

**EDA Members:**  
Dan Roe,  
President  
Robert Willmus,  
Vice President  
Julie Strahan,  
Treasurer  
Jason Etten  
Wayne Groff



**Economic Development Authority  
Meeting Agenda  
Monday, July 18, 2022  
6:00pm**

**Address:**  
2660 Civic Center Dr.  
Roseville, MN 55113

**Phone:**  
651 - 792 - 7000

**Website:**  
[www.growroseville.com](http://www.growroseville.com)

Members of the public who wish to speak during public comment or an agenda item during this meeting can do so in person or virtually by registering at

[www.cityofroseville.com/attendmeeting](http://www.cityofroseville.com/attendmeeting)

1. 6:00 P.M. Roll Call  
Voting & Seating Order: Groff, Willmus, Strahan, Etten and Roe
2. 6:02 P.M. Pledge Of Allegiance
3. 6:03 P.M. Approve Agenda
4. 6:04 P.M. Public Comment
5. Business Items (Action Items)
  - 5.A. 6:10 PM Authorize Amendments To Center For Energy And Environment (CEE) Professional Service Agreement  
Documents:  
[5A REPORT AND ATTACHMENTS.PDF](#)
  - 5.B. 6:15 PM Consider Amendments To The Green Award Program  
Documents:  
[5B REPORT AND ATTACHMENTS.PDF](#)
  - 5.C. 6:30 PM Authorize Amendments To Documents In Connection With The Replatting Of Edison Property  
Documents:  
[5C REPORT AND ATTACHMENTS.PDF](#)

5.D. 6:35 PM Discussion Regarding The Budget And Preliminary Levy Collectible In 2023

Documents:

[5D REPORT AND ATTACHMENTS.PDF](#)

6. 7:00 P.M. Adjourn

  
**ECONOMIC DEVELOPMENT AUTHORITY**

Date: July 18, 2022  
Item No.: 5a

Department Approval

Executive Director Approval

*Janeé Gundlach*

*Paul J. Trueman*

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Item Description: Authorize Amendments to Center for Energy and Environment (CEE) Loan Servicing Agreement

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1  
2 The Roseville Economic Development Authority entered into a loan servicing agreement with CEE on July  
3 15, 2019 (Attachment A). The service agreement was a three year agreement. At the May 16, 2022  
4 Roseville Economic Development Authority (REDA) meeting, the board was provided information that  
5 CEE was going to increase the monthly loan servicing fee from \$6 a month to \$10 a month. The other fees  
6 associated with this contract, including a per loan setup fee of \$20 and a per loan satisfaction fee of \$30,  
7 would not be changing (Attachment B). These costs are paid for via the monthly loan payment and are  
8 covered by the interest rate. As a reminder, and per EDA direction from the May 16, 2022 meeting, the  
9 interest rate for the Roseville Revolving Loan was lowered to 3% to make for a more competitive  
10 borrowing environment. At that same meeting, and per staff recommendation, the REDA agreed to move  
11 the \$750 loan origination fee off the loan and onto the EDA levy to afford the reduced interest rate. These  
12 costs will be absorbed from the REDA’s existing annual operating budget for professional services. This  
13 origination fee is not part of the loan servicing agreement. Instead, it is addressed in the professional  
14 services agreement for administration of loan programs, which isn’t up for renewal until the end of 2022.  
15 Staff would note that CEE is proposing a \$2,500 increase to the professional services agreement given the  
16 four new loan programs created this year. This increase has been factored into the preliminary 2023 EDA  
17 budget.

18  
19 Staff is recommending the REDA amend the loan servicing agreement for another three and half years.  
20 This timeframe ensures its next renewal date will align with the renewal date for the professional services  
21 agreement, assuming a three year renewal is approved later this year. Staff is unaware of another qualified  
22 organization, at least one who is local, who would be able to administer the EDA’s loan programs. And  
23 even if staff were aware of another loan servicer, given the loan serving and professional service agreements  
24 are not yet synced, staff would not recommend going out for RFP until both agreements are synced. CEE  
25 continues to be the preferred loan servicer for various City and EDA loan programs throughout the metro  
26 area. Using CEE also provides a benefit to our residents given they administer other statewide loans, which  
27 provides a one-stop shop for borrowers.

28 **BUDGET IMPLICATIONS**

29 Loan servicing agreement fees are paid for via monthly loan repayments.

30 **STAFF RECOMMENDATION**

31 Adopt a resolution authorizing the REDA President and Executive Director to enter into the amendment for  
32 loan servicing.

33 **REQUESTED EDA ACTION**

34 By motion, adopt a resolution authorizing the REDA President and Executive Director to enter into the  
35 amendment for loan servicing.

- 36
- 37 Prepared by: Jeanne Kelsey, Housing & Economic Program Manager, 651-791-7086
- 38
- 39 Attachments A: Loan Servicing Agreement with CEE July 15, 2019  
40 B: Amendment to Loan Servicing Agreement  
41 C: Resolution authorizing amendment to Loan Servicing Agreement with CEE

## LOAN SERVICING AGREEMENT

This LOAN SERVICING AGREEMENT ("Agreement") is made by and between **CENTER FOR ENERGY AND ENVIRONMENT**, with offices at 212 Third Avenue North, Suite 560, Minneapolis, Minnesota 55401 ("CEE") and **ROSEVILLE ECONOMIC AUTHORITY**, with offices at 2660 Civic Center Drive, Roseville, MN 55113 ("Client").

**RECITALS**

In consideration of their mutual undertakings and payments provided for herein, the parties recite, covenant, and agree to the following:

- A. CEE is a non-profit corporation engaged in the servicing of development loans; and represents that it is qualified and authorized to perform the services described herein; and
- B. Client originates, purchases, owns, and/or manages loans that benefit economically distressed or declining areas, disadvantaged persons, neighborhoods or community revitalization, foster job creation, or other section 501(c)(3) charitable purposes; and
- C. CEE is authorized by Client to function as a servicing agent under the terms of this agreement; and
- D. Client now desires to have CEE perform the duties set forth herein for the loans covered by this Loan Servicing Agreement (the "Agreement").

**NOW, THEREFORE**, CEE and Client agree as follows:

1. *Duties of CEE*

CEE shall, at all times and with respect to all loans identified by Client (the "Client Loans") which it has been engaged by the Client to service, employ its normal and regular servicing activities in the servicing of Client Loans to perform those responsibilities specifically set forth on Exhibit A (the "Services"). The parties acknowledge that, from time to time, the Services may be modified at the request of the Client and agreement by CEE. Such changes shall be mutually agreed upon and are not effective unless agreed to in writing by the execution of a revised Exhibit A.

2. *Effective Date*

CEE shall commence servicing activities under this agreement effective on the following date: July 15, 2019 ("Effective Date") and shall continue until terminated as provided in Section 16 of this Agreement.

3. *Servicing Compensation and Reimbursement*

Client shall compensate CEE for the Services in accordance with the fee schedule attached as Exhibit B of this Agreement and reimburse CEE for any of CEE's out of pocket third-party costs of recordation, perfecting or releasing liens, legal costs incurred, servicing of notices, repossession, foreclosure, and other similar costs paid by CEE on behalf of Client with respect to CEE's actions on specific Client Loan(s) (the "Fees"). CEE shall retain any late fee payments collected from borrower. CEE shall retain fees owed from Fund Remittance as provided in Exhibit A. CEE shall issue a report to Client showing fees netted with funds remitted to Client. Following the Initial Term, as hereinafter defined, CEE may increase the Fees from time to time by providing an updated Exhibit B to Client at least sixty (60) days prior to effective date of the new fee schedule and no more than one time annually.

4. *Initial Boarding of Clients*

In making this Agreement, CEE represents, warrants, and agrees to provide Client the Information for each Client Loan and the loan documents related to the Client Loans upon request.

For purposes of this Agreement, "Information" shall include the following:

- Borrower Full Name
- Property Address, if Secured
- Loan Amount
- Interest Rate
- Term
- Closing Date
- Monthly Payment Amount
- Payoff Date
- Amortization Schedule
- Closing Documents
- Servicing Records
- Complaint Resolution
- Collections Records (for Delinquent Accounts only)

Client will cooperate with CEE, and provide CEE such information and documents as may be necessary in CEE's discretion to perform its duties under this Agreement, reconcile any loan balance information provided to CEE, and CEE may rely in good faith on information provided to it by Client.

5. *Ongoing Boarding of Client Loans*

On a regular basis, following the Effective Date of this Agreement, CEE will notify Client of newly originated Loans for which it will service under the terms of this Agreement.

Client represents, warrants, and agrees to cooperate with CEE, and provide CEE such information as may be necessary to perform its duties under this Agreement, reconcile any loan balance

information provided to CEE, and CEE may rely in good faith on information provided to it by Client.

CEE represents, warrants, and agrees to onboard loans accurately according to the provisions provided by Client and shall, subject to Section 26. Force Majeure of this Agreement, remedy any onboarding errors within five (5) business days (or such shorter period as may be required by applicable law) after receipt of notice of such errors.

6. *Reports the Property of Client*

All reports, documents, and materials delivered by CEE to Client pursuant to this Agreement are the exclusive property of Client. Client may use any work product prepared by CEE in such manner, for such purpose, and as often as Client shall deem advisable, in whole, in part, or in modified form, without further compensation to CEE.

7. *Nature of Agreement*

CEE shall perform all of its services and duties hereunder at its own expense and without cost or charge to Client except as expressly provided in Exhibit B of this Agreement.

**Governmental Approvals.** CEE has obtained and will maintain in full force and effect, and satisfy at all times, all related eligibility criteria in order to maintain in full force and effect, without material impairment, suspension or revocation, all municipal, local, or other applicable governmental approvals, registrations, qualifications, permits, licenses, and other applicable authorizations that are required or necessary to perform and conduct the services and CEE's business in accordance with Applicable Requirements, as hereinafter defined.

For purposes of this Agreement, "Applicable Requirements" shall mean:

- (1) All applicable federal, state, and local legal and regulatory requirements binding upon CEE related to the performance of the Services;
- (2) All other final judicial and administrative judgments, orders, stipulations, awards, writs, and injunctions applicable to CEE; and
- (3) The reasonable and customary practices of prudent loan servicing providers that offer the same types of services as CEE for the same types of loans serviced by CEE in the jurisdictions in which CEE operates.

