



Roseville Economic Development Authority (REDA)

Agenda

Monday, November 6, 2023

6:00 PM

City Council Chambers

(Any times listed are approximate – please note that items may be earlier or later than listed on the agenda)

- 6:00 p.m. **1. Roll Call**
Voting & Seating Order: Strahan, Etten, Schorder, Groff, and Roe
- 6:02 p.m. **2. Pledge of Allegiance**
- 6:03 p.m. **3. Approve Agenda**
- 6:04 p.m. **4. Public Comment**
- 5. Business Items**
- 6:05 p.m. a. Adopt a Resolution decertifying Tax Increment Financing District No. 23 (Marion Street/The Brittany Apartments)
- 6:10 p.m. b. Adopt a resolution authorizing amendments to the developer agreement with Twin Cities Habitat for Humanity and authorizing the President and Executive Director to enter into a grant agreement with Ramsey County Housing and Redevelopment Authority regarding use of grant funds for community land trust properties
- 6:25 p.m. c. Discussion regarding establishment of a Local Housing Trust Fund
- 6:45 p.m. d. Approve 2024 meeting dates
- 6:50 p.m. **6. Adjourn to City Council**

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date:

11/6/2023

Item No.:

5.a.

Department Approval

City Manager Approval



Item Description:

Adopt a Resolution decertifying Tax Increment Financing District No. 23 (Marion Street/The Brittany Apartments)

Background

Tax Increment Financing (TIF) District No. 23 was established on February 22, 2020 for future acquisition and rehabilitation of existing multifamily housing located at 1720, 1721, 1736, 1740, 1746, 1750 Marion Street; 175 and 195 Larpenteur Avenue W; and 1722, 1725, 1735, and 1736 Woodbridge Court (Attachment 1). The district was established because the City desired to attract a mission-orientated buyer and/or developer who would maintain and rehabilitate this existing naturally occurring affordable housing, as the property was listed for-sale. Establishment of the district, at this time, was also an attempt to collect increment from new homes that were going to be constructed in the geographic district, which included property to the immediate north.

Since the district was established, several developers experienced with affordable housing showed interest and bid on the property, in part, because of the existence of the Affordable Housing TIF District. However, it is staff's understanding the seller focused on securing a buyer with the highest price and was unwilling to accept offers that had longer due-diligence periods, which are customary with affordable housing acquisition and rehabilitation properties. The property was ultimately sold to Summit Acquisitions LLC. Staff met and/or corresponded via email or phone with this property owner, and their representative, multiple times, most recently in July of this year, to discuss the TIF district and the City's priorities surrounding the maintenance and preservation of these affordable rental units. However, the new owner has maintained he is uninterested in having any restrictions on the property, restrictions that would be a requirement of affordable housing assistance and include income and rent limitations for a certain percentage of units.

Minnesota Statutes states that a development agreement for a qualifying project must be executed within four years of creation of the district. Because the owner has been unwilling to enter into the necessary agreements in support of an affordable housing rehabilitation and preservation project, and

27 the four-year deadline is approaching, the district must be decertified. The official action to decertify
28 is adoption of a resolution. The REDA attorney has drafted the necessary resolution for adoption
29 (Attachment 2).

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32 **Policy Objectives**

33 The REDA's role is to coordinate and administer housing, economic development and
34 redevelopment efforts for the City of Roseville.

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37 **Racial Equity Impact Summary**

38 Not applicable.

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41 **Budget Implications**

42 The REDA did expend \$10,000 to create Affordable Housing TIF District No. 23. These costs were
43 paid for with tax increment administrative revenue. The City received approximately \$66,000 of
44 increment with the first half of 2023 property taxes (and a similar amount is anticipated with 2nd
45 half payments), 100% of which will be returned to the County for redistribution. The City's public
46 finance consultant estimates approximately \$45,000 will be returned to the City.

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49 **Staff Recommendations**

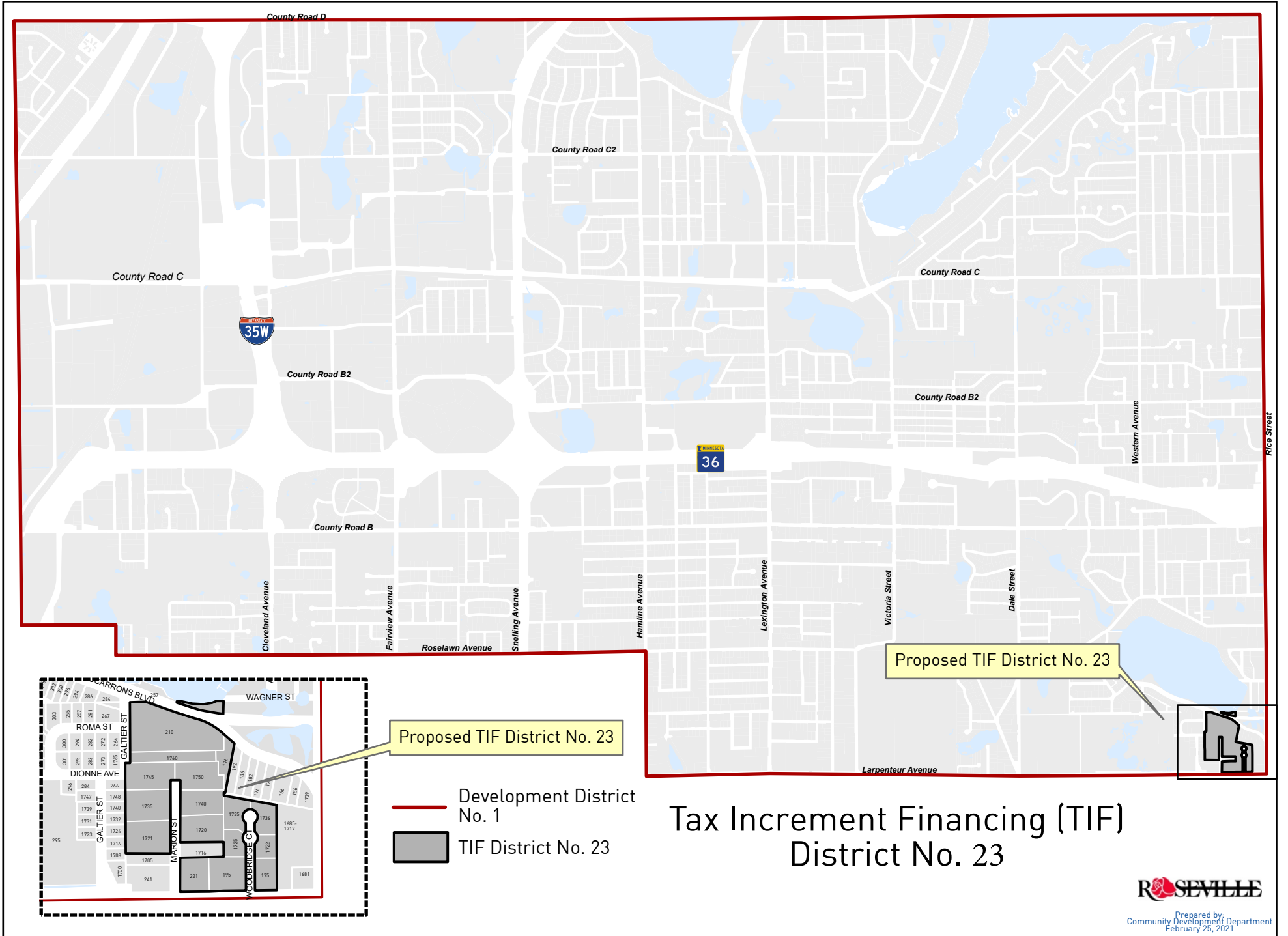
50 Approve a resolution (Attachment 2) decertifying Tax Increment Financing District No. 23 (Marion
51 Street/The Brittany Apartments).

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54 **Requested Council Action**

55 By motion, adopt a resolution (Attachment 2) decertifying Tax Increment Financing District No. 23
56 (Marion Street/The Brittany Apartments).

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59 **Prepared by:** Jeanne Kelsey, Housing and Economic Development Program Manager

Attachments: 1. Map of TIF district No.23
2. Resolution Decertifying TIF 23



Tax Increment Financing (TIF) District No. 23

- Development District No. 1
- TIF District No. 23



Prepared by:
Community Development Department
February 25, 2021

45 2. Authority staff is authorized and directed to deliver a copy of this
46 resolution to the County Auditor of Ramsey County, Minnesota (the
47 “County Auditor”) with instructions to decertify the TIF District as of the
48 date hereof, it being the intent of the City and Authority that any tax
49 increment derived from the TIF District and collected after the date hereof
50 should be redistributed by the County Auditor to the taxing jurisdictions
51 within the TIF District.

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53 3. Authority staff is further directed to return any remaining tax increment in
54 the accounts established for the TIF District, which is not eligible for
55 spending, as determined by Authority staff, to the County Auditor for
56 distribution to the taxing jurisdictions within the TIF District.

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

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

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63 and the following voted against the same:

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65 WHEREUPON said resolution was declared duly passed and adopted.
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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 November 6, 2023.

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 November, 2023.

Patrick Trudgeon, Executive Director
Roseville Economic Development
Authority

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date:

11/6/2023

Item No.:

5.b.

Department Approval

City Manager Approval



Item Description:

Adopt a resolution authorizing amendments to the developer agreement with Twin Cities Habitat for Humanity and authorizing the President and Executive Director to enter into a grant agreement with Ramsey County Housing and Redevelopment Authority regarding use of grant funds for community land trust properties

Background

On November 8, 2021, the Roseville Economic Development Authority (REDA) authorized a Master Grant Agreement for a Community Land Trust Program with Twin Cities Habitat for Humanity (TCHFH), and then amended the guidelines on January 24, 2022. The purpose of this request is to allow another amendment to the guidelines and to take actions regarding grant funds that have been secured for the Community Land Trust Program.

Amended Guidelines

Based on the sale of the first land trust home to a qualified buyer, staff and TCHFH request consideration of additional changes to the guidelines, removing purchasing limitations and clarifying the use of CDBG funds (Attachment 1). In summary, TCHFH would like to preserve options to purchase larger homes that may exceed the \$300,000 purchase price currently outlined in the guidelines as this would allow them to be more successful at placing families with children given the market price for these homes in Roseville. It's important to note, the REDA's maximum contribution would remain at \$80,000 per home. Regarding CDBG funds, the guideline noted below is proposed to be removed. This guideline existed solely because it was staff's understanding this was a requirement of Ramsey County regarding use of CDBG funds. However, we've recently been advised the 25% limitation is no longer a requirement.

Language proposed to be removed from the guidelines:

“For properties purchased directly by TCHH for inclusion in the land trust, and if using CDBG funds, the REDA will contribute an amount not to exceed 25% of the purchase price of the property, up to a maximum of \$80,000.”

Grant Funds

27 At the January 24, 2022 meeting, the REDA authorized staff to apply for Ramsey County and
28 Metropolitan Council grant funds to assist with affordability gap financing of homes acquired through
29 the Community Land Trust program. The REDA was awarded \$300,000 from the Metropolitan
30 Council Local Housing Incentives Funds (LHIF) and has five years to expend these funds, which
31 require a dollar-for-dollar match from the REDA. The REDA was awarded \$400,000 from the
32 Ramsey County Housing and Redevelopment Authority and has one year to expend these funds
33 (dollar-for-dollar match not required).

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35 Currently, there are five homes that will be ready to sell to qualified buyers in the next few
36 months. Given the time constraints of the grant from Ramsey County, these funds will be utilized
37 first. Attached is the Ramsey County Housing and Redevelopment Authority Grant Agreement
38 (Attachment 2), which must be executed before these grant monies can be spend. The REDA must
39 adopt a resolution to authorize execution of the grant agreement (Attachment 3). The REDA attorney
40 has worked closely with Ramsey County’s attorney regarding the language of the agreement.

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42 Lastly, the Master Long-Term Affordability Gap Assistance Grant Agreement and Developer
43 Agreement with TCHFH is proposed to be amended to reflect available grant funds awarded to the
44 REDA for qualified home buyers through the Community Land Trust program, ensuring TCHFH
45 abides by all requirements of the grant funds (Attachment 4 and 5).

46 47 48 **Policy Objectives**

49 The REDA’s role is to coordinate and administer housing, economic development and
50 redevelopment efforts for the City of Roseville.

51 52 53 **Racial Equity Impact Summary**

54 Establishment of the Community Land Trust partnership with TCHFH was in an effort to create and
55 maintain affordable homeownership opportunities. In Roseville, only 2.2% of Blacks own their
56 home and earn household incomes equal to 60% of Whites. Additionally, TCHFH has indicated
57 70% of land trust placements are people of color. This suggests the program will not negatively
58 impact racial equity

59 60 61 **Budget Implications**

62 The matching funds for the Metropolitan Council LHIF grant will come from dedicated American
63 Rescue Plan Account (ARPA) funds and existing Community Development Block Grant (CDBG)
64 funds.

65 66 67 **Staff Recommendations**

68 Authorize the grant agreement with Ramsey County Housing and Redevelopment Authority and
69 amended documents with TCHFH, both relating to the City’s Community Land Trust Program
70 (Attachment 3).

71 72 73 **Requested Council Action**

74 By motion, adopt the Resolution authorizing the President and Executive Director to execute the grant
75 agreement with Ramsey County Housing and Redevelopment Authority and revised documents with
76 TCHFH, both relating to the Community Land Trust Program (Attachment 3).

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Prepared by: Jeanne Kelsey, Housing and Community Development Program Manager

- Attachments:**
1. Revised Guidelines
 2. Ramsey County HRA & REDA grant agreement
 3. Resolution
 4. Master Long-Term Affordability Grant Assistance Grant Agreement
 5. Developer Agreement

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Guidelines for Allocation of REDA Funds For Community Land Trust Properties

The Roseville Economic Development Authority (REDA) supports the building and preservation of family and community wealth through the Community Land Trust (CLT) model in partnership with Twin Cities Habitat for Humanity or another nonprofit partner (the “Local Partner”) that meets the requirements of Minnesota Statutes, Sections 462A.30 to 462A.31. It proposes financial support for addition of CLT properties on the following terms.

