		8/1/2019	12/31/2045
First Increment	2006	2013		2013	2020
Current Obligations	\$3,246,065 GO TIF Bonds, Series 2015A	\$935,005 Pay-As-You-Go TIF Note		\$659,000 Pay-As-You-Go TIF Note	\$1,316,000 Pay-As-You-Go TIF Note (Yet to be issued)
Pooling Amount	\$868,000 in 2019 for HSS purposes, \$460,000 for bond payments & \$171,000 for redevelopment	\$62,000 in 2019		\$267,000 in 2019	N/A
Use of Pooling Dollars	Clean up of HSS parcels and/or redevelopment	Affordable Housing (Rental and/or Owner-Occupied)		Economic Development (Manufacturing/Warehouse)	Redevelopment

TIF District Fund Balance Analysis
March 18, 2019
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TIF District #17 & #17A (Hazardous Substance Sub District – HSS)

This is a redevelopment TIF district with a HSS district (takes base value to \$0) and was certified on September 3, 2005. The statutory decertification date for the redevelopment portion of the district is December 31, 2031 and for the HSS portion of the district is as soon as enough dollars have been set aside to cure the hazardous substance conditions that allowed the district to be certified.

Five Year Rule: At least 75% of tax increment revenues generated within the redevelopment portion of the District must be used to pay for qualified costs within the District. The State Legislature amended the five-year rule limit to increase it to ten years for Redevelopment or Renewal and Renovation districts certified after June 30, 2003 and before April 20, 2009. This District fits this timeline and its five-year rule was September 30, 2015. The City issued bonds prior to this date so those meet the 5-year deadline. Any future obligations would be limited to 25% of the TIF generated (legal pooling dollars) from their development (if the development is located on a HSS parcel, the fund balance in this portion of the District would be available for clean-up costs as well).

Obligation of the District: The City issued bonds in September 2015 (Series 2015A) in the amount of \$3,246,065 to pay for required roadway/public improvements (\$2,775,000 is outstanding).

Current Fund Balance: Current cash balance as of December 31, 2018 for the HSS portion of the District is approximately \$3.135 million. The City is in discussions with Colder for the redevelopment of a parcel in TIF 17, which has clean-up costs associated with it. Because this project is under consideration for funding after the extended 10-year rule (2015), the amount of the HSS funds that can be used for the project are limited to 25% of the HSS funds collected to date. Through 2018, this equates to approximately \$868,000, which staff anticipates will be needed for the project. The remaining balance would be approximately \$2.667 million, which all or a portion may have to be returned to the County if not utilized under the pooling limitations. The City is seeking special legislation to allow this fund balance (and future HSS fund balance) to be utilized in the TIF District, as long as it is for parcels that are cleaned up under an approved RAP.

In addition, there is a cash balance in the TIF 17 redevelopment portion of approximately \$631,000, of which approximately \$460,000 is restricted to repayment on the existing bonds and approximately \$171,000 is available for legal pooling.

TIF District #18

This is a housing TIF district certified on December 22, 2009 and its statutory decertification date is December 31, 2038. The district was created to assist Aeon with the rehabilitation of an existing apartment community and the construction of additional apartment units (Sienna Green). Following are the details of the district:

Five Year Rule: Housing districts are exempt from the 5-year rule. Funds can be spent on qualified housing activities anywhere in the City (see details in Current Fund Balance below).

TIF District Fund Balance Analysis
 March 18, 2019
 Page 3

Obligation of the District: The City provided a Pay-As-You-Go TIF Note in the principal amount of \$935,005 with an interest rate of 4.25%. The Note is paid with 95% of the TIF generated and is expected to be paid in full on August 1, 2028 (10 years early).

Compliance requirements: The City is required to substantiate that the applicable income limitations and rent restrictions are being met on an annual basis for the project. Aeon has been submitting the required documentation on an annual basis and have continued to meet the requirement that 40% of the units are affordable to persons at or below 60% of the area median income.

Current Fund Balance: As of December 31, 2018, this District had a fund balance of approximately \$62,000. If the current fund balance and future TIF not needed for the Note continues to accumulate, at the end of the term of the District, the fund balance will be approximately \$1.185 million. Since the current Development Agreement only requires them to meet the income guidelines and report until the TIF Note is paid in full, the City would need to amend the Agreement with them to require reporting through 2038. If Aeon is unwilling, then the City would need to decertify the District when the obligation is paid in full (2028) and the cash balance the City would have available for the pooling would be approximately \$123,000.

This increment may be used to pay eligible costs for housing projects that are rental or owner-occupied and intended for occupancy by low and moderate-income families. The income guidelines are defined in MS 469.1761 as follows:

Rental Housing: 20% of the units occupied by families at 50% of median income (20/50) or 40% of the units occupied by families at 60% of median income (40/60).

Owner Occupied: Assistance to homeowners with an income at or below 100% of the median income for a family of two or less or 115% of the median income for a family of three or more.

Typically, TIF is utilized for capital expenditures, but may be used for non-capital expenditures on a limited basis. Examples of potential rental housing projects would include:

1. New affordable rental housing as part of redevelopment (20/50 or 40/60 election)
2. Renovation of an existing rental housing development (20/50 or 40/60 election)
3. Providing subsidy to an existing project that is earmarked for additional affordability (20/50 or 40/60 election)

Examples of potential owner-occupied projects would include:

1. Site acquisition and demolition for infill lots that will be sold for new housing construction
2. Acquisition of foreclosed homes for resale to income qualified buyers
3. Rehabilitation loans for home improvements
4. Second mortgages to qualified home buyers

If the income requirements are not met on any given year, the City will need to return that year's increment to the County for redistribution.

TIF District Fund Balance Analysis
March 18, 2019
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TIF District #19

This is an economic development TIF district certified on May 20, 2011 and its statutory decertification date is December 31, 2020. The district was created to assist United Properties with the construction of a 48-unit senior cooperative (Applewood Pointe). Following are the details of the district:

Five Year Rule: Within five years of certification of the District (May 20, 2016) all obligations must be in place for the District and at least 80% of tax increment revenues generated must be used to pay for qualified costs within the district (City met this obligation by entering into a Development Agreement with United Properties). The City can utilize the remaining 20% for administrative costs (up to 10% that are documented) or other qualified economic development district costs.

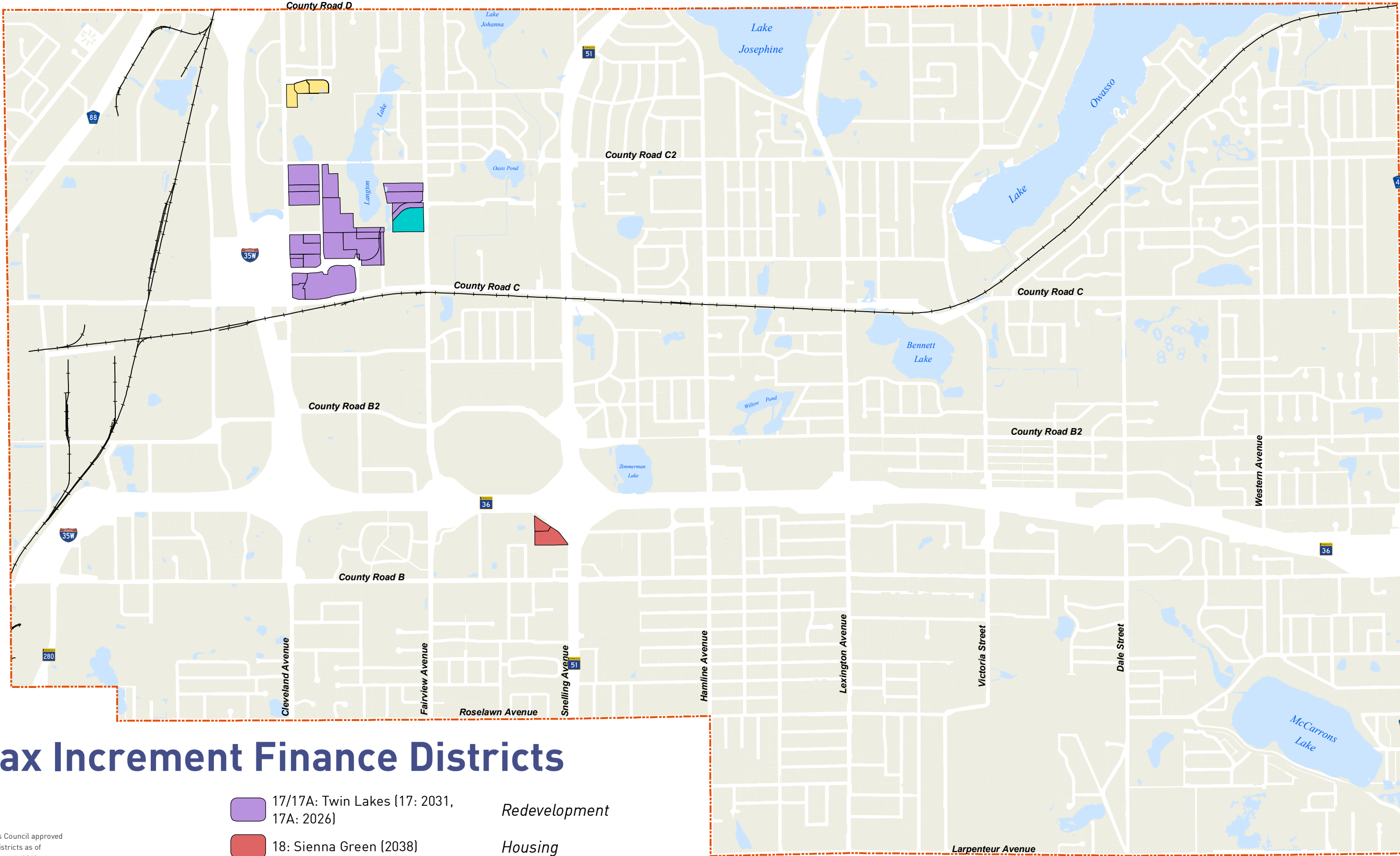
Obligation of the District: The City provided a Pay-As-You-Go TIF Note in the principal amount of \$659,000 with an interest rate of 7%. The Note is paid with 80% of the TIF generated and is expected to be paid in full on August 1, 2019 (1 ½ years early). *The district will be required to be decertified early for pay 2020 and the City will need to return unused portion of 1st half 2019 TIF not needed to make the final payment and the 2nd half 2019 TIF received from the County for redistribution.*

Current Fund Balance: As of December 31, 2018, this District had a fund balance of approximately \$312,000. The City will receive approximately \$299,000 in TIF in 2019. Since the PAYGO Note will be paid in full on August 1st, the City will need to return approximately \$227,000 of the \$299,000 received to the County for redistribution to the City, County and School District. We anticipate that the City's portion of the \$227,000 will be approximately \$72,500. Since these returned funds are non-restricted (not considered TIF) *we would recommend that when the City receives them they place them in the EDA Fund for future redevelopment/development projects.*





After return of the increment noted above, the City will still have a fund balance of approximately \$267,000 for use on economic development related projects, which can include required public and or traffic improvements.

Conclusions: The information contained herein provides a high-level summary of the City's existing districts and a financial snapshot. We recommend that the City have a more in-depth analysis that offers greater technical data and comparisons with other communities of the use of TIF. This would also include preparation of a TIF Management Plan.

Please contact me at 651-697-8506 with any questions.



Tax Increment Finance Districts

- | | | |
|---|--|-----------------------------|
|  | 17/17A: Twin Lakes (17: 2031, 17A: 2026) | <i>Redevelopment</i> |
|  | 18: Sienna Green (2038) | <i>Housing</i> |
|  | 19: Applewood Pointe (2020) | <i>Economic Development</i> |
|  | 20: McGough (2044) | <i>Redevelopment</i> |

Map reflects Council approved TIF Districts as of January 1, 2019

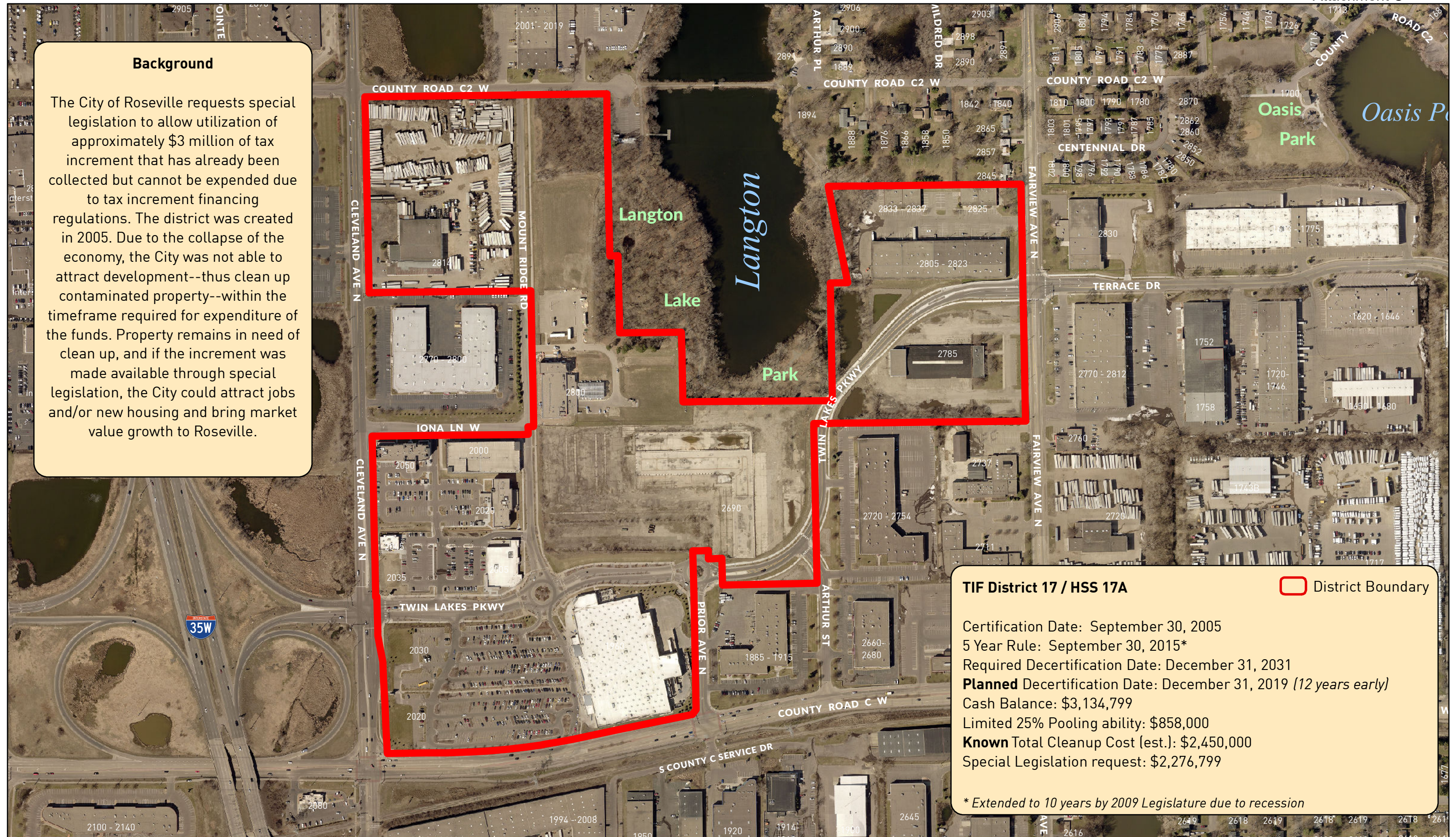
Data Sources
 * Ramsey County GIS (2/4/2019)
 * City of Roseville Community Development
 * City of Roseville Finance Department

This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. The City does not warrant that the Geographic Information System (GIS) Data used to prepare this map are error free, and the City does not represent that the GIS Data can be used for navigational, tracking or any other purpose requiring exacting measurement of distance or direction or precision in the depiction of geographic features. If errors or discrepancies are found please contact 651-792-7085. The preceding disclaimer is provided pursuant to Minnesota Statutes §466.03, Subd. 21 (2000), and the user of this map acknowledges that the City shall not be liable for any damages, and expressly waives all claims, and agrees to defend, indemnify, and hold harmless the City from any and all claims brought by User, its employees or agents, or third parties which arise out of the user's access or use of data provided.