8. *Disaster Recovery*

CEE shall take all commercially reasonable precautions to mitigate the risks to information regarding the Client Loans in connection with disruptions to business operations due to fire, flood, storm, epidemic illness, equipment failure, sabotage, terrorism, natural disaster, disaster caused by humans, or electronic data system failures;

CEE shall keep duplicate records of all electronic information in its possession or control pertaining to Client Loans and shall store at least one copy of such duplicate records in a site remote from its main offices in the following manner:

- (1) Full backups of daily files for 7 consecutive days (weekly backup);
- (2) Full weekly backups rolled into monthly backups;
- (3) Monthly backups rolled into yearly files and kept for 7 years from the date loan is paid off;
- (4) Full daily backups of Cloud Data;
- (5) Daily Cloud backups rolled up into Monthly files and moved out of the Cloud into magnetic storage after 30 days;
- (6) In the event of a natural disaster or catastrophic failure of CEE's electronic data system, CEE shall have a period not to exceed 45 days from the date of such catastrophe to recover or reconstruct such lost data necessary for compliance with its disaster recovery obligations.

*\*The Cloud Provider's policy is subject to change. CEE will notify Client of any material changes in the event that they affect the security of the loans.*

#### 9. *Equal Opportunity Employment*

CEE shall comply with all applicable provisions of the Equal Credit Opportunity Act (15 U.S.C. § 1691 et seq.). CEE is an equal opportunity employer and will not discriminate against any person on the basis of race, color, creed, religion, sex, national origin, age, disability, marital status, sexual orientation, status with regards to public assistance, or any other characteristic protected by law.

#### 10. *Compliance*

**General.** CEE shall comply with all Applicable Requirements.

**Vendors.** From time to time, CEE may engage vendors to perform certain tasks that may be included in CEE's performance of the Services. CEE shall follow commercially reasonable practices designed to ensure that any Services performed by vendors are in compliance with the Applicable Requirements and this Agreement.

**Policies and Procedures.** CEE will maintain and follow written internal policies and procedures related to the Applicable Requirements in connection with providing services to Client, including without limitation, policies and procedures for internal quality control, employee hiring and training, and other methods that ensure compliance.

**Audit Rights.** Client will have the right to audit CEE, at Client's own expense and not more than once per calendar year, for purposes of evaluating compliance with the terms of this Agreement. CEE will require full cooperation and will be responsible for assuring full cooperation by its employees and vendors in connection with such audits. CEE will and shall cause any vendor that performs tasks related to the Services to allow Client and its counsel, accountants, and other representatives, as well as the applicable regulatory authorities of Client, reasonable access upon



thirty (30) days advance written notice and only during normal business hours, to all of CEE and vendors' files, books and records directly relating to the Services performed for Client under this Agreement. CEE will provide, and shall require the vendor to provide, to Client, or obtain for Client, access to such properties, records, and personnel as Client may reasonably require, and shall provide Client with CEE's most recent audited financial statements and the names, resumes, and proof of any required licensures for all relevant personnel employed by CEE, the Client and its representatives and affiliates shall treat all information obtained in such investigation that is not otherwise in the public domain as confidential. CEE shall make financial statement audits available to Client on an annual basis, including any SSAE -16 audits that may be performed on behalf of CEE. CEE shall remit annual financial statement audit reports to Client upon request.

#### 11. *Cooperation.*

Client agrees that it shall (a) promptly deliver to CEE (i) any communications that Client receives from a borrower relating to such borrower's loan, and (ii) any communication Client receives from any regulator, state or federal agency or other governmental entity relating to any borrower's loan that is being serviced by CEE or otherwise relating to CEE's loan servicing activities, and (b) cooperate with CEE regarding any claim, dispute, regulatory examination or investigation related to Client's loans and the services provided to Client by CEE under this Agreement.

#### 12. *Indemnity*

CEE and Client each agree to indemnify, defend, and hold the other and each of their respective officers, directors, employees, agents, counsel, advisors, and representatives (each, an "Indemnified Party") harmless from and against any and all claims, losses, penalties, fines, forfeitures, legal fees and related costs, judgments, and any other costs, fees, and expenses incurred by Indemnified Party arising out of any actions, demands, investigations, proceedings, claims, counterclaims, or defenses, made by or on behalf of any third party related to the failure of CEE or Client to perform its duties in compliance with the terms of this Agreement. Notwithstanding the foregoing, neither CEE nor Client shall indemnify any such Indemnified Party if such acts, omissions, or alleged acts constitute fraud, gross negligence, willful misconduct, or breach of fiduciary duty by such Indemnified Party. Neither CEE nor Client shall have an obligation to appear with respect to, prosecute, or defend any legal action which is not incidental to this Agreement.

12. *Taxes.* Neither CEE nor Client shall be responsible to the other party for any taxes owed by such party, including, without limitation, any federal, state, or local income or franchise taxes or other taxes, imposed on or measured by income received by such party (or any interest or penalties with respect thereto or arising from a failure to comply therewith) that are required to be paid by such party in connection herewith to any taxing authority.

13. *Reliance.* CEE and Client, and any director, officer, employee, or agent of CEE or Client respectively, may rely on any document of any kind which it, in good faith, reasonably believes to be genuine and to have been adopted or signed by the proper authorities or persons respecting any matters arising hereunder.

#### 14. Insurance

During the term of this Agreement, CEE will obtain and maintain insurance in the amounts listed below:

|                        |             |                       |
|------------------------|-------------|-----------------------|
| General Liability      | \$2,000,000 | Aggregate Limit       |
| Automobile Liability   | \$1,000,000 | Combined Single Limit |
| Excess Liability       | \$1,000,000 | Aggregate Limit       |
| Professional Liability | \$1,000,000 | Aggregate Limit       |
| Workers Compensation   |             | Statutory Limit       |

#### 15. Limitation of Liability

CEE's role is strictly limited to the Services. Client will be solely responsible for making all decisions concerning the management of the Client Loans. At all times, Client will be responsible for the accuracy of all information provided to CEE, and CEE may rely on any document of any kind which it, in good faith, reasonably believes to be genuine and to have been adopted or signed by the proper authorities or persons respecting any matters arising hereunder. The sole duty of CEE is to exercise ordinary care in its performance of the obligations described in this Agreement. Client agrees that CEE, its officers, directors, agents, and employees ("CEE Representatives") will not be liable for events or circumstances beyond their reasonable control. Client and CEE agree that clerical errors and mistakes in judgment do not constitute a failure to exercise ordinary care or to act in good faith.

Neither party shall be liable to the other or any other person for any indirect, incidental, consequential, punitive or special damages whatsoever (including without limitation, any damages claimed for loss of income, revenue, or profits or for loss of goodwill) arising from or related to services provided pursuant to this agreement. The exclusive remedy available to Client shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by CEE of its duties under this agreement. Notwithstanding anything to the contrary in this Agreement, CEE's total aggregate liability arising out of or related to this Agreement shall not exceed the total amount of fees paid by Client to CEE pursuant to this agreement during the twelve (12) months immediately preceding the event giving rise to such action, excluding any third party costs.

#### 16. Term of Agreement: Termination

The initial term shall commence on the Effective Date and continue for a period of three (3) years (the "Initial Term"). Thereafter, the Agreement shall automatically renew for successive one (1) year periods, unless CEE or Client provides written notice of non-renewal or amendment to the other party at least sixty (60) days before the end of the then current term. Notwithstanding the preceding, on the date corresponding to sixty days prior to the initial three-year anniversary, the contract will automatically extend to the next one-year anniversary date, unless notice of termination is given as specified in the following paragraph.

Either Client or CEE may terminate servicing by CEE with respect to any Client Loan or all Client Loans upon (a) ninety (90) days prior written notice delivered to the other party via email (and duly acknowledged by the other party) or (b) upon the occurrence of a CEE Termination Event (as defined below). Upon such termination, CEE shall promptly supply appropriate reports, documents, promissory notes, and other information as requested by Client or any person or entity designated by Client and shall use its commercial best efforts to effect the orderly and efficient transfer or servicing to the Client or a new servicer designated by Client subject to the fees described in Exhibit B.

If any of the following events with respect to CEE shall occur and be continuing, it shall be a "Termination Event":

- A. Any failure by CEE to remit any payment required to be made under the terms of the Agreement which continues un-remedied for a period of ten (10) business days after such payment was required to be made (and such cured failure shall not be deemed a Termination Event); provided, however, that any such failure shall not constitute a Termination Event if such delay or failure could not have been prevented by the exercise of reasonable diligence by CEE, or such delay or failure was caused by events subject to Section 26. Force Majeure; or
- B. Any material breach by CEE or Client of their respective representations and warranties contained herein that materially and adversely affects the interests of the other, or any failure on the part of CEE or Client to observe or perform in any material respect any of the covenants or agreements other than as described in subsection A of this Section 14 and that continues un-remedied for a period of thirty (30) days after the date on which notice of such breach, requiring the same to be remedied, shall have been given to by the non-breaching party to the breaching party; provided, however, that if the breaching party certifies to the non-breaching party that it has in good faith attempted to remedy such breach, such cure period will be extended to the extent necessary to permit breaching party to cure such breach; or
- C. CEE or Client shall suffer a material adverse change in its financial condition that affects its ability to perform its obligations under this Agreement; or
- D. CEE or Client is subject to a bankruptcy or other proceeding relating to its liquidation or insolvency, or a decree or order of a court or agency or supervisory authority having jurisdiction for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against CEE or Client and such decree or order shall have remained in force, undischarged or un-stayed for a period of sixty (60) days; or
- E. CEE or Client shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshaling of assets or liabilities,

or similar proceedings of or relating to CEE or Client or of or relating to all or substantially all of such party's property; or

- F. CEE or Client shall admit in writing its inability to pay its debts as they become due, file a petition to take advantage of any application insolvency or reorganization statute, make an assignment for the benefit of its creditors, or voluntarily suspend payment of its obligations.

*17. Assignment of Rights*

This Agreement may not be assigned by Client except with prior written consent of CEE, which consent shall not to be unreasonably withheld. CEE may not assign its rights under this Agreement without the prior written consent of Client.

*18. Independent Contractor*

Nothing herein contained shall be deemed or construed to create a co-partnership or joint venture between the parties hereto and the services of CEE shall be rendered as an independent contractor and not as an agent for Client, its successors and assigns, or any obligors or noteholders under the Client Loans.

*19. Amendments*

This Agreement may not be amended or modified except by a written agreement signed by the parties in interest at the time of such modification. Notwithstanding the foregoing, CEE may adjust the Fees by providing an updated Exhibit B as set for in Section 3 and all other Schedules may be changed by mutual agreement.

*20. Confidentiality*

Neither Client nor CEE shall disclose or use any Confidential Information of the other party or its affiliates, and each party will keep such Confidential Information confidential and will require that its affiliates, officers, employees, contractors, vendors, and advisors who have access to such Confidential Information comply with such non-disclosure and non-use obligations.