Use of Funds

Funds from the REDA (the “Authority Funds”) may be used to cover all or a portion of the land acquisition costs in the case of a tax-forfeiture or the Affordability Gap for a single-family home or townhome purchased through a traditional sale. The Affordability Gap is defined as to each applicable property, the amount of Authority funds reserved to bridge all or a portion of the gap between (i) the amount of first- and subordinate mortgage financing the qualified homebuyer can afford, and (iii) the fee simple market value of the property. Two primary property acquisition scenarios are anticipated:

- **Local Partner acquisition of properties for inclusion in the land trust.** If using funds other than Community Development Block Grant (CDBG) funds, the REDA will contribute up to a maximum of \$80,000 to cover the Affordability Gap.
- **REDA acquisition of tax-forfeited properties for inclusion in the land trust.** The REDA will purchase such properties pursuant to Ramsey County’s Tax Forfeited Land Policies & Procedures for 25% of market value, plus maintenance costs and recording fees, up to an aggregate maximum amount of \$80,000 per property, regardless of the funding source.

Funding sources for the Authority Funds may include:

- Existing CDBG funds,
- Affordable Housing TIF,
- Housing Replacement Program funds,
- Grant funds, including but not limited to those from Ramsey County and the Metropolitan Council, and
- Local Housing Trust Funds.

Use of funds are subject to applicable federal, state, county and/or local rules governing such funds or, with regard to grant funds, any other conditions outlined within the grant agreement by and between the REDA and the Local Partner.

If the REDA receives matching funds from such other agencies, then such funds will be used as a dollar-for-dollar match of the REDA’s contribution toward the purchase price of the property. REDA’s aggregate maximum contribution shall be \$160,000 (including a maximum of \$80,000 REDA funds and a maximum of \$80,000 in matching funds). Funds may be awarded in excess of \$160,000 if such funds do not require a local match and come from a granting agency other than REDA.

General Conditions of CLT Property Purchase

- The Local Partner will inspect potential properties in partnership with the REDA and City staff to determine home eligibility and level of rehabilitation that may be required (if any). Depending on level of rehabilitation, the Local Partner will be responsible for finding resources to complete the home improvements identified.
- The partnership will actively pursue 1-4 homes per year priced through either private sales or listings on the NorthstarMLS.
- If the REDA utilizes matching funds from any awarded grant monies, the maximum sale price of a home to a qualified buyer must not exceed the limits established for Minnesota Housing's mortgage and down payment loan programs.
- The partnership will consider tax-forfeit properties for inclusion in the CLT.

Eligible Households

- Assets not to exceed \$25,000 (subject property and retirement funds excluded).
- Must be first-time homebuyers, unless a previous home was lost due to foreclosure.
- Sale and resale of CLT properties must be limited via a ground lease to low-to-moderate income households, meaning those households with incomes not exceeding 80 percent AMI, as determined by the U.S. Department of Housing and Urban Development (HUD), amounts which are updated annually.
- A member of the homebuyer household must commit to occupy and maintain an ownership interest in the property after acquiring the property, but no member of the homebuyer household may have had an ownership interest in the property at any time prior to acquisition.
- At least one homebuyer must, prior to purchase, complete homebuyer education or counseling, and/or financial education or counseling, from a member of the Minnesota Homeownership Center's Homeownership Advisors Network.
- Potential homeowners can utilize the REDA's down payment assistance funds if they meet the down payment assistance qualifications.

Adopted 11/8/2021
 Amended on 1/24/2022
 [Further amended on 11/09/2023]

**RAMSEY COUNTY
HOUSING AND REDEVELOPMENT AUTHORITY
AND
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY
HRA LEVY GRANT AGREEMENT**

THIS GRANT AGREEMENT (“Agreement”) is entered into this ____ day of _____, 2023, and is by and between the Ramsey County Housing and Redevelopment Authority, a political subdivision of the State of Minnesota (“Authority”), and Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota (“Grantee”).

RECITALS

1. Authority and Ramsey County have established the Housing Development Program (“Program”) to provide funding from a variety of federal and local sources for investment in the creation and preservation of affordable housing units within Ramsey County.
2. On June 6, 2023, by Resolution H2023-008, the Ramsey County Housing and Redevelopment Authority Board of Commissioners approved Grantee’s application, which is on file with the Authority (“Application”), by which Grantee will receive HRA Levy funding in the amount of not to exceed Four Hundred Thousand and 00/100 Dollars (\$400,000.00) (the “Grant”) to be used to preserve affordable housing within Ramsey County pursuant to the eligibility requirements established by the Authority and Ramsey County.
3. Authority has agreed to make the Grant on terms as set forth in this Agreement.
4. Grantee seeks to provide downpayment assistance to homebuyers with incomes at or below 80% of the area median income for Ramsey County (“Homebuyers”) that are purchasing single-family homes or townhomes (the “HRA Supported Units”) from Twin Cities Habitat for Humanity (“Habitat”) through Grantee’s community land trust model, as provided in Minnesota Statutes §§ 462A.30 - .31.
5. Grantee has submitted an application (“Application”) to fund certain activities as described in **Exhibit A** (“Project”) as permitted by the Program (“Eligible Activities”).
6. The Project will occur in the City of Roseville, in Ramsey County, Minnesota.
7. Authority has concluded that Grantee has the necessary expertise, skill, and ability to successfully complete the Project and that the Project is in the best interests of Authority and will positively contribute to meeting the goals of the Program.
8. The Board of the Roseville Economic Development Authority has by majority vote, approved the Project by Resolution, which is attached hereto as **Exhibit B**.
9. In order to ensure the benefit of the affordable housing to be established as part of the Project ,

Grantee will cause Habitat to execute and deliver to Authority for recording in the Office of the Ramsey County Recorder/Registrar of Titles, a Declaration of Restrictive Covenants of even date herewith (“Declaration”) in the form of **Exhibit D**, setting forth the affordability covenants for each HRA-Levy Supported Unit, which shall be recorded thereon and run with the land for the benefit of the Authority.

NOW THEREFORE, in order to induce Authority to make the Grant to Grantee, and in consideration of the mutual covenants and agreement contained herein, Authority and Grantee agree as follows:

ARTICLE 1 TERMS OF GRANT

Section 1.01 Grant Amount. Authority agrees to provide this Grant to Grantee in the amount of not to exceed Four Hundred Thousand and 00/100 Dollars (\$400,000.00) upon the terms and conditions and for the purposes set forth in this Agreement. The Grant constitutes a grant of funds, and no portion of the Grant is to be repaid by Grantee to Authority unless mutually agreed to by all parties as part of this Agreement or an Event of Default (as defined below) occurs.

Section 1.02 Documents Delivered with Agreement. Prior to, or contemporaneously with the execution of this Agreement, Grantee has delivered to Authority the following documents and/or instruments, each of which will be in a form acceptable to Authority.

- A. Evidence of the insurance coverages required by this Agreement in a form acceptable to Authority, to be submitted on an annual basis on the anniversary date of this Agreement.
- B. Certificate of an authorized member of Grantee with Resolution of Grantee authorizing the execution and delivery of this Agreement and any other documents described in this Agreement.
- C. The Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions as set forth in **Exhibit C**.

Section 1.03 Use of Funds. Grantee agrees to use the Grant funds (the “Funds”) solely for the purposes and activities described in the Eligible Activities. The Funds shall not be used for (a) costs in the Project that are not labeled as Eligible Activities, or (b) administration expenses. Labor costs are only eligible to be covered if the labor is done by a third-party who has no financial interest in the Project, as defined herein, other than the value of such work.

Section 1.04 Grant Term. The Project shall be completed in a timely manner and all Funds will be expended no later than **March 1, 2024**, unless extended in writing by Authority (“End Date”).

Section 1.05 Disbursement of Funds.

- A. Authority will disburse the Funds by wire transfer to the title company handling the closing of the HRA Supported Unit in response to a written request for Funds (“Fund Request”) submitted to Authority by Grantee upon forms provided by Authority and accompanied by copies of bills and invoices from third parties for which Grantee seeks disbursement. Subject to verification of the facts contained in each Fund Request and a determination of compliance with the terms of this Agreement, Authority will disburse the requested amount to title. Allow 10 days after submitting a Fund Request to assure availability of Funds at closing.
- B. The following are events and conditions precedent to the disbursement of the Funds:
 - 1. No Event of Default under this Agreement shall have occurred and be continuing, unless waived in writing by Authority in its sole discretion; and
 - 2. As applicable with respect to each disbursement, Grantee shall have received or Authority shall have determined that Grantee will receive all necessary rezoning, variances, conditional use permits, building permits and other permits, and subdivision, site plan and other approvals needed to permit the construction for which funds are requested.

Section 1.06 Unused Funds. Upon the earlier of (a) the completion of the Project; (b) the End Date; or (c) the termination of this Agreement, any Funds not previously disbursed for any reason, shall not be bound by the terms of this Agreement and may be retained by Authority, at Authority’s sole discretion.

Section 1.07 Business Subsidy. The parties hereto agree and acknowledge that the Grant does not constitute a business subsidy under Minnesota Statutes, §§116J.993 to 116J.994, as amended, because the assistance is for housing.

Section 1.08 Prevailing Wage. The Project will conform with the labor laws of the State of Minnesota, and all other laws, ordinances, and legal requirements affecting the work in Ramsey County and Minnesota including the Ramsey County Prevailing Wage Ordinance No. 2013-329. Funds used to provide downpayment assistance to Homebuyers will not be subject to prevailing wage monitoring by Ramsey County.

ARTICLE 2 INSURANCE AND INDEMNIFICATION

Section 2.01 Insurance. Grantee will cause Habitat to purchase and maintain such insurance as will protect it from claims which may arise out of, or result from, its operations related to this Agreement, whether such operations be by Habitat or by any subcontractor, or by anyone directly employed by them, or by anyone for whose acts any one of them may be liable. Certificates of Insurance shall be issued evidencing such coverage to Authority throughout the term of this Agreement.

- A. Commercial General Liability Insurance. The policy will be written on an occurrence basis using ISO form CG 00 01 or its equivalent. Coverage shall include contractual liability

and XCU. Grantee is required to add Authority, Ramsey County, their officials, employees, volunteers and agents as Additional Insured to Grantee's Commercial General Liability and Umbrella policies with respect to liabilities caused in whole or part by Grantee's acts or omissions, or the acts or omissions of those acting on Grantee's behalf in the performance of the ongoing operations, services and completed operations of Grantee under this Agreement. The coverage provided shall be primary and non-contributory, and in the following amounts:

- \$ 500,000 per claim
- \$1,000,000 per occurrence
- \$2,000,000 general aggregate
- \$2,000,000 products/completed operations total limit
- \$1,500,000 personal injury and advertising liability

- B. Automobile Insurance. Coverage shall be provided for hired, non-owned and owned auto with minimum limits of \$1,000,000 combined single limit.
- C. Workers' Compensation and Employers' Liability. Workers' Compensation as required by Minnesota Statutes.
- D. Property Insurance. Grantee will cause Habitat to ensure that HRA-Levy-Supported Units acquired with Funds have property insurance secured on a replacement cost, all risk basis for both real and personal property.
- E. Grantee shall provide Authority with prior notice of any lapse in the insurance required under this Agreement including cancellation, and/or non-renewal or material change in coverage. The above sub-paragraphs establish minimum insurance requirements, and it is the sole responsibility of Grantee to purchase and maintain additional coverages as it may deem necessary in connection with this Agreement. Certificate of Insurance must demonstrate that the policy is issued pursuant to these requirements. Copies of insurance policies shall be submitted to Authority upon request. Certificates shall specifically indicate if the policy is written with an admitted or non-admitted carrier. Best's Rating for the insurer shall be noted on the Certificate, and shall not be less than an A-.
- F. Nothing in this Agreement shall constitute a waiver by Authority or Ramsey County of any statutory or common law immunities, limits, or exceptions on liability.

Section 2.02 Hold Harmless and Indemnification.

- A. Grantee agrees that it is financially responsible (liable) for any audit exception which occurs due to its negligence or failure to comply with the terms of this Grant Agreement.
- B. Grantee agrees to hold harmless and defend Authority, its officials, officers, employees, agents, representatives, customers, or invitees against any and all claims, lawsuits, damages, or lawsuits for damages arising from or allegedly arising from or related to the project, including but not limited to Grantee's acts, failures to act, or failures to perform its

obligations under this Grant Agreement, and to pay the costs of and/or reimburse Authority, its officials, officers, employees, agents, representatives, customers, or invitees for any and all liability, costs, and expenses (including without limitation reasonable attorneys' fees and costs) incurred in connection with such acts or failures by Grantee. Authority is required to promptly notify Grantee of any claim made for any such damage or loss and afford Grantee and its counsel the opportunity to contest, compromise, or settle such claim.

- C. Nothing in this Grant Agreement will constitute a waiver by Authority of any statutory limits or exceptions on liability.

ARTICLE 3 GRANTEE REPRESENTATIONS AND WARRANTIES

Section 3.01 Grantee represents and warrants to the Lender that:

- A. It is a public body corporate and politic and political subdivision of the State of Minnesota and duly organized in good standing under applicable laws of the State of Minnesota and that it has legal authority to execute, deliver, and perform its obligations under this Agreement.
- B. The execution and delivery of this and the performance by Grantee of its obligations hereunder, do not and will not violate or conflict with any provision of law or the operating agreement of Grantee and do not and will not violate or conflict with, or cause any default or event of default to occur under, any agreement binding upon Grantee.
- C. Grantee warrants that it has complied with all applicable state and federal laws pertaining to the Project and will require Habitat to fully comply with all applicable state and federal laws pertaining to the Project throughout the terms of this Agreement. If at any time Grantee receives notice of noncompliance from any governmental entity regarding the Project, Grantee agrees to take any necessary action to require Habitat to comply with the state or federal law in question.
- D. Grantee will cause Habitat to obtain, in a timely manner, all required permits, licenses and approvals, and to meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met for the completion of the Project.

Section 3.02 Project Site Acknowledgements. Grantee represents and warrants that it shall acknowledge the assistance provided by the Authority in promotional materials, press releases, reports and publications relating to the Project that are funded in whole or in part with the Grant.