Background

The City of Roseville requests special legislation to allow utilization of approximately \$3 million of tax increment that has already been collected but cannot be expended due to tax increment financing regulations. The district was created in 2005. Due to the collapse of the economy, the City was not able to attract development--thus clean up contaminated property--within the timeframe required for expenditure of the funds. Property remains in need of clean up, and if the increment was made available through special legislation, the City could attract jobs and/or new housing and bring market value growth to Roseville.

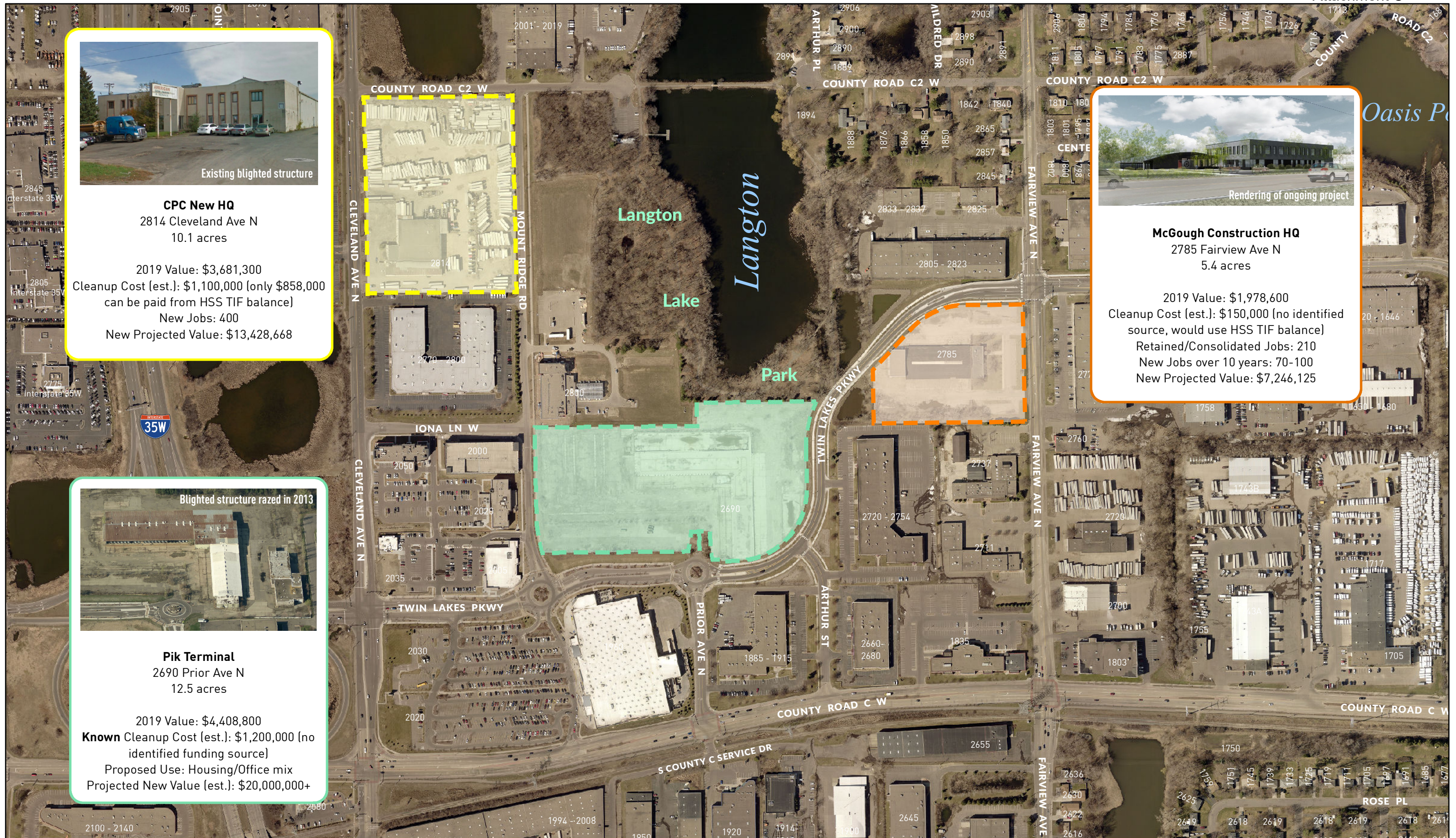


TIF District 17 / HSS 17A □ District Boundary

Certification Date: September 30, 2005
 5 Year Rule: September 30, 2015*
 Required Decertification Date: December 31, 2031
Planned Decertification Date: December 31, 2019 (12 years early)
 Cash Balance: \$3,134,799
 Limited 25% Pooling ability: \$858,000
Known Total Cleanup Cost (est.): \$2,450,000
 Special Legislation request: \$2,276,799

** Extended to 10 years by 2009 Legislature due to recession*





Existing blighted structure

CPC New HQ
 2814 Cleveland Ave N
 10.1 acres

2019 Value: \$3,681,300
 Cleanup Cost (est.): \$1,100,000 (only \$858,000 can be paid from HSS TIF balance)
 New Jobs: 400
 New Projected Value: \$13,428,668



Rendering of ongoing project

McGough Construction HQ
 2785 Fairview Ave N
 5.4 acres

2019 Value: \$1,978,600
 Cleanup Cost (est.): \$150,000 (no identified source, would use HSS TIF balance)
 Retained/Consolidated Jobs: 210
 New Jobs over 10 years: 70-100
 New Projected Value: \$7,246,125



Blighted structure razed in 2013

Pik Terminal
 2690 Prior Ave N
 12.5 acres

2019 Value: \$4,408,800
Known Cleanup Cost (est.): \$1,200,000 (no identified funding source)
 Proposed Use: Housing/Office mix
 Projected New Value (est.): \$20,000,000+





Tax Abatement 101 & TIF District Update

March 18, 2019





Overview

- Tax Abatement 101
 - Existing TIF District Status
 - Feedback on:
 - ✓ Funding affordable housing projects
 - ✓ Use of TIF pooling balances for redevelopment and public infrastructure
 - ✓ Use of TIF dollars returned to County for redistribution
 - Funding future redevelopment
-



What is Tax Abatement?

- The ability of a political subdivision to capture and use all or a portion of the property tax revenues within a defined geographic area for a defined period of time



- Most cities treat abatement like TIF (capture increased value only)



How abatement works

- Allows **each** major taxing jurisdiction to choose to contribute **its share** of the taxes and limit abatement in any manner it determines appropriate
 - Major taxing jurisdictions include city, county, and school district
 - Duration limit varies
 - ✓ Participation by all 3 entities – **15 years**
 - ✓ Participation by 1 or 2 entities – **20 years**
 - ✓ If resolution is silent as to the term – **8 years**
-



Why use abatement?

- Retain business
 - Public facilities
 - Parks
 - Transportation/infrastructure
 - Market Rate Rental Housing
 - Economic development
-



Abatement Approval

- Can be established by city, county, school and/or town
 - Each entity holds a public hearing and adopts a resolution containing the following:
 - ✓ Term of abatement
 - ✓ Statement of public benefit expected to result
 - ✓ Required findings
 - ✓ Schedule of repayment of deferred taxes
-



Requisite Findings

- Benefits to the political subdivision at least equal the costs of the proposed agreement; AND
 - Abatement is in the public interest
 - ✓ Increase or preserve tax base
 - ✓ Provide employment opportunities
 - ✓ Provide or help acquire or construct public facilities
 - ✓ Redevelop or renew blighted areas
 - ✓ Provide access to services for residents
 - ✓ Provide public infrastructure
 - ✓ Phase in a property tax increase, in specific circumstances
 - ✓ Stabilize the tax base
-



Restrictions for Abatement

- In any one year, total tax abatements may not exceed the greater of **10% of the jurisdiction's net tax capacity** or **\$200,000**
 - ✓ City's limit is the 1st calculation and would be **\$5,247,272**
 - Cannot abate State property tax or market value tax
-



Abatement and Tax Levies

- Abatements are special tax levies outside of levy limits
 - ✓ Amount of abatement must be added to total levy for the current year
 - ✓ If abatement is not a fixed amount (i.e., set at a percent of taxes) must be calculated each year
-



TIF District Update



Number of TIF Districts

4 Active TIF Districts and 1 Active Hazardous Sub District

- **2 Redevelopment (26 years)**
 - ✓ Twin Lakes (#17) and McGough (#20)
 - **1 Housing (26 years)**
 - ✓ Sienna Green (#18)
 - **1 Economic Development (9 years)**
 - ✓ Applewood Point (#19)
 - **1 Hazardous Substance Subdistrict (26 years)**
 - ✓ Twin Lakes (#17A)
-

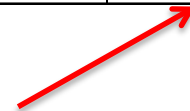


Increase in Tax Base

- **321%** increase in market value overall for Pay 2018

District	County District Number	Original Market Value	Pay 2018 Taxable Market Value	Percent Increase in Value
#17 & 17A - Twin Lakes Redevelopment (Includes HSS District)	259-0 and 259-1	\$22,793,800	\$53,075,300	232.85%
# 18 -Sienna Green	288	\$5,000,000	\$19,413,000	388.26%
#19 -Applewood Pointe	294	\$1,522,700	\$21,699,300	1425.05%
# 20 - McGough	329-0	\$1,978,600	\$1,978,600	N/A
TOTAL	N/A	\$31,295,100	\$96,166,200	321.28%

Note: % increase in value excludes McGough since construction has just commenced





City's Portion of Taxes When Districts Are Decertified

TIF District	Decertifies	Projected		
		2020	2031	2038
TIF 17 - Twin Lakes	12/31/2031	-	775,179	-
TIF 18 - Sienna Green	12/31/2038	-	-	105,769
TIF 19 - Applewood Pointe	12/31/2019	251,739	-	-
Total Annual Captured Net Tax Capacity Returned to Tax Rolls		251,739	775,179	105,769
Prelim City Tax Rate for Taxes Payable in 2019 ⁽¹⁾		37.160%		
Estimated Additional Annual Tax Levy Available ⁽¹⁾		\$ 93,546	\$ 288,055	\$ 39,304

(1) - Assumptions:

- Calculates additional dollars the City could levy and still maintain the same tax rate as Pay 2019.
- Assumes no change in existing tax base from prior year
- Assumes no change in the Fiscal Disparities Distribution Dollars from Pay 2019



Existing Obligations – PAYGO and Bonds

Outstanding Obligations				
District	Note	Original PAYGO/Bond Amount	Outstanding After 2/1/2019	Term
TIF #17 - Twin Lakes	2015A GO TIF Bonds	\$ 3,246,065	\$ 2,940,000	3/1/2032
TIF #18 - Sienna Green	Aeon	\$ 935,005	\$ 796,821	2/1/2028
TIF #19 - Applewood Pointe	United Properties	\$ 659,000	\$ 114,155	8/1/2019
TOTAL		\$ 4,840,070	\$ 3,850,976	N/A



Recommendations

1. TIF #17 - Use of Funds

- Currently have a balance in TIF 17 for legal pooling of **\$171,000**
 - ✓ Use for stoplight and/or other public infrastructure related to TIF 17
 - Currently have a balance in HSS funds of approximately **\$2.667** million for use on environmental remediation in TIF 17
-



Recommendations

2. TIF #18 - Pooling for Affordable Housing

- TIF District #18 (Sienna Green) has a current fund balance of approximately **\$62,000**
- Future fund balance
 - ✓ At end of statutory term of district will be approximately **\$1.185M** (assumes \$62,000 above is not used)
 - ✓ At end of obligation will be approximately **\$123,000**
- If EDA/City Council want additional funds for affordable housing, staff will need to amend the current TIF Agreement with Aeon to extend the affordability reporting requirement to the end of the term of the District.