Notwithstanding the forgoing, Client or CEE may provide such Confidential Information as required pursuant to a court or administrative subpoena, court order or other such legal process or requirement of law; provided, however, that it shall endeavor to promptly notify the other of such request, order or requirement, unless such notice is prohibited by statute, rule, or court order. Nothing herein shall require either Client or CEE to fail to honor a subpoena, court or administrative order, or a requirement of law on a timely basis.

Notwithstanding this section, CEE is expressly permitted to release information to borrowers upon written request regarding their specific loans; and, following receipt of borrower's written authorization to release information, CEE is expressly authorized to release such information regarding that borrower's loan to a third party.

CEE shall cause vendors, if any, not to use or disclose any Confidential Information of Client except in compliance with this Agreement. Notwithstanding the foregoing, a vendor may disclose Confidential Information as required pursuant to a court or administrative subpoena, order or other such legal process or requirement of law; provided, however, that it shall first notify Client of such request or requirement, unless such notice is prohibited by statute, rule or court order. CEE shall not, on Client's behalf, require a vendor to fail to honor a subpoena, court or administrative order, or a requirement of law on a timely basis. CEE shall also cause vendors not to remove any Confidential Information from Client premises without Client's prior written authorization.

Each party shall limit access to the other party's Confidential Information to only those of its employees and agents who require such access in performing their duties hereunder. CEE agrees to either return the Confidential Information to Client or destroy the Confidential Information upon completion of the work or, in any event, upon termination of the Agreement between the parties. Except as expressly provided in this Agreement, no ownership or license rights are granted in any Confidential Information. Notwithstanding anything to the contrary in this Agreement, Confidential Information may be disclosed to a party's accountants, attorneys, insurers, regulators and consultants. Notwithstanding the foregoing, a party may retain one archival copy of Confidential Information that may be used solely to demonstrate compliance with this Agreement, Applicable Law, and internal policies and procedures.

"Confidential Information" for purposes of this agreement, shall mean any information of CEE, Client, or their respective affiliates, whether written or oral, including:

- A. Financial Information, marketing plans, and personnel records;
- B. Technical and non-technical data, including without limitation, customer lists, customer information, customer non-public information, fee schedules, forms, information, business and management methods, trade secrets, compilation and analysis of financial information and data to prepare and submit bids and proposals to third parties;
- C. Other proprietary or confidential information;
- D. Proprietary computer software, management information and information systems, whether or not such Confidential Information is disclosed or otherwise made available to one party or other pursuant to this Agreement;
- E. Terms and provisions of this Agreement and any transaction or document executed by the parties pursuant to this Agreement.

"Confidential Information" shall not include the following:

- A. Information that is or becomes generally available to and known by the public (other than as a result of an unpermitted disclosure directly or indirectly by the receiving party or its affiliates, advisors, or representatives);
- B. Information that is or becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party or its affiliates, advisors, or representatives, provided that such source is not and was not bound by a confidentiality agreement with or other obligation of secrecy to the disclosing party of which the receiving party has knowledge at the time of the disclosure; or
- C. Information that has already been or is hereafter independently acquired or developed by the receiving party without violating any confidentiality agreement with or obligation secrecy to the disclosing party.

21. *Attorney In-Fact.* To enable CEE to carry out its obligations under this Agreement, Client hereby

- a. authorizes CEE (and its third party contractors) on behalf of Client to communicate as Client's agent with (i) borrowers, guarantors, and others obligated in connection with a Loan by electronic means or otherwise, (ii) credit reporting bureaus and consumer reporting agencies selected by CEE, and (iii) to do or perform any other acts for purposes of carrying out its obligations hereunder, and
- b. appoints CEE as Client's lawful attorney in fact to sign in the name of Client such documents as are necessary or appropriate for CEE to perform its obligations as contemplated under this Agreement, including without limitation checks and other documents necessary to process payments, proof of claims, and such other documents as Client may approve in writing, which approval shall not be unreasonably withheld or delayed. For the avoidance of doubt, such power-of-attorney shall be revocable, in whole or in part, at the sole discretion of Client; provided that, upon any such revocation, CEE shall not be liable for failure to perform any obligations under this Agreement for which such power-of-attorney is necessary, and such failure may be considered by CEE in its sole discretion as a basis on which to terminate this Agreement.

22. *Transfers.* Client shall provide CEE with all authorizations and information, and shall take all such further steps as may be necessary, in order to authorize and enable CEE to initiate the movement of funds by automated clearing house ("ACH") or other electronic funds transfer.

23. *Notices*

All notices and communications as part of this Agreement must be in writing and, except as otherwise agreed in writing, must be delivered, mailed, faxed, or emailed, to the following addresses:

If to CEE:

Center for Energy and Environment  
212 3<sup>rd</sup> Avenue North, Suite 560  
Minneapolis, MN 55401  
Attn: Ryan Ellis  
Phone: 612.335.5862  
Email: [rellis@mncee.org](mailto:rellis@mncee.org)

If to Client:

Roseville Economic Development Authority  
Attn: Housing and Economic Development Program Manager  
2660 Civic Center Drive  
Roseville, MN 55113

24. *Governing Law*

This Agreement and each transaction consummated hereunder shall be deemed to be made under the internal laws of the State of Minnesota and shall be construed in accordance with and governed by the laws of the State of Minnesota, without regard to the choice of law rules of that state, except to the extent that any such laws may now or hereafter be preempted by Federal law.

25. *Counterparts*

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

26. *Force Majeure*

CEE and Client shall be excused from performing in accordance with the agreement in the event of an occurrence of "Force Majeure". Force Majeure is defined as fire, floods, earthquake, tornado, explosion, catastrophe, accident, war or war-like operations (whether or not a state of war is declared), riot, Acts of God, acts of terrorism, insurrection, order of a Governmental Body and Applicable Laws that prevent performance, to the extent (i) such event of Force Majeure is beyond the reasonable control of the Party claiming Force Majeure, and (ii) the Party claiming Force Majeure gives prompt written notice of the same to the other Party. In the event of any such delay, the sole remedy shall be a time extension for the completion dates required by the Agreement, which extension shall be the time period lost by reason of the Force Majeure.

27. *Entire Agreement*

This Agreement (including the Exhibits to this Agreement), the Company Disclosure Letter and the Confidentiality Agreement constitute the entire agreement among the parties with respect to the subject matter of this Agreement and supersede all other prior agreements and understandings, both written and oral, among the parties to this Agreement with respect to the subject matter of this Agreement. In the event of any inconsistency between the statements in the body of this Agreement, the Confidentiality Agreement and the Company Disclosure Letter (other than an exception expressly set forth as such in the Company Disclosure Letter), the statements in the body of this Agreement will control.

### 28. *Authorized Persons*

CEE will provide a single login user name and password (together with any Client created user name and/or password, the "Credentials") to Client for purposes of accessing CEE's system ("Portal") to obtain reporting regarding Client Loans. Client is encouraged to create its own unique Credentials for use in accessing the Portal promptly after receipt of Credentials from CEE. Client shall be solely responsible for the use and protection of the Credentials. Client agrees to maintain the confidentiality of the Credentials.

Client agrees that it shall be liable for all transactions initiated and authorized by means of the Credentials, whether or not actually authorized by the Client. Client further agrees that any person using the Credentials to access the Portal shall be deemed to be duly authorized by Client and such person using the Credentials shall be deemed to have full authority to act on behalf of Client. Client agrees to maintain a proper and complete log of individuals to whom it has provided access to Client portal and receipt of reports with respect to Client Loans or Client reports. Client shall promptly modify the Credentials in the event that any person to whom it has given the Credentials is no longer employed by or otherwise affiliated with Client.

Client shall appoint one or more officers or employees who are authorized to act on behalf of Client regarding this Agreement and the services provided by CEE hereunder ("Authorized Users"). CEE shall not be responsible for any correspondence with or access provided to any Authorized User. Client may add or remove Authorized Users by written notice to CEE. CEE may rely on any action taken by an Authorized User until an Authorized User's authorization has been revoked by Client by written notice to CEE. CEE shall have a reasonable time to process any revocation received pursuant to this section.

Client's agrees that the failure to protect Credentials may allow an unauthorized party to (i) use the services provided by CEE, (ii) access Client's electronic communications and financial data, and (iii) send or receive information and communications on behalf of the Client. Unencrypted electronic transmissions are not secure, and Client assumes the entire risk for unauthorized use of Credentials and any unencrypted electronic transmissions. Client undertakes no obligation to monitor transactions initiated by valid Credentials to determine that they are made on behalf of or authorized by Client.

### 29. *Records*

Except to the extent otherwise required by Applicable Law, CEE shall retain all records relating to a Client Loan for at least one (1) year following termination of this Agreement or one (1) year from maturity or payoff of a Client Loan unless such documentation is requested by and delivered to Client at an earlier date. The records will be maintained in either hard copy or machine-readable (electronic) format. In the event CEE is no longer in existence, its successor shall continue to retain such records as provided above or deliver the records to Client.

### 30. *Deconversion*

In the event of termination of this Agreement, CEE will continue to service all existing Client Loans at the time of termination, at the fees in place at the time of termination. If Client desires to



transfer the duties under this Agreement to a new servicer, CEE agrees to provide Client with electronic copies of the Client Loan records in CEE's standard format at the current rate being charge on a per loan charge by CEE, as well as any additional time charged on a per hour basis.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written below.

**CENTER FOR ENERGY AND ENVIRONMENT**

**ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

By Ste. Haddad  
[Insert Name] Stephanie Haddad  
Its: COO

By   
Patrick Trudgeon  
Its: Executive Director

LOAN SERVICING AGREEMENT

Exhibit A: Duties of Servicer

**NEW LOAN SET UP**

**Loan Boarding**

CEE will board the loan upon origination into CEE's servicing system. For any unsecured loan, CEE will board the new loan within three (3) Business days of origination. For any secured loan, CEE will board the new loan within three (3) Business days after the expiration of the right of rescission. CEE will confirm the funding pool and assure that the new loan draws off the correct pool.

For purposes of this Agreement, "business days" means calendar days other than weekends, official federal holidays, and non-banking holidays.

**Reporting**

CEE will report every loan to at least one of the three major credit agencies upon inception as it may designate in its sole discretion.

**Quality Control Review**

The loan and ACH entry instruction will be reviewed prior to activation to verify the servicing system matches the terms of the promissory note and any other programmatic requirements per the documents submitted.