Section 3.03 Assignment. Grantee shall not cause or permit any voluntary transfer, assignment, or other conveyance of this Agreement without the written consent of Authority. Any

non-approved transfer, assignment or conveyance shall be void. Notwithstanding the foregoing, the Authority hereby authorizes the Grantee to subgrant the Funds to Habitat.

ARTICLE 4 DEFAULT AND REMEDIES

Section 4.01 Event of Default. Any and all of the following events shall constitute an “Event of Default” under this Agreement:

- A. If Grantee makes a general assignment for the benefit of creditors, admits in writing its inability to pay its debts generally as they mature, files a petition in bankruptcy or a petition or answer seeking a reorganization, arrangement with creditors or other similar relief under the federal bankruptcy laws or under any other applicable law of the United States of America or any State, consents to the appointment of a trustee or receiver for Grantee or for its property, or is adjudged as bankrupt on an involuntary petition in bankruptcy, or takes any action for the purpose of effecting or consenting to any of this Section 4.01.
- B. If an order, judgment, or decree will be entered appointing, without Grantee’s consent, a trustee for Grantee, or a substantial part of its property, or approving a petition filed against Grantee seeking a reorganization, arrangement with creditors, or other similar relief under the federal bankruptcy laws, or under any other applicable law of the United States of America or any State, and such order, judgment, or decree will not be vacated or set aside or stayed within sixty (60) days from the date of entry of such order, judgment, or decree.
- C. If, without the written consent of Authority, Grantee’s interest in the Project or this Agreement is sold, assigned, transferred, or otherwise conveyed, whether voluntary, involuntary or by operation of the law.
- D. Grantee uses any portion of the Funds for purposes other than specified herein.
- E. Grantee fails to comply with any of the terms, conditions, requirements, representations, warranties or provisions contained in its Application, this Agreement, or any other Authority document.
- F. Any of the information, documentation or representations that Grantee supplied to Authority in its Application, this Agreement or any other Authority document to induce Authority to make the Grant is determined to be false, untrue, or misleading in any material manner.

Section 4.02 Remedies. Upon the occurrence of an Event of Default, Authority may immediately, without notice to Grantee, suspend its performance under this Agreement. After providing thirty (30) days written notice to Grantee of an Event of Default, but only if the alleged Event of Default has not been fully cured within said thirty (30) days by Grantee, Authority may: (a) refrain from disbursing any further Funds; (b) demand that any amount of Funds already disbursed to Grantee be immediately returned to Authority, and upon such demand, Grantee shall immediately return such proceeds to Authority; (c) take any action provided for in law to enforce

compliance by Grantee with the terms of this Agreement; (d) terminate this Agreement by written notice; and (e) pursue whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to collect all costs (including reasonable attorneys' fees) and any amounts due under this Agreement or to enforce the performance and observance of any obligation, agreement, or covenant hereof.

Section 4.03 Authority's Costs of Enforcement of Agreement. If an Event of Default has occurred as provided herein, then upon demand by Authority, Grantee shall pay or reimburse Authority for all expenses, including all attorneys' fees and expenses incurred by Authority in connection with the enforcement of this Agreement, or in connection with the protection or enforcement of the interests of Authority in any litigation or in any action or proceeding relating in any way to the transactions contemplated by this Agreement.

Section 4.04 No Remedy Exclusive. No remedy herein conferred upon or reserved to Authority is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Authority to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as provided in Section 4.02.

Section 4.05 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by Grantee and thereafter waived by Authority, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE 5 ACCOUNTING, AUDIT AND REPORTING REQUIREMENTS

Section 5.01 Accounting and Records. Grantee agrees to establish and maintain complete, accurate and detailed accounts and records relating to the receipt and expenditure of all Funds received under this Agreement. Such accounts and records shall be kept and maintained by Grantee for a period of six (6) years following the termination of this Agreement. Accounting methods shall be in accordance with generally accepted accounting principles.

Section 5.02 Audits. The accounts and records of Grantee described in Section 5.01 shall be audited in the same manner as all other accounts and records of Grantee and may, for a period of six (6) years following the termination of this Agreement, be inspected on Grantee's premises by Authority or individuals or organizations designated by Authority, upon reasonable notice thereof to Grantee. The books, records, documents and accounting procedures relevant to this Agreement are subject to examination by the State Auditor in accordance with Minnesota law.

Section 5.03 Grantee further agrees that it is financially responsible (liable) for any audit exception which occurs due to its negligence or failure to comply with the terms of the Agreement.

ARTICLE 6 GENERAL PROVISIONS

Section 6.01 Amendments. This Agreement represents the entire agreement between Authority and Grantee on the matters covered herein. No other agreement, statement, or promise made by any party, or by any employee, officer, or agent of any party that is not in writing and signed by all the parties to this Agreement shall be binding. Authority and Grantee may amend this Agreement by mutual agreement and shall be effective only on the execution of written amendments signed by authorized representatives of Authority and Grantee.

Section 6.02 Equal Opportunity and Non-discrimination. Grantee will comply with all federal, state, and local laws prohibiting discrimination on the basis of age, race, creed, color, national origin, sex, gender identity, marital status, disability (including sensory, mental or physical), status with regard to public assistance, sexual orientation, familial status (including minor dependents), or any other basis now or hereafter prohibited by law. Grantee will include in all solicitations for work on the Project, a statement that all qualified applicants will be considered for employment. The words "Equal Opportunity Employer" in advertisements shall constitute compliance with this section. Grantee will not discriminate, or allow any contractor, subcontractor, union, or vender engaged in any activity in connection with the Project to discriminate against any employee or applicant for employment in connection with the Project because of race, creed, color, national origin, sex, gender identity, marital status, disability (including sensory, mental or physical), status with regard to public assistance, sexual orientation, familial status (including minor dependents), age, or any other basis now or hereafter prohibited by law, except when there is a bona fide occupational limitation, and will take affirmative action to insure applicants and employees are treated equally with respect to all aspects of employment, rates of pay and other forms of compensation, and selection for training.

Section 6.03 Conflict of Interest. The members, officers and employees of Grantee shall comply with all applicable state statutory and regulatory conflict of interest laws and provisions.

Section 6.04 Severability. If one or more provisions of this Agreement are found invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions shall not in any way be affected, prejudiced, disturbed, or impaired thereby, and all other provisions of this Agreement shall remain in full force.

Section 6.05 Time. Time is of the essence in the performance of the terms and conditions of this Agreement.

Section 6.06 Notices. Any notices required or contemplated under this Agreement will be effective upon the placing of such notice in the United States mails, certified mail, return receipt requested, postage prepaid, and addressed as follows:

To Authority:

Ramsey County Housing and Redevelopment Authority
Office of the County Manager
250 Courthouse
15 West Kellogg Blvd.
St. Paul, MN 55102

With a courtesy copy to:

Ramsey County Attorney's Office, Civil Division
ATTN: HRA Attorney
121 Seventh Place East, Suite 4500
St. Paul, MN 55101

To Grantee:

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

or at such other address that Grantee may, from time to time, designate in writing. Mailed notices shall be deemed duly delivered two (2) business days after the date of mailing.

Section 6.07 Warranty of Legal Capacity. The individuals signing this Agreement on behalf of Grantee and on behalf of Authority represent and warrant on Grantee's and Authority's behalf respectively that the individuals are duly authorized to execute this Agreement on Grantee's and Authority's behalf, respectively and that this Agreement constitutes Grantee's and Authority's valid, binding, and enforceable agreements.

Section 6.08 Electronic Signatures; Execution in Counterparts. The electronic signature of the parties to this Agreement shall be as valid as an original signature of such party and shall be effective to bind the parties hereto. For purposes hereof, (i) "electronic signature" means a manually signed original signature that is then transmitted by electronic means; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6.09 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, without regard to choice of law principles. All litigation regarding this Agreement will be venued in the appropriate state or federal district court in Ramsey County, Minnesota.

Section 6.10 Data Practices. All data collected, created, received, maintained or disseminated for any purpose in the course of Grantee's performance of this Agreement is governed by the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, and

any other applicable state statutes, any state rules adopted to implement the Act and statutes, as well as federal statutes and regulations on data privacy.

Section 6.11 Final Report. Grantee agrees to provide Authority a final report, on such form as provided by Authority, prior to the termination of this Agreement.

Section 6.12 Incorporation of Recitals and Exhibits. The Recitals made at the beginning of this Agreement, and the Exhibits that are attached to this Agreement, are true and correct and, by this reference, are incorporated into and made a part of this Agreement.

Section 6.13 Miscellaneous.

A. All representations, warranties, and covenants contained in this Agreement or made in writing by or on behalf of Grantee in connection with the transactions contemplated by this Agreement will survive the execution and delivery of this Agreement, and the exercise of any rights or remedies by Authority. All statements contained in any certificate or other instrument delivered by or on behalf of Grantee pursuant to such certificate or other instrument, or in connection with the transactions contemplated by this Agreement will constitute representations and warranties by Grantee.

B. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the parties to this Agreement, except that Grantee's rights under this Agreement are not assignable without the prior written consent of Authority, which will not be unreasonably withheld. Without limiting the discretion otherwise afforded Authority in granting or withholding its consent to such an assignment, the parties agree that such consent may be withheld in regard to any such assignment which Authority finds to be inconsistent with the purposes for which the Funds which are the subject of this Agreement was made. Notwithstanding the foregoing, the Authority authorizes the Grantee's use of the Grant to make subgrants to Habitat and to assign certain requirements of this Agreement to Habitat.

C. If any provision of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability will not affect any other provisions of this Agreement, and this Agreement will be construed as if the unlawful or unenforceable provisions had never been contained in this Agreement.

D. It is agreed that nothing contained in this Agreement is intended or should be construed as creating the relationship of agents, partners, joint venturers, or associates between the parties or as constituting Grantee as the employee of Authority for any purpose or in any manner whatsoever. Grantee is an independent contractor and neither it, its employees, agents nor representatives are employees of Authority.

[Signature Pages Follow]

**SIGNATURE PAGE TO
RAMSEY COUNTY HRA GRANT AGREEMENT**

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the date and year first written above.

GRANTEE:

**ROSEVILLE ECONOMIC
DEVELOPMENT AUTHORITY,**
a public body corporate and politic and
political subdivision of the State of Minnesota

By: _____
Its: President

By: _____
Its: Executive Director

**SIGNATURE PAGE TO
RAMSEY COUNTY HRA GRANT AGREEMENT**

**RAMSEY COUNTY HOUSING AND
REDEVELOPMENT AUTHORITY**

By: _____
Ryan T. O'Connor,
Ramsey County Manager

Approval Recommended:

Community and Economic Development

Approved as to Form:

Assistant Ramsey County Attorney

EXHIBIT A

Project

Eligible Activities

- Grantee will provide downpayment assistance to first time Homebuyers at or below 80% of the area median income for Ramsey County to purchase single-family homes or town homes from Twin Cities Habitat for Humanity. Awards of downpayment assistance to Homebuyers are limited to a maximum of \$200,000 per HRA Supported Unit.

EXHIBIT B

EDA Resolution

EXHIBIT C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY AND VOLUNTARY EXCLUSION -
LOWER TIER COVERED TRANSACTIONS**

As required by the Ramsey County Contract Compliance and Debarment Ordinance, the Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota (“Grantee”), certifies that neither it, nor its principals, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded, by any Federal department or agency, or the State of Minnesota or Ramsey County, from participation in the transaction made by the Agreement dated evenly with it (“Agreement”) between the Ramsey County Housing and Redevelopment Authority (“Authority”) and Grantee.

As a lower tier participant, Grantee agrees that by submitting this certification, it will not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by Authority.

Grantee agrees to cause Habitat to provide a list of its contractors hired for the Project to Authority prior to any disbursement of Funds under the Agreement and update when needed throughout the Project.

The terms of the Agreement are incorporated into this certification and all capitalized terms in this certification which are defined in the Agreement will have the meanings set forth in the Agreement.

GRANTEE:

ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY,
a public body corporate and politic and
political subdivision of the State of Minnesota

By: _____

Its: _____

Dated: _____, 2023

EXHIBIT D

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (HRA LEVY)

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (“Declaration”) is made this ____ day of _____, 2023, by Twin Cities Habitat for Humanity, a Minnesota non-profit corporation (“Declarant”).

RECITALS

- A. The Ramsey County Housing and Redevelopment Authority (“Authority”) and Ramsey County have established the Housing Development Program to provide funding from a variety of federal and local sources for investment in the creation and preservation of affordable housing units within Ramsey County (the “County Program” or “Program”); and
- B. Pursuant to Minnesota Statutes § 469.033, subd. 6, the Authority may levy a special benefit tax throughout its area of operation (the “HRA Levy”); and
- C. On December 21, 2021, the Ramsey County Housing and Redevelopment Authority Board of Commissioners approved Resolution H2021-008, which approved the 2022-2023 Ramsey County Housing and Redevelopment Authority amount of \$11.1 million (the “HRA Levy Funds”); and
- D. On June 6, 2023 by Resolution H2023-008, the Ramsey County Housing and Redevelopment Authority Board of Commissioners approved an application by the Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota (“REDA”), which is on file with Authority (“Application”), by which REDA will receive HRA Levy Funds in the amount not to exceed Four Hundred Thousand and 00/100 Dollars (\$400,000.00) (“Funds”) to be used to provide downpayment assistance to first time homebuyers with incomes at or below 80% of the area median income for Ramsey County (“Homebuyers”) for the acquisition of single-family homes and townhomes (“HRA-Levy-Supported Units”) through the community land trust model, as provided in Minnesota Statutes §§ 462A.30 - .31. The HRA-Levy-Supported Units are sold to Homebuyers pursuant to a written ground lease wherein Declarant retains ownership of the land; and
- E. Funds are being used to assist a Homebuyer with the purchase of property legally described in **Exhibit A** (“Property”) as permitted by the Program; and
- F. The Authority has required REDA to cause the Declarant to execute, deliver and record this Declaration in order to satisfy the requirements of the County Program as a condition of providing the HRA Levy Funds.