Recommendations

2. TIF #18 - Pooling for Affordable Housing

- Funds can be used for BOTH affordable rental (20%/50% or 40%/60% election) or for owner occupied housing (2 or less/100% or 3 or more/115%)
- Examples of potential rental housing projects would include:
 - ✓ New affordable rental housing as part of redevelopment
 - ✓ Renovation of an existing rental housing development
 - ✓ Providing subsidy to an existing project that is earmarked for additional affordability
- Examples of potential owner-occupied projects would include:
 - ✓ Site acquisition and demolition for infill lots that will be sold for new housing construction
 - ✓ Acquisition of foreclosed homes for resale to income qualified buyers
 - ✓ Rehabilitation loans for home improvements
 - ✓ Second mortgages to qualified home buyers



Recommendations

3. TIF #19 - Early Decertification and Use of Funds

- Decertify TIF #19 at end of 2019 since obligation will be paid off
 - Retain approximately **\$267,000** for use on economic development projects
 - Return unused TIF at end of 2019 for redistribution by the County
 - ✓ Approximately **\$277,000**
 - Earmark City's portion of returned TIF to EDA Fund for use on future redevelopment projects
 - ✓ Approximately **\$72,500**
-



Feedback

1. Pooling for affordable housing

- Direct staff to work with Aeon to amend TIF agreement to require reporting until end of district
- City will have approximately **\$1.185M** by 2038 for affordable housing
 - ✓ Benefit of the County's dollars
 - ✓ Estimated annual loss of taxes to City is approximately **\$39,000**

2. Use of TIF Pooling Balances for Redevelopment/Public Infrastructure

- Retain **\$267,000** from TIF 18 and use for stoplight and/or public infrastructure related to TIF 17
- Utilize existing **\$171,000** from TIF 17 for stoplight and/or public infrastructure related to TIF 17

3. Use of City TIF Funds Redistributed From County (Current and Future TIF Districts)

- Place returned funds in EDA fund for future redevelopment/development projects

✓ **\$72,500** from TIF 18 returned at end of 2019



Conclusion

1. TIF Districts have performed well and overall they are in good financial shape
2. This is just a snapshot in time
3. Would recommend more in-depth analysis to provide greater technical data
 - Historical and future trend of captured tax capacity
 - Comparison to similar communities
 - Further refined TIF estimates
 - Update based upon legislative outcome
 - Etc.



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: 3/18/2019
Item No.: 5.b

Department Approval

Executive Director Approval

Janice Gundlach

Samuel Truogler

Item Description: Authorize the Assignment and Subordination of Contract for Redevelopment and Tax Increment Financing Note for 2785 Fairview, LLC

1 **BACKGROUND**

2 The Roseville Economic Development Authority (REDA) entered into a Private Redevelopment
3 Agreement on June 18, 2018 that was recorded against the property. Section 7.3 of the Redevelopment
4 Agreement allows for the REDA to subordinate the Contract for Redevelopment and the assignment of TIF
5 note, but requires authorization of the REDA.

6 Martha Ingram from Kennedy and Graven has drafted and reviewed the enclosed documents.

7
8 **STAFF RECOMMENDATION**

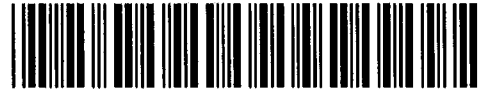
9 By resolution, authorize the assignment and subordination of Contract for Redevelopment and Tax
10 Increment Financing Note for 2785 Fairview, LLC.

11
12 **REQUESTED EDA ACTION**

13 Authorize by motion with resolution No. 36 authorizing the assignment and subordination of Contract for
14 Redevelopment and Tax Increment Financing Note for 2785 Fairview, LLC.

15
16 Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager, 651-792-7086

- 17 Attachments: A: Recorded Contract for Private Redevelopment
18 B: Assignment and Subordination of Contract for Private Redevelopment and TIF Note
19 C: Resolution No. 36 Authorizing Assignment and Subordination of Contract for Redevelopment and TIF
20 Note



Doc No **T02622099**

Certified, filed and/or recorded on
Aug 24, 2018 12:22 PM

Office of the Registrar of Titles
Ramsey County, Minnesota
Susan R Roth, Registrar of Titles
Christopher A. Samuel, County Auditor and Treasurer

Deputy 302

Pkg ID 1261657E

Document Recording Fee Torrens	\$46.00
<i>Document Total</i>	\$46.00

Existing Certs

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**CONTRACT
FOR
PRIVATE REDEVELOPMENT**

By and Between

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY

and

2785 FAIRVIEW, LLC

Dated as of: June 18, 2018

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CONTRACT FOR PRIVATE REDEVELOPMENT

THIS AGREEMENT, made as of the 18th day of June, 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 filing 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.

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

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.

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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 [Signature]
Its President

By [Signature]
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 20th day of June, 2018 by Daniel Roe and Robert Trujillo the President and Executive Director of the Roseville Economic Development Authority, on behalf of the Authority.



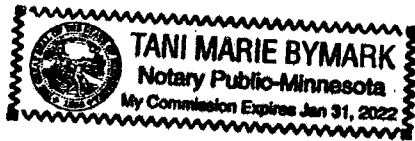
[Signature]
Notary Public

2785 FAIRVIEW, LLC

By *Thomas J. McGough, Jr.*
Thomas J. McGough, Jr.
Its President

STATE OF MINNESOTA)
) SS.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 21 day of June, 2018, by Thomas J. McGough, Jr., the President of 2785 Fairview, LLC, a Minnesota limited liability company, on behalf of the company.



Tani Marie Bymark
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

SCHEDULE C

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
53,875 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				
	Land sq. ft	Amount	% of Cost	Per Sq/Ft
ACQUISITION COSTS		2,147,043	12.56%	9.88
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		1,366,196	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%	0.00
ACCRUED EXPENSES		0.00%	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%	
TOTAL USES		17,108,163		318.74

Note:

- FF & E costs ARE NOT to be included since financed separately and under shorter term
- 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

CERTIFICATION BY COUNTY ASSESSOR

The undersigned, having reviewed the plans and specifications for the improvements to be constructed and the market value assigned to the land upon which the improvements are to be constructed, hereby certifies as follows: The undersigned Assessor, being legally responsible for the assessment of the above described property, hereby certifies that the values assigned to the land and improvements are reasonable.

Ramsey County Assessor

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018 by _____, the Ramsey County Assessor.

Notary Public

EXHIBIT A of ASSESSMENT AGREEMENT

Legal Description of Property

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

**ASSIGNMENT AND SUBORDINATION OF CONTRACT FOR PRIVATE
REDEVELOPMENT AND TIF NOTE**

THIS ASSIGNMENT AND SUBORDINATION AGREEMENT (this "Agreement") is made as of this ___ day of _____, 2019, between BREMER BANK, NATIONAL ASSOCIATION, a national banking association ("Lender"), whose address is 372 St. Peter Street, St. Paul, Minnesota 55102, Attention: Greg G. Quade; 2785 FAIRVIEW, LLC, a Minnesota limited liability company ("Redeveloper"), whose address is 2737 Fairview Avenue North, Roseville, Minnesota 55113, Attention: Andy McIntosh; and ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic under the laws of the State of Minnesota ("Authority"), whose address is 2660 Civic Center Drive, Roseville, MN 55113, Attention: Executive Director.

RECITALS

A. Redeveloper is the owner of certain real property situated in Ramsey County, Minnesota and legally described in Exhibit A attached hereto and incorporated herein (the "Property").

B. Lender has made a mortgage loan to Redeveloper in the original principal amount of up to \$12,760,000.00 (the "Loan") pursuant to that certain Construction and Term Loan Agreement dated _____, 2019, by and between Redeveloper and Lender (the "Loan Agreement"). The Loan is evidenced and secured by the following documents:

i. a certain advancing promissory note (the "Note") made by Redeveloper dated _____, 2019, in the original principal amount of up to \$12,760,000.00; and

ii. a certain Construction Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Financing Statement (the "Mortgage") made by Redeveloper dated _____, 2019, filed _____, 2019, as Ramsey County Recorder/Registrar of Titles Doc. No. _____ encumbering the Property.

The Loan Agreement, the Note, the Mortgage, and all other documents and instruments evidencing, securing and executed in connection with the Loan, and all amendments, modifications, extensions, replacements and renewals thereof, are hereinafter collectively referred to as the "Loan Documents."

C. Redeveloper and Authority are parties to that certain Contract for Private Redevelopment (the "Contract") by and between Redeveloper and Authority dated June 18, 2018, pertaining to the construction of a corporate headquarters for McGough Construction Co., LLC, on the Property.

D. Pursuant to the Contract, the Authority shall issue a Tax Increment Revenue Note in the maximum original principal amount of \$1,316,000.00 (the "TIF Note") to the Redeveloper upon the terms and conditions set forth in the Contract.

41 E. The Lender has required, as an express condition to making the Loan, that the
42 Redeveloper assign its rights under the Contract to the Lender to secure the obligations of the
43 Redeveloper under the Loan Documents, and that certain rights of the Authority under the
44 Contract be subordinated to the Mortgage.

45
46 F. All references in this Agreement to the "Contract" shall include and incorporate all
47 provisions of the TIF Note.

48 NOW, THEREFORE, in consideration of the foregoing and as an inducement to Lender
49 to make the Loan, and for other good and valuable consideration, the receipt and sufficiency of
50 which are hereby acknowledged, the parties hereto represent, warrant and agree as follows:

51 1. Assignment. The Redeveloper hereby assigns to the Lender all of its right, title
52 and interest in and to the Contract, together with all documents and agreements attached as
53 exhibits thereto, and all amendments, addenda and modifications thereof, whether made now or
54 hereafter, to secure the obligations of the Redeveloper under the Loan Documents; provided,
55 however, Lender confers on Redeveloper the right to enforce the terms of the Contract so long as
56 no Event of Default (as that term is defined in the Loan Agreement) has occurred and is
57 continuing under any of the Loan Documents. Upon the occurrence and during the continuance
58 of an Event of Default under any of the Loan Documents, Lender may, in Lender's sole
59 discretion, give notice to the Authority of its intent to enforce the rights of Redeveloper under the
60 Contract and may initiate or participate in any legal proceedings respecting the enforcement of
61 said rights. Nothing in this Agreement shall give Lender a greater right than Redeveloper to
62 enforce the Contract. Nothing in this Agreement shall be deemed an assignment by Redeveloper
63 or an assumption by Lender of Redeveloper's obligations, duties, covenants or representations
64 under the Contract, and Redeveloper agrees that it is and will continue to be solely responsible
65 for such obligations, duties, covenants and representations.

66 2. Consent. The Authority acknowledges that the Lender is making the Loan to the
67 Redeveloper and consents to the Loan, including any extensions, modifications, replacements
68 and/or amendments thereof. The Authority also consents to and approves the assignment of the
69 Contract and TIF Note (when and if issued) by the Redeveloper to the Lender as collateral for
70 the Loan; provided, however, that this consent shall not deprive the Authority of or otherwise
71 limit any of the Authority's rights or remedies under the Contract and TIF Note and shall not
72 relieve the Redeveloper of any of its obligations under the Contract and TIF Note; provided
73 further, however, the limitations to the Authority's consent contained in this Paragraph 2 are
74 subject to the provisions of Paragraph 3 below. All requirements of the Authority to the grant by
75 Redeveloper of a security interest in the Contract and the TIF Note (when and if issued) have
76 been satisfied.

77 3. Subordination. The Authority hereby agrees that the rights of the Authority under
78 the Contract are and shall remain subordinate and subject to liens, rights and security interests
79 created by the Loan Documents and to any and all amendments, modifications, extensions,
80 replacements or renewals of the Loan Documents; provided, however, that nothing herein shall
81 be construed as subordinating the requirement contained in the Contract that the Property be used
82 in accordance with the provisions of Section 10.3 of the Contract; as subordinating the
83 Authority's rights under the TIF Note to suspend, adjust, or terminate payments in accordance

84 with the terms of the TIF Note; or as subordinating the Authority's rights under the Assessment
85 Agreement as provided in Section 6.3 of the Contract.

86 4. Perfected Assignment. This Agreement shall constitute a perfected, absolute and
87 present assignment, provided that the Lender shall have no right under this Agreement to enforce
88 the provisions of the Contract or the TIF Note or exercise any rights or remedies under this
89 Agreement unless an Event of Default shall occur and be continuing.

90 5. Delivery of TIF Note. Promptly upon issuance thereof, the Authority shall deliver
91 the original TIF Note to the Redeveloper, and the Redeveloper shall contemporaneously with the
92 issuance and delivery of the TIF Note execute and deliver to Lender the Allonge Assignment and
93 Endorsement to Tax Increment Revenue Note in the form attached hereto as Exhibit B, to be
94 held as collateral security for this Agreement.

95 6. No Assumption. The Authority and Redeveloper acknowledge that the Lender is
96 not a party to the Contract and by executing this Agreement does not become a party to the
97 Contract, and specifically does not assume and shall not be bound by any obligations of the
98 Redeveloper to the Authority under the Contract, and that the Lender shall incur no obligations
99 whatsoever to the Authority except as expressly provided herein.

100 7. Notice to Authority. Lender agrees to use commercially reasonable efforts to
101 notify Authority of the occurrence of any Event of Default given to Redeveloper under the Loan
102 Documents, in accordance with Section 7.2 of the Contract. The Lender shall not be bound by
103 the other requirements in Section 7.2 of the Contract.

104 8. Notice from Authority; Lender Cure Rights. So long as the Contract remains in
105 effect, the Authority agrees to give to the Lender copies of notices of any Event of Default given
106 to Redeveloper under the Contract and to afford Lender an opportunity to cure any such Event of
107 Default provided the Lender commences the cure within thirty (30) days after the expiration of
108 any cure period applicable to Redeveloper and thereafter diligently prosecutes such cure to
109 completion, provided, if such Event of Default is of a nature that cannot be cured within (30)
110 thirty days, Lender shall have thirty (30) days within which to commence the cure and shall
111 thereafter have such reasonable period of time to complete such cure as is necessary plus such
112 time as may be reasonably necessary for Lender to obtain possession of the Property; and the
113 Authority will accept such curative or remedial action taken by Lender with the same effect as if
114 such action had been timely completed by Redeveloper.