**Welcome Letter**

A welcome letter will be sent to borrowers within five (5) business days after boarding. This letter shall include the toll free customer service number as well as an email address that is available for borrowers to use should they have a question regarding their loan. Customer service is available from 8:00 AM to 4:30 PM Central Time, on "business days". An automatic ACH enrollment form is included in the letter for borrowers to complete and return to CEE if they would like recurring payments to be initiated automatically by CEE. The letter will also contain instructions for borrowers to receive access to the online loan portal where they have access to all their loan information and ability to make payments.

**STANDARD SERVICING –AMORTIZING/DEFERRED**

**Billing**

Borrowers with loans that have regularly scheduled payments will receive billing statements on a monthly basis or other appropriate frequency based on terms of the promissory note.

**Collection of Loan payments**

CEE shall collect payments of principal, interest and any appropriate fees. CEE shall confirm the application of payments to be consistent with the loan documents as part of ongoing due diligence.

**Customer Service**

CEE shall provide customer service to borrowers from 8:00AM – 4:30 PM Central Time on “business days”. The customer service team is available through the toll free phone number or email at [loanservicing@mncee.org](mailto:loanservicing@mncee.org). Borrowers will receive a response within five (5) business days following a question submitted to CEE. Borrowers are able to view loan information on the loan portal as well as schedule payments.

**Past Due Collections**

CEE will make reasonable efforts to maintain loans in a current status and will deal promptly with those which are delinquent in accordance with the Collection Activity section below. CEE will process loan defaults as directed by Client.

**Reporting**

CEE will provide standard monthly reporting for the prior month’s activities to Client no later than the 10th business day of each month. The standard reports are as listed:

- Loan Trial Balance
- Aged Delinquency
- Principal and Interest Collections
- New Loan
- Paid Loan
- Fee Scheduled
- Fee Earned

Special reports may be added at an additional cost for programming. (See Exhibit B for pricing)

**IRS Reporting**

CEE shall provide borrowers with the required IRS annual tax reporting.

**Funds Remittance**

CEE shall remit collected funds less servicing and other applicable fees and any late charges assessed to borrower by the 10th business day of the month. Late charges will be retained by CEE. Funds will be remitted via ACH. An invoice will be distributed detailing the servicing fees. CEE shall remit such funds by means of ACH or other electronic funds transfer to an account designated by Client.

**COLLECTION ACTIVITY**

**Early Delinquency**

CEE will make reasonable efforts to maintain loans in a current status and will make reasonable periodic efforts to contact borrowers who are delinquent, in order to encourage payment. Such efforts will be limited to those loans that are no more than 90 days past due.

- CEE will follow customary, usual and prudent business practices in servicing delinquent loans.
- CEE will send delinquency letters for loans 31- 60 days past due.
- CEE will continue sending letters and begin phone calls for loans 61-90 days past due.

### **Late Delinquency**

CEE will make reasonable efforts to contact Borrowers, solicit payments, and return loans to a current status, where the loan has reached 90 or more days past due, in order to encourage payment.

- CEE will follow customary, usual and prudent business practices in servicing delinquent loans.
- CEE will send formal default letters for loans reaching 120 or more days past due.
- CEE shall continue phone calls to borrower at 90 days past due.
- After 120 days past due, Client shall determine next steps and CEE shall have no obligation to take further action regarding delinquent loans until directed by Client.

### **DEFAULT MANAGEMENT**

Client shall be solely responsible for declaring a loan to be in default, and determining whether a loan is to be charged-off.

#### **Loan Modifications**

CEE shall respond to Client or Borrower requests for modifications to their loan terms, including Repayment Plans, Forbearance Agreements, Deferments, Extensions, Short Sales (Pre-Foreclosure Sales), or Negotiated Releases of collateral, obligors or guarantors (each a "Loan Modification").

CEE shall make no decisions independent of the Client. Client shall have final approval of any Loan Modifications, unless Client has instructed CEE in writing that it may approve Loan Modifications pursuant to criteria established by Client.

CEE will follow customary, usual and prudent business practices in its review and processing of Loan Modifications, and keep Client informed of the status of such requests.

Both Client and CEE recognize that time is of the essence in responding to and approving or declining Loan Modification requests.

CEE shall monitor Borrowers for compliance with the terms of the loan modification and make such changes to the loan record as required by the modification terms.

**Special Servicing**

CEE shall perform special servicing actions and steps at the direction of the Client for loans subject to formal legal proceedings, including Bankruptcy, Foreclosure, Deed-in-lieu of Foreclosure, Collections suits, Repossession, and Charge-offs involving either an obligor(s) or guarantor(s).

CEE shall make no decisions or take actions independent of the Client, who shall have final say in approval of any Special Servicing actions (other than routine steps taken to protect or preserve Clients interests), unless Client has instructed CEE in writing that it may approve and take such actions.

CEE must employ staff with expertise in the above areas and maintain compliance with all applicable regulations.

CEE will follow customary, usual and prudent business practices in its review, processing, and management of Special Servicing of Client loans, and keep Client informed of the status of loans subject to Special Servicing.

Both Client and CEE recognize that time is of the essence in responding to and approving or declining Special Servicing Actions.

CEE shall monitor Borrowers who are subject to Special Servicing, consistent with the governing legal proceedings or requirements, and make such changes to the loan record as required to reflect the Special Servicing requirements. With respect to Bankruptcy, the Special Servicing shall include Filings, Proof of Claim, Repayment Plan setup and monitoring, and discharge/completion processing. (See Exhibit B for pricing)

**Other Servicing**

CEE shall perform the following additional servicing actions and steps for loans as requested by Client. CEE will follow customary, usual and prudent business practices in providing these services. The Client shall bear all of CEE's out of pocket costs for third parties related to these items. CEE will notify Client of the potential out of pocket costs prior to performing any of the additional actions.

- REO Marketing
- Insurance Inspections
- Default Inspections
- Property Valuation or Appraisal
- Property Preservation and security

**SUBORDINATION PREPARATION**

CEE will review subordination requests in accordance with the Client's subordination program requirements. Subordinations will be forwarded to the Client for signature if request meets the program requirements. Fees related to the subordination are paid by borrowers.

### **MORTGAGE SATISFACTION PREPARATION**

#### **Loan Payoffs**

CEE will process loan payoffs, issue payoff statements as requested by authorized individuals within 30 calendar days and remit funds to Client. CEE shall draft mortgage satisfactions ("Satisfaction") within 30 calendar days after loan is paid in full to ensure funds received are cleared. The Satisfaction is then sent to client for signature. CEE shall provide instructions to borrowers as to how to properly record the Satisfaction. In the event that \$5 (five dollars) or less of principle balance remains, CEE and Client will not attempt to collect the remaining fee and will consider the loan as satisfied.

### **FINAL/SPECIAL PROCESSING TRANSACTIONS**

CEE shall charge additional fees in special circumstances such as a charge-off, foreclosure, servicing release, or any other transaction that is processed on a loan that is not paid in full but is no longer an active loan on the servicing system. This does NOT include processing a paid in full transaction.

## LOAN SERVING CONTRACT

## Exhibit B: Pricing Schedule

| Activity   | Description   | Pricing   |
|--|---|---|
| New Loan Setup                                   | Loan Boarded to servicing system and quality control review, welcome letter                                       | \$ 20.00 one-time fee per loan  |
| Standard Servicing Activities – Amortizing Loans | Payment processing, billing notices, customer service, investor reporting, early collections                      | \$6.00 per loan per month   |
| Standard Servicing Activities- Deferred Loans    | Payment processing, customer service, investor reporting  | \$0 per loan per month  |
| Collection Activity                              | Collection Work for loans past due 15-90 days   | \$3.00 per loan per month on all amortizing loans   |
| Default Management                               | Example of activities: Repayment Plan, Forbearance Agreement, Deferment, Extension                                | \$80.00 per hour plus any charges that may be incurred from 3 <sup>rd</sup> party vendor. |
| Subordination Preparation                        | Review request and Prepare subordination document   | \$150.00 per request (Borrower Paid)  |
| Mortgage/Deed of Trust Satisfaction Preparation  | Create mortgage/deed of trust satisfaction (excludes recording / filing fees)                                     | \$30.00 one-time fee per loan   |
| Final /Special Processing Transaction            | For Charge-off, foreclosure, service release, loans not paid in full but no longer active on the servicing system | \$25.00 per transaction   |
| Conversion/On-Boarding                           | Boarding Loans previously serviced by a different company   | \$20.00 one-time fee per loan   |

## Optional/Additional Services

|                                   |  |  |
|-----------------------------------|--|--|
| Special Report Programming        | Special report creation not included in standard report package                    | \$150.00 one time fee per report   |
| Special Reporting Distribution    | Monthly maintenance for special reports created for distribution                   | \$75.00 one time fee per report  |
| Special Project work              | Special requests, such as assistance in audit preparation, special mailings etc... | \$80.00 per hour, plus any charges that may be incurred from 3 <sup>rd</sup> party vendor. |
| Non Standard Servicing Activities | Any additional activities required for servicing a loan not specified in contract  | \$80.00 per hour, fee will be set based on time to complete task on a regular basis        |



## Amendment 3911

This Amendment to Loan Servicing Contract, (“Amendment”) made by and between **CENTER FOR ENERGY AND ENVIRONMENT**, with offices at 212 Third Avenue North, Suite 560, Minneapolis, Minnesota 55401 (“CEE”) and **THE ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**, with offices at 2660 Civic Center Drive, Roseville, MN 55113, (“REDA”).

### RECITALS

In consideration of their mutual undertakings and payments provided for herein, the parties recite, covenant, and agree to the following:

- CEE and REDA wish to amend the Loan Servicing Agreement #3098 signed by CEE and REDA with an effective date of July 15, 2019 ( the “Agreement”), through which CEE provides professional services pursuant to REDA.
- The amendments to the Agreement consist of modifying the term of the Agreement and updating the Agreement’s payment structure.
- CEE and REDA, in their mutual interest, wish to amend the Agreement as set forth below accordingly.

**NOW, THEREFORE**, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby agree to amend the Agreement as follows:

1. Amendment to Section 16 of the Agreement. The following underlined language shall be added to, and struck language removed from, Section 16:

The initial term shall commence on the Effective Date and continue for a period of three (3) years (the “Initial Term”). CEE and Client agree to a second term to begin on July 15, 2022, and end on December 31, 2025 (the “Second Term”). ~~Thereafter, the Agreement shall automatically renew for successive one (1) year periods, unless CEE or Client provides written notice of non-renewal or amendment to the other party at least sixty (60) days before the end of the then current term. Notwithstanding the preceding, on the date corresponding to sixty days prior to the initial three-year anniversary, the contract will automatically extend to the next one-year anniversary date, unless notice of termination is given as specified in the following paragraph.~~

2. Repeal and Replace Exhibit B. Exhibit B, as provided in the Agreement, is hereby deleted in its entirety and replaced with the language attached to this Amendment as Exhibit A.
3. Miscellaneous. Except as amended by this Amendment, the Agreement shall remain in full force and effect.