NOW THEREFORE, Declarant imposes upon the Property and hereby represents, covenants, and agrees that the following covenants, conditions, and restrictions will be covenants

running with the land, will be binding upon the Declarant and their successors and assigns, and will inure solely to the benefit of the Authority:

- A. Declarant will ensure that at the time that the Property is purchased by a Homebuyer, the Homebuyer meets the affordability requirements specified in the County Program.
- B. This Declaration shall be in effect for a period of not less than thirty (30) years and will commence upon recording of this Declaration with the Ramsey County Recorder or Registrar of Titles.
- C. The Property will be sold to a Homebuyer pursuant to a written ground lease wherein Declarant retains ownership of the land that complies with the requirements of the County Program.
- D. Notwithstanding anything contained herein or implied hereby to the contrary, the foregoing covenants and restrictions will cease to apply to the Property in the event of a foreclosure of a first mortgage on the Property, any transfer in lieu of foreclosure thereof, or cancellation of a contract for deed on the Property, provided said foreclosure, transfer in lieu of foreclosure, or cancellation is not for the purpose of avoiding low-income affordability requirements. In the event of a transfer in lieu of a foreclosure of a first mortgage on the Property, the Authority will have rights equivalent to a junior creditors' statutory right of redemption pursuant to Minnesota Statutes § 580.24 in order that the Authority may, at its option, maintain the low-income affordability of the Property.
- E. In the event that Declarant, or any entity succeeding to the interest of Declarant hereunder, will default in its performance or observance of any covenant, agreement or restriction set forth herein and such default will remain uncured for a period of thirty (30) days after notice thereof will have been given by the Authority to the Declarant, its successors or assigns, then in such case, pursuant to the terms of this Declaration, the Funds will become immediately repayable in full upon written demand by the Authority. In addition, (i) the Authority may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violations; (ii) the Authority may require the Declarant, its successors or assigns, to demonstrate to the satisfaction of the Authority that any default has been corrected and the Authority may take any action reasonably necessary to investigate and substantiate the existence or correction of the default; or (iii) the Authority may seek specific performance of the covenants and restrictions contained herein. Declarant, its successors or assigns, hereby agree to pay, indemnify and hold the Authority harmless from any and all costs and expenses incurred by the Authority because of the default by Declarant hereunder, including all actions taken by the Authority to cure such default, including reasonable attorney's fees in any action for specific performance hereof.

- F. This Declaration will terminate in accordance with its own terms thirty (30) years from the date of recording as described in Paragraph A above.
- G. The Recitals made at the beginning of this Declaration, and the Exhibit that is attached to this Declaration, are true and correct and, by this reference, are incorporated into and made a part of this Declaration.

[Signature Page Follows]

IN WITNESS WHEREOF, the Declarant has caused this declaration to be executed by their duly authorized representatives, as of the day and year first written above.

DECLARANT:

TWIN CITIES HABITAT FOR HUMANITY
a Minnesota nonprofit corporation

By: _____

Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2023, by _____, the _____ of Twin Cities Habitat for Humanity, a Minnesota nonprofit corporation, on behalf of the nonprofit corporation.

Notary Public

Exhibit A
to
Declaration of Covenants, Conditions, and Restrictions

Legal Description

>(Legal Description of Property)

45 WHEREAS, on June 6, 2023, pursuant to Resolution H2023-008, the Board of
46 Commissioners of the County HRA approved REDA’s Grant Application
47 for a grant in an amount of up to Four Hundred Thousand and 00/100
48 Dollars (\$400,000.00) to support the Program (the “County HRA Grant”),
49 and the County HRA has provided REDA with a form of Grant Agreement,
50 by and between the County HRA and REDA, to govern the use of the
51 County HRA Grant funds (the “County HRA Grant Agreement”); and
52

53 WHEREAS, in addition, REDA now desires to (i) revise the Guidelines (the “Revised
54 Guidelines”) and the form Developer Agreement be entered into with
55 Habitat for each land trust property (the “Revised Development
56 Agreement”), and (ii) amend and restate the Grant Agreement (the
57 “Amended Grant Agreement”) to clarify the roles and responsibilities of
58 REDA and Habitat with respect to the Program and with respect to the
59 County HRA Grant and certain other grant funds received by REDA for
60 the Program.
61

62 NOW, THEREFORE, BE IT RESOLVED as follows:
63

64 1. The Board hereby approves the County HRA Grant Agreement, the
65 Revised Guidelines, the Revised Development Agreement, and the
66 Amended Grant Agreement and the Board finds, determines and declares
67 that it is in the public interest of the residents and businesses of the City
68 that the County HRA Grant Agreement, the Revised Guidelines and the
69 Amended Grant Agreement be approved.
70

71 2. The Board hereby approves any related documents necessary in
72 connection with the County HRA Grant Agreement, the Revised
73 Guidelines and the Amended Grant Agreement, including without
74 limitation all documents or certifications referenced in or attached to the
75 County HRA Grant Agreement, Revised Development Agreement,
76 Revised Guidelines or the Amended Grant Agreement (collectively, the
77 “Program Documents”), and the REDA Executive Director and President
78 are hereby authorized to execute the Program Documents on behalf of
79 REDA, and the Executive Director is authorized to carry out, on behalf of
80 REDA, REDA’s obligations thereunder when all conditions precedent
81 thereto have been satisfied.
82

83 3. The approval hereby given to the Program Documents includes approval
84 of such additional details therein as may be necessary and appropriate and
85 such modifications thereof, deletions therefrom and additions thereto as
86 may be necessary and appropriate and approved by legal counsel to REDA
87 and by the Executive Director prior to their execution; and the Executive
88 Director is hereby authorized to approve said changes on behalf of REDA.
89 The execution of any instrument by the appropriate officers of REDA
90 herein authorized shall be conclusive evidence of the approval of such

91 document in accordance with the terms hereof. In the event of absence or
92 disability of the Executive Director or President, any of the Program
93 Documents authorized by this Resolution to be executed may be executed
94 without further act or authorization of the Board by any duly designated
95 acting official, or by such other officer or officers of the Board as, in the
96 opinion of legal counsel to REDA, may act on the Executive Director's
97 behalf.
98

99 4. The authority to approve, execute and deliver future amendments to the
100 Program Documents is hereby delegated to the Executive Director and the
101 President, subject to the following conditions: (a) such amendments or
102 consents do not materially adversely affect the interests of the REDA; (b)
103 such amendments or consents do not contravene or violate any policy of
104 the REDA, the City or applicable provision of law, and (c) such
105 amendments or consents are acceptable in form and substance to the
106 counsel retained by the REDA to review such amendments. The
107 execution of any instrument by the Executive Director shall be conclusive
108 evidence of the approval of such instruments in accordance with the terms
109 hereof.
110

111 5. The Board authorizes and directs the Executive Director and REDA staff
112 to undertake and implement the Program Documents as provided therein
113 and take all actions necessary in connection therewith. Further, the Board
114 authorizes and directs the Executive Director to disburse the Authority
115 Funds (as defined in the Amended Grant Agreement) and funds that will
116 be reimbursed from proceeds of the LHIA Grant funds (as defined in the
117 Amended Grant Agreement) provided that such funds do not exceed
118 \$160,000 for each land trust property pursuant to the terms and conditions
119 of the Program Documents.
120

121
122 The motion for the adoption of the foregoing resolution was duly seconded by Member

123
124 , and upon a vote being taken thereon, the following voted in favor thereof:

125
126 and the following voted against the same:

127
128 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 regular meeting thereof on November 6, 2023.

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 November 2023.

Patrick Trudgeon, Executive Director
Roseville Economic Development
Authority

**AMENDED AND RESTATED MASTER LONG-TERM AFFORDABILITY GAP ASSISTANCE
GRANT AGREEMENT**

Community Land Trust Project

THIS AMENDED AND RESTATED MASTER GRANT AGREEMENT (the “Grant Agreement” or “Agreement”), is made and entered into this __ day of November, 2023, by and between Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State of Minnesota (the “Authority” or “Grantor”), and Twin Cities Habitat for Humanity, Inc., a Minnesota non-profit corporation (the “Grantee”),

WITNESSETH:

WHEREAS, the Authority has established Community Land Trust Guidelines, as amended (the “Guidelines”), setting baseline considerations and guidance for the implementation of a community land trust, and has allocated funds for support of community land trusts in a manner consistent with the Guidelines from several sources including without limitation Community Development Block Grant funds, pooled tax increment, Housing Replacement Program funds, and various grants (the “Authority Funds”); and

WHEREAS, on September 20, 2021, the Board of Commissioners of the Authority selected the Grantee as its partner in the acquisition and development of community land trust properties (the “Properties”), which will provide new opportunities for homeownership for low- and moderate-income households through the community land trust model in accordance with the Guidelines; and

WHEREAS, on November 8, 2021, the Grantor and the Grantee entered into a Master Grant Agreement (the “Original Agreement”) pursuant to which the Grantor granted the Authority Funds (the “Grant”) to the Grantee for the purposes of providing Long-Term Affordability Gap Assistance in the acquisition of Properties from time to time and the sale and resale of Improvements to Qualified Homebuyers, each as defined herein; and

WHEREAS, the Grantor and the Grantee now desire to amend and restate the Original Agreement to clarify their roles and responsibilities with respect to the Guidelines and the Authority Funds as further detailed herein;

NOW, THEREFORE, in consideration of the mutual obligations described herein, the parties hereto agree as follows:

I. DEFINITIONS

As used in this Grant Agreement, the following terms have the following meaning:

Authority or Grantor: The Roseville Economic Development Authority, a public body corporate and politic and political subdivision of the State.

Authority Funds: Those funds provided by the Authority that comprise the Grant.

Closing Date: A date agreed to by the Authority and Grantee, at which time either (a) the Authority will provide Authority Funds to the Grantee and the Grantee will record a Declaration against a Property that is part of a community land trust; or (b) the Authority will convey a Property to the Grantee and the Grantee will record a Declaration against a Property that is part of a community land trust.

County: Ramsey County, Minnesota, a body corporate and politic and political subdivision of the State.

County HRA: The Ramsey County Housing and Redevelopment Authority, a political subdivision of the State.

County HRA Grant: A grant in an amount not to exceed \$400,000, made by the County HRA through the County and the County HRA's Housing Development Program to the Authority to support the Project pursuant to the County HRA Grant Agreement.

County HRA Grant Agreement: The HRA Levy Grant Agreement by and between the Authority and the County HRA dated _____, 2023, pursuant to which the County HRA shall provide the County HRA Grant for the Project and attached hereto as Exhibit E.

Declaration: The Declaration of Covenants, Conditions, and Restrictions Running with the Land, in substantially the form attached hereto as Exhibit D.

Disbursement Request Form: The form to be provided by the Authority and to be submitted by the Grantee to the Authority when a disbursement is requested and which is described in Article VII hereof.

Grant: The Authority Funds allocated to the Project.

Grantee: Twin Cities Habitat for Humanity, Inc., a Minnesota non-profit corporation.

Grantee Documents: Any and all documents and instruments in connection with this Agreement as reasonably requested by the Grantor, including but not limited to the Third Party Grant Agreements.

Ground Lease: A Ground Lease for the Land portion of any Property in substantially the form attached hereto as Exhibit C.

Guidelines: The Guidelines for Allocation of REDA Funds for Community Land Trust Properties, as amended, incorporated herein by reference.

Household Housing Ratio: The ratio of the following combined monthly housing expenses associated with the Land to the household's projected annual family income divided by 12; (a) principal and interest on first and subordinate mortgages; (b) property taxes; (c) homeowners' and mortgage insurance; (d) homeowners' association dues, and (e) ground lease fees.

Improvements: All buildings, structures, fixtures and other improvements on any Property, but excluding the Land.

Land: The real estate portion of any Property, excluding any Improvements.

LHIA Grant: A grant in an amount not to exceed \$300,000, made by the Metropolitan Council to the Authority pursuant to the LHIA Grant Agreement.

LHIA Grant Agreement: The Metropolitan Livable Community Act Grant Agreement No. SG-18353, by and between the Authority and the Metropolitan Council, pursuant to which the Metropolitan Council will provide the LHIA Grant attached hereto as Exhibit F.

Long-Term Affordability Gap Assistance: As to each Property, the amount of the Grant reserved to bridge all or a portion of the gap between the amount of first- and subordinate mortgage financing the Qualified Homebuyer can afford and the fee simple market value of the Property.

Metropolitan Council: The Metropolitan Council, a public corporation and political subdivision of the State.

Period of Affordability: For each Property, the period, more fully described in Article II hereof, commencing with the Closing Date, during which the Improvements must be conveyed to and occupied by a Qualified Homebuyer.

Pro Forma: The Pro Forma as described in Article V and attached hereto as Exhibit A-2.

Project: The use of Authority Funds by the Grantee for the purposes of providing Long-Term Affordability Gap Assistance in the acquisition of Properties from time to time and the sale and resale of Improvements to Qualified Homebuyers.

Property or Properties: Any Land and Improvements subject to Grant assistance under this Grant Agreement, pursuant to the Guidelines.

Qualified Homebuyer: A household which, at the time of its initial occupancy of a Property, occupies the Improvements as its principal residence and: (a) whose projected, annual family income is 80 percent or less of the area median income as determined by the U.S. Department of Housing and Urban Development (AMI).

Sale Price of the Property: The after-improved fee simple market value of the Land and Improvements combined.

State: The State of Minnesota.

Statement of Work: The Statement of Work as described in Article V and attached hereto as Exhibit A-1.

Third Party Grantors: The County HRA and the Metropolitan Council.

Third Party Grants: The LHIA Grant and the County HRA Grant.

Third Party Grant Agreements: The County HRA Grant Agreement, the LHIA Grant Agreement and any and all future grant agreements entered into by the Authority which provide Third Party Grants, all of which, upon execution, are incorporated herein by reference.

II. TERM OF GRANT AGREEMENT AND PERIOD OF AFFORDABILITY

This Grant Agreement will take effect after its complete execution and will remain in effect through the Period of Affordability for the final Property subject to Grant assistance under this Grant Agreement. Upon termination or expiration of this Agreement, Grantee will transfer to the Grantor any Grant funds on hand at the time of expiration and accounts receivable attributable to the use of Grant funds.