115 9. Lender as Attorney-in-Fact. Upon the occurrence and during the continuance of
116 an Event of Default under the Loan Documents, without affecting any of the Lender's rights or
117 remedies against the Redeveloper under any other instrument or agreement, the Redeveloper
118 shall be deemed to have irrevocably appointed the Lender as the Redeveloper's attorney-in-fact
119 to exercise any or all of the Redeveloper's rights in, to and under this Agreement and to give
120 appropriate receipts, releases and satisfactions on behalf of the Redeveloper in connection with
121 the performance by any party to the Contract and to do any or all other acts in the Redeveloper's
122 name or in the Lender's own name that the Redeveloper could do under the Contract with the
123 same force and effect as if this Agreement had not been made. In addition, the Lender shall have
124 the right to exercise and enforce any and all rights and remedies available after and during the
125 continuance of a default to a secured party under the Uniform Commercial Code as adopted in

126 the State of Minnesota. If notice to the Redeveloper of any intended disposition of collateral or
127 of any intended action as required by law in any particular instance, such notice shall be deemed
128 commercially reasonable if given in writing at least ten (10) days prior to the intended
129 disposition or other action. The Redeveloper hereby authorizes the Lender to deliver a copy of
130 this Agreement to any other party to the Contract to verify the rights granted to the Lender
131 hereunder. The Authority is authorized and directed by the Redeveloper to tender performance
132 of its obligations under the Contract to the Lender upon presentation of a copy of this
133 Agreement.

134 10. Estoppel. The Authority and Redeveloper hereby represent and warrant to Lender,
135 for the purpose of inducing Lender to make advances to Redeveloper under the Loan Documents
136 that:

137 a. No default or event of default by Redeveloper exists under the terms of the
138 Contract on the date hereof;

139 b. The Contract has not been amended or modified in any respect, nor has any
140 material provision thereof been waived by either the Authority or the
141 Redeveloper, and the Contract is in full force and effect;

142 c. All copies of the Contract delivered to the Lender are complete and correct; and

143 d. Redeveloper has not assigned any of Redeveloper's rights under the Contract.

144 11. Covenants of Redeveloper. Redeveloper agrees (a) to pay and perform all
145 obligations, duties and covenants of Redeveloper under the Contract, (b) to enforce the payment
146 and performance of all obligations of any other person or entity under the Contract and the TIF
147 Note, and (c) not to further assign, for security or any other purposes, Redeveloper's rights under
148 the Contract or the TIF Note without Lender's prior written consent.

149 12. Amendments. The Authority and Redeveloper hereby represent and warrant to
150 Lender for the purpose of inducing Lender to make advances to Redeveloper under the Loan
151 Documents that they will not agree to any amendment or modification to the Contract or any TIF
152 Note issued under the Contract that materially affects the collection of Available Tax Increment
153 (as defined in the Contract) or that in any way affects the Property without the Lender's written
154 consent.

155 13. Governing Law. This Agreement is made in and shall be construed in accordance
156 with the laws of the State of Minnesota.

157 14. Successors. This Agreement and each and every covenant, agreement and other
158 provision hereof shall be binding upon and inure to the benefit of the parties hereto and their
159 respective successors and assigns, including any person who acquires title to the Property
160 through the Lender of a foreclosure of the Mortgage.

161 15. Severability. The unenforceability or invalidity of any provision hereof shall not
162 render any other provision or provisions herein contained unenforceable or invalid.

163 16. Notice. Any notices and other communications permitted or required by the
164 provisions of this Agreement shall be in writing and shall be deemed to have been properly given
165 or served by depositing the same with the United States Postal Service, or any official successor
166 thereto, designated as registered or certified mail, return receipt requested, bearing adequate
167 postage, or delivery by reputable private carrier and addresses as set forth above.

168 17. Exhibits. All exhibits, schedules, riders and other items attached hereto are
169 incorporated into this Agreement by such attachment for all purposes.

170

171 (The remainder of this page is intentionally blank.)

172

173

174 IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the day
175 and year first written above.

176

AUTHORITY:

177

ROSEVILLE ECONOMIC
DEVELOPMENT AUTHORITY

178

179

180

181

By: _____

182

Dan Roe

183

Its President

184

185

By: _____

186

Patrick Trudgeon

187

Its Executive Director

188

189 STATE OF MINNESOTA)

190) SS.

191 COUNTY OF RAMSEY)

192

193 The foregoing instrument was acknowledged before me this ____ day of _____,
194 2019 by Dan Roe and Patrick Trudgeon, the President and Executive Director, respectively, of
195 the Roseville Economic Development Authority, a public body corporate and politic under the
196 laws of the State of Minnesota, on behalf of such public body.

197

198

Notary Public

199

200

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REDEVELOPER:

2785 FAIRVIEW LLC,
 a Minnesota limited liability company

By: _____
 Its President

STATE OF MINNESOTA)
) SS.
 COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019, by Thomas J. McGough Jr., as President of 2785 Fairview, LLC, a Minnesota limited liability company, on behalf of the company.

 Notary Public

229

230

LENDER

231

BREMER BANK, NATIONAL ASSOCIATION

232

a national banking association

233

234

235

By: _____

236

Greg G. Quade

237

Its: Vice President

238

239

240

241 STATE OF MINNESOTA)

242) SS.

243 COUNTY OF _____)

244

245 The foregoing instrument was acknowledged before me this ____ day of _____,
246 2019 by Greg G. Quade, the Vice President of Bremer Bank, National Association, a national
247 banking association, on behalf of such entity.

248

~~249~~
250

Notary Public

251

252

253

254

255

256

257 This instrument was drafted by:

258

259 KENNEDY & GRAVEN, Chartered (MNI)

260 470 U.S. Bank Plaza

261 Minneapolis, Minnesota 55402

262 (612) 337-9300

263 <http://www.kennedy-graven.com>

EXHIBIT A

LEGAL DESCRIPTION

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

EXHIBIT B

**ALLONGE ASSIGNMENT AND ENDORSEMENT
TO
TAX INCREMENT REVENUE NOTE**

This Allonge Assignment and Endorsement to Tax Increment Revenue Note is attached to that certain Tax Increment Revenue Note dated _____, 20__, made and executed by the Roseville Economic Development Authority, a public body corporate and politic and a governmental subdivision of the State of Minnesota, to 2785 Fairview, LLC, a Minnesota limited liability company (“Payee”) in the amount of \$_____ (“TIF Note”), with the same force and effect as if endorsed directly upon the TIF Note.

By execution hereof, the Payee represents and warrants that it is the owner and holder of the TIF Note, free and clear of any prior assignment, transfer, pledge, lien endorsement, charge or hypothecation; that the Payee has lawful right, power and authority to execute this instrument; and that the TIF Note has not been modified, amended, paid or terminated.

Pay to the order of Bremer Bank, National Association, a national banking association.

Dated: _____, 20__

2785 Fairview, LLC,
a Minnesota limited liability company

By: _____
Name: _____
Its: _____

**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 of the Roseville Economic Development Authority, County of Ramsey, Minnesota was duly held on the 18th day of March, 2019, 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. 36

RESOLUTION APPROVING AN ASSIGNMENT AND SUBORDINATION OF CONTRACT FOR PRIVATE REDEVELOPMENT AND TIF NOTE BETWEEN THE ECONOMIC DEVELOPMENT AUTHORITY, 2785 FAIRVIEW, LLC, AND BREMER BANK, NATIONAL ASSOCIATION

WHEREAS, the Roseville Economic Development Authority (the "Authority") is currently administering its Development District No. 1 ("Project") pursuant to Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act"), and within the Project has established Tax Increment Financing District No. 20 ("TIF District"); and

WHEREAS, the Authority and 2785 Fairview, LLC (the "Redeveloper") entered into a Contract for Private Redevelopment dated as of June 18, 2018 (the "Contract"), regarding redevelopment of a portion of the property within the TIF District (the "Redevelopment Property") and issuance of a tax increment revenue note (the "TIF Note") to the Redeveloper to reimburse a portion of Redeveloper's qualified costs related to the redevelopment; and

WHEREAS, the Redeveloper proposes to close on certain mortgage financing for the construction of the improvements on the Redevelopment Property through its lender, Bremer Bank, National Association (the "Lender"), and has requested that the Authority approve an Assignment and Subordination of Contract for Private Redevelopment and TIF Note (the "Assignment") as authorized pursuant to Section 7.3 of the Contract; and

44 WHEREAS, the Board of Commissioners (the “Board”) of the Authority has reviewed the
45 Assignment and finds that the approval and execution of the Assignment are
46 in the best interest of the City and its residents;

47
48 NOW, THEREFORE, BE IT RESOLVED, as follows:

- 49
- 50 1. The Assignment as presented to the Board is hereby in all respects approved,
51 subject to modifications that do not alter the substance of the transaction and
52 that are approved by the President and Executive Director, provided that
53 execution of the Assignment by such officials shall be conclusive evidence
54 of approval.
55
 - 56 2. The President and Executive Director are hereby authorized to execute on
57 behalf of the Authority the Assignment and any other documents requiring
58 execution by the Authority in order to carry out the transaction described in
59 the Assignment.
60
 - 61 3. Authority staff and consultants are authorized to take any actions necessary
62 to carry out the intent of this resolution.
63
64

65 The motion for the adoption of the foregoing resolution was duly seconded by Member
66
67 , and upon a vote being taken thereon, the following voted in favor thereof:
68
69 and the following voted against the same:
70

71 WHEREUPON said resolution was declared duly passed and adopted.
72

73 STATE OF MINNESOTA)
74) SS
75 COUNTY OF RAMSEY)

76
77

78 I, the undersigned, being duly appointed Executive Director of the Roseville
79 Economic Development Authority, hereby certify that I have carefully compared the
80 attached and foregoing resolution with the original thereof on file in my office and further
81 certify that the same is a full, true, and complete copy of a resolution which was duly
82 adopted by the Board of Commissioners of said Authority at a duly called and regularly
83 held meeting thereof on March 18, 2019.

84

85 WITNESS MY HAND officially as such Executive Director this ____ day of
86 _____, 2019.

87

88

89

90 SEAL

91

92

93

94

Patrick Trudgeon, Executive Director



REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: March 18, 2019

Item No.: 5.c

Department Approval

Executive Director Approval

Jamie Gundlach

Sam Truogler

Item Description: Receive Presentation on Economic Development Activity

1

2 **BACKGROUND**

3 The Economic Development staff has provided the Roseville Economic Development Authority
4 (REDA) with an update of economic development programs and activities on a quarterly basis. Staff
5 updates the REDA on projects, program activities, and Golden Shovel reports relevant to current
6 activity.

7 Staff has prepared a detailed presentation on economic development activities and will present a high-
8 level summary of these activities during the meeting.

9 **STAFF RECOMMENDATION**

10 Review and receive REDA Staff Activity Report.

11 **REQUESTED COUNCIL ACTION**

12 Review and receive REDA Staff Activity Report.

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

- Attachments: A: PowerPoint Presentation
- B: Golden Shovel Quarterly Update
- C: Development Activity Report

Economic Development Activities

Community Development Department
Economic Development Team



March 18, 2019

Business Retention & Expansion Program

Economic Development Activities

Business Retention and Expansion Program Visits Completed in 2018

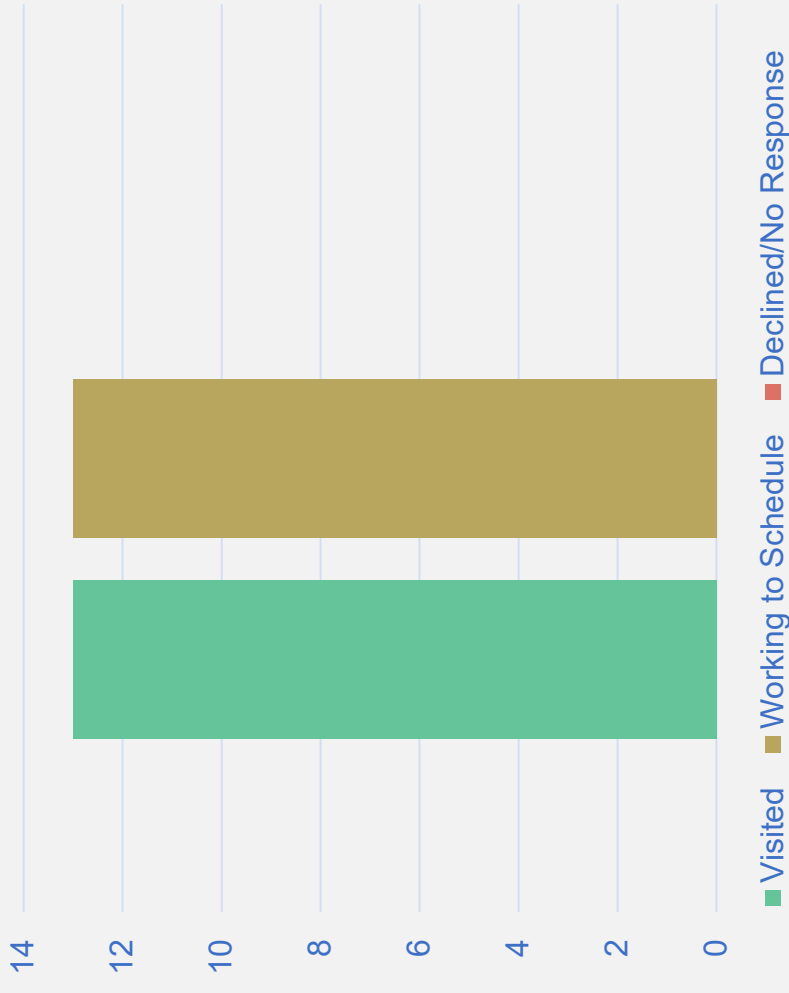
AMBASSADOR VISITS

Hawkins Inc
Old Dutch
Calyxt

BUSINESSES VISITED

FasTest Inc
LifeHealth
ACR Homes
Great Southern Bank
CompuType
Catheter & Medical Design
Olsen Thielen CPAs
Praxair
North Spirit Medical
Setzer Pharmacy
Hed Cycling
Rosedale Center

Business Visits



2019 Economic Development Activities

Business Retention and Expansion – *Workforce Development*

WORKFORCE DEVELOPMENT TOOLS

Roseville Area Job & Career Fair (April 9, 2019)

- Partnership with Roseville Area Schools
- Registration in process
- School Districts from surrounding area will be participating

GrowRoseville.com – Jobs module

- Social Media Broadcasting

Connect Businesses with Resources

- Roseville Design District with International Institute for Skills Development Program