[The remainder of this page left intentionally blank]





Center for Energy and Environment

Dated this \_\_\_\_ day of July, 2022

**CENTER FOR ENERGY AND ENVIRONMENT**

By: \_\_\_\_\_ Its: \_\_\_\_\_

Date: \_\_\_\_\_

**ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

REDA

By: \_\_\_\_\_ Its: President, Dan Roe

Date: \_\_\_\_\_

By: \_\_\_\_\_ Its: Executive Director, Patrick Trudgeon

Date: \_\_\_\_\_

**FIRST AMENDMENT TO LOAN SERVICING CONTRACT**  
**Exhibit A: Updated Pricing Schedule**

**LOAN SERVICING CONTRACT**

**Exhibit B: Pricing Schedule**

| <b>Activity</b>  | <b>Description</b>  | <b>Pricing</b>  |
|--|---|---|
| New Program Setup  | Creating the new program in CEE Loan Servicing System and creating reports  | \$500 one-time fee  |
| New Loan Setup   | Loan Boarded to servicing system and quality control review, welcome letter                                       | \$20.00 one-time fee per loan   |
| Standard Servicing Activities – Amortizing and Interest Only Payment Loans | Payment processing, billing notices, customer service, investor reporting, early collections                      | \$10.00 per loan per month  |
| Standard Servicing Activities-Deferred Loans (no payments)                 | Payment processing, customer service, investor reporting  | \$0.00 per loan per month   |
| Collection Activity  | Collection Work for loans past due 15-90 days   | \$5.00 per loan per month on all amortizing loans   |
| Default Management   | Example of activities: Repayment Plan, Forbearance Agreement, Deferment, Extension                                | \$80.00 per hour plus any charges that may be incurred from 3 <sup>rd</sup> party vendor. |
| Subordination Preparation  | Review request and Prepare subordination document   | \$200.00 per request (Borrower Paid)  |
| Mortgage/Deed of Trust Satisfaction Preparation                            | Create mortgage/deed of trust satisfaction (excludes recording / filing fees)                                     | \$30.00 one-time fee per loan   |
| Final /Special Processing Transaction                                      | For Charge-off, foreclosure, service release, loans not paid in full but no longer active on the servicing system | \$25.00 per transaction   |
| Conversion/On-Boarding   | Boarding Loans previously serviced by a different company   | \$20.00 one-time fee per loan   |
| Special Report Programming   | Special report creation not included in standard report package   | \$150.00 one-time fee per report  |
| Special Reporting Distribution   | Monthly maintenance for special reports created for distribution  | \$75.00 one-time fee per report   |
| Special Project work   | Special requests, such as assistance in audit preparation, special mailings etc...                                | \$80.00 per hour plus any charges that may be incurred from 3 <sup>rd</sup> party vendor. |
| Non-Standard Servicing Activities  | Any additional activities required for servicing a loan not specified in contract                                 | \$80.00 per hour, fee will be set based on time to complete task on a regular basis       |

FIRST AMENDMENT TO LOAN SERVICING CONTRACT  
Exhibit A: Updated Pricing Schedule

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

5  
6 \* \* \* \* \*

7  
8 Pursuant to due call and notice thereof, a regular meeting of the Board of Commissioners  
9 (the “Board”) of the Roseville Economic Development Authority (“REDA”) was duly  
10 held on the 18th day of July, 2022, at 6:00 p.m.

11  
12 The following members were present:

13  
14 and the following were absent: .

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

17  
18 **RESOLUTION No.**

19  
20 **RESOLUTION APPROVING FIRST AMENDMENT TO**  
21 **LOAN SERVICING AGREEMENT BETWEEN THE**  
22 **ROSEVILLE ECONOMIC DEVELOPMENT**  
23 **AUTHORITY AND THE CENTER FOR ENERGY AND**  
24 **THE ENVIRONMENT**

25  
26 WHEREAS, The Roseville Economic Development Authority (the “Authority”) and the  
27 Center for Energy and the Environment (“CEE”) executed a certain Loan  
28 Servicing Contract with an effective dated as of July 15, 2019 (the  
29 “Agreement”), whereunder CEE agreed to provide certain professional  
30 services to the Authority as the servicing agent for certain development loans  
31 under the terms of the Agreement; and  
32

33 WHEREAS, the Authority and CEE have agreed to extend the term of the Agreement  
34 and to modify the pricing structure of the Agreement through a First  
35 Amendment thereto (the “Amendment”) in substantially the form  
36 presented to the Board of Commissioners of the Authority for approval.  
37

38 NOW, THEREFORE, BE IT RESOLVED as follows:

- 39  
40 1. The Amendment as presented to the Board is hereby in all respects  
41 approved, subject to modifications that do not alter the substance of the  
42 transaction and that are approved by the President and Executive Director,  
43 provided that execution of the Amendment by such officials shall be  
44 conclusive evidence of approval. The President and Executive Director

45                   are hereby authorized to execute, on behalf of the Authority, the  
46                   Amendment.

47                   2. Authority staff and officials are authorized to take all actions necessary to  
48                   perform the Authority's obligations under the Amendment and under the  
49                   Agreement as a whole, all as described in the Amendment and Agreement.

50  
51

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

53

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

55

56                   and the following voted against the same:

57

58                   WHEREUPON said resolution was declared duly passed and adopted.

59

Certificate

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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regular meeting thereof on July 18, 2022.

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

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this \_\_\_ day of July, 2022.

\_\_\_\_\_  
Patrick Trudgeon, Executive Director  
Roseville Economic Development  
Authority

  
**ECONOMIC DEVELOPMENT AUTHORITY**

Date: July 18, 2022  
Item No.: 5b

Department Approval

Executive Director Approval

*Janice Gundlach*

*Paul J. Trueman*

---

Item Description: Consider Amendments to Roseville Green Award Program

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1  
2 The Roseville Housing and Redevelopment Authority (RHRA) established a residential Green Award  
3 Program in 2012 (Attachment A). The Roseville Economic Development Authority (REDA) has managed  
4 all RHRA programs since 2016 and budgets \$850 a year for these financial awards. This program only  
5 recognizes residential properties and was the responsibility of the homeowner or contractor to apply for the  
6 award. The last time an application was received and awarded was 2015.

7  
8 Public Works staff has been working on a program to recognize businesses for implementing sustainability  
9 improvements. Given a REDA program already exists to recognize residential properties, Public Works  
10 and REDA staff decided to work together on a combined and improved program. Staff believes the existing  
11 application outline could be used and modified for a program that recognizes both residential property  
12 owners and businesses (Attachment B). In addition, instead of waiting for owners to submit applications,  
13 staff will proactively seek out residential properties and businesses that have done meaningful sustainability  
14 improvements. The overall goal would be to recognize at least one business and one residential property  
15 per year, although more recognitions could be made.

16  
17 Given the REDA has funded \$850 annually for this award, staff is seeking REDA approval for a modified  
18 program allowing funds to be awarded to a business as well as a residential property. Staff suggests keeping  
19 the current monetary award structure. REDA and Public Works staff will continue to refine program  
20 details, but in addition to the current monetary award structure, recognition would also be given in the form  
21 of a yard sign or window cling. For businesses, a plaque is also being considered. Currently, staff is  
22 discussing with Center for Energy and Environment (CEE), Excel Energy, and Partners in Energy on  
23 covering the costs for those items. If those entities aren't able to do so, then staff is asking if the REDA  
24 would authorize fund balances to be used to cover the costs with approval from the Executive Director.  
25 Given the Green Award has not been awarded since 2015, yet \$850 continued to be budgeted every year,  
26 \$5,950 of REDA fund balance has accumulated.

27  
28 Public Works staff will be attendance to help answer any questions about the modified program.

29 **BUDGET IMPLICATIONS**

30 The REDA has budgeted \$850 annually for the Green Award Program and has existing fund balance  
31 totaling \$5,950 (including year 2022 monies).

32 **STAFF RECOMMENDATION**

33 Discuss changes to the Green Award Program to include recognition of businesses, in addition to residential  
34 properties, for sustainability efforts. If the REDA is in agreement of the staff recommended changes, adopt  
35 a resolution authorizing the modifications (Attachment C).

36 **REQUESTED EDA ACTION**

37 By motion, adopt a resolution authorizing changes to the Green Award Program to include recognition of  
38 sustainability efforts made by businesses, in addition to residential properties, for sustainability efforts.

39  
40 Prepared by: Jeanne Kelsey, Housing & Economic Program Manager, 651-791-7086

41  
42 Attachments A: Green Award Program  
43 B: Green Award Application  
44 C: Resolution amending Green Award Program



# ROSEVILLE GREEN AWARD PROGRAM

## Get Recognized and Rewarded for Outstanding Improvements to Your Home in Roseville

This program is funded and supported by the City of Roseville. The program is intended to recognize and reward residential properties that incorporate best practices for improvements when gardening, landscaping, remodeling or building a home in Roseville, MN. The winning properties will be highlighted at a City Council meeting and on the City's website.

### Timing

- |                        |                                      |
|------------------------|--------------------------------------|
| • Application deadline | November 30 (postmark date)          |
| • Winners notified     | Mid-January                          |
| • Recognition          | Recognized at a City Council meeting |

### Eligibility

Residential properties in Roseville are eligible. Builders, landscapers, or owners of the properties must submit the application, however, the property owner must agree to comply with all contest requirements. Properties must be in full compliance with city ordinances and codes and have all required permits. All applicants must agree to have pictures of their homes with address displayed on the City's website.

### Judging

Selections are based on information provided on the application form, as well as from photos of the home or garden before and after the improvement. Properties that use a combination of the following good management practices will rank high:

- |                                |                             |
|--------------------------------|-----------------------------|
| • Resource Efficiency          | • Site and Community Impact |
| • Water Conservation           | • Energy Efficiency         |
| • Indoor Environmental Quality | • Impact on the Marketplace |

*The City of Roseville may, at its discretion, reject any and all applications that do not meet requirements.*

### Awards

The property owner will receive a Green Award Certificate. In addition, the First place winner will receive a \$500 check; Second place winner will receive a \$250 check; and the Third place winner will receive a \$100 check.