The Period of Affordability for each Property will be at least 99 years and will be evidenced by a Ground Lease between the Grantee and Qualified Homebuyer in substantially the form attached hereto as Exhibit B to be delivered at each Closing Date. Further security will be in the form of a Declaration of Covenants, Conditions, and Restrictions Running with the Land ("Declaration"), the form of which is attached hereto as Exhibit C. This Declaration will make the Authority a third-party beneficiary of and successor to the

long-term affordability remedies in the Ground Lease in the event of a failure of inability of the Grantee to enforce the long-term affordability remedies in the Ground Lease.

At the time of resale of any Improvements, Grantee will convey, or allow the homeowner to convey, such Improvements to a Qualified Homebuyer subject to the terms and conditions of the Ground Lease. The Ground Lease provides for the long-term affordability (at least 99 years, renewable for an additional 99 years) of the Improvements and provides remedies to insure the long-term affordability of the Improvements.

Grantee hereby declares and covenants, on behalf of itself and all future owners of any of the Properties, that, during the term of the Declaration, the Authority is a third-party beneficiary of and successor to each and every remedy intended to insure the long term affordability of the housing that is provided for in any Ground Lease pursuant to this Agreement and may, in the event of the failure or default of the Landlord in the Ground Lease to insure the long term affordability of the Properties as provided for in any Ground Lease, exercise all rights and remedies available to the Landlord in the Ground Lease for that purpose.

III. THE GRANT

Subject to the terms and conditions of this Grant Agreement, the Grantor agrees to award the Grant to the Grantee to be used for the purposes described in this Agreement and which will be disbursed from time to time pursuant to this Agreement. In consideration for the Grant, the Grantee agrees to perform all of its obligations under this Agreement.

IV. THIRD PARTY GRANT ASSISTANCE

The Authority has applied for and received the Third Party Grants to help finance the community land trust model as set forth in the LHIA Grant Agreement and the County HRA Grant Agreement, respectively. The Third Party Grantors will provide funds for the eligible costs as set forth in the Third-Party Grant Agreements (the “Grant-Eligible Costs”). The Grantee shall comply in all respects with the requirements of the Third Party Grant Agreements as if it were the “Grantee” thereunder, including but not limited to the obligation to repay the Third Party Grants if required by the Third Party Grant Agreements within 30 days of such request by the Authority. Grantee agrees to be bound by and to comply with the terms and requirements of the Third Party Grant Agreements. Grantee also agrees to be responsible for any penalties due by reason of Grantee’s failure to comply with the Third Party Grant Agreements. The Third Party Grant Agreements are incorporated herein by reference. If there are any inconsistencies or conflicts between this Agreement and the Third Party Grant Agreements, the terms of the Third Party Grant Agreements shall control.

Each draw request related to Third Party Grant Agreements shall constitute a representation and warranty by the Grantee that all representations and warranties set forth in this Agreement are true and correct as of the date of such draw request.

1. Disbursement of LHIA Grant. The LHIA Grant Agreement requires the LHIA Grant to be disbursed on a reimbursement basis. As such, the Authority shall disburse certain funds (the “Reimbursable Funds”) on each Closing Date subject to the following conditions precedent, and the Authority shall be reimbursed with the LHIA Grant funds pursuant to the LHIA Grant Agreement:

a. The Authority has received a written statement from the Grantee’s authorized representative certifying that such requested payment is for a Grant-Eligible Cost and is eligible for reimbursement under the LHIA Grant Agreement.

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

c. All requirements of the LHIA Grant Agreement have been met and the Metropolitan Council has approved the use of the LHIA Grant funds for the respective Project.

d. The conditions set forth in Article IV have been met.

Following disbursement of the Reimbursable Funds by the Authority, the Authority shall submit a reimbursement request to the Metropolitan Council pursuant to the LHIA Grant Agreement. Should the Metropolitan Council decide for any reason that the Reimbursable Funds were not a Grant-Eligible Cost pursuant to the LHIA Grant Agreement, and decline to reimburse the Authority for the Reimbursable Funds, the Grantee shall, within 30 days, repay the Grantor for the Reimbursable Funds.

2. Disbursement of County HRA Grant. All disbursements of the County HRA Grant to the Grantee shall be made in the same manner as disbursements of the Grant and shall be subject to the conditions precedent that on the date of such disbursement:

a. The Authority has received a written statement from the Grantee's authorized representative certifying that such requested payment is for a Grant-Eligible Cost.

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

c. All requirements of the County HRA Grant Agreement have been met including but not limited to the delivery of the Declaration of Covenants, Conditions, and Restrictions (HRA Levy) attached as Exhibit D to the County HRA Grant Agreement.

d. The County HRA has approved the use of the County HRA Grant funds for the respective Project and the Authority has received such funds from the County.

If the Grantee has performed all of its agreements and complied with all requirements theretofore to be performed or complied with hereunder, including satisfaction of all applicable conditions precedent contained in Article VI hereof, the Authority shall submit such request to the County HRA and make a disbursement to the Grantee in the amount of the requested disbursement or such lesser amount as shall be approved pursuant to the County HRA Grant Agreement. Each disbursement shall be paid from the proceeds of the County HRA Grant Agreement and is subject to the County HRA's determination that the relevant Grant-Eligible Cost is payable from the County HRA Grant under the County HRA Grant Agreement. The Authority has no obligation to provide proceeds of the County HRA Grant unless and until such funds are disbursed by the County HRA.

The Authority may waive any of the conditions to disbursement under this Article IV in its sole discretion.

V. STATEMENT OF WORK/PRO FORMA

Prior to Closing on the Property acquired for land trust purposes under this Agreement, the Grantee will provide to the Grantor a Statement of Work and Pro Forma in substantially the form attached as Exhibits A-1 and A-2. The Statement of Work shall consist of a description of Grantee's ongoing obligations with regard to each Property and a progress and completions schedule for any rehabilitation work required (the

“Rehabilitation”), and the Pro Forma shall set forth the price of the Property, the assessed value of the Land, and the Rehabilitation and their estimated cost. The Grantee will perform all activities set forth in the Statement of Work prior to the Closing Date.

VI. CONDITIONS OF DISBURSEMENTS

1. Conditions Precedent to Disbursement. The obligation of the Grantor to make or cause to be made any disbursements pursuant to Article VII hereof is subject to the condition that it receive, on or before the date of such disbursement, the following:

- a. the Grantee Documents, duly executed and delivered by the Grantee;
- b. evidence satisfactory to the Grantor that the use of the Property for housing is permitted by and complies in all material respects with all applicable restrictions and requirements in prior conveyances, zoning ordinances, subdivision and platting requirements and other laws and regulations;
- c. evidence satisfactory to the Grantor that the Rehabilitation, if any, has been completed in accordance with all applicable zoning ordinances, building codes and requirements, and other laws and regulations;
- d. a statement of the Grantee and of any contractor, in form and substance acceptable to the Grantor, setting forth the names, addresses and amounts due or to become due as well as the amounts previously paid to every contractor, subcontractor, person, firm or corporation furnishing materials or performing labor in connection with the Rehabilitation, if any;
- e. a statement of the Grantee that no Event of Default in this Grant Agreement or the Third Party Grant Agreements, and no event which with the giving of notice or the lapse of time or both would constitute an Event of Default in this Grant Agreement or the Third Party Grant Agreements, has occurred and is continuing and all representations and warranties made by the Grantee in Article VIII hereof and made in any and all Third Party Grant Agreements continue to be true and correct as of the date of such disbursement;
- f. such evidence of compliance with all of the provisions of this Grant Agreement and the Third Party Grant Agreements as the Grantor may reasonably request;
- g. the Grantee certifies that it continues to be a nonprofit corporation and is a community land trust in accordance with Section 462A.30, subdivision 8; and
- h. the use of the Authority Funds complies with the Guidelines.

VII. REQUESTS FOR DISBURSEMENTS AND TERM OF RESERVATION

1. Disbursements. The Grantor and the Grantee agree that, on the terms and subject to the conditions hereinafter set forth, the Grant will be reserved by the Grantor for disbursement from the Grantor to the Grantee from time to time from and after the date hereof until, and for reasonable and necessary costs incurred prior to, December 31, 2025, subject to extension of such period of disbursements of Grant funds mutually agreed by the Grantor and Grantee. Notwithstanding anything to the contrary contained herein, the Grantor is only obligated to make disbursements hereunder to pay reasonable and necessary costs in an amount up to or equal to the total aggregate amount of the Grant approved from time to time by the Grantor, only during the term of the reservation noted in this Article, and such obligation is further subject to the

conditions of Article VI hereof and the Guidelines. Grant funds not disbursed during the term of reservation noted in this Article will no longer be available for disbursement under this Agreement.

2. Disbursement Requests.

a. Whenever the Grantee desires to obtain a disbursement of Authority Funds for acquisition of a Property, the Grantee must submit to the Grantor the Grantor's Disbursement Request Form in substantially the form attached as Exhibit B, together with all required compliance documents, duly signed by the Grantee.

Each such Disbursement Request constitutes a representation and warranty by the Grantee to the Grantor that all representations and warranties of the Grantee set forth in the Grantee Documents are true and correct as of the date of such Disbursement Request, except for such representations and warranties which, by their nature, would not be applicable as of the date of such Disbursement Request.

b. At the time of submission of each Disbursement Request, the Grantee must also submit the following to the Grantor:

- i. an executed Developer Agreement for the applicable Property;
- ii. the Qualified Homebuyer's application to Grantee;
- iii. the agreement to purchase the Improvements, in a form reasonably acceptable to the Grantor, executed by the Grantee and Qualified Homebuyer;
- iv. if available, the Qualified Homebuyer's application to mortgage lenders for mortgage financing, in customary form (such as the Fannie Mae form 1003), intended to support the real estate transaction;
- v. preliminary settlement statement(s) or closing disclosure(s), in customary or required form, such as under the TILA-RESPA Integrated Disclosure Rule;
- vi. Grantee's computation of the necessary and eligible amount of Long-Term Affordability Gap Assistance, in a form acceptable to the Authority, and including Grantee's computation of the Qualified Homebuyer's household housing ratio and household income;
- vii. the Declaration;
- viii. any documents required by the Third Party Grant Agreements, including but not limited to the Declaration of Covenants, Conditions, and Restrictions (HRA Levy) attached as Exhibit D to the County HRA Grant Agreement; and
- ix. other Grantee Documents as reasonably requested by the Grantor.

Grantee agrees to immediately notify Grantor in writing of any material change affecting the information contained in this Section VI.2.b., including changes in the purchase price, purchase agreement addenda, amount of mortgage financing, or the Qualified Homebuyer's eligibility.

c. Within 60 days following conveyance of the Improvements on a Property to a Qualified Homebuyer, the Grantee must also submit the following to the Grantor:

- i. name(s) of Qualified Homebuyer(s); number of household members; previous address of household; ethnic and demographic data; and, household type data, including but not limited to single head of household and disability status;
- ii. if Grantee used funds from Minnesota Housing Finance Agency's Community Homeownership Impact Fund ("Impact Fund"): the Minnesota Housing Impact Fund Household Demographic/Project Information form completed for the project(s);
- iii. all documents described in Section VI.2.b. hereof, if not earlier submitted;
- iv. the final settlement statement(s) or closing disclosure(s), in customary or required form, such as under the TILA-RESPA Integrated Disclosure Rule; and
- v. deed(s), as recorded with the County, conveying the Improvements to the Qualified Homebuyer; and
- vi. Declaration, the Declaration of Covenants, Conditions, and Restrictions (HRA Levy) attached as Exhibit D to the County HRA Grant Agreement and Ground Lease, as recorded with the County; and
- vii. other Grantee Documents as reasonably requested by the Grantor.

3. Disbursements. If on the date a disbursement is desired, the Grantee has performed all of its agreements and complied with all requirements to be performed or complied with hereunder, the Grantor will, subject to the conditions set forth herein, disburse the amount of the requested disbursement to Grantee.

VIII. GRANTEE'S COVENANTS, REPRESENTATIONS, WARRANTIES AND AGREEMENTS

Grantee covenants, represents, warrants and agrees that:

- 1. Grantee is a Minnesota non-profit corporation duly organized under the laws of the State, is duly authorized to operate in the State, has the power to enter into and execute this Grant Agreement and by appropriate corporate action has authorized the execution and delivery of this Grant Agreement. A copy of organizational documents has been provided to the Grantor. The Grantee is a community land trust in accordance with Section 462A.30, subdivision 8.
- 2. This Grant Agreement will not result in any breach of or constitute a default under any other mortgage, lease, loan, grant or credit agreement, corporate charter, by-law or other instrument to which Grantee is a party or by which it may be bound or affected.
- 3. This Grant Agreement will constitute a legal and binding obligation enforceable against the Grantee as its interest appears.
- 4. The Grantee will comply in all respects with the requirements of the Third Party Grant Agreements as if it were the "Grantee" thereunder.
- 5. Grantee has obtained or will obtain all necessary licenses and permits required for performance of its obligations under this Agreement.

6. Grantee must permit the Grantor, upon reasonable notice, to examine all books, records, contracts, plans, permits, bills and statements of account pertaining to any Property subject to this Agreement and to make copies as the Grantor may require.

7. Grantee agrees to and must obey and comply with all applicable federal, state and local laws, rules and regulations in connection with its performance of its obligations under this Agreement and the Third Party Grant Agreements.

IX. DEFAULT

Any one or more of the following constitutes an Event of Default under this Grant Agreement:

1. Grantee defaults in the performance or observance of any agreement, covenant or condition required to be performed or observed by Grantee under the terms of this Agreement or the Third Party Grant Agreements which is not cured within thirty (30) days after written notice to do so. Notwithstanding the foregoing, if the default reasonably requires more than thirty (30) days to cure, such default shall not constitute an Event of Default, provided that the curing of the default is promptly commenced upon receipt by the Grantee of the notice of the default, and with due diligence is thereafter continuously prosecuted to completion and is completed within a reasonable period of time, and provided that Grantee keeps the Authority well informed at all times of its progress in curing the default; provided in no event shall such additional cure period extend beyond 180 days.

2. Grantee defaults in any term of any other agreement relating to any Property subject to this Agreement which is not cured within thirty (30) days after written notice to do so. Notwithstanding the foregoing, if the default reasonably requires more than thirty (30) days to cure, such default shall not constitute an Event of Default, provided that the curing of the default is promptly commenced upon receipt by the Developer of the notice of the default, and with due diligence is thereafter continuously prosecuted to completion and is completed within a reasonable period of time, and provided that Developer keeps the Authority well informed at all times of its progress in curing the default; provided in no event shall such additional cure period extend beyond 180 days.