2019 Economic Development Activities

Business Events

Business Council

- 10 Events in 2019:
- January Demographic Projects – DEED – Oriane Casale
 - February - State of the City – Dan Roe
 - March – Transportation Expansion Plans for the Region
– Nora Slawik
 - April - Hospitality Industry Restaurant Association
 - May - Legislative Update
 - June – Commercial Space Status Update
 - July – Census Data and How it Affects Businesses
 - August – Public Safety – Roseville Fire and Police
 - September – Opportunity Topic – Update on TCAAP
 - October - Roseville Economic Development Update

BUSINESS EXCHANGE

Wednesday, December 4th, 2019 4:30pm-6:00pm
Cedarholm Community Building

Business Education Series

Partnership with SPACC, Shoreview, and

6 Events – Bi-monthly various hosting venues in each of the participating communities

Business Ed Series – 7:30am-9:00am 3 x year ; 4th Tuesday

- | | |
|------------|---|
| Feb 12 AM | Michelle Peck –Flint Hills HR practices - ROSEVILLE |
| June 11 AM | Traction – Chris Wright - MAPLEWOOD |
| Oct 8 AM | Benefits Other Than Pay - SHOREVIEW |

Business Ed Series – 3:00 pm – 4:30pm 3x year ; 4th Tuesday

- | | |
|-----------|---|
| Apr 9 PM | Succession Planning – Stinson Leonard MAPLEWOOD to be confirmed |
| Aug 13 PM | Healthcare Affordability – Small Biz – SHOREVIEW |
| Dec 10 PM | 8 Metrics to Success – ROSEVILLE |

2019 Dates and Topics still being finalized

Project Updates

ROSEVILLE ECONOMIC DEVELOPMENT

Twin Lakes Developments

Attachment A

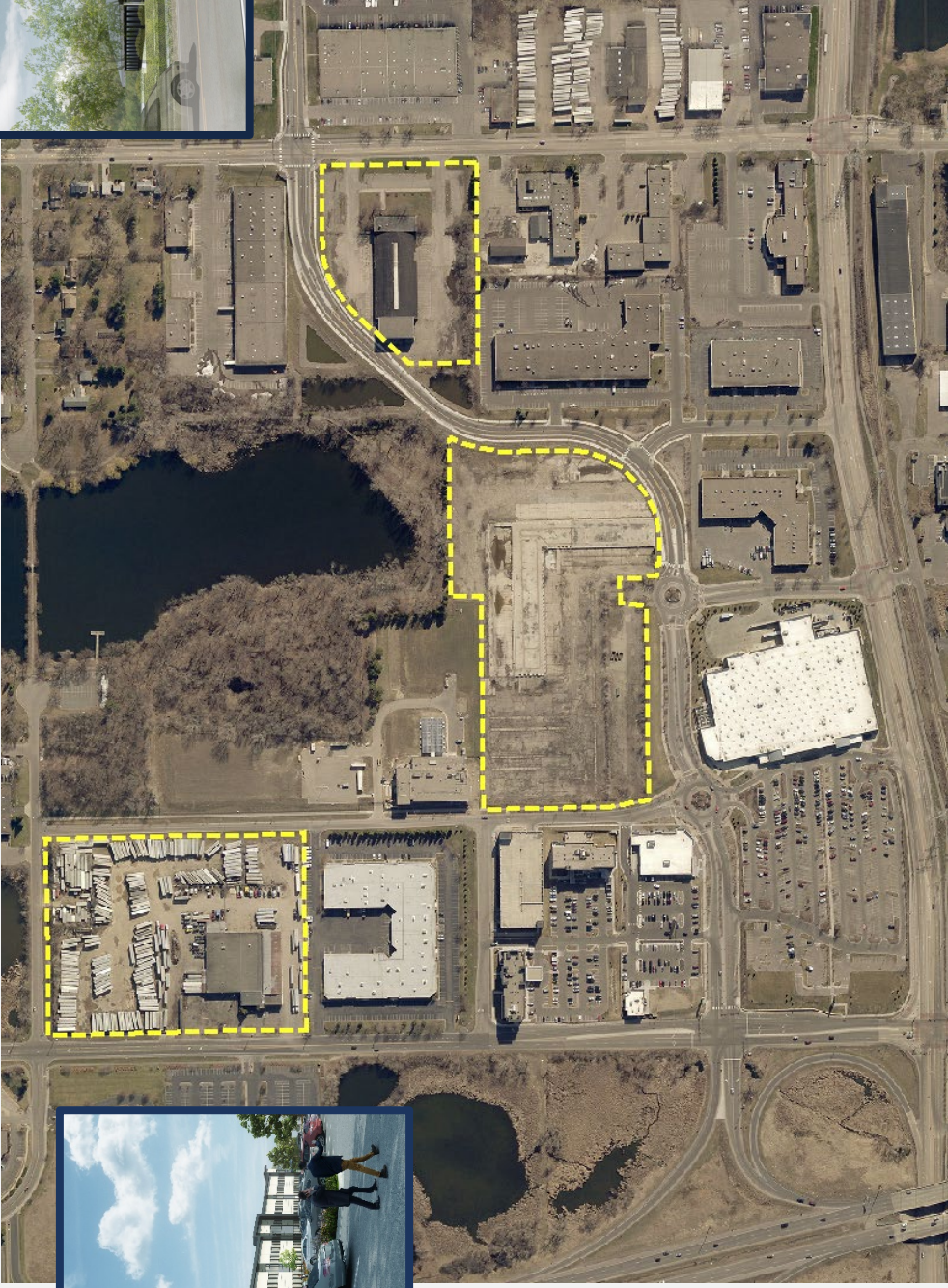


McGough Const.

- Headquarters (53,000 sq ft)
- Office
- 210 jobs
- \$16 million project

Pik Terminal

- \$50,000 of TBRA environmental investigation funds awarded



Colder Products

- Headquarters (150,000 sq ft)
- Production, office, R&D
- 400 jobs
- \$26 million project

ROSEVILLE ECONOMIC DEVELOPMENT

Senior Housing



New/Ongoing Senior Housing Projects

- Langton Place (2 phases)
- Sanctuary of Roseville (104 units)
- United Properties - The Pointe (100 units)

ROSEVILLE ECONOMIC DEVELOPMENT

Attachment A

Edison Apartments – Old Highway 8 / County Road D



- **Edison Apartments**
- 209-244 units: Market rate and workforce
- \$2.1 million in grants for: rooftop solar, solar carpools, innovative stormwater management, trail
- \$1.3 million in environmental cleanup grants

ROSEVILLE ECONOMIC DEVELOPMENT

Rosedale Center Developments

Attachment A



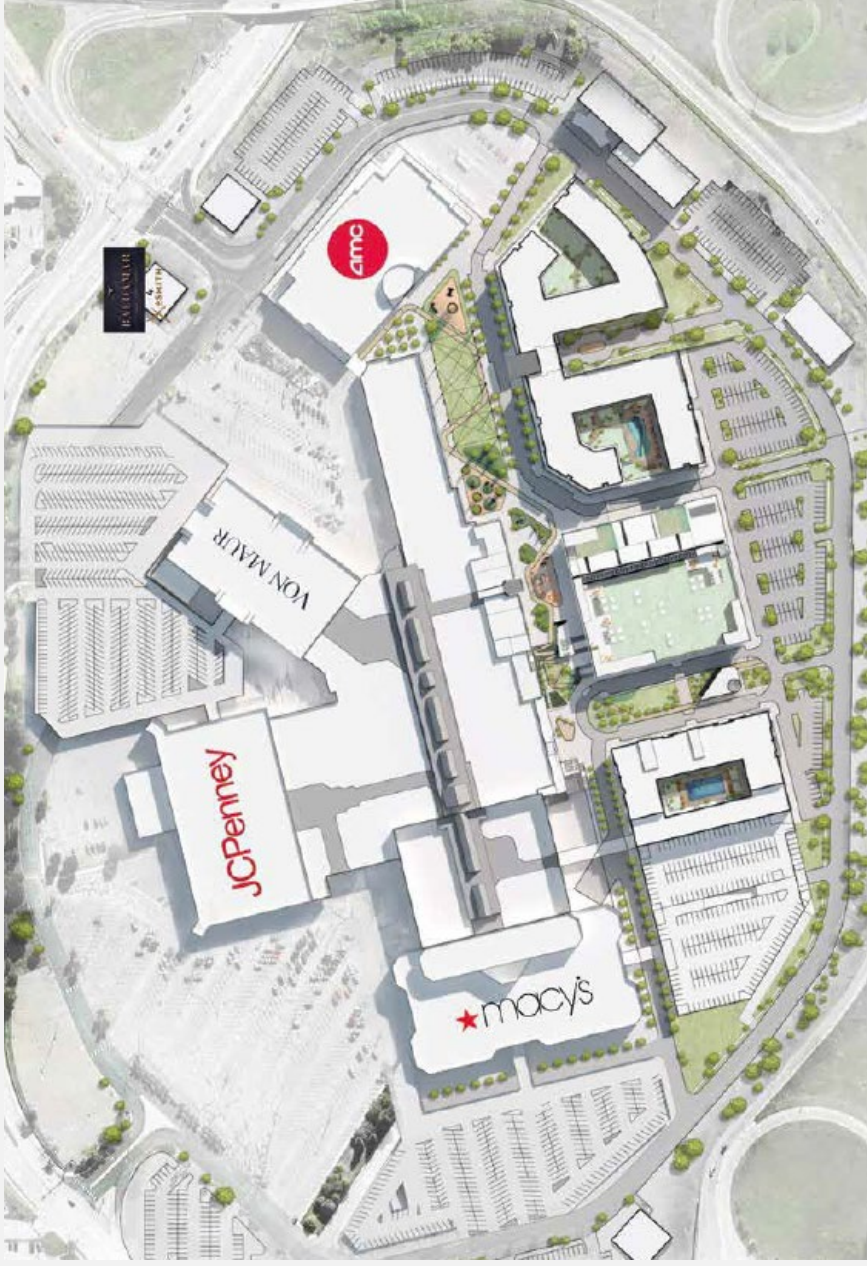
Rosedale Center: Renovations and Additions

- New anchor store, new mall entrances and remodeled interiors, high-end restaurant, food hall, fast casual, interactive aquarium
- \$200+ million in improvements

ROSEVILLE ECONOMIC DEVELOPMENT

Rosedale Center Concept Plan

Attachment A



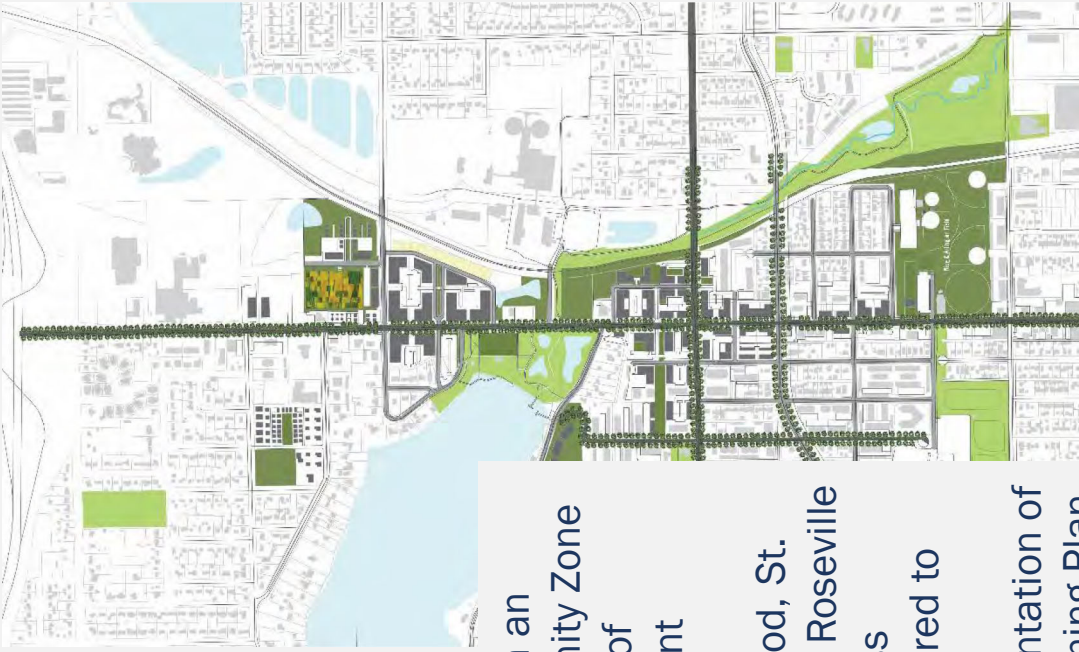
Rosedale Center: The Village concept plan

- New retail, restaurants, grocery
- Over 400 residential units plus a hotel
- Outdoor gathering/event space

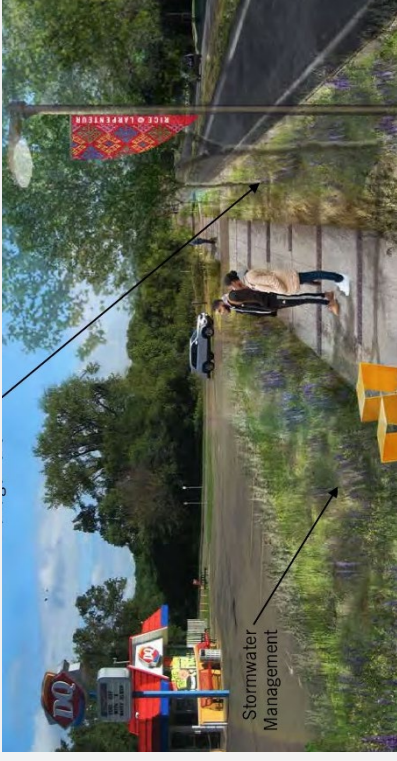
ROSEVILLE ECONOMIC DEVELOPMENT

Southeast Roseville: Rice Street/Larparenteur Avenue Gateway Alliance

Attachment A



- Area is in an Opportunity Zone
- Drafting of agreement between Maplewood, St. Paul and Roseville in process
- SPACC hired to start implementation of the Visioning Plan



Stormwater Management



Improved public realm with street trees, lighting and pedestrian amenities



Housing Programs

Economic Development Activities

Housing Programs Summary for 2018

Existing Programs

- Housing Replacement Program
- Neighborhood Enhancement Program
- Abatement Program
- Lending Center (CEE)
 - Home Improvement Advice – 6 total for 2018
 - New home owner mailings: 429

Housing Replacement Program

Staff brought forward property for consideration 825 County Road B2.