#### HOW TO APPLY

Complete an online application at [www.cityofroseville.com/1824/Green-Remodeling-Award](http://www.cityofroseville.com/1824/Green-Remodeling-Award)

or

Request an application by calling 651-792-7015 or emailing [eda@cityofroseville.com](mailto:eda@cityofroseville.com)

PROGRAMS

#### Contact

651.792.7015

[eda@cityofroseville.com](mailto:eda@cityofroseville.com)

#### Location

City of Roseville

2660 Civic Center Drive

Roseville, MN 55113

[www.cityofroseville.com](http://www.cityofroseville.com)



## ROSEVILLE GREEN BUILDING/REMODELING AWARD APPLICATION

Homeowner's Name:

Property Address:

Homeowner E-mail:

Homeowner Phone:

***If the applicant is a builder/landscaper, please complete the following:***

Builder/Landscaper Name:

Builder/Landscaper Address/Zip:

Builder/Landscaper E-mail:

Builder/Landscaper Phone:



The **Green Award** rewards best practices for home improvements

**First Place: \$500**

**Second Place: \$250**

**Third Place: \$100**

**Sponsored by City of Roseville**  
**Application Deadline • November 30**

This program is funded and supported by the City of Roseville and is intended to recognize and reward residential properties that incorporate best practices for improvements when gardening, landscaping, remodeling, or building a home in Roseville. Winning properties will be highlighted by the City of Roseville.

### Application Guidelines

- A property is eligible for only one Green Award.
- Properties must be in full compliance with City ordinances and codes and have all required permits.
- All applicants must agree to have pictures of their homes with the address displayed on the City's website.
- Residential properties in Roseville are eligible. A builder/landscaper may submit an application but the homeowner must comply with all contest requirements.
- Applications are due by November 30 (postmarked); winners are notified in mid-January.
- Properties that use a combination of the following good management practices will rank high:
  - ✧ Resource Efficiency ✧ Water Conservation ✧ Indoor Environmental Quality
  - ✧ Site and Community Impact ✧ Energy Efficiency ✧ Impact on the Marketplace

### Application Instructions

- You do not need to meet all criteria listed below but may consider them when doing improvements. The bullet points below describe examples that may be used to demonstrate each category.
- If the application is being submitted by a builder/landscaper, the homeowner must also sign the application indicating that they comply with all contest requirements.
- All applications must include Before/After images. Please attach images as well as any additional pages to describe improvements.

1. Please describe **overall Best Management Practices (BMPs)** that apply to this property related to any of the following:

- Did the home use sustainably managed imported woods?
- Did the home use proper ventilation based on testing?
- Was the home inspected by an official energy auditor/rater?
- How did the home integrate overall design and construction of Green Improvements?

2. Describe what **BMPs** were used for the property related to the **Site**?
  - What is the permeability to hardscape ratio?
  - Was soil quality considered with new plantings?
  - Did the project protect natural site features (such as large trees or wetlands)?
  - What type of native, low-maintenance, or drought-tolerant plantings were installed?
  - What consideration was made for installation of turf alternatives to reduce lawn mowing?
  - What irrigation system was considered?
  - Was outdoor living space considered?
  - What BMPs for erosion control were made at the site?
  - Did the property install any rainwater harvesting products?
  - Has the site been properly graded and is it draining correctly?
  - Is a compost bin/plan in place?
  
3. What type of **Mechanical/HVAC** system has been installed?
  - Are all appliances vented to the exterior (power- or direct-vented)?
  - Have bath fans been installed to mitigate moisture?
  - Was the ductwork properly sized and sealed?
  - Were Energy Star–rated systems (furnace, condenser, bath fans, etc.) installed?
  - Has a programmable thermostat been installed and programmed?
  
4. Has the property installed **High-Performance Floors, Walls, Roofing, and Ceilings System**?
  - Was a soil gas mitigation system installed?
  - Has the basement been tested for moisture or were moisture resistant materials used in the basement (for example, steel studs or sealed concrete floors)?
  - Is the basement finished as living space?
  - At what level is the foundation insulated?
  - What was the concrete fly-ash content?
  - Was sustainably managed lumber considered?
  - Did the property recycle/reuse material (for example, salvaged 2x4s)?
  - Was engineered wood used for trusses/headers, etc.?
  - What is the efficiency of the windows and doors?
  - What is the insulation rating of the attic?
  - Did the property eliminate or limit recessed lights?
  - Was an Advanced Framing system employed to minimize framing waste?

5. What types of **Appliances/Fixtures** were installed?

- Energy Star or higher efficiency appliances
- Energy Star lighting fixtures
- Consideration of efficient lighting (installed CFL's or LED lighting)
- Prepping/or installation of Photovoltaic
- Optimization strategies (power strips/media switches to shut off circuit when not in use)

6. What new **Plumbing Features** where installed?

- Low-flow or ultra low-flow faucets and fixtures
- Dual flush toilets/low-flow toilets
- Plumbing lines run in copper alternative
- Tank-less water heater or gas-fired water heater

7. What type of **Finish Materials** where used?

- Low/no VOC primer
- Low/no VOC paint
- Low/no VOC caulking/ adhesive
- Low/no VOC sealers on wooden millwork, doors, flooring
- Minimal/no carpet installed/installed all hard surface flooring
- Sustainably harvested cabinetry/millwork/doors; No-added-Formaldehyde wood or composite
- Materials were salvaged/reused
- Materials were locally sourced
- Materials were recyclable

8. Did the gardening, building/remodeling incorporate **Waste Management Practices**?

- Construction waste was recycled
- Construction waste was reused
- Hazardous materials were recycled/disposed of properly
- Recycling center installed for homeowner

9. What **Design Elements** were done to the home that are beneficial to the marketplace?

- Additional or enlarge bathroom
- Enlarge/improve kitchen
- Added master bedroom suite
- Added a second story
- Created main floor family room
- Added a second garage stall and/or added a garage to home
- Provide additional street appeal such as new entry, property plantings, or landscape design

**Signing and Submitting Your Application**

All applications must be signed by the HOMEOWNER of the property. If the application is being completed by the Builder/Landscaper, they should sign as well.

By signing below you are indicating that you will abide by all contest rules and requirements and agree to the following:

1. The property has not received a Green Award previously.
2. The improvements done at the property are in full compliance with City ordinances and codes and have all required permits.
3. Before/after pictures of the property with the address may be displayed by the City of Roseville.

Homeowner Signature

Date

Building/Landscaper Signature

Date

---

**Applications may be mailed or electronically submitted to:**

City of Roseville – Green Award  
2660 Civic Center Drive  
Roseville, MN 55113

**OR**

[eda@cityofroseville.com](mailto:eda@cityofroseville.com)

**Questions? Call 651-792-7015**

**Application Deadline • November 30** (postmarked)



46 the program application, brochure and guidelines (collectively, the  
47 “Amended Program Documents”) and hereby authorizes the Executive  
48 Director of REDA to prepare the Amended Program Documents on behalf  
49 of the REDA, and to carry out, on behalf of the REDA, the REDA’s  
50 obligations thereunder when all conditions precedent thereto have been  
51 satisfied.

52  
53 3. The approval hereby given to the Amended Program Documents includes  
54 approval of such additional details therein as may be necessary and  
55 appropriate to carry out the modification to the Green Award Program as  
56 discussed and expressed at the meeting of the Board and such  
57 modifications thereof, deletions therefrom and additions thereto as may be  
58 necessary and appropriate and approved by legal counsel to the REDA and  
59 by the Executive Director of the REDA; and said Executive Director is  
60 hereby authorized to approve said changes on behalf of the REDA.

61  
62 4. The REDA hereby authorizes and directs the Executive Director and  
63 REDA staff undertake and implement the modification to Green Award  
64 Program and Amended Program Documents to carry out the modification  
65 to the Green Award Program as discussed and expressed at the meeting of  
66 the Board and take all actions necessary in connection therewith.

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74 The motion for the adoption of the foregoing resolution was duly seconded by Member  
75  
76 , and upon a vote being taken thereon, the following voted in favor thereof:

77  
78 and the following voted against the same:

79  
80 WHEREUPON said resolution was declared duly passed and adopted.  
81

Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regular meeting thereof on July 18, 2022.

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

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this \_\_\_ day of July, 2022.

\_\_\_\_\_  
Patrick Trudgeon, Executive Director  
Roseville Economic Development  
Authority





# REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: July 18, 2022  
Item No.: 5c

Department Approval

Executive Director Approval

*Janeé Gundlach*

*Paul J. Trueman*

Item Description: Authorize amendments to various agreements in connection with the replatting of the Edison Properties

**BACKGROUND**

On July 19, 2021 the Roseville Economic Development Authority (REDA) entered into Contract for Private Development for the Roseville Edison II, LLC and Roseville Housing Group II, LLC. The property has been replatted with new legal descriptions, requiring the Contract for Private Development, as well as the Loan Agreement and Mortgage for the Tax Base Revitalization Account (TBRA) to be amended to reflect the new legal description. No other substantive changes are needed to these agreements beyond the updated legal description.

Gina Fiorini from Kennedy Graven has worked with the developer, and developer’s agents, regarding these agreements and will address any questions the REDA may have as it relates to these actions and documents. This type of financing for affordable housing developments is very complicated, so there is language within the resolutions that provides for minor revisions to these documents, after EDA authorization, but at the discretion of the REDA attorney so long as those revisions do not alter the substance of the transaction or offer substantive changes to the overall project or commitments of the REDA.

**STAFF RECOMMENDATION**

Adopt a resolution authorizing amendments to the Contract for Private Development, as well as the Loan Agreement and Mortgage for TBRA for the Edison II, LLC and Roseville Housing Group II, LLC.

**REQUESTED REDA ACTION**

By motion, adopt a resolution authorizing amendments to Contract for Private Development, as well as the Loan Agreement and Mortgage for TBRA for the Edison II, LLC and Roseville Housing Group II, LLC.