3. Any representation or warranty made by Grantee herein or any document or certificate furnished to the Grantor proves at any time to be incorrect or misleading as of the date made.

4. Grantee engages in any illegal activities.

5. Grantee uses any of the grant funds contrary to this Grant Agreement or the Third Party Grant Agreements, and such use is not cured within thirty (30) days of notice from Grantor.

6. Grantee employs or becomes an individual, company, or other entity either on the debarment list or with unresolved compliance issues.

7. Grantee does not use funds in a timely manner as stated in Article V of this Grant Agreement, "Pro Forma."

8. Grantee fails to obtain and/or keep in force insurance of the types and in the amounts as specified within this Grant Agreement or any Third Party Grant Agreement, or fails to indemnify and hold harmless the Grantor as set forth herein; in such event, Grantee will be liable for all costs and fees, including reasonable attorney fees, that may be incurred by the Grantor in enforcement of Grantee's agreements to indemnify and/or to obtain and keep in force the agreed-upon insurance coverage.

X. REMEDIES

Whenever any Event of Default has happened and is subsisting, any one or more of the following remedial steps may to the extent permitted by law is taken by the Grantor:

1. The Grantor may terminate this Grant Agreement or the Third Party Grant Agreements;
2. The Grantor may suspend or terminate any further disbursements under this Grant Agreement, the Third Party Grant Agreements or under any Developer Agreement pursuant to this Grant Agreement;
3. The Grantor may suspend its performance under this Grant Agreement or the Third Party Grant Agreements during the continuance of the Event of Default;
4. The Grantor may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any obligation, agreement, covenant, representation or warranty of the Grantee under this Grant Agreement, the Third Party Grant Agreements, or any related instrument; or to otherwise compensate the Grantor for any damages on account of such Event of Default, including but not limited to a demand that the Grantee return or repay to the Grantor all dollar amounts received pursuant to the Grant;
5. No remedy conferred upon or reserved to the Grantor is intended to be exclusive of any other available remedy or remedies, but each and every such remedy is cumulative and in addition to every other remedy given under this Grant Agreement, the Third Party Grant Agreements. or now or hereafter existing at law, in equity, or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default impairs any such right or power, nor constitutes a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Grantor to exercise any remedy reserved to it in this Article, it is not necessary to give any notice, other than such notice as may be herein expressly required or be required by law.

XI. ADDITIONAL PROVISIONS

1. Indemnity, Hold Harmless. The Grantee must bear all loss, expense (including attorney fees) and damage in connection with, and agree to indemnify, defend, and hold harmless the Grantor, its agents, servants and employees from all claims demands and judgments made or recovered against the Grantor, its agents, servants and employees, because of bodily injuries, including death at any time resulting therefrom, and/or because of damages to property of the Grantor or others (including loss of use) from any third party claims, arising out of, incidental to, or in connection with any Property acquired pursuant to this Agreement, whether or not due to any act of omission or commission, including negligence of the Grantee, or any contractor or its or their employees, servants or agents. The Grantee's liability hereunder is not limited to the extent of insurance carried by or provided by the Grantee or subject to any exclusion from coverage in any insurance policy.
2. Grantee Not Grantor's Employee or Agent. For the purpose of this Grant Agreement, Grantee is not an employee(s) or agent(s) of the Grantor or the City of Roseville ("City"). Any and all employees or agents of the Grantee are not employees or agents of the Grantor or City. Any and all claims by any third party as a consequence of any act or omission on the part of the Grantee, its employees or other persons are the obligation of the Grantee. The Grantee is responsible for all contractual obligations entered into pursuant to and in the performance of this Grant Agreement. If required by statute, the Grantee must procure and maintain in force at its expense worker's compensation insurance and shall provide the Grantor with proof of such coverage. Withholding and payment of federal and state income taxes and FICA for its employees is the responsibility of the Grantee. The Grantee will comply with all unemployment compensation

employer contributions payments and other employer requirements of the unemployment compensation laws, Minnesota Statutes chapter 268.

3. Termination of Agreement. The full benefit of the purposes for which the Grant is intended will be realized only after the completion of the Period of Affordability. In the event that the Grantee, prior to the expiration date of this Agreement, is unable to continue to function due to, but not limited to, dissolution or insolvency of the organization, its filing a petition for bankruptcy or similar proceedings, or is adjudged bankrupt or fails to comply or perform with provisions of this Agreement, then Grantee will, upon the Authority's request, convey to the Authority its interest in and title to the Properties acquired pursuant to this Agreement. Conveyance will be at the sole discretion of the Authority and on the terms set forth herein:

- a. Conveyance shall occur within thirty (30) days of the Authority and Grantee's agreement of Grantee's inability to continue as a viable organization.
- b. Grantee shall convey its title to and interest in the Properties free and clear of all liens and encumbrances of record, except those which create a beneficial interest in the Authority (Declaration of Restrictive Covenants), the Ground Lease, and any liens a Qualified Homebuyer has placed on such Property.

XII. INSURANCE

1. The Grantee agrees that in order to protect itself as well as the Grantor and City under the indemnity provision contained in this Grant Agreement, it will obtain and keep in force, at its expense, during the term of this Grant Agreement:

- a. commercial general liability of not less than \$1,500,000 per occurrence and \$2,000,000 aggregate. The general liability coverage shall contain an endorsement naming the Grantor and the City of Roseville, Minnesota, as additional insureds as to acts committed by the Grantee for which the Grantor or the City of Roseville, Minnesota, could be held responsible.

Grantee in addition warrants compliance with the following property insurance requirements, as applicable:

- b. builder's risk insurance in the amount of the construction contract for the entire construction contract period;
- c. hazard insurance coverage with policy limits in an amount not less than full insurable of the Property, provided that in no event shall said insurance be less than the amount secured by any mortgage to the Grantor. Hazard insurance shall be used firstly to pay any of the Grantor loans and secondly to rebuild, at the Grantor's option;
- d. insurance required by the Third Party Grant Agreements.

2. Verifiable Insurance; Notice of Cancellation. The Grantee shall furnish Certificates of Insurance evidencing compliance with this article at the closing in this matter. Grantor is not obligated to honor payment requests at any time when the coverage required by this Grant Agreement is not in force.

XIII. RECORDS AND REPORTS

The Grantee shall submit to the Grantor's project manager on an annual basis a full account of the status of the activities undertaken as part of this Grant Agreement. The following records shall be maintained by the Grantee, copies of which shall be submitted in such form as the Grantor's staff may prescribe:

1. All receipts and invoices relating to expenditure of Grantor funds.
2. Accounting records that are supported by source documentation. Grantee will establish a separate, identifiable accounting record for each Grant received pursuant to this Agreement. Records shall be sufficient to reflect all costs incurred in performance of each Grant. The books, records, documents, and accounting procedures, relevant to each Grant shall be subject to examination by the Grantor and State agencies and the legislative auditor.
3. Records of Liability Insurance, including proof of insurance in effect, and proof of payment of insurance premiums.
4. Records of Board or Committee meetings relating to decisions governing the use of Grant funds.
5. If the Grantee is providing grants, it shall keep records documenting the use of such funds, including: records documenting capital expenses, payments made, and documentation of completion of work for which the grant was initiated.
6. Grantee shall also submit to Grantor annually during the life of this Grant Agreement financial statements prepared in accordance with generally accepted accounting principles. Fiscal year end statements shall be compiled/reviewed/audited statements. All such statements shall include, but not be limited to, a listing of all assets and liabilities of the Grantee, income and expense statements and income tax returns.

XIV. NON-DISCRIMINATION

The Grantee is a contractor for the purpose of application of all provisions, ordinances and other laws against discrimination, including:

1. Title VI of the Civil Rights Act of 1964 (Public Law 88-352);
2. Executive Order No. 11246 entitled "Equal Employment Opportunity" as supplemented in the Department of Labor Regulations (4 CFR, Part 60); and
3. Minnesota Statutes, Chapter 363A.

XV. EXHIBITS

The Grantee agrees to comply with the terms, conditions, requirements contained in the following identified exhibits, which are incorporated into and made part of this Grant Agreement:

- Exhibit A – Statement of Work and Pro Forma
- Exhibit B – Disbursement Request
- Exhibit C – Ground Lease
- Exhibit D – Declaration of Covenants, Conditions and Restrictions Running with the Land
- Exhibit E – County HRA Third Party Grant Agreement
- Exhibit F – LHIA Third Party Grant Agreement

XVI. AMENDMENT

This Grant Agreement may not be amended or modified except in writing properly subscribed by the Grantor and Grantee.

XVII. MISCELLANEOUS

1. Notices. All notices provided for herein shall be in writing and shall be deemed to have been given when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed as follows:

If to Grantee: Twin Cities Habitat for Humanity, Inc.
1954 University Avenue West
Saint Paul, Minnesota 55104
Attn: Chief Real Estate Officer

If to Grantor: Roseville Economic Development Authority
2660 Civic Center Drive
Roseville, Minnesota 55113
Attention: Executive Director

or addressed to any such party at such other address as such party shall hereafter furnish by notice to the other parties as above provided.

2. Binding Effect; Waiver. The provisions of this Grant Agreement shall inure to the benefit of and be binding upon Grantee and Grantor and their respective successors and assigns. No delay on the part of Grantor in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege constitute such waiver nor exhaust the same, which shall be continuing. The rights and remedies of Grantor specified in this Grant Agreement shall be in addition to and not exclusive of any other right and remedies which Grantor, by operation of law, would otherwise have.

3. Survival of Warranties. All agreements, representations and warranties made in this Grant Agreement by Grantee shall survive its termination.

4. Data Practices Act. Grantee acknowledges that all of the data created, collected, received, stored, used, maintained or disseminated by Grantee or Grantor with regard to this Grant Agreement are subject to the requirements of Chapter 13, Minnesota Statutes, commonly known as the Minnesota Governmental Data Practices Act.

5. Counterparts: This Grant Agreement may be executed in any number of counterparts, all of which shall constitute a single agreement, any one of which bearing signatures of all parties shall be deemed an original.

6. Electronic Signature: An electronic signature is as effective as an original signature.

7. Time. Time is of the essence in the performance of this Grant Agreement.

8. Entire Agreement. This Grant Agreement contains the entire agreement of the parties hereto on the matters covered herein. No other agreement, statement or promise made by any party or by any employee, officer or agent of any party hereto that is not in writing and signed by all the parties to this Grant Agreement shall be binding.

9. No Joint Venture. The relationship between Grantor and Grantee is solely that of Grantor and Grantee, and the relationship by and between Grantor and Grantee is not a partnership or joint venture in the Project.
10. Controlling Law, Venue. All matters whether sounding in tort or in contract, relating to the validity, construction, performance, or enforcement of this Grant Agreement shall be controlled by and determined in accordance with the laws of the State.
11. Assignment. This Grant Agreement may not be assigned by Grantee without the prior written consent of Grantor.
12. Attorney Fees and Expenses. In the event the Grantee should default under any of the provisions of this Grant Agreement or the Third Party Grant Agreements and the Grantor should employ attorneys or incur other expenses for the collection of amounts due hereunder or the enforcement of performance of any obligation or agreement on the part of the Grantee, the Grantee will on demand pay to the Grantor the reasonable fee of such attorneys and such other expenses so incurred.
13. Grantee's Limited Remedy. If Grantee claims that Grantor has failed to perform any of its obligations under this Grant Agreement or the Third Party Grant Agreements, the Grantee agrees to provide thirty (30) days written notice of such default and allow Grantor to cure any such default. The Grantee's sole legal and equitable remedy for any unremedied Grantor default is an action to compel performance by Grantor. The Grantee is not entitled to recover damages of any kind, including without limitation consequential or incidental damages, for any Grantor default.

IN WITNESS WHEREOF, the parties have caused this Amended and Restated Grant Agreement to be executed the day and year first above written.

GRANTEE:

Twin Cities Habitat for Humanity, Inc., a Minnesota non-profit corporation

By: _____

Its: _____

GRANTOR:

Roseville Economic Development Authority

By: _____
Its: Executive Director

By: _____
Its: President

[Signature page of Grantor to Grant Agreement]

Exhibit A-1

STATEMENT OF WORK

During the term of the Grant Agreement, Grantee will:

1. Solicit Qualified Homebuyers for each identified Property;
2. Request disbursement of Grant funds for eligible costs;
3. Enter a Ground Lease with a Qualified Homebuyer; and
4. Record the Declaration and Ground Lease with the County and provide copies of the same recorded documents to the Authority.

And, for the duration of the Agreement, Grantee will, as to each Property subject to the Agreement:

1. Solicit new Qualified Homebuyers for the Property when notified of a current Qualified Homebuyer's intent to sell. Grantee and/or the Qualified Homebuyer is/are responsible for securing permanent mortgage financing.
2. Sell the Improvements and lease the Land only to Qualified Homebuyers, and allow resale of the Improvements only to Qualified Homebuyers pursuant to a Ground Lease, or to Grantee with the Authority's written consent for such brief periods as may be necessary. If Grantee purchases the Improvements from a Qualified Homebuyer for the purpose of reselling to a new Qualified Homebuyer, Grantee shall notify the Authority prior to acquisition.
3. Verify the eligibility of the Qualified Homebuyers, explain the land trust program and the Ground Lease to such Qualified Homebuyers, and certify by written documentation signed by the Qualified Homebuyers that the program requirements have been fully explained.
4. Maintain files of all Qualified Homebuyers purchasing assisted units. Documentation shall verify eligibility at the time of initial occupancy by the initial purchaser and at the time of initial occupancy by subsequent purchasers and shall include:
 - a. The purchaser's application to Grantee;
 - b. Purchaser's household income;
 - c. Purchaser's household housing ratio (as defined in the Guidelines);
 - d. Name(s) of purchaser(s); number of household members; previous address of household; ethnic and demographic data; and, household type data, including but not limited to single head of household and disability status.
5. Maintain records verifying the affordability of the dwelling units, including but not limited to the Ground Lease, purchase agreement, closing or settlement statements and appraisals.
6. Monitor the housing units for compliance with the Ground Lease for the Period of Affordability.
7. Upon resale, assure compliance with long term affordability of the Premises as provided for in the Ground Lease, which Ground Lease shall, as to resale provisions, remain in substantially the form of the current version of the Ground Lease, for at least 99 years.
8. Upon resale, provide a summary of information in 4.b-4.d. and complete records listed in 5. above to the Authority.