Neighborhood Enhancement Program

Businesses and Residential Properties Inspected – 2,782
 Number of violations – 204
 Percentage of violations – 6.9%
 Vehicles – 98
 Property Maintenance – 6
 Debris – 22
 Outside Storage – 32
 Grass/Weeds – 28

Abatement Program

20 Abatements (18 accelerated, 2 Council)
 \$16,473.30 - Total Cost 12/31/18

Lending Center – 2018 Totals

Types of Properties Financed	
Commercial - Non-residential	1
Single Family Residence	14
Townhouse	1

2 of the loans were Roseville Revolving

GET TO KNOW Roseville

Roseville's reputation as a vibrant place to live and work makes our city a truly special community with thriving businesses, beautiful and safe residential neighborhoods, quality schools, and plenty of green, open space.

Roseville's Community Development team stands ready to help you find the information you need to sustain your home – one of the most important investments you will ever make.

Please take a few moments to acquaint yourself with the programs inside – they are designed to help Roseville residents make sure their homes are safe, secure, and energy efficient. If you need more information or assistance, visit CityofRoseville.com, email us at eda@CityofRoseville.com, or call us at 651-792-7015.

We look forward to serving your needs.

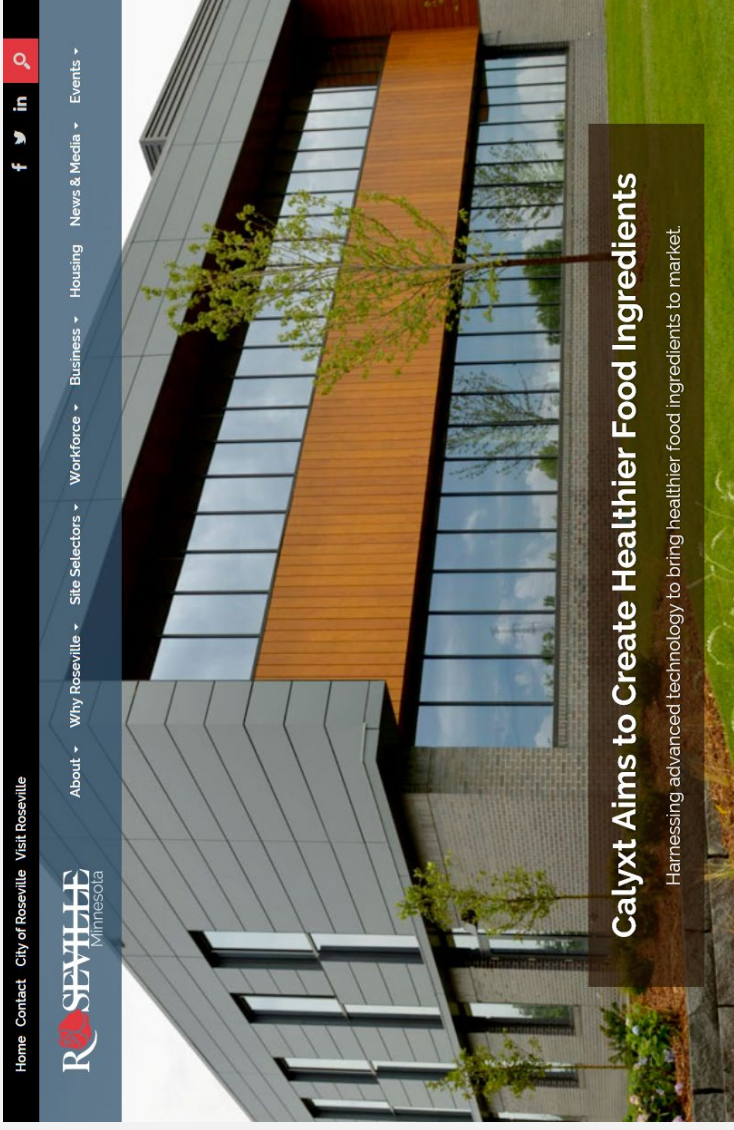
ROSEVILLE

7/26/17 9:09 AM

Economic Development Marketing

2019 Economic Development Economic Development Marketing

www.GrowRoseville.com



REACTION

- Vibrant and Energized Reaction to new Page & Identity
- Press Pick-Up of New Platform

SITE USAGE

- Golden Shovel to Quarterly Report on Metrics

SOCIAL MEDIA PRESENCE

- Twitter, Facebook, LinkedIn

CONTENT

- Business Spotlights: 400-600 word stories, converted into Success Stories
- Ribbon Cuttings/Groundbreakings
- Economic Development news

THANK YOU

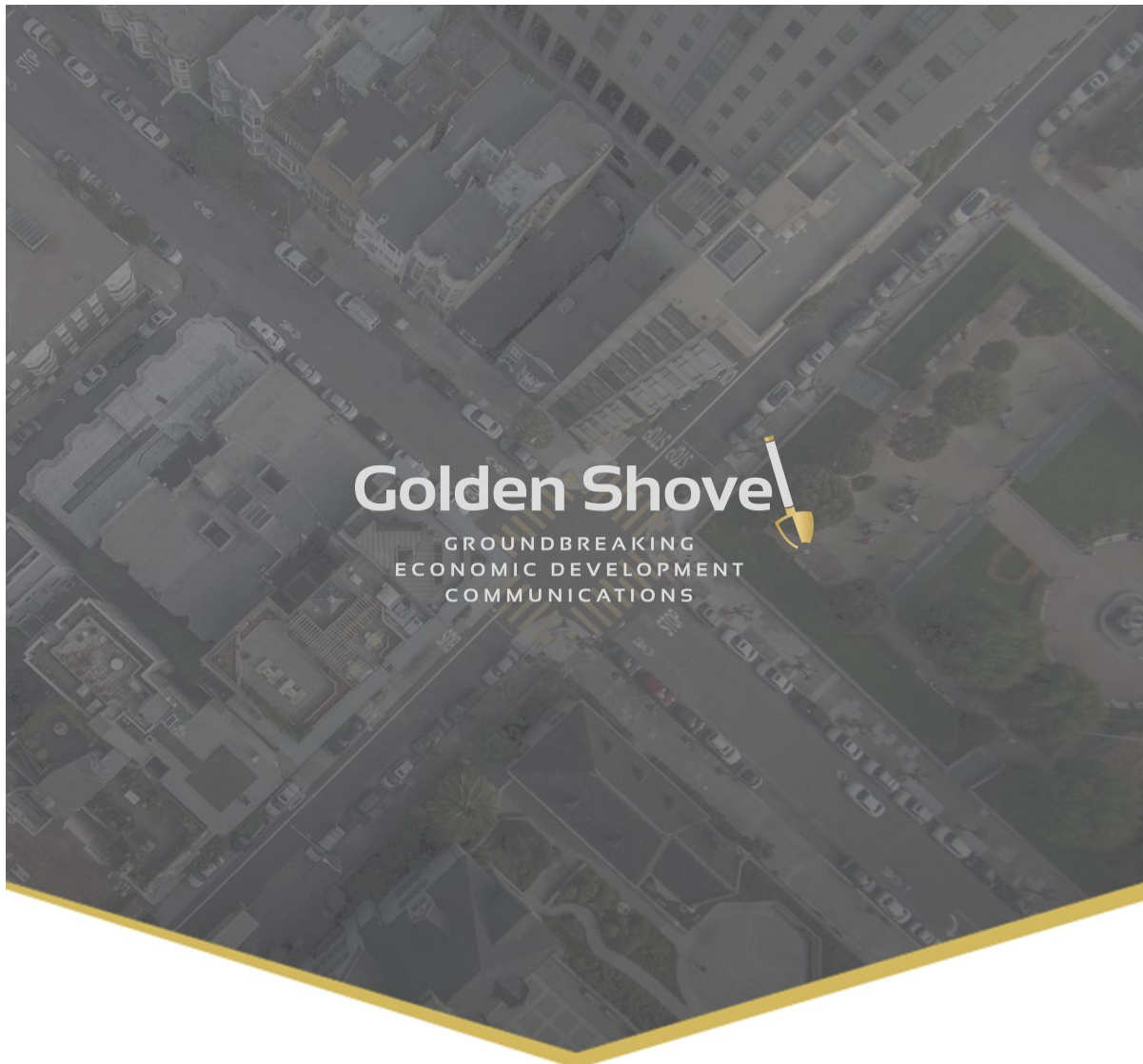
Jeanne Kelsey
Housing and Economic Development Program Manager
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Jeanne.Kelsey@cityofroseville.com

Janice Gundlach
Community Development Director
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Janice.Gundlach@cityofroseville.com

Roseville Economic Development Team

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Economic Development Coordinator
651-792-7085
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Thomas Paschke
City Planner
651-792-7074
Thomas.Paschke@cityofroseville.com



Prepared for
Roseville Economic Development
Authority

Golden Shovel Agency
43 East Broadway Street
Little Falls, MN 56345
Phone: (320) 639-0110
Toll Free: (888) 266-4778
www.GoldenShovelAgency.com

Quarterly Analytics Report
Q4 2018

Confidential: This report is intended solely for the use of the addressee and may contain confidential information. Any dissemination, distribution, copying, or other use of this document is strictly prohibited.

Website: Roseville Economic Development Authority | <http://www.growroseville.com>

New developments and upgrades for the Economic Gateway Platform

We, at Golden Shovel, always strive to make our product better for you and the people that will be visiting your website. That's the reason we endeavor to be ahead of our competition and continue making improvements and upgrades to our system every quarter. Our goal is to provide you with cutting-edge tools, coupled with the best possible support so your website remains current, efficient and aligned with the latest trends in the economic development field. Our team has made



significant additions to the Economic Gateway Platform and all of these developments and upgrades are available to you at no extra charge. The biggest changes that were implemented the last quarter in 2018 are:

- **Cookie Warning** - The Site admin now includes a checkbox which can be enabled to cause a standardized cookie notification to display when users visit a site. This feature provides the ability to comply with the EU 'Cookie Law' if an admin so desires.
- **News Articles in Site Map** - The system can now be set up to include recent articles from the News module in the search engine-friendly (i.e. Google) sitemap, increasing exposure of a site's more topical and timely information.
- **Exclude Pages from Site Map** - Pages now have a checkbox option which will exclude that page from the search engine-friendly (i.e. Google) site map.
- **Manage Sharing Filters** - The Admin's Manage Sharing section for the News, Events, and Jobs modules now shows archived/past information grayed out, and includes a button allowing the admin to hide archived info so that they can more easily browse through current/upcoming content.
- **HTTPS Mixed Content Warning** - Sites transitioning to HTTPS will now be warned in the admin when viewing pages with insecure links in the editable content (this will help in clean-up of content to make sure those pages are eligible to show the 'secure' lock icon when being viewed on the front end).
- **Large File Storage Solution** - A Large Uploads tools (found under the Admin's Media) tab has been built. This tool uploads files to an external cloud server, allowing us to increase the max file size which can be uploaded through the Economic Gateway admin. Files up to 120MB in size can now be uploaded via the admin – an increase of 50MB over the previous limit – and a total of 4GB of files per site can be hosted through this solution. (Files up to 25MB in size can still be uploaded through CKFinder.)
- **Expandable Incentives Template** - A new Incentives module template has been created to provide an option for a one-page interface. Listings can be configured to display all content (a one-page solution) or



only a preview of content and a button linking to the full info (a landing-and-detail solution). The results list can be displayed with only the featured programs pre-expanded, or with all results pre-expanded or pre-collapsed.

- **File Viewer Photo Gallery** - A photos-only version of the File Viewer can now be configured to create a simple photo gallery which displays a grid layout of all photo-type files in the designated folder.
- **Contact Specific Template** - A new template for the contact form module now allows for pages of content to be created with a contact form built in at the bottom. This approach allows for pages on key programs to incorporate a call to action inviting the reader to get in touch with a designated staff member about that program. The form has been simplified from the full contact form for a more streamlined user experience, and will send the user's request to the single recipient which is designated through the admin for that page. An additional content field beside the form allows for information about the relevant contact person to be displayed, making for a more personal and friendly experience. Contact information for the site and a location map are automatically displayed as well, adding useful information and visual interest and making it a viable option for those who would prefer not the use the full contact form template on their site.
- **Simple Events Template** - A new template for the Events module has been built which offers a one-page approach which is well suited to organizations which wish to use a calendar but do not have enough events to fill a monthly grid-style presentation. Events are displayed in date order based on the next upcoming start date, and if there are multiple dates/times associated with an event those instances are displayed in a list; this makes for an attractively compact presentation of regular meetings and other repetitive events.
- **ESRI Tidbits Template** - This new variation on the Community Profiles template allows for one section of a given location's ESRI Infographics (Population, Housing & Income, or Workforce – as seen in the full Community Profiles module) to be displayed on a page with editable text above and/or below. This allows admins to incorporate the visually appealing ESRI-based infographics to overview pages on topics such as Workforce and Quality of Life.

Get in touch with your Gatekeeper representative to go over the specific improvements available for your website. Rest assured that our team will continue working on more improvements for your website in 2019 and of course, we'll keep you posted on those.

We have been here, there and everywhere!

Last quarter in 2018 we attended numerous conferences and events across the country. Our main goal? Make sure we stay on top of the best practices and new trends, but most importantly, to reconnect



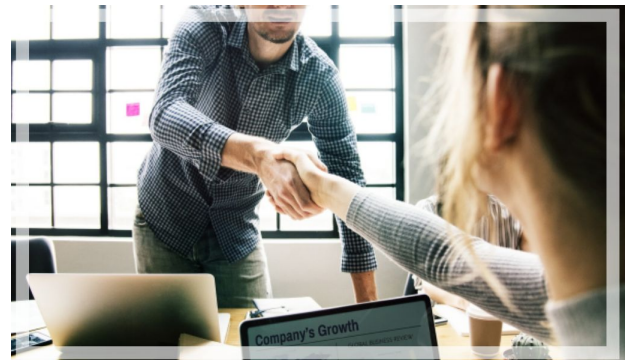
with customers and friends. Our ultimate goal is to share with you about the most valuable information on what's new and what's coming next, this way helping you to get the best out of your economic development efforts. Here is a brief summary of the events we attended last quarter:

- [IEDC 2018 Annual Conference](#) - Atlanta, GA. - Sep 30-Oct 3
- [TEDC Annual Conference](#) - Fort Worth, TX - Oct 17-19
- [MAGC Fall Conference](#) - St Paul, MN - Oct 11
- [KAED Economic Forum](#) - Covington, Kentucky - Nov 7-9
- [NREDA Annual Conference](#) - St.Petersburg, FL - Nov 7-9
- [MAEDC Competitiveness Conference & Site Selector Forum](#) - Chicago, IL - Dec 2-4

We are now gearing up for more exciting conferences in first quarter of 2019 (and we're confident this is going to be another great year!). The first on the list will be the [IEDC Leadership Summit](#) in Fort Lauderdale, FL (January 27-29) and if you're planning on attending as well, please let us know, it would be great to connect!