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

- Attachments A: Resolution approving Amendment Documents in Connection with the Replatting of Edison Property
- B: Amendment to the Contract for Private Redevelopment
- C: Amendment to the Loan Agreement for TBRA
- D: Amendment to the Mortgage for TBRA



46  
47 WHEREAS, the Developer has proposed making and filing a new plat of the Property  
48 in order to construct additional improvements on the Property; and  
49

50 WHEREAS, replatting the Property will modify the Property's legal description,  
51 requiring amendments to the Loan Documents including a First  
52 Amendment to Leasehold Mortgage, Assignment of Rents, Security  
53 Agreement, a Fixture Financing Statement (the "First Amended  
54 Mortgage"), a First Amendment to Loan Agreement Regarding  
55 Metropolitan Council Grant (the "First Amended Loan Agreement"), and  
56 a First Amendment to Contract for Private Development (the "First  
57 Amended Contract" together with the First Amended Mortgage, and the  
58 First Amended Loan Agreement, the "First Amended Documents"); and  
59

60 WHEREAS, REDA's Board and legal counsel have reviewed the Consent and the First  
61 Amended Documents and find that the approval and execution of the First  
62 Amended Documents are in the best interest of the REDA and its residents.  
63

64 NOW, THEREFORE, BE IT RESOLVED, that the First Amended Documents as  
65 presented to the Board are hereby in all respects approved, in substantially  
66 the forms submitted, together with any related documents necessary in  
67 connection therewith including but not limited to any amendments to the  
68 Subordination Agreement and a consent to the new plat (collectively, the  
69 "Development Documents") and the President and Executive Director are  
70 hereby authorized and directed to execute the Development Documents on  
71 behalf of the REDA and to carry out, on behalf of the REDA, the REDA's  
72 obligations thereunder. The President and Executive Director are hereby  
73 authorized and directed to execute any such Development Documents as  
74 may be deemed necessary and appropriate and approved by legal counsel to  
75 the REDA and by the Executive Director.  
76

77 BE IT FURTHER RESOLVED that the approval hereby given to the Development  
78 Documents includes approval of such additional details therein as may be  
79 necessary and appropriate and such modifications thereof, deletions  
80 therefrom and additions thereto as may be necessary and appropriate and  
81 approved by legal counsel to the REDA and by the President and Executive  
82 Director prior to executing said documents; and said officers are hereby  
83 authorized to approve said changes on behalf of the REDA. The execution of  
84 any instrument by the President and Executive Director shall be conclusive  
85 evidence of the approval of such document in accordance with the terms  
86 hereof. In the event of absence or disability of said officers, any of the  
87 documents authorized by this Resolution to be executed may be executed  
88 without further act or authorization of the Board by any duly designated  
89 acting official, or by such other officer or officers of the Board as, in the  
90 opinion of the REDA Attorney, may act in their behalf.  
91

92

93 BE IT FURTHER RESOLVED that REDA staff and consultants are authorized to take  
94 any actions necessary to carry out the intent of this resolution.

95

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

99

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

101

102 and the following voted against the same:

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104 WHEREUPON said resolution was declared duly passed and adopted.

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Certificate

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I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and special meeting thereof on July 18, 2022.

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

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this \_\_\_ day of July, 2022.

\_\_\_\_\_  
Patrick Trudgeon, Executive Director  
Roseville Economic Development  
Authority

**FIRST AMENDMENT TO  
CONTRACT FOR PRIVATE DEVELOPMENT**

THIS FIRST AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT, made on or as of the \_\_\_\_ of \_\_\_\_\_, 2022, by and among ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and political subdivision of the State of Minnesota (the “Authority”); and ROSEVILLE EDISON II, LLC, a Minnesota limited liability company (the “Owner”); and ROSEVILLE HOUSING GROUP II, LLC, a Minnesota limited liability company (the “Developer”).

WITNESSETH:

WHEREAS, the parties entered into the Agreement dated as of July 19, 2021, recorded on November 19, 2021, as Document No. A04920219, in the Office of the County Recorder of Ramsey County, Minnesota; and

WHEREAS, Owner and Developer hereby agree to amend and restate the Development Property described in the Agreement.

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:

1. The parties hereby agree to amend and restate the land described in Schedule A of the Agreement with the land described on Schedule A attached hereto and incorporated herein by this reference. All references to the term “Development Property” in the Agreement shall refer the real property described on Schedule A attached hereto.

*[The remainder of this page has been left blank intentionally.]*

*[Signature page to follow]*

IN WITNESS WHEREOF, the Authority has caused this First Amendment to be duly executed in its name and behalf and its seal to be hereunto duly affixed and Developer has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

ROSEVILLE ECONOMIC  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Its President

By \_\_\_\_\_  
Its Executive Director

STATE OF MINNESOTA    )  
  ) SS.  
COUNTY OF RAMSEY    )

The foregoing instrument was acknowledged before me this \_\_\_\_ of \_\_\_\_\_, 2022, by Dan Roe and Patrick Trudgeon, the President and Executive Director, respectively, of the Roseville Economic Development Authority, a public body politic and corporate under the laws of the State of Minnesota, on behalf of the Authority.

\_\_\_\_\_  
Notary Public

OWNER:

ROSEVILLE EDISON II, LLC

By: ROSEVILLE HOUSING GROUP II, LLC, its  
Manager

By \_\_\_\_\_  
Its Secretary/Treasurer

STATE OF MINNESOTA    )  
                                  ) SS.  
COUNTY OF STEARNS    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ of \_\_\_\_\_, 2022, by Jamie J. Thelen, the Secretary/Treasurer of Roseville Housing Group II, LLC, a Minnesota limited liability company, as Manager of Roseville Edison II, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public



DEVELOPER:

ROSEVILLE HOUSING GROUP II, LLC

By \_\_\_\_\_  
Its Secretary/Treasurer

STATE OF MINNESOTA    )  
  ) SS.  
COUNTY OF STEARNS    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ of \_\_\_\_\_, 2022, by Jamie J. Thelen, the Secretary/Treasurer of Roseville Housing Group II, LLC, a Minnesota limited liability company.

\_\_\_\_\_  
Notary Public

This document was drafted by:  
KENNEDY & ORA VEN, Chartered (MNI)  
150 South 5th Street, Suite 700  
Minneapolis, Minnesota 55402  
Telephone: 612-337-9300

Schedule A

DEVELOPMENT PROPERTY

That part of the following described property having a street address of 3080 Old Highway 8:

Lot 2, Block 1, Edison Addition, according to the plat thereof recorded in Office of the County Recorder of Ramsey County, Minnesota.

**FIRST AMENDMENT TO  
LOAN AGREEMENT REGARDING METROPOLITAN COUNCIL GRANT**

This FIRST AMENDMENT TO THE LOAN AGREEMENT REGARDING METROPOLITAN COUNCIL GRANT (this “Amendment”) is made this \_\_ day of July, 2022, by and between the Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the state of Minnesota (“REDA”), and Roseville Edison II, LLC, a Minnesota limited liability company (the “Borrower”).

**RECITALS**

A. REDA and the Borrower entered into a Loan Agreement, dated November 18, 2021 (the “Agreement”), pursuant to which the Borrower agreed to complete certain soil remediation activities on property described in Exhibit A of the Agreement (the “Property”).

C. The Property is being platted, which will modify the Property’s legal description.

E. To accurately reflect the Property’s revised legal description, REDA and the Borrower now desire to amend the Agreement.

**NOW, THEREFORE**, in consideration for the promises of this Amendment and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. **Amendment to Exhibit A of Agreement.** Exhibit A of the Agreement is deleted in its entirety and is replaced with the amended Exhibit A attached hereto.
2. **Agreement in Full Force and Effect.** Except as amended by this Amendment, the Agreement shall remain in full force and effect.
3. **Counterparts.** This Amendment may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

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

**EXHIBIT A**

Property

That part of the following described property:

Lot 2, Block 1, Edison Addition, according to the plat thereof recorded in Office of the County Recorder of Ramsey County, Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the date first written above.

ROSEVILLE ECONOMIC  
DEVELOPMENT AUTHORITY

By \_\_\_\_\_  
Its President

By \_\_\_\_\_  
Its Executive Director

---

ROSEVILLE EDISON II, LLC,  
a Minnesota limited liability company

By: Roseville Housing Group II, LLC,  
a Minnesota limited liability company  
Its: Manager

By: \_\_\_\_\_  
Name: Jamie J. Thelen  
Title: Secretary/Treasurer

---

**THIS MORTGAGE IS EXEMPT FROM MORTGAGE REGISTRATION TAX IMPOSED BY MINNESOTA STATUTES §287.035, PURSUANT TO MINNESOTA STATUTES §287.04, BECAUSE THE PRINCIPAL AMOUNT OF THE ORIGINAL MORTGAGE LOAN REFERRED TO HEREIN IS MADE UNDER A LOW AND MODERATE INCOME OR OTHER AFFORDABLE HOUSING PROGRAM.**

**FIRST AMENDMENT TO  
LEASEHOLD MORTGAGE, ASSIGNMENT OF RENTS,  
SECURITY AGREEMENT, AND FIXTURE FINANCING STATEMENT**

FOR VALUE RECEIVED, dated this [\_\_\_\_\_], 2022, ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and political subdivision of the State of Minnesota (“Mortgagee”) as the owner and holder of that certain Mortgage executed by ROSEVILLE EDISON II, LLC, as Mortgagor, dated as of November 18, 2021, and recorded on November 19, 2021, as Document No. A04920220, in the Office of the County Recorder of Ramsey County, Minnesota (“Mortgage”), seeks to amend the Mortgage as follows:

1. Mortgagee and Mortgagor hereby agree to amend and restate the land described in Exhibit A of the Mortgage with the land described on Exhibit A attached hereto and incorporated herein by this reference. All references to the term “Land” in the Mortgage shall refer the real property described on Exhibit A attached hereto.
2. Mortgagee does hereby release and discharge from the lien of said Mortgage that portion of the mortgaged property that is not part of the real property described on Exhibit A attached hereto. This partial release shall not impair the lien of said Mortgage as to any portion of the mortgaged property therein described and not hereby released.

*[The remainder of this page has been left blank intentionally.]*

*[Signature page to follow]*

IN WITNESS WHEREOF, this Mortgage has been duly executed and delivered as of the date first above written.

**MORTGAGOR**

ROSEVILLE EDISON II, LLC,  
a Minnesota limited liability company

By: Roseville Housing Group II, LLC,  
a Minnesota limited liability company  
Its: Manager

By: \_\_\_\_\_  
Name: Jamie J. Thelen  
Title: Secretary/Treasurer

STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this [\_\_\_\_\_] day of [\_\_\_\_\_] 2022, by Jamie J. Thelen, the Secretary/Treasurer of Roseville Housing Group II, LLC, a Minnesota limited liability company, the Manager of Roseville Edison II, LLC, a Minnesota limited liability company, on behalf of said company.

\_\_\_\_\_  
Notary Public

This document was drafted by:  
ROSEVILLE EDISON II, LLC  
366 South Tenth Avenue  
Waite Park, Minnesota 56387  
Telephone: 320-202-3100

Exhibit A to TBRA Mortgage

Land Legal Description

That part of the following described property:

Lot 2, Block 1, Edison Addition, according to the plat thereof recorded in Office of the County Recorder of Ramsey County, Minnesota.





# REQUEST FOR ECONOMIC DEVELOPMENT AUTHORITY ACTION

Date: July 18, 2022  
Item No.: 5d

Department Approval

Executive Director Approval

Item Description: Discussion Regarding the Budget and Preliminary Levy Collectible in 2023

## BACKGROUND

Per the by-laws adopted by the Roseville Economic Development Authority (REDA), the REDA must review and recommend a preliminary budget to the City Council.