9. Re-record the Declaration no later than one day before the expiration of 30 years of the date of its lease of the Land in the event the Qualified Homebuyer leasing the Land from Grantee is still the owner of the Improvements at the time of the rerecording. Authority retains the right periodically and every 30 years after the first recording of the Declaration to register a notice of preservation.

10. Comply with the Third Party Grant Agreements.

Exhibit A-2

FORM OF PRO FORMA

Sources & Uses - Preliminary				
Name of Property:				
Date:				
Sources:				Comments
Homebuyer Mortgage			\$	
20__ AHIF			\$	Project Costs
20__ REDA Funds			\$	Land & Project Costs
20__ HOME			\$	Land
20__ MH Impact			\$	Project Costs
20__ Bond Proceeds			\$	Land
20__ Met Council			\$	Rehab
		Total	\$	
Uses:				
Acquisition Costs			\$	
Closing Costs			\$	
Inspection/other			\$	
	Acquisition costs		\$	
Adm Fee			\$	Project Fee
Holding/Closing Costs/ LC/ Taxes			\$	Special Assessments of \$ _____
Rehab Costs			\$	
		Total	\$	

Exhibit B

FORM OF DISBURSEMENT REQUEST

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

DISBURSEMENT DIRECTION

The undersigned authorized representative (the “Authorized representative”) of Twin Cities Habitat for Humanity, Inc., a Minnesota nonprofit corporation (“TCHH”), hereby authorizes and requests you to disburse from [Authority Funds/Third Party Grants] in accordance with the terms of the Master Long-Term Affordability Gap Assistance Grant Agreement, as amended (the “Agreement”), between the Roseville Economic Development Authority (the “REDA”) and TCHH, \$ _____ to TCHH in connection with the acquisition by TCHH of the following Property:

[Insert address of Property]

all as defined and provided in the Agreement. The undersigned further certifies to the REDA that (a) all preconditions to disbursement under the Agreement have been satisfied; (b) the Property for the acquisition of which the payment is proposed is to be included in the community land trust established by the REDA and will be subject to the Guidelines (as defined in the Agreement); [and (c) TCHH is in compliance with all provisions of the Third Party Grant Agreements].

Dated: _____

Redeveloper’s Authorized Representative

Exhibit C

**TWIN CITIES HABITAT FOR HUMANITY
GROUND LEASE**

[To be inserted after review]

Exhibit D

DECLARATION

THIS INSTRUMENT IS EXEMPT FROM REGISTRATION TAX UNDER MINN.STAT. §287.04(f)
Roseville Economic Development Authority

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
RUNNING WITH THE LAND**

**THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
RUNNING WITH THE LAND** (the “Declaration”) is made and entered into on the ____ day of _____, 202__ by **Twin Cities Habitat for Humanity, Inc.**, a Minnesota nonprofit corporation (the “Declarant”).

Recitals:

A. Declarant is the owner of certain real property located at _____, Ramsey County, Minnesota, legally described in Exhibit A, and inclusive of all buildings structures, fixtures, and other improvements thereon (the “Improvements”) and other real property (the “Land”).

B. Declarant received financing from the Roseville Economic Development Authority (the “Authority”) pursuant to a grant from Authority funds legally available for such purpose (the “Grant”), to ensure that the Land is leased and conveyed to Qualified Homebuyers, as defined in the Long-Term Affordability Gap Assistance Grant Agreement, as amended, between the Declarant and the Authority, which is incorporated herein by reference.

NOW, THEREFORE, Declarant makes the following declaration of covenants, conditions, and restrictions relating to the Property, intending the same to be binding upon Declarant, its successors, heirs, and assigns, and all subsequent owners of all or any part of the Property, until this Declaration expires by its terms:

1. The Land shall be maintained as owner-occupied, affordable housing for Qualified Homebuyers according to the terms and conditions of the Guidelines for Allocation of REDA Funds for Community Land Trust Properties, as implemented by the Authority.

2. The Land will be bound by the terms of a 99-year ground lease. The ground lease will provide for the long-term affordability (at least 99 years) of the Land. Declarant hereby declares and covenants, on behalf of itself and all future owners of the Land, that, during the term of this Declaration, the Authority is a third-party beneficiary of and successor to each and every remedy provided in the ground lease intended to insure the long-term affordability of the property. The Authority may, in the event of the failure or default of the landlord in each such ground lease to insure the long-term affordability of the property as provided for in the ground lease, exercise all rights and remedies available to the landlord in the ground lease for that purpose.

3. This Declaration expires, and is of no further force and effect, on the date that is thirty (30) years after the date of recordation of this Declaration; provided, however, that this Declaration may be renewed by Declarant from time to time.

4. Declarant covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of the Long-Term Affordability Gap Assistance Grant Agreement.

5. This Declaration may be enforced by the Authority or its designee in the event Declarant fails to satisfy any of the requirements of this Declaration by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant. If legal costs are incurred by the Authority, such legal costs, including attorney fees and court costs (including costs of appeal), are the responsibility of, and may be recovered from the Declarant.

6. Declarant may sell, transfer, or exchange its interest in the Land at any time, but Declarant shall notify in writing and obtain the agreement of any buyer or successor or other person acquiring such interest, that such acquisition is subject to the requirements of this Declaration. Declarant agrees that the Authority may void any sale, transfer, or exchange of the Declarant's interest in the Property if the buyer or successor or other person fails to assume in writing the requirements of this Declaration.

7. The covenants, conditions, and restrictions imposed by this Declaration touch and concern the Property and are intended to run with the land.

8. Upon execution of this Declaration by the Declarant, Declarant shall cause this Declaration and all amendments hereto to be recorded and filed in the office of the County Recorder and the Registrar of Titles. Declarant shall pay all fees and charges incurred in connection therewith.

9. This Declaration may be amended only in writing executed by the Authority together with the Declarant and such amendment shall be binding on third parties granted rights under this Declaration.

10. Notices. Any notice shall be in writing and shall be deemed to have been given when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed as follows:

If to Declarant:

Twin Cities Habitat for Humanity, Inc.
1954 University Avenue West
Saint Paul, Minnesota 55104
Attn: Chief Real Estate Officer

If to the Authority:

Roseville EDA
2660 Civic Center Drive
Roseville, MN 55113
Attention: Executive Director

IN WITNESS WHEREOF, the undersigned, being Declarant herein, has executed this Declaration on the date first above written.

TWIN CITIES HABITAT FOR HUMANITY, INC.

By: _____

Its: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

This instrument was acknowledged before me this day of 20__ by _____,
the _____ of Twin Cities Habitat for Humanity, Inc., a Minnesota nonprofit
corporation on behalf of the nonprofit corporation.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

Exhibit A to Declaration

Legal Description of Property

[To be inserted]

Exhibit E

County HRA Grant Agreement

Exhibit F

LHIA Grant Agreement

DEVELOPER AGREEMENT
[Insert property address]
(Twin Cities Habitat for Humanity Land Trust Project)

THIS DEVELOPER AGREEMENT (the “Agreement”), made and entered into as of this __ of _____, 20__ (“Effective Date”), by and between the **Roseville Economic Development Authority** (“Authority” or “REDA”), a body corporate and politic under the laws of the State of Minnesota, having its principal office at 2660 Civic Center Drive, Roseville, MN 55113 (“REDA”) and the **Twin Cities Habitat for Humanity, Inc.**, a nonprofit corporation under the laws of Minnesota, having its principal office at 1954 University Avenue West, St. Paul, MN 55104 (“Developer” or “TCHH”).

RECITALS

- A. The REDA has previously approved Guidelines for Allocation of REDA Funds For Community Land Trust Properties (as amended, the “Guidelines”) pursuant to the authority granted in Minnesota Statutes, Sections 469.001 through 469.047 and has entered into a Master Grant Agreement with TCHH, dated as of November 8, 2021 (as amended, the “Master Agreement”), governing the terms and conditions of the acquisition of properties under the Guidelines.
- B. The REDA intends to provide TCHH with \$_____ (the “REDA Funds”) from funds allocated under the Guidelines for the purposes of acquiring a home located at _____ (the “Property”) in the City of Roseville (the “City”) to people earning at or below 80% of the area median income, pursuant to the terms and conditions hereof.
- C. TCHH has previously purchased and rehabilitated the Property, as necessary, in compliance with the Guidelines.
- D. The REDA desires TCHH to utilize the Community Land Trust model to resell the Property to an income-qualified buyer, and will retain ownership of the land to ensure long-term affordability pursuant to the Guidelines and Master Agreement (together, the “Governing Documents”) and TCHH has agreed to do so, further pursuant to the terms and conditions of this Agreement.
- E. The grant of REDA Funds to TCHH is for the purpose of providing affordable housing within the City and to assist in carrying out the objectives of the Guidelines, which are in the best interests of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements.
- F. In performing its obligations under this Agreement, TCHH must adhere to the restrictions for the use of REDA Funds set forth in this Agreement.

AGREEMENT

1. Scope of Work.

A. Developer. The REDA hereby designates TCHH as a Developer as the developer of the Property in accordance with the terms and conditions of this Agreement and the Governing Documents.

B. Required Documentation. The REDA shall provide the REDA Funds to a title company identified by TCHH to be held in escrow until closing on the acquisition of the Property by a Qualified Homebuyer (as defined in the Master Agreement) and the receipt of the documentation required pursuant to Article VI of the Master Agreement (the “Required Documentation”).

C. Compliance with Required Programs. To the extent required by federal, state, and local law and regulation, TCHH agrees to comply with the program requirements of:

- 1) Equal opportunity and discrimination provisions of all applicable State and Federal laws, rules, and regulations;
- 2) Section 504 of the Rehabilitation Act of 1973, as amended;
- 3) Lead based paint notification, inspection, testing and abatement procedures established in 24 CFR Part 35 as referenced in 24 CFR 570.608, including but not limited to the Lead Disclosure Rule and HUD’s Lead Safe Housing Rule as set forth in Section 3.06 of the Procedural Manual; and
- 4) Fair housing requirements of section 104(b) and section 109 of Title I of the Housing and Community Development Act of 1974, as amended, including Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and other applicable fair housing laws.
- 5) Minnesota Statutes, Sections 462A.30 to 462A.31, as amended.

TCHH further agrees to provide REDA with a certification that the requirements listed in this Section have been met prior to the disbursement of REDA Funds.

D. Rehabilitation of Property. Prior to execution of this Agreement, TCHH shall have completed all necessary improvements to and rehabilitation of the Property, if applicable (the “Rehabilitation”). TCHH will provide the REDA with all requested information related to the Rehabilitation, including receipts for costs of the Rehabilitation.

E. Resale of Property. TCHH will market said Property and execute a purchase agreement with an end buyer earning at or below 80% of the area median income. Subject to unavoidable delays, TCHH shall complete the conveyance of the Property to such end buyer within one year after the Effective Date of this Agreement.

F. Reports. TCHH shall provide REDA with a report of its activities on an as-needed basis, including but not limited to reports related to the income of the end buyer of the Property.

2. Term. This Agreement is effective as of the Effective Date and until the earlier of 60 days after the date the Property is sold to a qualified end buyer or _____, 20__ [one year after the Effective Date].

3. Acquisition, Relocation and Displacement. TCHH shall be responsible for carrying out the acquisition of the Property necessary for implementation of this Agreement. TCHH shall conduct such acquisition in its name and shall hold title to the Property and shall be responsible for preparation of all notices, appraisals, and documentation required in conducting acquisition under the regulations of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as required under 49 CFR Part 24. TCHH shall also be responsible for providing all relocation notices, counseling, and services required by said regulations. In addition, TCHH shall comply with the acquisition and relocation requirements of the Minn. Stat. Sections 117.50 through 117.56 (the "Minnesota Relocation Act"). The REDA will provide written consent for the location of the home to be acquired by TCHH.

4. Documentation. TCHH shall submit to the REDA income documentation for the Qualified Homebuyer of the Property, appraisals, environmental reports, purchase agreements, and settlement statements with respect to the Property prior to closing with the Qualified Homebuyer. The REDA Executive Director or a designee will execute the settlement statement promptly after the foregoing documentation has been submitted and reviewed, and such execution will constitute authorization to close and disburse REDA Funds. After closing, TCHH must maintain the foregoing documentation as well as filing information for the recorded deed, Ground Lease, and Declaration of Restrictive Covenants required pursuant to the Guidelines, which filing information shall be provided to the REDA when available.

5. Proof of Acquisition Costs. Execution of the settlement statement by the REDA Executive Director or designee shall constitute evidence that REDA funds have been applied to the payment of a portion of the purchase price of the Property.

6. Suspension and Termination. If TCHH materially fails to comply with any term of this Agreement after written notice and an opportunity to cure, this Agreement may be terminated. The time period for said opportunity to cure will be dependent upon the relevant time period requirements of the applicable law, regulation, program, or otherwise.

7. Notice. All communications, notices, and demands of any kind which either party may be required or may desire to give to or serve upon the other shall be made in writing, and such notice shall be deemed sufficiently given if and when it is addressed to the other party at the address first above written and either (a) delivered personally, (b) deposited in the United States mail, registered or certified, with postage prepaid, (c) deposited with an overnight delivery service for next day delivery, or (d) telecopied.