It's time to take it to the next level. Don't get behind!

Technology evolves all the time and there is no reason for you to not move at the same pace. We know sometimes is not easy to stay on top of all these changes and that's the main reason for our expert webinar series to exist. Every month you can join our free sessions to learn about new trends, innovative strategies and upcoming technologies. This is an invaluable (and completely free) resource for you and your colleagues to hear and learn from experts in the economic development industry, so don't wait any longer and save your seat for our next session [here](#).



Last quarter we hosted the sessions listed below and if you missed any of them, don't worry, you can access the the recording at any time you want:

- **Trends in Workforce Attraction - How one toolkit can change your perspective:** Workforce attraction is crucial in economic development - without the workforce and enough potential employees - your business attraction can suffer. What does workforce attraction actually mean? What are companies actually looking for here when deciding where to locate? And more importantly, how do you even find this potential workforce? In this cutting edge webinar we discussed these trends and show you have to use and build your own toolkit for workforce attraction. **Did you miss the live session? [Watch the recording here!](#)**
- **Digital DNA of the Startup Ecosystems:** Digital transformation is helping every industry in getting more



efficient in using the resources they have, and augmenting their capacity on demand. When it comes to startup ecosystems, digital transformation can help in connecting startups with investors, develop quality standards for service providers, reduce overload of the existing facilities, and increase the footprint of current community services infrastructure through digital means. In this one hour webinar, you will learn about the digital components and services that can support a startup ecosystem in your economic development region. [You can watch the recording here!](#)

It's time to sign up for our upcoming Free Expert Webinar!

Being Opportunity Zone “Investment Ready”

What does it mean and what a community can do to attract investments?

Opportunity Zone's have been the talk of the Economic Development world throughout 2018, most of the conversation to date has been targeted directly at private-sector investors and how individual corporations can utilize the program to meet their tax goals.



Springsted's Housing and Economic Development (HED) clients come only from the public and non-profit sectors. During this Opportunity Zone Webinar, the focus is what local development leaders can do to become “Investment Ready” and how to encourage projects that meet their community's goals in 2019 and beyond.

Some concepts that will be covered during the webinar:

- **How to use similar concepts like “Shovel Ready” to help you to become Opportunity Zone “Investment Ready.”**
- **How to create economic and housing development policies and procedures that support Opportunity Zone projects.**
- **How to create materials and messaging that meets an certified-investor or Opportunity Zone Fund's investment strategy.**
- **How to target local investors that share the vision and values of your community.**
- **How you can help encourage Opportunity Zone investments that meet your community's goals.**

The webinar will be **January 17th, 1:00 - 2:00 PM CDT** and registration is free, but space is limited. **Save your seat [here!](#)**



So, how successful your website strategy has been?

When it comes to website performance, content is king, and having a solid and consistent content strategy, coupled with best SEO practices, is the best way to ensure a successful performance of your website. It takes time to build an audience and community awareness, but having a content management strategy in place, will help to reduce the time and effort investment your organization needs to make in order to become relevant in your industry and get the best out of your marketing efforts.



Just keep in mind: **Don't make your content about you, make it about your audience.** Think about the stories you love. There is always a reason those stories stand out from the rest, and mainly it will be because they engaged you. Digital content is just the same. Competition for your audience's attention is fierce and it never ends. If you want to stand out, you have to find a way to make your content more engaging to them. Also, don't underestimate the power of social media, they are a great way to amplify your online presence, whether is for sharing a success story or highlighting the most recent changes in your hometown. If you have a success story, share it with the world!

We know for a fact, that clients who consistently share stories and keep their audience apprised on the latest news in their area, are the same ones who see consistent growth in their website traffic and its overall performance, so don't forget to follow the equation: Content Strategy + Consistency + Community Awareness = Successful website strategy.

We hope that 2018 was truly a year of growth, innovation, progress, and development for you. Certainly, it was that for us and we look forward to starting another great year with our clients and friends. Cheers!

Stay connected,

The Golden Shovel Team.





Metrics

The following data and metrics will provide you with an overview of your website's performance through Q4 2018 and they will be helpful for you to make any necessary adjustments to improve results and get the most out of your website strategy.

Audience Overview

All Users
100.00% Users

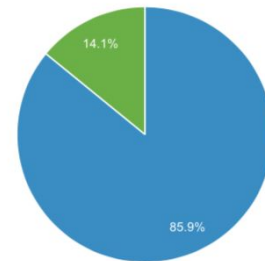
Oct 1, 2018 - Dec 31, 2018

Overview



Users 809	New Users 761	Sessions 1,119
Number of Sessions per User 1.38	Pageviews 2,958	Pages / Session 2.64
Avg. Session Duration 00:02:18	Bounce Rate 52.90%	

■ New Visitor ■ Returning Visitor



Country	Users	% Users
1. United States	725	89.62%
2. France	14	1.73%
3. Norway	10	1.24%
4. Portugal	10	1.24%
5. Russia	9	1.11%
6. South Africa	9	1.11%
7. India	6	0.74%
8. Canada	3	0.37%
9. Mexico	3	0.37%
10. Vietnam	3	0.37%

Most Visited Pages

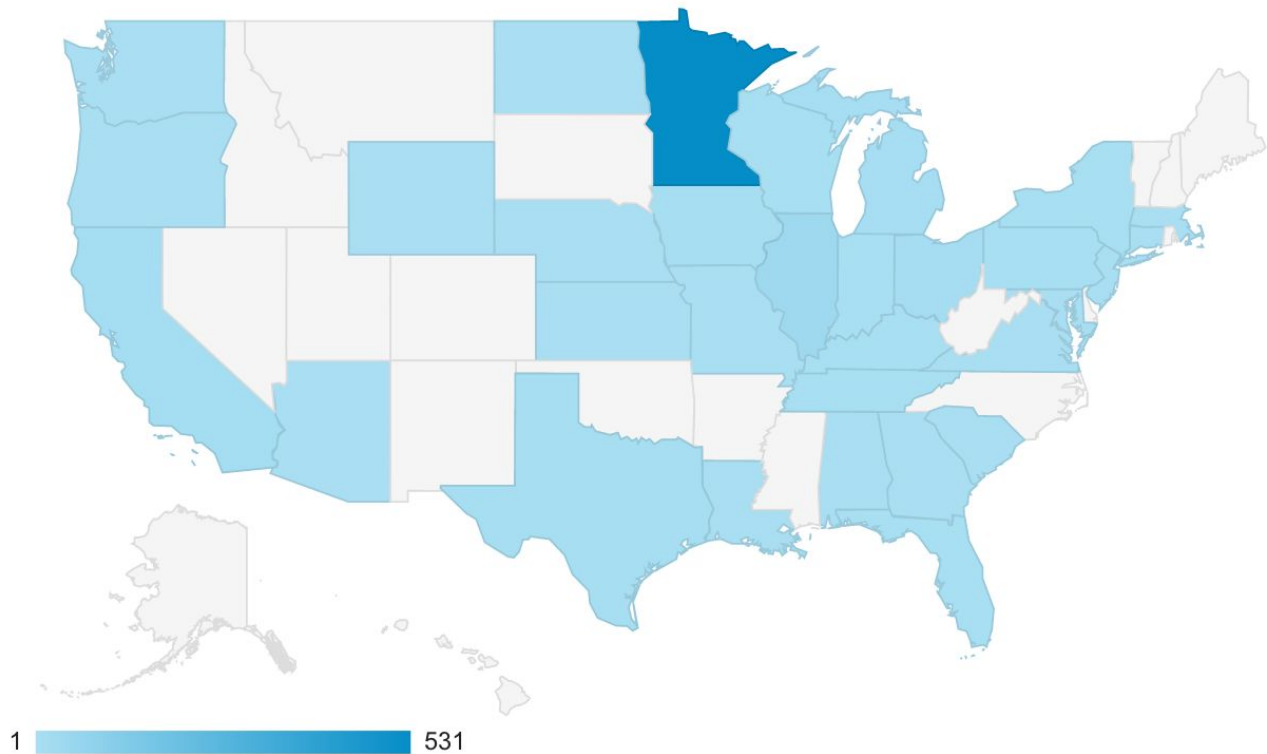
Page Title	Pageviews	% of Total: 100.00% (2,958)
	2,958	2,958
1. Roseville Economic Development Authority (REDA)	767	25.93%
2. Roseville Economic Development Authority (REDA) - Business in Roseville - Development Activity	525	17.75%
3. Roseville, MN Available Sites	119	4.02%
4. Roseville Economic Development Authority (REDA) - Imap	113	3.82%
5. Business Incentives in Roseville	109	3.68%
6. Events in Roseville	102	3.45%
7. (not set)	86	2.91%
8. Business Events in Roseville	84	2.84%
9. Employment in Roseville MN	70	2.37%
10. Roseville Economic Development Authority (REDA) - Events in Roseville - Career and Resource Fair	69	2.33%
11. Staff of Roseville	61	2.06%
12. Roseville News & Media	55	1.86%
13. Housing in Roseville	46	1.56%
14. Roseville News & Media - Business Spotlight: The Grateful Table	45	1.52%
15. Contact Roseville	42	1.42%
16. Roseville Economic Development Authority (REDA) - Universal Report	40	1.35%
17. Submit an Employment Opportunity	38	1.28%
18. Roseville Success Stories	34	1.15%
19. Roseville Business Resources	33	1.12%
20. Roseville, MN Featured Properties	31	1.05%

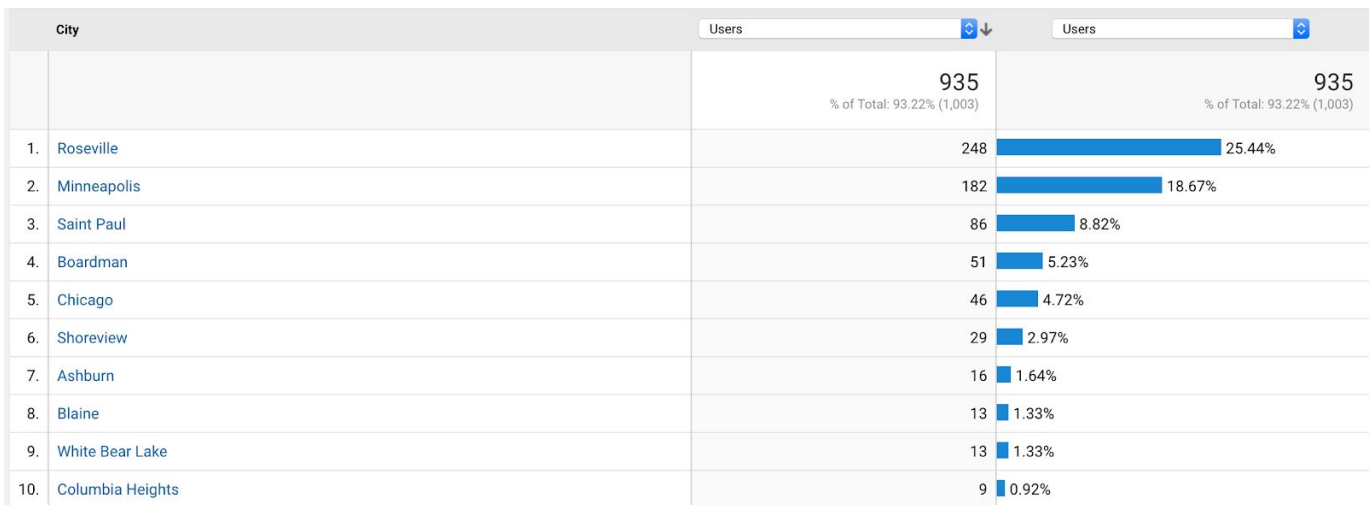
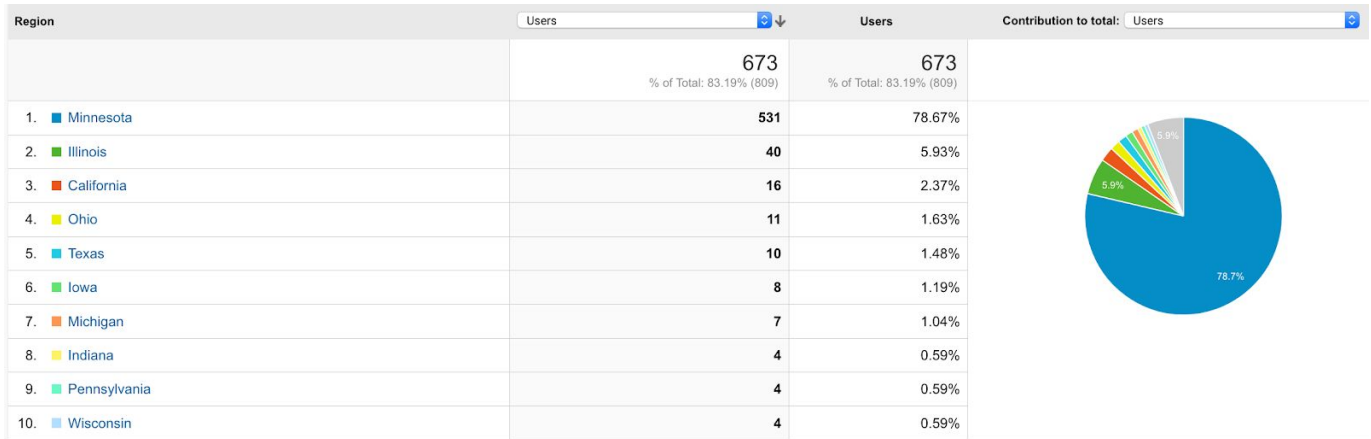