To request a preliminary EDA levy, the REDA must adopt a budget for consideration by the City Council via Resolution. Once the initial EDA levy request is approved, the levy may be lowered but cannot be raised above the preliminary level. The maximum amount the REDA can levy for in 2023 is \$1,035,389.

*A preliminary levy of \$414,975 is being proposed for 2023, a decrease of \$27,595 from the EDA's 2022 levy. When factoring in a projected valuation increase on single family homes of 13.1% for taxes payable in 2023, the preliminary levy amount proposed would result in an estimated decrease of \$1.41 in the annual EDA property tax for a median valued single-family home projected to be valued at \$335,400.*

## STAFFING

The Community Development Director is proposing no changes to the staffing structure for 2023. Economic Development staff supported by the EDA levy include a full-time Economic Development and Housing Program Manager and a .5 time Economic Development Coordinator (who also holds the title of GIS Specialist). The most significant impact proposed for 2023 consists of inflationary costs related to salaries and benefits.

The total cost for EDA staff in 2023 is anticipated to be: **\$201,550**

|   |  |
|---|--|
| <u>General REDA Expenditures and Personnel</u>  | \$248,250                                    |
| The REDA has operating costs associated with overhead, staff, attorney fees, recording secretary services, and continuing education/training of staff. This amount reflects total operating costs <b>and</b> personnel costs. | (includes the \$201,550 of staff-only costs) |

Programming costs are provided on the next page.

31 **PROGRAMMING**

32 The tables below outline existing housing and economic development programs the City of Roseville’s  
 33 Economic Development Authority currently maintains. In addition to personnel costs, accompanying costs  
 34 of these programs are included herein.

35 In 2023, the following programs will continue to operate but do not require additional funds:

|   |     |
|---|-----|
| <p><u>Multi-Family Loan and Acquisition Funds</u><br/>         Offers rehabilitation loans to existing rental property owners (whose properties have 5 or more units) and also makes dollars available for energy improvements. This program is also available for general redevelopment activities and has a balance of \$1,727,251* (fund 724).</p> | \$0 |
| <p>Roseville Rehab Revolving Loan Program, Last Resort – Emergency Deferred Program, Manufactured Home Improvement Program, Senior Deferred Loan Program, and First Generation Down Payment Assistance Program. This fund has a balance of \$700,376* (fund 723).</p>   | \$0 |
| <p>Abatement Assistance (payment of abatement costs for code enforcement activities). This fund has a balance of \$135,873* (fund 722).</p>   | \$0 |
| <p>Housing Replacement/Single Family Construction Fund. This fund has a balance of \$483,077* (fund 720).</p>   | \$0 |

36 \*fund balances noted are as-of June 30, 2022.

37  
 38 In 2023, the following programs are proposed to be budgeted for as follows:

|  |          |
|--|----------|
| <p><u>Ownership Rehabilitation Programs</u><br/>         Provides residents with free, comprehensive consultation services about the construction/renovation process to maintain, improve, and/or enhance their existing home, with a specific focus on energy efficiency. The program also recognizes homeowners that have done green construction or improvements to their homes and yards. This program budgets for at least 200 energy efficiency audits to be completed each year. This budget reflects a \$2,500 increase, which is attributable to CEE’s proposed professional service cost increase to administer loans.</p>   | \$30,350 |
| <p><u>Marketing</u><br/>         This budget is maintained for printing and mailing of marketing materials. This budget has also been used to fund housing studies. The Council’s 2021-2022 Strategic Priority related to Housing calls for an updated Housing Needs Assessment in “2022 and beyond”. \$5,000 will not fully fund an updated Housing Needs Assessment. However, based upon the volume of housing units currently under construction, and the state of the housing market generally, staff suggests leaving this budget flat until it is better understood when the most value will come from an updated study. If necessary in 2023, excess fund balance monies could be used or the study could be delayed.</p> | \$5,000  |
| <p><u>Economic Development</u><br/>         The Economic Development budget reflects resources to aid in outreach to existing and prospective businesses. Current efforts include partnerships with</p>  | \$64,500 |

|  |   |
|--|---|
| <p>the Minnesota State Chamber, St. Paul Area Chamber of Commerce, Twin Cities North Chamber, and others to assist with quarterly educational workshops, newsletters, and yearly networking events. Recruitment, acquisition assistance, and marketing efforts are being programmed through the use of economic development consulting (\$40,000), which includes the City's public finance consultant Ehler's. Annual contract obligations for Golden Shovel Agency economic development marketing services are also included in this total (\$12,000). This budget reflects an increase of \$11,000 from 2022. Staff is proposing contracting with the St. Paul Area Chamber of Commerce for BRE&amp;A services at a cost of \$10,000. The increase also includes \$1,000 to reflect actual incurred costs of our partnership with the various Chambers.</p>   |   |
| <p><u>Southeast Roseville Initiatives</u><br/> The Cities of Roseville, St. Paul and Maplewood hired the Saint Paul Area Chamber of Commerce in 2019 to begin implementation of the Rice &amp; Larpenteur Alliance, which stemmed from completion of the Rice/Larpenteur Gateway Visioning Plan. In March of 2022, SPACC's contract was extended an additional 12 months, with the City of Roseville (and Maplewood and St. Paul) continuing to set aside funds in support of the alliance and any other initiatives that may occur as a result of the visioning plan. The Rice &amp; Larpenteur Alliance's Strategic Fundraising Framework programs reductions in contributions for contributing cities, however the impact of COVID continues to limit the Alliance's ability to fundraise. As such, staff would recommend this budget remain flat for 2023. Because Roseville serves as the fiscal agent to the Alliance, and to comply with standard best practices in budgeting, the EDA will budget for the full Alliance funding of \$125,000, even though Roseville's costs are only \$40,000. A revenue item has been inserted to account for Maplewood and St. Paul's financial contribution towards the Alliance (\$85,000).</p>  | <p style="text-align: right;">\$125,000<br/> (\$40,000 is Roseville's cost)</p> |
| <p><u>Open to Business/Small Business Assistance</u><br/> Ramsey County executed a contract with the Metropolitan Consortium of Community Developers in the 1<sup>st</sup> quarter of 2020, bringing the Open to Business program to the City of Roseville. This program provides free business consulting services to Roseville businesses, as well as access to capital. There is no cost to the City for Open to Business. Beginning in 2020, the EDA began setting aside funds to administer a small business loan program in partnership with Open to Business. For year 2021, the EDA raised this budget by \$50,000 in recognition that small businesses will likely need additional support post-COVID. In 2021, the EDA agreed to create and fund a Small Business Loan Program in partnership with Open to Business, which these funds would be used for. To date, no loans have originated. Based on the program limiting individual loans to \$50,000, and the accumulation of funds since 2020, the EDA can currently fund nearly five loans. As such, staff recommends lowering this budget until such a time that loans are being utilized and there is a demand for more funding. Staff recommends continuing to budget for at least one new loan per year, or \$50,000. This would be a decrease of \$48,575 from 2022.</p> | <p style="text-align: right;">\$50,000</p>                                      |
| <p><b>Total 2023 Levy Supported Program Expenses</b></p>   | <p style="text-align: right;"><b>\$274,850</b></p>                              |

41 **NON-PROPERTY TAX REVENUE**

42 Historically, the levy has been the sole source to funding for activities conducted by the REDA. Several  
43 years ago the University of Northwestern committed to paying the City \$23,125 annually in recognition of  
44 their tax-exempt status and continued expansion beyond their campus property. This “charitable pledge” is  
45 for economic development efforts aimed at expanding the tax base, thus they’ve been allocated to the  
46 REDA. This revenue is used to offset expenses. Staff continues to program this revenue towards the EDA.  
47 The charitable pledge payments, per the June 2014 agreement, are set to expire in 2024. In the fourth  
48 quarter of 2022, staff will begin engaging with Northwestern to extend the Charitable Pledge Agreement.  
49 There are no guarantees Northwestern will cooperate.  
50

|   |   |
|---|---|
| <b>Total EDA Proposed Budget:</b><br>(Program Expenses + REDA Expenditures & Personnel) | <i>\$523,100</i>  |
| Minus Non-Property Tax Revenue  | <i>-\$23,125</i>  |
| Southeast Roseville Revenues  | <i>-\$85,000</i>  |
| Proposed Preliminary 2023 Levy  | <b><i>\$414,975</i></b><br><i>(6.2% or \$27,595<br/>decrease from 2022)</i> |

51 **STAFF RECOMMENDATION**

52 Discuss the EDA’s proposed 2023 Budget and Preliminary Tax Levy in the amount of \$414,975.  
53

54 **REQUESTED EDA ACTION**

55 Advise staff of any requested changes to the 2023 Budget and Preliminary Tax Levy.

56 If appropriate, make a motion to adopt a Resolution requesting a Preliminary Tax Levy in 2022, collectible  
57 in 2023, in the amount of \$414,975.

58 **ALTERNATIVE EDA ACTION**

59 Direct staff to schedule a subsequent discussion on September 19<sup>th</sup> for consideration of the Resolution.  
60

Prepared by: Janice Gundlach, Community Development Director  
Attachments: A. Resolution  
B. REDA Budget Comparison



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42

Section 4. Report to City and Filing of Levies.

43

4.01. The executive director of the Authority is hereby instructed to transmit a certified copy of this Resolution to the City Council with the Authority's request that the City include the EDA Levy in its certified levy for 2023.

44

45

46

Adopted by the Board of the Authority this 18<sup>th</sup> day of July, 2022.

47

Certificate

48 I, the undersigned, being duly appointed Executive Director of the Roseville Economic  
49 Development Authority, Minnesota, hereby certify that I have carefully compared the attached  
50 and foregoing resolution with the original thereof on file in my office and further certify that the  
51 same is a full, true, and complete copy of a resolution which was duly adopted by the Board of  
52 Commissioners of said Authority at a duly called and regularly held meeting thereof on July 18,  
53 2022.

54 I further certify that Commissioner \_\_\_\_\_ introduced said resolution and moved its  
55 adoption, which motion was duly seconded by Commissioner \_\_\_\_\_, and that upon  
56 roll call vote being taken thereon, the following Commissioners voted in favor thereof:  
57

58

59

60 and the following voted against the same:

61

62

63 whereupon said resolution was declared duly passed and adopted.

64 Witness my hand as the Executive Director of the Authority this 18<sup>th</sup> day of July, 2022.

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\_\_\_\_\_  
Executive Director, Patrick Trudgeon  
Roseville Economic Development Authority