8. Data Practices. TCHH agrees to abide by the provisions of the Minnesota Government Data Practices Act and all other applicable State and Federal laws, rules, and regulations relating to data privacy and confidentiality, and as any of the same may be amended.
9. Access to Records. REDA shall have the authority to review any and all procedures and all materials, notices, and documents prepared by TCHH in implementation of this Agreement.
10. Indemnification. TCHH agrees to hold harmless, indemnify and defend REDA, its elected officials, officers, agents, and employees against any and all claims, losses, or damages, including attorneys' fees, arising from, allegedly arising from, or related to, the provision of services under this Agreement by TCHH, its employees, agents, officers, or volunteer workers.
11. Independent Contractor. Nothing in this Agreement is intended, nor may be construed, to create the relationship of partners or employer/employee between the parties. TCHH, its officers, agents, employees, and volunteers are, and will remain for all purposes and services under this Agreement, independent contractors.
12. Entire Agreement. The entire agreement of the parties is contained in this document. This Agreement supersedes all previous written and oral agreements and negotiations between the parties relating to the subject matter of this Agreement except as provided in paragraph 14 of this Agreement.
13. Severability. The invalidity, illegality or enforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall remain in full force and effect.
14. Assignment of Agreement. The parties shall not assign this Agreement without the express written consent of the other party.
15. Modification. No provision, term or clause of this Agreement shall be revised, modified, amended or waived except by an instrument in writing signed by both parties.
16. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original, all of which, when taken together, shall constitute one agreement.
17. Headings. The titles to the sections and headings of various paragraphs of this Agreement are placed for convenience of reference only and in case of conflict, the text of this Agreement, rather than such titles or headings shall control.
18. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each of the parties hereto.
19. Invalidity. If for any reason any portion or paragraph of this Agreement shall be declared void and unenforceable by any court of law or equity, it shall only affect such particular portion or paragraph of this Agreement, and the balance of this Agreement shall remain in full force and

effect and shall be binding upon the parties hereto.

20. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Minnesota.

21. Electronic Signatures. This Agreement may be executed with electronic signatures.

IN WITNESS WHEREOF, the REDA has caused this Agreement to be duly executed in its name and behalf and TCHH has caused this Agreement to be duly executed in its name and behalf as of the date first above written.

ROSEVILLE ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Its President

By _____
Its Executive Director

TWIN CITIES HABITAT FOR HUMANITY, INC.

By _____
Its Executive Director

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date:

11/6/2023

Item No.:

5.c.

Department Approval

City Manager Approval

Janice Gundlach

Samuel Truogler

Item Description:

Discussion regarding establishment of a Local Housing Trust Fund

Background

In July, Community Development staff, through the quarterly Roseville Economic Development Authority (REDA) email update, advised the REDA of staff's intention to bring forward a discussion regarding establishment of a Local Housing Trust Fund (LHTF). LHTF's provide a flexible source of funding to address a variety of affordable housing needs. LHTF's are also referred to as Affordable Housing Trust Funds given their purpose. LHTF's must be established by ordinance. The purpose of this discussion is to advise the REDA of LHTF's and to gain feedback on a draft LHTF ordinance (Attachment 1). The actual ordinance adoption would be an action taken by the City Council at a future meeting, likely in the first quarter of 2024.

LHTF's are generally described as follows:

- Must be established via an official action by a local government per Minnesota Statutes 462C.16.
- Must be funded with one or more sources of dedicated public revenue.
- The trust protects the allocated public revenue for housing uses in the community.
- The local government may finance its LHTF with any sources of revenue available to the local government, including private donations from individuals, employers, or charitable organizations that are accepted by the local government.
- LHTF's must report annually to the local government that created the fund (this is relevant only in the sense that the draft ordinance proposes that the REDA administer the LHTF on behalf of the City, and as such, the REDA will hold reporting responsibility).

As previously communicated to the REDA, Roseville has not yet created a LHTF because the City has been fairly successful in addressing affordable housing needs in the community with other sources of funding (namely tax increment financing and funds established by the City's former HRA). The motivation to create the LHTF now is the passage of the Metropolitan Sales Tax and

27 Housing Aid, whereby the City is slated to receive an estimated \$400,000 of revenue annually to
28 address affordable housing initiatives. Per the law establishing this tax, the money must be spent on
29 a qualifying project within three years. If a qualifying project doesn't materialize, the revenue can be
30 transferred to a LHTF for use on a future qualifying project. Qualifying projects are defined as
31 projects to include emergency rental assistance for households earning less than 80% of the area
32 median income, financial support to nonprofit housing providers, construction, acquisition,
33 rehabilitation, permanent financing, interest rate reduction, refinancing, and gap financing of
34 housing. Beyond sales tax proceeds, the legislature also provided one-time funding for local housing
35 trust fund matching grants the REDA may want to pursue depending on the requirements of the
36 grant.

37
38 Staff has worked with the City Attorney on a draft ordinance establishing a LHTF. This draft
39 ordinance was modeled after the City of Minnetonka and aims to preserve as many options as
40 possible for eligible activities and funding sources, focusing on affordable renter and ownership
41 housing serving persons up to 80% of the area median income. Recognizing resources are limited,
42 staff would suggest that additional efforts be undertaken in 2024 and beyond to identify more
43 specific needs and priorities, such as conducting an update to the 2016 Housing Needs Assessment.
44

45 The draft ordinance establishing a Local Housing Trust Fund is proposed to be located in Title 9 of
46 the City Code. The ordinance includes five sections:

- 47 1. Establishment (includes objectives/purpose statement)
- 48 2. Definitions
- 49 3. Eligible Activities (including affordability requirements & project prioritization)
- 50 4. Funding Sources
- 51 5. Administration (REDA on behalf of the City)

52 In summary, the intent of the draft ordinance is to preserve as many options as possible in terms of
53 eligible activities, including grants, loans, new development, rehab, rental assistance, downpayment
54 assistance, land trust gap funding, nonprofit support, and administrative expenses. Regarding
55 funding sources, like eligible activities, the list is intended to be broad and includes donations, grants
56 or loans from other agencies, land sale proceeds (if the City were to ever have any), appropriations,
57 development fees, investment earnings, tax increment financing, levy funds, Local Housing Aid
58 funds (including the sales tax), and "other".
59

60 Beyond activities and funding, the focus would be on persons at or below 80% area median income
61 (although there is some flexibility to go up to 120% AMI for homeownership units). Lastly, and
62 most importantly, the project prioritization includes serving persons at low and very low incomes as
63 defined in the ordinance, as well as reducing disparities in home ownership, housing cost burden,
64 housing instability, homelessness, home habitability, accessibility, and energy or water
65 efficiency. The REDA should consider the Affordability Requirements (911.3.B) and Project
66 Prioritization (911.3.C) sections, or any other language in the draft ordinance, and advise staff if any
67 revisions are necessary.
68
69

70 **Policy Objectives**

71 The objective of the proposed ordinance to is comply with Minnesota Statutes, Section
72 462C.16. Beyond complying with the technical aspects of establishing a LHTF, the proposed
73 ordinance states "The City has determined to create a local housing trust fund that is an Affordable

74 Housing Trust Fund which will encourage the creation of affordable housing for rental housing and
75 owner-occupied housing, promote the preservation of existing affordable housing and naturally
76 occurring affordable housing, and provide rental assistance and homeownership assistance to
77 persons of very low income, low income and moderate income.
78

79

80 **Racial Equity Impact Summary**

81 The LHTF aims to benefit programs and/or activities serving persons of very low, low and moderate
82 incomes who are in need of housing, either rental or ownership. The draft ordinance establishing the
83 LHTF prioritizes projects and/or activities that reduce disparities in homeownership and reduce
84 housing cost burden, housing instability and/or homelessness. In Roseville, BIPOC households are
85 far more likely to rent than own and renter households are far more likely to be housing cost-burdened
86 compared to homeowners. Further, the median household incomes of Blacks is only 60% of White
87 households. These demographics suggest the LHTF will have a positive impact on racial equity in
88 Roseville. Prior to formal consideration of the LHTF ordinance before the City Council, staff will
89 complete the Racial Equity Toolkit in an effort to provide a more meaningful summary of racial
90 equity impacts that may affect the language of the draft ordinance and/or future programs the LHTF
91 would support.
92

93

94 **Budget Implications**

95 At this time, there are no budget implications related to the LHTF, other than recognition the City's
96 Housing Aid sales tax proceeds would be diverted to the LHTF if not spent on a qualifying project
97 within three years. Section 911.4 of the draft ordinance lists possible funding sources, which
98 includes funds that may have future budget implications. These decisions will be at the sole
99 discretion of the REDA and City Council.
100

101

102 **Staff Recommendations**

103 Discuss the draft LHTF ordinance and provide feedback to staff.
104

105

106 **Requested Council Action**

107 Discuss the draft LHTF ordinance and provide feedback to staff.
108

109

110

Prepared by: Janice Gundlach, Community Development Director

Attachments: 1. Roseville_Affordable_Housing_Trust_Fund_ORDINANCE

111

47 Housing and Urban Development for the Minneapolis-St. Paul-Bloomington,
48 Minnesota-Wisconsin Metropolitan Statistical Area, as adjusted for smaller and
49 larger families.
50

51 **911.3 ELIGIBLE ACTIVITIES**
52

53 A. Pursuant to the authority granted to the City under Minnesota Statutes, Section
54 462C.16, the funds collected for deposit in the affordable housing trust fund may
55 be utilized for the following housing activities:
56

- 57 1. Grants, loans, and loan guarantees for the development, rehabilitation, or
58 financing of housing.
59
- 60 2. Match other funds from federal, state, county or private resources for
61 housing projects.
62
- 63 3. Rental assistance to Persons of Very Low, Low, and Moderate Income.
64
- 65 4. Downpayment assistance.
66
- 67 5. Homebuyer counseling services.
68
- 69 6. Affordability gap funds for Community Land Trust.
70
- 71 7. Emergency rental assistance for Persons of Low Income and Persons of
72 Very Low Income.
73
- 74 8. Financial support to nonprofit affordable housing providers offering the
75 activities listed in this section.
76
- 77 9. Payment of expenses to administer the Affordable Housing Trust Fund in
78 the maximum amount of ten percent of the balance of the Affordable
79 Housing Trust Fund.

80 B. Affordability Requirements.

- 81 1. Eligible projects will be designed for the purpose of construction,
82 acquisition, rehabilitation, demolition or removal of structures,
83 construction financing, permanent financing, interest rate reduction,
84 refinancing, and gap financing of housing affordable to Persons of
85 Moderate, Low, or Very Low Income.
- 86 2. Housing developed or rehabilitated with funds under this section must be
87 affordable to Persons of Moderate or Low Income.

88 C. Project Prioritization:

- 89 1. Projects will be prioritized that provide affordable housing to Persons of
90 Low and Very Low Income.
- 91 2. Projects may be prioritized that:
- 92 a. Reduce disparities in home ownership.
- 93 b. Reduce housing cost burden, housing instability, or homelessness.
- 94 c. Improve the habitability of homes.
- 95 d. Create accessible housing.
- 96 e. Create more energy- or water-efficient homes.

97
98 **911.4 FUNDING SOURCES.**
99

- 100 A. The City Council may pledge any of the following sources of funding, which may
101 include, but are not limited to funding of the Affordable Housing Trust Fund:
102
- 103 1. Private cash donations from individuals and corporations designated for
104 the Affordable Housing Trust Fund.
- 105 2. Grants or loans from a state, federal, county or local government or private
106 sources.
- 107 3. The sale of real and personal property.
- 108 4. Local government appropriations, development fees and other funds as
109 designated from time to time by the City Council.
- 110 5. Investment earnings from the Affordable Housing Trust Fund.
- 111 6. Tax Increment Finance (TIF) pooled funds.
- 112 7. Housing and Redevelopment levy funds.
- 113 8. Local Housing Aid funds.
- 114 9. Other sources of funding approved by the City Council.

115
116 **911.5 ADMINISTRATION OF AFFORDABLE HOUSING TRUST FUND.**
117

- 118 A. The Economic Development Authority in and for the City of Roseville (the
119 “Authority”) shall administer the Affordable Housing Trust Fund on behalf of the
120 City.

121 B. The Authority shall report annually to the City on the use of the Affordable
122 Housing Trust Fund, including the number of loans and grants made, the number
123 and types of residential units assisted, and the number of households provided
124 rental assistance and down payment assistance.

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SECTION 2: Effective date. This ordinance shall take effect upon its passage and publication.

Passed by the City Council of the City of Roseville this ___ day of _____ 20XX.

DRAFT

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Signatures as follows on separate page:

Ordinance – Title of Ordinance -

(SEAL)

CITY OF ROSEVILLE

BY: _____
Daniel J. Roe, Mayor

ATTEST:

Patrick Trudgeon, City Manager

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date:

11/6/2023

Item No.:

5.d.

Department Approval

City Manager Approval

Janice Gundlach

Samuel Trueman

Item Description:

Approve 2024 meeting dates

Background

Per the Roseville Economic Development Authority (REDA) by-laws, the REDA is required to hold regular meetings, which are set by the Authority at the final meeting of the year. Staff recommends continuing to schedule six regular bi-monthly meetings and then allow for additional meetings to be scheduled as needed. This proposed schedule allows staff to provide developers and other outside parties with a clear, identified timeline of when the REDA is scheduled to meet. The draft meeting dates are aligned with a draft calendar the Council will be asked to adopt at an upcoming City Council meeting. The REDA's regularly scheduled meetings occur in January, March, May, July, September, and November and align with the City Council's work session meetings except for the month of March due to scheduling conflicts.

Policy Objectives

The REDA's role is to coordinate and administer housing, economic development and redevelopment efforts for the City of Roseville.

Racial Equity Impact Summary

Not applicable

Budget Implications

Not applicable

Staff Recommendations

Approve the 2024 REDA meeting calendar.

29

30

31

Requested Council Action

32

By motion, approve the 2024 REDA meeting calendar.

33

34

35

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager

36

Attachments: 1. Meeting Schedule



DRAFT 2024 City Council / EDA Meeting Schedule

The Roseville City Council will meet at 6:00 p.m. in the City Council Chambers of Roseville City Hall, 2660 Civic Center Drive, on the following dates:

January

8 *Org Meeting*
22 *EDA
22 Work Session
29

July

8
15 *EDA
15 Work Session
22

February

12
21 Comm. Interviews
22 Comm. Interviews
26

August

5
19
21 Comm. Interviews

March

4 *EDA
4
11 Work Session
18

September

9
16 *EDA
16 Work Session
23

Note: Roseville Schools Spring Break March 25-29
Mounds View Schools Spring Break March 11-15

April

8
15 Work Session
22

October

7
14 Work Session
21

May

6
13 *EDA
13 Work Session
20

November

4 *EDA
4
25

June

3
17

December

2

Note: Rosefest Parade Monday, June 24

*Economic Development Authority will meet before Council meeting

Patrick Trudgeon