Acquisition Channels

Source / Medium	Users	Users	Contribution to total: Users
	809 % of Total: 100.00% (809)	809 % of Total: 100.00% (809)	
1. (direct) / (none)	552	67.07%	
2. google / organic	176	21.39%	
3. perform-likeir-alibaba.info / referral	19	2.31%	
4. krumble-adsic.info / referral	10	1.22%	
5. krumbleism-advertising.info / referral	10	1.22%	
6. reach-publisherof.info / referral	10	1.22%	
7. growth-hackingty.info / referral	9	1.09%	
8. facebook.com / referral	8	0.97%	
9. L.co / referral	6	0.73%	
10. m.facebook.com / referral	5	0.61%	
11. r.duckduckgo.com / referral	4	0.49%	
12. twincitiesnorth.org / referral	4	0.49%	
13. bing / organic	2	0.24%	
14. goldenshovelayency.com / referral	2	0.24%	
15. yahoo / organic	2	0.24%	
16. cityofroseville.com / referral	1	0.12%	
17. l.facebook.com / referral	1	0.12%	
18. r.search.aol.com / referral	1	0.12%	
19. searchencrypt.com / referral	1	0.12%	

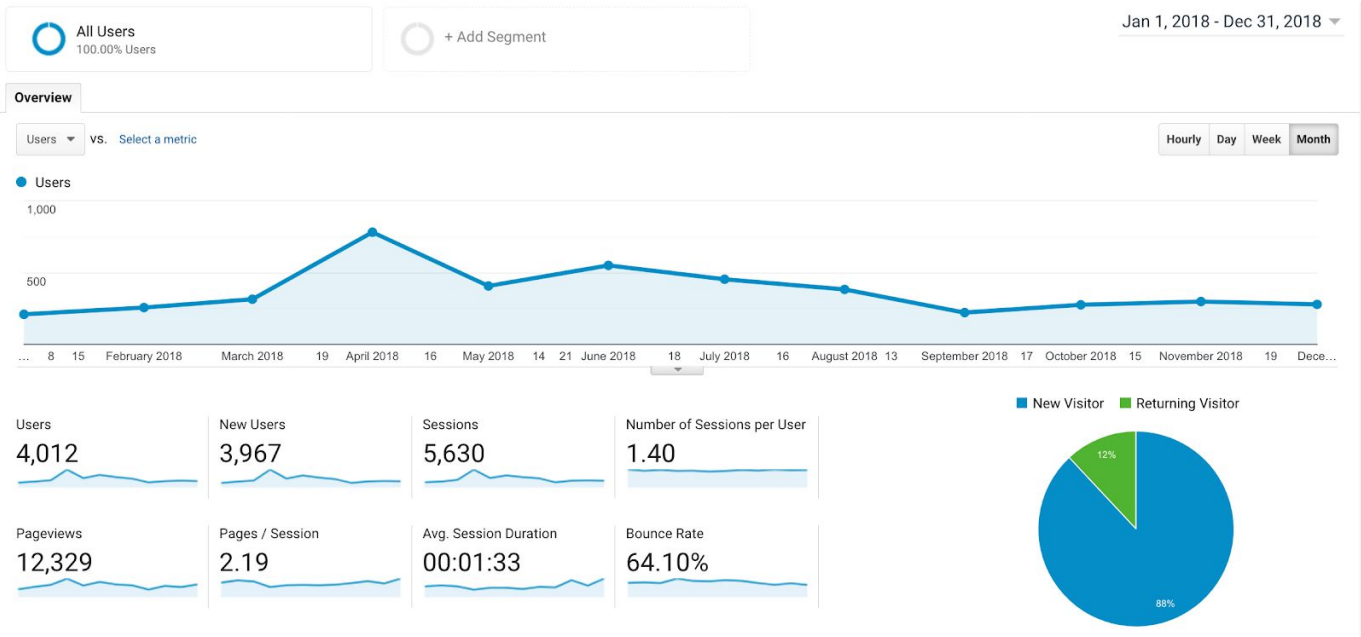
Visits by State and City (Top 10)

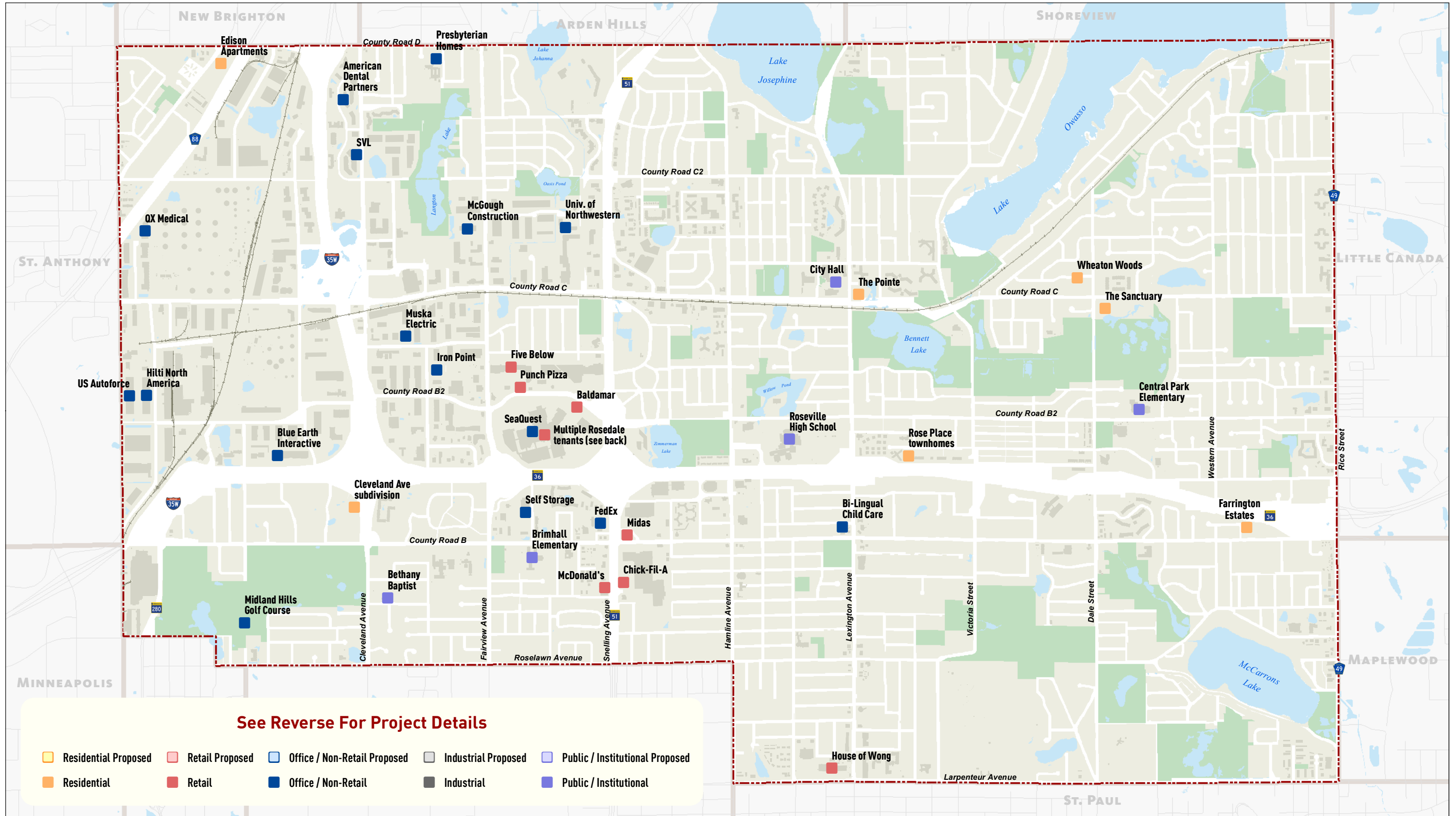




<p>Google Analytics</p>				
<p>Total Visitors : 809 New: 761 Returning: 48</p>	<p>Rank by Keywords</p> <ul style="list-style-type: none"> • Roseville, economic development: #4 of 1,310,000 pages • Roseville EDA: # 2 of 73,100 pages 	<p>138 Followers (120 in Q3)</p>	<p>53 Likes (50 in Q3)</p>	<p>7 Followers (6 in Q3)</p>

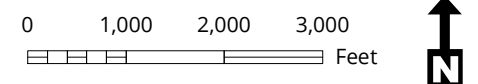
2018 Audience Overview





Prepared by:
Community Development Department
March 7, 2019

Development Projects: March 2019



Sources
Ramsey County GIS (2/4/2019)
Community Development Department

ROSEVILLE COMMUNITY DEVELOPMENT DEPARTMENT

Attachment C

Development Activity Report

Updated: March 6, 2019

	Project Name	Address	Project Description	Applicant/Owner Information	Starting/Occupancy
RESIDENTIAL	Wheaton Woods	Wheaton Ave & Dale St	17 single-family homes (14 issued / 3 empty)	Golden Valley Land Co/TJB Homes/Accent Homes	Summer 2016 / Fall 2019
	Farrington Estates	311 County Road B	7 lot single-family subdivision (7 issued/6 comp)	Premium Real Estate Solutions / Michael B. Oudin	Winter 2016 / Fall 2019
	The Sanctuary	2600 Dale St	New Construction (104 units)	Big D Construction	Fall 2018 / TBD
	Edison Apartments	3110 Old Highway 8	New Construction Phase 1 (59 units)	Sands Construction	Fall 2018 / Fall 2019
	The Pointe	2650 Lexington Ave	New Construction (100 units)	United Properties / Weis Builders Inc.	Winter 2019 / Spring 2020
	Cleveland Ave Subdivision	2227-2257 Cleveland Ave	5 lot single-family subdivision	Bald Eagle Builders	Winter 2019 / Fall 2019
	Rose Place Townhomes	980-990 Lovell Ave	6 townhome subdivision (6 issued / 2 complete)	Vanguard Builders	Summer 2018 / Summer 2019
RETAIL	Rosedale Shopping Center	1595 Highway 36	Phase 4	Jones Lang LaSalle/PPF RTL Rosedale Shopping Ctr, LLC	Fall 2016 / TBD
	Buchkosky Jewelers	1595 Highway 36	Tenant Remodel	RAM West Construction	Fall 2018 / Winter 2018
	McDonald's	2075 Snelling Ave	Tenant Remodel	Reprise Design	Spring 2019
	Chick-Fil-A	2090 Snelling Ave	New Construction	Chipman Design	TBD
	Midas	2168 Snelling Ave	Interior Remodel	APPRO Development, Inc.	Winter 2019 / Spring 2019
	Punch Pizza	1767 County Road B2	Tenant Remodel	MSP Inspection Services	Winter 2019 / Spring 2019
	Baldamar	1642 County Road B2	New Construction of a restaurant	Zeman Construction	Winter 2019 / Fall 2019
	House of Wong	1135 Larpenteur Ave	Restaurant Relocation	TMG Construction	Winter 2019 / Fall 2019
	Maurices	1595 Highway 36 #470	Tenant Remodel	TBD	Winter 2019 / Summer 2019
Five Below	2480 Fairview Ave	Tenant Remodel	TBD	Winter 2019 / Summer 2019	
OFFICE & NON-RETAIL	SeaQuest	1595 Highway 36	Commercial Alteration	Hill DB Inc.	Fall 2018/ Spring 2019
	University of Northwestern	2701 Lincoln Dr	Tenant Remodel – New Classrooms	PCL Construction	Winter 2019 / Summer 2019
	Blue Earth Interactive	2355 Highway 36	Tenant Remodel	Bracon LLC	Fall 2018 / Winter 2018
	Roseville High School	1240 County Road B2	Remodel	Kraus Anderson	Fall 2018 / TBD
	Brimhall Elementary	1744 County Road B	Remodel	Kraus Anderson	Fall 2018 / Spring 2019
	Central Park Elementary	535 County Road B2	Remodel	Kraus Anderson	Fall 2018 / Spring 2019
	Bi-Lingual Child Care	1126 Sandhurst Dr	House Demo/Parking Area/Play Area	Minnesota Roadways Co	Fall 2018 / Winter 2018
	McGough	2785 Fairview Ave	New Headquarters	McGough Construction	Winter 2019 / Fall 2019
	QX Medical	2820 Patton Rd	Tenant Remodel	Klodt Inc	Fall 2018 / Spring 2019
	US Autoforce	2503 Walnut St	Tenant Improvement	Terra Construction	Winter 2019 / Fall 2019
	FedEx	2189 Snelling Ave	Tenant Remodel	TBD	Winter 2019 / Summer 2019
	Iron Point	2500 Prior Ave	New Construction	RJ Ryan	Winter 2019 / Winter 2020
	Self-Storage	1760 Highway 36	Tenant Remodel	Roseville Properties LLC	Winter 2019 / Summer 2019
	Transitional Care Center	1910 County Road D	New Construction	Presbyterian Homecare Center Inc	Winter 2019 / Summer 2021
	Bethany Baptist	2025 Skillman Ave	Lobby Remodel	Langer Construction Company	Winter 2018 / Spring 2019
	Hilti North America	2501 Walnut St	Tenant Improvement	R.W. Lundquist Co.	Winter 2019 / Summer 2019
	Muska Electric	1985 Oakcrest Ave	Remodel	C70 Builders	Winter 2019 / Spring 2019
	American Dental Partners	3030 Centre Pointe Dr	Tenant Remodel	The Baaney Group, Inc.	Winter 2019 / Spring 2019
	SVL	2920 Centre Pointe Dr	Tenant Remodel	St. Paul Construction Company	Winter 2018 / Spring 2019
Midland Hills Golf Course	2001 Fulham St	Pedestrian/Cart Bridge	Hartman Companies Inc	Spring 2019	
INDUSTRIAL					
PUBLIC	City of Roseville	2600 Civic Center Dr	Roof Solar Panels	Ideal Energies LLC / City of Roseville	Winter 2019 / Summer 2019
	City of Roseville	2701 Lexington Ave	Roof Solar Panels	Ideal Energies LLC / City of Roseville	Winter 2019 / Summer 2019
	City of Roseville	1140 Woodhill Dr	Roof Solar Panels	Ideal Energies LLC / City of Roseville	Winter 2019